

directors' report

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30th June, 2006.

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of manufacturing and trading of confectionery and other related foodstuffs. The principal activities of the subsidiary companies are disclosed in Note 4 to the financial statements.

The principal activities of the Company and its subsidiary companies in the course of the financial year remained unchanged.

RESULTS

	Group RM	Company RM
Profit after taxation	14,200,881	11,815,420
Retained profit brought forward	<u>24,677,305</u>	<u>24,340,550</u>
Profit available for appropriation	38,878,186	36,155,970
First and final dividend paid of 15%, less 28% income tax on 22nd March, 2006	<u>(7,671,348)</u>	<u>(7,671,348)</u>
Retained profit carried forward	<u>31,206,838</u>	<u>28,484,622</u>

DIVIDENDS

Since the end of the previous financial year, a first and final dividend of 15%, less 28% income tax for the financial year ended 30th June, 2005 was paid on 22nd March, 2006 amounting to RM7,671,348 based on the issued and paid-up share capital of 71,031,000 ordinary shares of RM1.00 each.

The Directors propose a first and final dividend of 7%, less income tax 28% and 6% tax exempted amounting to RM7,841,822 in respect of the financial year ended 30th June, 2006, payable upon shareholders' approval after the conclusion of the forthcoming Annual General Meeting.

ISSUE OF SHARES OR DEBENTURES

During the financial year, the issued and fully paid up share capital of the Company was increased from 68,209,000 to 71,031,000 by an allotment of 536,000 new ordinary shares of RM1.00 each for cash at RM2.05 per share, exercised on 1st July, 2005 and 2,286,000 new ordinary shares, of RM1 each for cash at RM1.87 per share, exercised on 8th February, 2006, out of the 6,600,000 ordinary shares allocated under Employees Share Option Scheme. The purpose of this allotment is to allow equity participation by employees of the Company.

There were no issue of debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

Other than options granted and exercised under the Employees Share Option Scheme, there were no share options granted over unissued shares by the Company during the financial year.

EMPLOYEES SHARE OPTION SCHEME

London Biscuits Berhad Employees Share Option Scheme ("ESOS" or "the Scheme") is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 6th May, 2003.

The principal features of the ESOS are as follows:

- a) The Scheme shall be in force for a period of five years from 20th November, 2003 (the date of the confirmation letter by the Adviser) expiring on 19th November, 2008 but subject to any extension or renewal for a further period of five years as may be approved by the shareholders in a general meeting and any other relevant regulatory authority whose approval is necessary.
- b) Eligible persons are employees of the Company (including full time Executive Directors) who have been confirmed in the employment of the Company on the date of the offer. The eligibility for participation in the ESOS shall be at the discretion of the ESOS Committee appointed by the Board of Directors.
- c) The total number of shares to be issued under the ESOS shall not exceed 10% of the issued and paid-up share capital of the Company being, the maximum allowable allotment of shares, at any point of time during the duration of the Scheme.
- d) The option price for each new RM1.00 share to be offered shall be determined by the ESOS Committee in the following manner:
 - i) a price at a discount of not more than ten percent (10%) from the five (5) days weighted average market price of the Company's shares as shown in the daily official list issued by Bursa Malaysia Securities Berhad immediately preceding the Date of Offer; or
 - ii) the par value of the Company's shares of RM1.00 each,
 whichever is the higher.
- e) No option shall be granted for less than 1,000 shares and shall always be in multiples of 1,000 shares.
- f) An offer made by the ESOS Committee to a selected employee shall be valid for a period of twenty one days from the date of offer and may be accepted within this prescribed period by the selected employee to whom the offer is made by written notice to the ESOS Committee. Upon acceptance of an offer, the Grantee may during the option period exercise his options in full or in part in such manner as stipulated in the offer letter.
- g) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari-passu in all respects with the existing ordinary shares of the Company except that the shares so issued will not be entitled to any dividends, rights allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new ordinary shares.
- h) The by-laws do not prevent the persons to whom options have been granted no right to participate by virtue of the options in any share issue of any other company.

During the financial year, the number of options over the ordinary shares of RM1.00 each of the Company granted under the ESOS are as follows:

EMPLOYEES SHARE OPTION SCHEME (continued)**Number of options over ordinary shares of RM1.00 each**

Option date	Option Price Per Share	Balance at 1.7.2005	Granted	Exercised	Lapsed and available for reallocation	Balance at 30.6.2006
	RM					
15.1.2004	2.05	536,000	-	536,000	-	-
12.7.2004	1.87	3,444,000	-	2,286,000	161,000	997,000
		<u>3,980,000</u>	-	<u>2,822,000</u>	<u>161,000</u>	<u>997,000</u>

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the list of option holders and their holdings except for those employees who have been granted options of 130,000 and above ordinary shares of RM1.00 each pursuant to the ESOS during the financial year, as disclosed below:

Name of Employee	Number of options over 130,000 ordinary shares of RM1.00 each
Dato' Liew Kuek Hin, DIMP, PJK, JP	330,000
Dato' Liew Yew Chung, DIMP	330,000
Wah Keng Sen	175,000
Liew Yet Lee	160,000
Liew Yew Cheng	145,000
Wong Soo Len	<u>138,000</u>

Details relating to options exercised during the financial year are as follows:

Exercise date	Fair value of shares at share issue date RM/share	Exercise price RM/share	Number of shares issued 2006
1.7.2005	2.20	2.05	536,000
8.2.2006	1.91	1.87	<u>2,286,000</u>
			<u>2,822,000</u>
			2006 RM

Proceeds received on exercise of the above share options

5,373,620

RESERVES AND PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and are satisfied that all known bad debts have been written off and adequate allowance had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances that would render the amount of bad debts written off or allowance made for doubtful debts inadequate to any substantial extent.

CURRENT ASSETS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps to ascertain whether any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company and to the extent so ascertained were written down to an amount that they might be expected to realise.

At the date of this report, the Directors are not aware of any circumstances that would render the values attributed to the current assets of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year that secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

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

CHANGE OF CIRCUMSTANCES

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or in the financial statements of the Group and of the Company that would render any amount stated in the respective financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company for the financial year were not, in the opinion of the Directors, substantially affected by any item, transaction or event of a material and unusual nature.

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

DIRECTORS OF THE COMPANY

The Directors who served since the date of the last report are as follows:-

Dato' Liew Kuek Hin, DIMP, PJK, JP
Datin Lim Yook Lan
Dato' Liew Yew Chung, DIMP
Liew Yew Cheng
Liew Yet Mei
Liew Yet Lee
Dato' Cheong Siew Kai, DJMK, AMS, JP
Huang Yan Teo, PIS, PPN
Leslie Looi Meng

DIRECTORS' INTEREST

According to the register of directors shareholdings, the interest of directors in office at the end of the financial year in shares of the Company and related corporations during the financial year ended 30th June, 2006 are follows:-

Shares in the Company	No. of ordinary shares of RM1 each			Balance at 30.6.2006
	Balance at 1.7.2005	Bought	Sold	
Dato' Liew Kuek Hin, DIMP, PJK, JP (Executive Chairman)				
- direct	3,763,750	1,866,000	2,277,100	3,352,650
- indirect	35,867,587	3,855,200	6,495,500	33,227,287
Datin Lim Yook Lan (Non-Executive, Non-Independent Director)				
- direct	224,487	—	—	224,487
- indirect	39,406,850	5,721,200	8,772,600	36,355,450
Dato' Liew Yew Chung, DIMP (Managing Director/ CEO)				
- direct	4,315,285	2,264,000	3,020,500	3,558,785
- indirect	35,316,052	3,457,200	5,752,100	33,021,152
Liew Yew Cheng (Non-Executive, Non-Independent Director)				
- direct	75,231	145,000	3,000	217,231
- indirect	39,556,106	5,576,200	8,769,600	36,362,706
Liew Yet Mei (Non-Executive, Non-Independent Director)				
- direct	39,671	—	—	39,671
- indirect	39,591,666	5,721,200	8,772,600	36,540,266
Liew Yet Lee (Non-Executive, Non-Independent Director)				
- direct	39,671	160,000	3,000	196,671
- indirect	39,591,666	5,561,200	8,769,600	36,383,266

DIRECTORS' INTEREST (continued)

	No. of ordinary shares of RM1 each			
	Balance at 1.7.2005	Bought	Sold	Balance at 30.6.2006
Dato' Cheong Siew Kai, DJMK, AMS, JP (Independent Non-Executive Director)				
- direct	—	—	—	—
- indirect	—	—	—	—
Huang Yan Teo, PIS, PPN (Independent Non-Executive Director)				
- direct	—	—	—	—
- indirect	—	—	—	—
Leslie Looi Meng (Independent Non-Executive Director)				
- direct	—	—	—	—
- indirect	—	—	—	—

By virtue of their substantial shareholdings in the Company, Dato' Liew Kuek Hin, DIMP, PJK, JP, Datin Lim Yook Lan, Dato' Liew Yew Chung, DIMP, Messrs Liew Yew Cheng, Liew Yet Mei and Liew Yet Lee are also deemed interested in shares in all the subsidiary companies to the extent the Company has an interest.

Share options in the Company	Option price per share RM	Balance of Entitlement	No. of options granted over ordinary shares of RM1.00 each			
			Balance at 1.7.2005	Granted	Exercised	Balance at 30.6.2006
Dato' Liew Kuek Hin DIMP, PJK, JP	1.87	—	330,000	—	330,000	—
Dato' Liew Yew Chung DIMP	1.87	—	330,000	—	330,000	—
Liew Yew Cheng	1.87	—	145,000	—	145,000	—
Liew Yet Lee	1.87	—	160,000	—	160,000	—

DIRECTORS' BENEFITS

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

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

AUDITORS

The auditors, Messrs Wong Weng Foo & Co., have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution dated 30th October, 2006.

DATO' LIEW KUEK HIN, DIMP, PJK, JP
Director

DATO' LIEW YEW CHUNG, DIMP
Director

KUALA LUMPUR
30th October 2006

consolidated balance sheet as at 30th june 2006

	Note	2006 RM	2005 RM
ASSETS			
NON-CURRENT ASSETS			
Properties, plant and equipment	3	169,029,298	140,876,617
Investments	5	12,418,620	17,981,708
Goodwill on consolidation	6	2,194,980	3,116,591
		183,642,898	161,974,916
CURRENT ASSETS			
Inventories	7	16,753,496	14,803,031
Trade receivables	8	21,025,716	21,875,553
Other receivables, deposits & prepayments	9	16,205,648	14,160,927
Deposits, cash & bank balances	10	17,266,693	18,491,211
		71,251,553	69,330,722
TOTAL ASSETS		254,894,451	231,305,638
EQUITY			
Share capital	11	71,031,000	68,209,000
Share application monies		–	1,098,800
Reserves	12	41,962,551	32,881,398
SHAREHOLDERS' EQUITY		112,993,551	102,189,198
Minority interest		1,350,421	2,945,716
TOTAL EQUITY		114,343,972	105,134,914
LIABILITIES			
NON-CURRENT LIABILITIES			
Hire-purchase creditors	13	15,308,322	4,537,887
Term loans	14	42,341,745	42,670,182
Deferred taxation	15	15,246,406	13,070,734
		72,896,473	60,278,803
CURRENT LIABILITIES			
Trade Payables		12,832,068	9,831,052
Bankers' acceptances	14	35,000,000	46,712,000
Revolving Credits	14	9,018,417	–
Other payables & accruals	16	3,610,139	3,441,178
Hire-purchase creditors	13	6,457,613	4,095,177
Term loans	14	336,021	313,879
Bank Overdraft	17	–	1,147,468
Taxation		399,748	351,167
		67,654,006	65,891,921
TOTAL LIABILITIES		140,550,479	126,170,724
TOTAL EQUITY AND LIABILITIES		254,894,451	231,305,638

The attached notes form an integral part of the Financial Statements

consolidated income statement as at 30th june 2006

	Note	2006 RM	2005 RM
OPERATING REVENUE		107,740,358	81,957,606
COST OF SALES		(68,391,332)	(49,071,369)
GROSS PROFIT		39,349,026	32,886,237
SELLING & DISTRIBUTION EXPENSES		(7,138,100)	(3,137,133)
ADMINISTRATIVE EXPENSES		(10,933,645)	(10,699,087)
OTHER OPERATING INCOME		3,599,764	1,119,297
PROFIT FROM OPERATIONS		24,877,045	20,169,314
FINANCE COST	18	(6,241,081)	(5,686,957)
INVESTMENT INCOME	18	8,231	55,792
PROFIT BEFORE TAXATION	18	18,644,195	14,538,149
TAXATION	19	(3,957,529)	(2,801,474)
PROFIT AFTER TAXATION		14,686,666	11,736,675
Attributable to:			
Equity holders of the Company		14,200,881	11,502,654
Minority interest		485,785	234,021
		14,686,666	11,736,675
EARNINGS PER SHARE (sen)			
- Basic	20	20.39	16.86
- Fully diluted	20	19.94	15.84

consolidated statement of changes in equity for the year ended 30th june 2006

	Share capital (Note 11)	Share application monies	Share premium (Note 12)	Revaluation reserve (Note 12)	Retained profit (Note 12)	Minority Interest	Total
	RM	RM	RM	RM	RM	RM	RM
At 1st July, 2004	68,200,000	–	6,793,776	1,402,487	16,585,101	–	92,981,364
Employees share option scheme	9,000	–	7,830	–	–	–	16,830
First and final dividend paid of 5%, tax exempt on 8th February, 2005	–	–	–	–	(3,410,450)	–	(3,410,450)
Share application monies received	–	1,098,800	–	–	–	–	1,098,800
Minority interest share of net assets in subsidiary companies	–	–	–	–	–	1,850,711	1,850,711
Minority interest share of revaluation surplus on property, plant and equipment in subsidiary companies	–	–	–	–	–	860,984	860,984
Profit after taxation	–	–	–	–	11,502,654	234,021	11,736,675
At 30th June, 2005/ 1st July, 2005	68,209,000	1,098,800	6,801,606	1,402,487	24,677,305	2,945,716	105,134,914
Employees share option scheme	2,822,000	(1,098,800)	2,551,620	–	–	–	4,274,820
First and final dividend paid of 15%, less 28% income tax paid on 22nd March, 2006	–	–	–	–	(7,671,348)	–	(7,671,348)
Adjustment arising on revision of depreciation rate in a subsidiary company (net of disposals)	–	–	–	–	–	(333,606)	(333,606)
Minority interest share of net assets released on additional investment in equity stake of the subsidiary companies	–	–	–	–	–	(1,747,474)	(1,747,474)
Profit after taxation	–	–	–	–	14,200,881	485,785	14,686,666
At 30th June, 2006	71,031,000	–	9,353,226	1,402,487	31,206,838	1,350,421	114,343,972

The attached notes form an integral part of the Financial Statements

consolidated cash flow statement for the year ended 30th june 2006

	2006 RM	2005 RM
Cash Flow From Operating Activities		
Profit before taxation	18,644,195	14,538,149
Adjustments for:-		
Loss on disposal of investments	199,526	-
Adjustment arising on revision of depreciation rate	(1,896,529)	-
Amortisation of goodwill on consolidation	225,300	283,327
Impairment loss on investments	-	373,424
Impairment loss on investments no longer required	(477,337)	-
Depreciation		
- current year	9,357,661	8,610,533
- overprovision in prior year	(25,817)	-
- reversed upon refund	(4,586)	(4,118)
Gain on disposal of property, plant and equipment	(3,530,155)	(516,271)
Dividend income	(8,231)	(13,285)
Interest expense	6,241,081	5,686,957
Interest income	(42,846)	(507,710)
Operating profit before working capital changes	28,682,262	28,451,006
Increase in inventories	(1,950,465)	(3,289,218)
Increase in receivables	(1,996,478)	(7,099,269)
Increase in payables	3,169,977	2,143,496
Cash generated from operations	27,905,296	20,206,015
Dividend received	6,019	9,373
Dividend paid	(7,671,348)	(3,410,450)
Interest received	42,846	507,710
Interest paid	(6,241,081)	(5,686,957)
Tax paid	(1,227,676)	(1,678,551)
Tax refund	949,634	207,455
Net cash provided by operating activities	13,763,690	10,154,595
Cash Flow From Investing Activities		
Withdrawal of unit trust fund	1,300,474	2,000,000
Withdrawal/(Investment) in portfolio investments in quoted shares and in money markets	4,540,425	(11,007,345)
Investment in quoted shares	-	(6,500)
*Purchase of property, plant and equipment	(21,725,702)	(36,739,762)
Proceeds from disposal of property, plant and equipment	6,317,000	850,403
Refund on plant and machinery returned	25,000	494,104
+Net cash outflow from subscription in new shares of a subsidiary company/ acquisition of subsidiary companies	-	(14,893,991)
Net cash used in investing activities	(9,542,803)	(59,303,091)

The attached notes form an integral part of the Financial Statements

consolidated cash flow statement (continued)

	2006 RM	2005 RM
Cash Flow From Financing Activities		
Proceeds from issue of shares (net of share application monies received in previous year)	4,274,820	16,830
Share application monies	–	1,098,800
Net (decrease)/increase in bankers' acceptances	(11,712,000)	18,464,000
Net increase in revolving credits	9,018,417	–
Repayment of term loans	(306,295)	(292,652)
Hire-purchase instalments paid	(5,572,879)	(5,180,146)
Net cash (used in)/ provided by financing activities	(4,297,937)	14,106,832
Net changes in cash & cash equivalents	(77,050)	(35,041,664)
Cash & cash equivalents brought forward (Note 21)	17,343,743	52,385,407
Cash & cash equivalents carried forward (Note 21)	17,266,693	17,343,743

* Property, plant and equipment at aggregate cost of RM40,431,452 (2005 - RM43,053,650) was acquired during the financial year of which RM18,705,750 (2005 - RM6,313,888) was acquired by means of hire-purchase.

+ Net cash outflow from subscription in new shares of a subsidiary company/ acquisition of subsidiary companies consist of:-

	2006 RM	2005 RM
Property, plant and equipment	–	7,541,490
Investments	–	169,751
Inventories	–	2,519,843
Receivables	–	4,568,979
Payables	–	(4,272,380)
Deferred taxation	–	(319,800)
Minority interest	–	(1,850,711)
Net assets acquired net of cash and cash equivalents	–	8,357,172
Goodwill on consolidation	–	6,536,819
	–	14,893,991
 Cash consideration	 15,500,000	 12,725,686
Cash and cash equivalents acquired	–	2,168,305
Issue of new shares by the subsidiary company	(15,500,000)	–
Cash and cash equivalents acquired	–	14,893,991

balance sheet as at 30th june 2006

	Note	2006 RM	2005 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	138,952,592	115,821,011
Interest in subsidiary equipment	4	32,608,291	29,225,073
Investments	5	12,280,369	17,832,957
		183,841,252	162,879,041
CURRENT ASSETS			
Inventories	7	13,883,116	12,594,381
Trade receivables	8	18,534,787	19,614,033
Other receivables, deposits & prepayments	9	8,271,869	10,289,625
Deposits, cash & bank balances	10	15,485,188	17,982,854
		56,174,960	60,480,893
TOTAL ASSETS		240,016,212	223,359,934
EQUITY			
Share capital	11	71,031,000	68,209,000
Share application monies		–	1,098,800
Reserves	12	39,240,335	32,544,643
TOTAL EQUITY		110,271,335	101,852,443
LIABILITIES			
NON-CURRENT LIABILITIES			
Hire-purchase creditors	13	15,308,322	4,537,887
Term loans	14	42,341,745	42,670,182
Deferred taxation	15	13,730,000	12,085,000
		71,380,067	59,293,069
CURRENT LIABILITIES			
Trade payables		10,824,619	8,103,171
Bankers' acceptances	14	33,000,000	46,000,000
Revolving credits	14	5,000,000	–
Other payables & accruals	16	2,346,809	2,217,981
Hire-purchase creditors	13	6,457,613	4,095,177
Term loans	14	336,021	313,879
Bank overdrafts	17	–	1,133,047
Taxation		399,748	351,167
		58,364,810	62,214,422
TOTAL LIABILITIES		129,744,877	121,507,491
TOTAL EQUITY AND LIABILITIES		240,016,212	223,359,934

income statement for the year ended 30th june 2006

	Note	2006 RM	2005 RM
OPERATING REVENUE		96,218,642	79,999,694
COST OF SALES		(62,340,780)	(47,856,099)
GROSS PROFIT		33,877,862	32,143,595
SELLING & DISTRIBUTION EXPENSES		(6,894,463)	(3,067,084)
ADMINISTRATIVE EXPENSES		(9,331,826)	(10,042,980)
OTHER OPERATING INCOME		2,965,962	694,345
PROFIT FROM OPERATIONS		20,617,535	19,727,876
FINANCE COST	18	(6,105,169)	(5,649,217)
INVESTMENT INCOME	18	1,231	43,542
PROFIT BEFORE TAXATION	18	14,513,597	14,122,201
TAXATION	19	(2,698,177)	(2,956,302)
PROFIT AFTER TAXATION		11,815,420	11,165,899
EARNINGS PER SHARE (sen)			
- Basic	20	16.97	16.37
- Fully diluted	20	16.59	15.38

statement of changes in equity for the year ended 30th june 2006

	Share capital (Note 11) RM	Share application monies RM	Share premium (Note 12) RM	Revaluation reserve (Note 12) RM	Retained profit (Note 12) RM	Total RM
At 1st July 2004	68,200,000	–	6,793,776	1,402,487	16,585,101	92,981,364
Employees share option scheme	9,000	–	7,830	–	–	16,830
First and final dividend paid of 5%, tax exempt on 8th February, 2005	–	–	–	–	(3,410,450)	(3,410,450)
Share application monies received	–	1,098,800	–	–	–	1,098,800
Profit after taxation	–	–	–	–	11,165,899	11,165,899
At 30th June 2005/ 1st July 2005	68,209,000	1,098,800	6,801,606	1,402,487	24,340,550	101,852,443
Employees share option scheme	2,822,000	(1,098,000)	2,551,620	–	–	4,274,820
First and final dividend paid of 15%, less 28% income tax paid on 22nd March, 2006	–	–	–	–	(7,671,348)	(7,671,348)
Profit after taxation	–	–	–	–	11,815,420	11,815,420
At 30th June 2006	71,031,000	–	9,353,226	1,402,487	28,484,622	110,271,335

cash flow statement for the year ended 30th june 2006

	2006 RM	2005 RM
Cash Flow From Operating Activities		
Profit before taxation	14,513,597	14,122,201
Adjustments for:-		
Loss on disposal of investments	199,526	—
Impairment loss on investments	—	352,424
Impairment loss on investments no longer required	(487,837)	—
Depreciation		
- current year	8,698,022	8,469,190
- reversed upon refund	(4,586)	(4,118)
Gain on disposal of property, plant and equipment	(3,037,095)	(27,000)
Dividend income	(1,231)	(1,035)
Interest expense	6,105,169	5,649,217
Interest income	(38,463)	(502,800)
Operating profit before working capital changes	25,947,102	28,058,079
Increase in inventories	(1,288,735)	(3,600,411)
Decrease/ (Increase) in receivables	15,213,784	(22,415,683)
Increase in payables	2,850,276	2,741,798
Cash generated from operations	42,722,427	4,783,783
Dividend received	979	840
Dividend paid	(7,671,348)	(3,410,450)
Interest received	38,463	502,800
Interest paid	(6,105,169)	(5,649,217)
Tax paid	(1,004,344)	(1,119,971)
Net cash provided by / (used in) operating activities	27,981,008	(4,892,215)
Cash Flow From Investing Activities		
Withdrawal of unit trust fund	1,300,474	2,000,000
Withdrawal/(Investment) in portfolio investments in quoted shares and in money markets	4,540,425	(11,007,345)
Investment in quoted shares	—	(6,500)
* Purchase of property, plant and equipment	(18,113,954)	(23,619,193)
Proceeds from disposal of property, plant and equipment	8,006,782	103,403
Refund on plant and machinery returned	25,000	494,104
Investment in subsidiary companies	(15,500,000)	(12,725,686)
Net cash used in investing activities	(19,741,273)	(44,761,217)

cash flow statement (continued)

	2006 RM	2005 RM
Cash Flow From Financing Activities		
Proceeds from issue of shares (net of share application monies received in previous year)	4,274,820	16,830
Share application monies	–	1,098,800
Net (decrease)/ increase in bankers' acceptances	(13,000,000)	18,475,000
Net increase in revolving credits	5,000,000	–
Repayment of term loans	(306,295)	(292,652)
Hire-purchase instalments paid	(5,572,879)	(5,180,146)
Net cash (used in)/ provided by financing activities	(9,604,354)	14,117,832
Net changes in cash & cash equivalents	(1,364,619)	(35,535,600)
Cash & cash equivalents brought forward (Note 21)	16,849,807	52,385,407
Cash & cash equivalents carried forward (Note 21)	15,485,188	16,849,807

* Property, plant and equipment at aggregate cost of RM36,819,704 (2005 - RM29,933,081) was acquired during the financial year of which RM18,705,750 (2005 - RM6,313,888) was acquired by means of hire-purchase.

notes to the financial statements

30th june 2006

1. PRINCIPAL ACTIVITIES

The principal activities of the Company consist of manufacturing and trading of confectionery and other related foodstuffs. The principal activities of the subsidiary companies are disclosed in Note 4 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following significant accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

2.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as disclosed in this summary of significant accounting policies.

The preparation of financial statements, in conformity with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965, requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported financial year. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results could differ from those estimates.

2.2 Subsidiary Companies and Basis of Consolidation

Subsidiary companies are enterprises controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of the enterprises so as to obtain benefits from their activities.

The consolidated financial statements include the financial statements of the Company and its subsidiary companies made up to the balance sheet date using the acquisition method of accounting. Under this method, the results of the subsidiary companies acquired are included in the consolidated financial statements from the dates of acquisitions.

Net reserve or goodwill arising from consolidation represents the deficit/ excess of the purchase price over the fair values of identifiable net assets of the subsidiary companies and amortised over a period of 12 years.

All inter-company balances and transactions are eliminated on consolidation and the consolidated financial statements reflect external transactions only.

2.3 Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost as modified by the revaluation of certain freehold land and buildings, leasehold land and building and certain plant and machinery less accumulated depreciation and accumulated impairment loss, if any.

No depreciation is provided on freehold land, freehold building-in-progress and plant and machinery under installation.

Leasehold land and buildings is amortised over the remaining leasehold period.

All other property, plant and equipment are depreciated on a straight line basis to write off the cost of each asset over the expected useful lives of the assets concerned. The principal annual rates used are as follows:-

Property, Plant and Equipment and Depreciation (Continued)

Freehold buildings	1%
Plant & machinery	6 2/3%
Plant and machinery at group cost	6 2/3%
Motor vehicles	20%
Furniture & fittings	10%
Office & laboratory equipment	10%
Renovations & electrical fittings	10%

The Group and Company adopts the policy to revalue its freehold land and buildings every 5 years. Surplus arising from revaluation is credited directly to revaluation reserve. Deficit in excess of the revaluation reserve arising from previous revaluation is taken to the income statement.

During the financial year the depreciation rate of the plant and machinery of the subsidiary companies was revised from 10% to 6 2/3% per annum to be uniform with that adopted by the Company. The effect of the revision resulted in an increase in profit of the Group for the year ended 30th June, 2006 by RM25,817.

2.4 Inventories

Inventories are valued at the lower of cost and net realisable value on the weighted average cost basis. Cost of raw materials comprise the cost of purchase plus the cost of bringing the inventories to their present location and condition. For finished goods and work-in-progress cost consist of raw materials, direct labour and an appropriate proportion of production overheads.

Net realisable value is the estimated selling price in the ordinary course of business less selling expenses. In arriving at net realisable value, due allowance is made for all obsolete and slow moving inventories.

2.5 Investments

Investments in subsidiaries are stated at cost less impairment losses, if any. Investments in quoted shares, quoted unit trust fund, portfolio investment in quoted shares and money market and unquoted bonds held as long term investments are stated at cost less accumulated impairment losses, if any. Marketable securities are carried at lower of cost and market value. Market value is calculated by reference to stock exchange quoted price at close of business on the balance sheet date.

2.6 Receivables

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

2.7 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances and deposits with licensed banks, net of outstanding bank overdrafts which are subject to an insignificant risk of changes in value.

2.8 Payables

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

2.9 Provisions

Provisions are recognised when there is a present obligation, legal or constructive 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 can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

2.10 Hire-Purchase

Property, plant and equipment acquired under hire-purchase are capitalised and are depreciated in accordance with the policy stated in Note 2.3 and the corresponding obligations relating to the remaining capital payments are treated as liabilities. Finance charges are charged to the income statement over the period of the plan and accounted for on a straight line method.

2.11 Interest-Bearing Borrowings

Interest-bearing bank loans and overdrafts are recorded at the amount of proceeds received, net of transaction costs.

Borrowing costs directly attributable to the acquisition of property, plant and equipment are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use. All other borrowing costs are charged to the income statement as an expense in the period in which they are incurred.

2.12 Share Capital

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost incurred directly attributable to the issuance of the shares are accounted for as a deduction from share premium, otherwise it is charged to the income statement.

Dividends to shareholders are recognised in equity in the period in which they are declared or approved by shareholders at general meeting.

2.13 Income Tax

Income tax on the profit 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, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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.

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

2.14 Foreign Currencies

Foreign currency transactions are converted into Ringgit Malaysia at the rates of exchange ruling on the transaction dates. Monetary assets and liabilities in foreign currencies at balance sheet date are translated into Ringgit Malaysia at the exchange rates ruling at that date. All exchange gains and losses are taken up in the income statement.

The principal closing rates used in translation are as follows:-

Foreign currency	2006 RM	2005 RM
1 US Dollar	3.7	3.8
1 Australian Dollar	2.7	3.0
1 Singapore Dollar	2.3	2.3
1 Euro	4.6	4.6
1 Great Britain Pound	6.7	6.9

2.15 Impairment of Assets

The carrying values of assets, other than inventories, are reviewed for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. An impairment loss is charged to the income statement immediately unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

2.16 Financial instruments

- i) Financial instruments are recognised in the respective balance sheets when the Group have become a party to the contractual provisions of the instruments. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

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

- ii) Fair value estimation for disclosure purposes

- (a) The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

Financial instruments (Continued)

- (b) The fair values of publicly traded securities are estimated based on quoted market prices at the balance sheet date.
- (c) The fair values of long term borrowings and hire-purchase creditors are estimated using discounted cash flow analysis at current market interest rate available for similar types of lending and borrowing arrangements.

2.17 Employee's Benefits

i) Short term employees benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non monetary benefits are accrued in the period in which the associated services are rendered by the employees of the Group.

ii) Post-employment benefits

Defined contribution plan

The Group's contribution to the defined contribution plan ("Employees Provident Fund") are charged to the income statement in the period in which they relate. Once the contributions have been paid, the Group have no further payment obligations.

iii) Equity compensation benefits

The Employees Share Option Scheme allows the employees to acquire shares of the Company. No compensation cost or obligation is recognised. When the options are exercised, equity is increased by the amount of the proceeds received.

2.18 Revenue

Operating revenue of the Group and of the Company represents invoiced value of goods sold net of returns and discounts.

Revenue Recognition

- i) Revenue from sale of goods is recognised when the risks and rewards of ownership of the goods have been transferred to the buyers.
- ii) Other sources of income earned, including interest income, rental income and consultancy income are recognised on an accrual basis.
- iii) Interest from investment in bonds is accounted for in the income statement when the right to receive payment is established.
- iv) Dividend income from investment in quoted shares is accounted for in the income statement when the right to receive payment is established.

3. PROPERTY, PLANT AND EQUIPMENT

GROUP	At valuation		At group cost		At cost									
	Freehold land & buildings	Leasehold land & building	Plant & machinery	Freehold land & building	Freehold buildings-in progress	Plant & machinery	Plant & machinery under installation	Motor vehicles	Furniture & fittings	Office & laboratory equipment	Renovations & electrical fittings			
2006	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM			
COST/ VALUATION	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM			
At 1st July	11,262,485	6,564,911	5,077,000	7,922,924	830,310	99,909,801	27,716,810	5,197,732	4,107,228	2,101,694	5,820,474			
Additions	-	211,679	-	-	1,151,174	2,833,039	34,458,199	1,332,510	111,465	190,581	142,805			
Reclassification	-	-	-	-	-	6,025,581	(6,025,581)	-	-	-	-			
Disposals	-	-	(430,000)	-	-	(4,619,070)	-(1,677,041)	-	-	(7,800)	-			
Reversed upon refund	-	-	-	-	-	(25,000)	-	-	-	-	-			
At 30th June	11,262,485	6,776,590	4,647,000	7,922,924	1,981,484	104,124,351	56,149,428	4,853,201	4,218,693	2,284,475	5,963,279			
ACCUMULATED DEPRECIATION														
At 1st July	385,415	26,520	84,617	62,726	-	27,968,210	-	2,605,035	1,342,914	945,632	2,213,683			
Charge for the year	77,084	173,516	393,465	52,819	-	6,685,747	-	862,826	405,968	199,866	506,370			
Overprovision in prior year	-	-	(25,817)	-	-	-	-	-	-	-	-			
Disposals	-	-	(7,167)	-	-	(2,239,183)	-(1,554,418)	-	-	(6,630)	-			
Reversed upon refund	-	-	-	-	-	(4,586)	-	-	-	-	-			
At 30th June	462,499	200,036	445,098	115,545	-	32,410,188	-	1,913,443	1,748,882	1,138,868	2,720,053			
NET BOOK VALUE	10,799,986	6,576,554	4,201,902	7,807,379	1,981,484	71,714,163	56,149,428	2,939,758	2,469,811	1,145,607	3,243,226			



PROPERTY, PLANT AND EQUIPMENT (Continued)

	At valuation		At group cost		At cost													
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
2005	Freehold land & buildings	Leasehold land & buildings	Plant & machinery	Freehold land & building	Freehold buildings-in progress	Plant & machinery	Plant & machinery under installation	Motor vehicles	Furniture & fittings	Office & laboratory equipment	Renovations & electrical fittings	Total						
COST/	VALUATION																	
At 1st July	11,262,485	-	-	5,222,462	190,500	78,714,813	11,396,935	3,529,699	3,339,264	1,972,284	4,487,182	120,115,624						
Acquisition of subsidiaries	-	6,058,242	14,174,722	-	-	1,280,853	-	796,778	194,193	427,110	-	22,931,898						
Additions	-	64,911	-	2,700,462	639,810	8,708,200	27,716,810	1,119,990	573,771	196,404	1,333,292	43,053,650						
Revaluation surplus/(deficit)	-	441,758	(8,632,722)	-	-	-	-	-	-	-	-	(8,190,964)						
Reclassification	-	-	-	-	-	11,396,935	(11,396,935)	-	-	-	-	-						
Disposals	-	-	(465,000)	-	-	(191,000)	-	(248,735)	-	-	-	(904,735)						
Reversed upon refund	-	-	-	-	-	-	-	-	-	(494,104)	-	(494,104)						
At 30th June	11,262,485	6,564,911	5,077,000	7,922,924	830,310	99,909,801	27,716,810	5,197,732	4,107,228	2,101,694	5,820,474	176,511,369						
ACCUMULATED DEPRECIATION																		
At 1st July	308,332	-	-	17,408	-	20,539,269	-	1,281,002	824,470	482,759	1,738,875	25,192,115						
Acquisition of subsidiaries	-	1,623,609	11,567,245	-	-	1,038,470	-	698,122	151,610	311,352	-	15,390,408						
Revaluation surplus	-	(1,623,609)	(11,567,245)	-	-	-	-	-	-	-	-	(13,190,854)						
Charge for the year	77,083	26,520	84,617	45,318	-	6,505,068	-	874,646	366,834	155,639	474,808	8,610,533						
Disposals	-	-	-	-	-	(114,597)	-	(248,735)	-	-	-	(363,332)						
Reversed upon refund	-	-	-	-	-	-	-	-	-	(4,118)	-	(4,118)						
At 30th June	385,415	26,520	84,617	62,726	-	27,968,210	-	2,605,035	1,342,914	945,632	2,213,683	35,634,752						
NET BOOK VALUE																		
At 1st July	10,877,070	6,538,391	4,992,383	7,860,198	830,310	71,941,591	27,716,810	2,592,697	2,764,314	1,156,062	3,606,791	140,876,617						
At 30th June	10,877,070	6,538,391	4,992,383	7,860,198	830,310	71,941,591	27,716,810	2,592,697	2,764,314	1,156,062	3,606,791	140,876,617						

PROPERTY, PLANT AND EQUIPMENT (Continued)

COMPANY

At valuation At cost

2006	Freehold land & buildings	Freehold land & building	Freehold buildings-in progress	Plant & building	Plant & machinery under installation	Motor vehicles	Furniture & fittings	Office & laboratory equipment	Renovations & electrical fittings	Total
COST/ VALUATION	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
At 1st July	11,262,485	7,922,924	830,310	98,628,948	14,712,169	4,587,265	3,910,335	1,626,267	5,820,474	149,301,177
Additions	-	-	1,151,174	2,147,404	31,788,912	1,332,510	108,315	148,584	142,805	36,819,704
Reclassification	-	-	-	6,025,581	(6,025,581)	-	-	-	-	-
Disposals	-	-	-	(7,833,110)	-	(1,349,407)	-	-	-	(9,182,517)
Reversed upon refund	-	-	-	(25,000)	-	-	-	-	-	(25,000)
At 30th June	11,262,485	7,922,924	1,981,484	98,943,823	40,475,500	4,570,368	4,018,650	1,774,851	5,963,279	176,913,364
ACCUMULATED DEPRECIATION										
At 1st July	385,415	62,726	-	26,920,962	-	2,080,093	1,188,915	628,372	2,213,683	33,480,166
Charge for the year	77,084	52,819	-	6,661,435	-	849,574	388,175	162,565	506,370	8,698,022
Disposals	-	-	-	(2,931,440)	-	(1,281,390)	-	-	-	(4,212,830)
Reversed upon refund	-	-	-	(4,586)	-	-	-	-	-	(4,586)
At 30th June	462,499	115,545	-	30,646,371	-	1,648,277	1,577,090	790,937	2,720,053	37,960,772
NET BOOK VALUE										
	10,799,986	7,807,379	1,981,484	68,297,452	40,475,500	2,922,091	2,441,560	983,914	3,243,226	138,952,592



PROPERTY, PLANT AND EQUIPMENT (Continued)

	At valuation				At cost					
	Freehold land & buildings	Freehold land & building	Freehold buildings-in progress	Plant & building	Plant & machinery under installation	Motor vehicles	Furniture & fittings	Office & laboratory equipment	Renovations & electrical fittings	Total
2005	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
COST/ VALUATION	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
At 1st July	11,262,485	5,222,462	190,500	78,714,813	11,396,935	3,529,699	3,339,264	1,972,284	4,487,182	120,115,624
Additions	-	2,700,462	639,810	8,708,200	14,712,169	1,119,990	571,071	148,087	1,333,292	29,933,081
Reclassification	-	-	-	11,396,935	(11,396,935)	-	-	-	-	-
Disposals	-	-	-	(191,000)	-	(62,424)	-	-	-	(253,424)
Reversed upon refund	-	-	-	-	-	-	-	(494,104)	-	(494,104)
At 30th June	11,262,485	7,922,924	830,310	98,628,948	14,712,169	4,587,265	3,910,335	1,626,267	5,820,474	149,301,177
ACCUMULATED DEPRECIATION										
At 1st July	308,332	17,408	-	20,539,269	-	1,281,002	824,470	482,759	1,738,875	25,192,115
Charge for the year	77,083	45,318	-	6,496,290	-	861,515	364,445	149,731	474,808	8,469,190
Disposals	-	-	-	(114,597)	-	(62,424)	-	-	-	(177,021)
Reversed upon refund	-	-	-	-	-	-	-	(4,118)	-	(4,118)
At 30th June	385,415	62,726	-	26,920,962	-	2,080,093	1,188,915	628,372	2,213,683	33,480,166
NET BOOK VALUE	10,877,070	7,860,198	830,310	71,707,986	14,712,169	2,507,172	2,721,420	997,895	3,606,791	115,821,011

PROPERTY, PLANT AND EQUIPMENT (Continued)

- a) Details of independent professional valuation of freehold and leasehold properties owned by the Group at 30th June, 2006 are as follows:

Year of Valuation	Description of Property	Location	Amount RM	Basis of Valuation
2002	Industrial land with office and factory building for manufacturing of corn extruded products	H.S.(D) No. 191719 PTD No. 91908 and H.S.(D) No. 191720 PTD No. 91909 Mukim of Pelentung District of Johor Bahru State of Johor	2,300,000	Comparison Method and Income Approach
2002	Two units of adjoining one and a half storey terrace factory (a corner unit and an intermediate unit) for the manufacturing of bakery products	H.S.(D) No. 191403 PTD No. 89457 and H.S.(D) No. 191404 PTD No. 89458 Mukim of Pelentung District of Johor Bahru State of Johor	1,300,000	Comparison Method and Income Approach
2002	Industrial land with office and factory building for warehouse and manufacturing of bakery products	H.S.(D) No. 237253 Lot PTD No. 115209, H.S.(D) No. 237254 Lot PTD No. 115210, H.S.(D) No. 237255 Lot PTD No. 115211, H.S.(D) No. 237256 Lot PTD No. 115212 Mukim of Plentong District of Johor Bahru State of Johor	6,600,000	Comparison Method and Income Approach
2002	Double storey semi-detached house	H.S.(D) No. 22041 Lot MLO 2485 Mukim of Plentong District of Johor Bahru State of Johor	450,000	Comparison Method and Cost Method
2002	Office lot within Megan Phileo Avenue	Unit No. B-06-09 Megan Phileo Avenue 12 Jalan Yap Kwan Seng 50450 Kuala Lumpur	600,000	Comparison Method and Income Approach

PROPERTY, PLANT AND EQUIPMENT (Continued)

Year of Valuation	Description of Property	Location	Amount RM	Basis of Valuation
2005	Industrial land with a two-storey office with a single-storey factory for the manufacturing of bakery products	PN 6715 Lot No. 51709 Mukim of Plentong District of Johor Bahru Johor Darul Takzim	3,900,000	Comparison Method and Cost Method
2005	Industrial land with a two-storey office with a single-storey factory for the manufacturing of bakery products	H.S.(D) 124988 PTD No. 71051 Mukim of Plentong District of Johor Bahru Johor Darul Takzim	2,600,000	Comparison Method and Cost Method

The leasehold properties of the subsidiaries were revalued by a firm of professional valuers Messrs Colliers Jordan Lee & Jaafar on 29th March, 2005.

- b) Surplus arising from the valuation of properties of the Company amounted to RM1,402,487 (2005 - RM1,402,487). Deferred taxation arising thereon amounted to RM81,956 (2005 - RM81,956) was not provided for in the financial statements as these properties are meant to be held for long term with no immediate intention to resale.
- c) Surplus arising from the valuation of the subsidiaries properties and plant and machinery totaling RM2,208,362 (as revised) (2005 - RM4,999,890), net of disposals, have been incorporated in the consolidated financial statements, to restate these assets at fair value thereof to the Group.
- d) Included herein for the year ended 30th June, 2006 are the following plant and equipment acquired under hire-purchase instalment plans:-

Group & Company

Net Book Value	2006 RM	2005 RM
Plant and machinery	36,228,386	21,597,177
Motor vehicles	2,800,706	2,387,672

- e) Had the revalued property, plant and equipment been carried at historical cost less accumulated depreciation, the net book value of each class of property, plant and equipment as at 30th June, 2006 would be as follows:-

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Freehold land and buildings	9,444,167	9,511,818	9,444,167	9,511,818
Leasehold land and buildings	4,253,897	4,157,942	-	-
Plant and machinery	2,073,704	2,655,610	-	-

PROPERTY, PLANT AND EQUIPMENT (Continued)

- f) Included in the cost of property, plant and equipment of the Group and of the Company are fully depreciated assets still in use of RM2,442,610 (2005 - RM1,984,666) and RM1,706,878 (2005 - RM1,650,792), respectively.

4. INTEREST IN SUBSIDIARY COMPANIES

Company	2006 RM	2005 RM
Unquoted shares, at cost	28,225,686	12,725,686
Amount due from a subsidiary company	4,382,605	16,499,387
	<u>32,608,291</u>	<u>29,225,073</u>

The subsidiary companies, incorporated in Malaysia, are as follows:-

Name of Company	Effective Equity Interest		Principal Activities
	2006 %	2005 %	
Kinos Food Industries (M) Sdn. Bhd.	95.49	76.98	Investment holding, manufacturing and trading of confectioneries and snack food
*Kim Choaw Sdn. Bhd.	95.49	76.98	Letting of property
*Kinos Food Trading Sdn. Bhd.	95.49	76.98	Trading of preserved foods and general food stuffs
*Ultimate Flora Sdn. Bhd.	95.49	76.98	Investment holding
+Variasi Selesa Sdn. Bhd.	95.49	76.98	Dormant
+Sasaran Irama Sdn. Bhd.	95.49	76.98	Dormant
+Desa Potensi Sdn. Bhd.	95.49	76.98	Dormant

* Wholly owned subsidiaries of Kinos Food Industries (M) Sdn Bhd.

+ Wholly owned subsidiaries of Ultimate Flora Sdn Bhd.

5. INVESTMENTS

Group		2006		2005
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Quoted (in Malaysia)	RM	Value	RM	Value
	RM	RM	RM	RM
Shares in a corporations	301,596	156,078	301,596	165,540
Unit trust fund	–	–	1,500,000	1,272,405
Portfolio investment in quoted shares and in money markets	<u>8,466,920</u>	<u>8,262,541</u>	<u>13,007,345</u>	<u>12,543,762</u>
	8,768,516	8,418,619	14,808,941	13,981,707
Quoted (outside Malaysia)				
Shares in a corporations (At group cost)	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	8,768,517	8,418,620	14,808,942	13,981,708
Less: Impairment loss on investments	<u>(349,897)</u>	<u>–</u>	<u>(827,234)</u>	<u>–</u>
	8,418,620	<u>8,418,620</u>	13,981,708	<u>13,981,708</u>
Unquoted (in Malaysia)				
Bonds	4,000,000		4,000,000	
Total	<u>12,418,620</u>		<u>17,981,708</u>	

Company		2006		2005
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Quoted (in Malaysia)	RM	Value	RM	Value
	RM	RM	RM	RM
Shares in a corporation	53,182	17,828	53,182	16,790
Unit trust fund	–	–	1,500,000	1,272,405
Portfolio investment in quoted shares and in money markets	<u>8,466,920</u>	<u>8,262,541</u>	<u>13,007,345</u>	<u>12,543,762</u>
	8,520,102	8,280,369	14,560,527	13,832,957
Less: Impairment loss on investments	<u>(239,733)</u>	<u>–</u>	<u>(727,570)</u>	<u>–</u>
	8,280,369	<u>8,280,369</u>	13,832,957	<u>13,832,957</u>
Unquoted (in Malaysia)				
Bonds	<u>4,000,000</u>		<u>4,000,000</u>	
	<u>12,280,369</u>		<u>17,832,957</u>	

6. GOODWILL ON CONSOLIDATION

Group	2006 RM	2005 RM
At 1st July	3,116,591	–
Arising on acquisition of subsidiaries	–	6,536,819
Less: Net revaluation surplus arising from revaluation of property, plant and equipment of certain subsidiaries acquired, to restate to their fair values as follows:		
-properties	–	(1,510,424)
-plant and machinery	–	(1,626,477)
Add: Adjustment of net revaluation surplus upon revision of depreciation rate of plant and machinery of the subsidiary companies from 10% to 6 2/3%	1,051,163	–
Less: Proportion of minority interest share of the net assets released on additional investment in equity stake of the subsidiary companies	(1,747,474)	–
	<u>2,420,280</u>	<u>3,399,918</u>
Less: Amortisation for the year	<u>(225,300)</u>	<u>(283,327)</u>
At 30th June	<u>2,194,980</u>	<u>3,116,591</u>

7. INVENTORIES

	Group		Company	
At cost:	2006 RM	2005 RM	2006 RM	2005 RM
Raw materials	9,530,256	8,619,108	8,081,972	7,252,628
Work-in-progress	1,327,694	1,154,168	1,149,999	1,070,935
Finished goods	<u>5,895,546</u>	<u>5,029,755</u>	<u>4,651,145</u>	<u>4,270,818</u>
	<u>16,753,496</u>	<u>14,803,031</u>	<u>13,883,116</u>	<u>12,594,381</u>

8. TRADE RECEIVABLES

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Trade receivables	21,138,851	22,069,146	18,647,922	19,727,471
Less: Allowance for doubtful debts	<u>(113,135)</u>	<u>(193,593)</u>	<u>(113,135)</u>	<u>(113,438)</u>
	<u>21,025,716</u>	<u>21,875,553</u>	<u>18,534,787</u>	<u>19,614,033</u>

9. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2006	2005	2006	2005
	RM	RM	RM	RM
Other receivables	480,855	1,064,323	445,458	989,116
Tax recoverable	495,635	1,297,229	–	–
Sundry deposits	1,274,877	331,055	1,250,137	300,735
Deposits for purchase of property, plant and equipment	13,158,045	10,169,948	5,822,094	7,724,948
Prepayments	796,236	1,298,372	754,180	1,274,826
	<u>16,205,648</u>	<u>14,160,927</u>	<u>8,271,869</u>	<u>10,289,625</u>

Included in prepayments of the Group and of the Company is an amount of RM400,000 (2005 – RM600,000) being balance of up front amount for costs and reimbursements relating to an issue and placement of bonds in respect of the RM40 million term loan as disclosed in note 14. This amount is amortised over the period of the tenure of the loan of 5 years.

10. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2006	2005	2006	2005
	RM	RM	RM	RM
Fixed deposits with licensed banks	501,709	481,243	501,709	481,243
Cash and bank balances	<u>16,764,984</u>	<u>18,009,968</u>	<u>14,983,479</u>	<u>17,501,611</u>
	<u>17,266,693</u>	<u>18,491,211</u>	<u>15,485,188</u>	<u>17,982,854</u>

The average interest rate ranges and maturity periods of fixed deposits at the balance sheet date were as follows:

	Group		Company	
	2006	2005	2006	2005
Average interest rate ranges	3.7%	3.7%	3.7%	3.7%
Average maturity periods	<u>12 months</u>	<u>12 months</u>	<u>12 months</u>	<u>12 months</u>

11. SHARE CAPITAL

	2006		2005	
Company	Number of ordinary shares of RM1 each	RM	Number of ordinary shares of RM1 each	RM
Authorised:	<u>100,000,000</u>	<u>100,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>
Issued and Fully Paid:				
At 1st July	68,209,000	68,209,000	68,200,000	68,200,000
ESOS	<u>2,822,000</u>	<u>2,822,000</u>	<u>9,000</u>	<u>9,000</u>
At 30th June	<u>71,031,000</u>	<u>71,031,000</u>	<u>68,209,000</u>	<u>68,209,000</u>

SHARE CAPITAL (Continued)**Employees Shares Option Scheme("ESOS")**

The Employees Share Option Scheme ("ESOS" or "the Scheme") is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 6th May, 2003.

The principal features of the ESOS are as follows:

- a) The Scheme shall be in force for a period of five years from 20th November, 2003 (the date of the confirmation letter by the Adviser) expiring on 19th November, 2008 but subject to any extension or renewal for a further period of five years as may be approved by the shareholders in a general meeting and any other relevant regulating authority whose approval is necessary.
- b) Eligible persons are employees of the Company (including full time Executive Directors) who have been confirmed in the employment of the Company on the date of the offer. The eligibility for participation in the ESOS shall be at the discretion of the ESOS Committee appointed by the Board of Directors.
- c) The total number of shares to be issued under the ESOS shall not exceed 10% of the issued and paid-up share capital of the Company being, the maximum allowable allotment of shares, at any point of time during the duration of the Scheme.
- d) The option price for each new RM1.00 share to be offered shall be determined by the ESOS Committee in the following manner:
 - i) a price at a discount of not more than ten percent (10%) from the five (5) days weighted average market price of the Company's shares as shown in the daily official list issued by Bursa Malaysia Securities Berhad immediately preceding the Date of Offer; or
 - ii) the par value of the Company's shares of RM1.00 each,whichever is the higher.
- e) No option shall be granted for less than 1,000 shares and shall always be in multiples of 1,000 shares.
- f) An offer made by the ESOS Committee to a selected employee shall be valid for a period of twenty one days from the date of offer and may be accepted within this prescribed period by the selected employee to whom the offer is made by written notice to the ESOS Committee. Upon acceptance of an offer, the Grantee may during the option period exercise his options in full or in part in such manner as stipulated in the offer letter.
- g) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari-passu in all respects with the existing ordinary shares of the Company except that the shares so issued will not be entitled to any dividends, rights allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new ordinary shares.
- h) The by-laws do not prevent the persons to whom options have been granted no right to participate by virtue of the options in any share issue of any other company.

SHARE CAPITAL (Continued)

During the financial year, the number of options over the ordinary shares of RM1.00 each of the Company granted and exercised under the ESOS are as follows:

<u>Option date</u>	<u>Option price per share</u>	<u>Number of options over ordinary shares of RM1.00 each</u>				<u>Balance at 30.6.2006</u>
		<u>Balance at 1.7.2005</u>	<u>Granted</u>	<u>Exercised</u>	<u>Lapsed and available for reallocation</u>	
	RM					
15.1.2004	2.05	536,000	–	536,000	–	–
12.7.2004	1.87	3,444,000	–	2,286,000	161,000	997,000
		<u>3,980,000</u>	<u>–</u>	<u>2,822,000</u>	<u>161,000</u>	<u>997,000</u>

Details relating to options exercised during the financial year as follows:

<u>Exercise date</u>	<u>Fair value of shares at share issue date</u>	<u>Exercise price</u>	<u>Number of shares issued</u>
	<u>RM/share</u>	<u>RM/share</u>	<u>2006</u>
1.7.2005	2.20	2.05	536,000
8.2.2006	1.91	1.87	<u>2,286,000</u>
			<u>2,822,000</u>
			2006
			RM
			<u>5,373,620</u>

Proceeds received on exercise of share options

12. RESERVES

	<u>Group</u>		<u>Company</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Non-distributable:-				
Share premium	9,353,226	6,801,606	9,353,226	6,801,606
Revaluation reserve	1,402,487	1,402,487	1,402,487	1,402,487
Distributable:-				
Retained profits	<u>31,206,838</u>	<u>24,677,305</u>	<u>28,484,622</u>	<u>24,340,550</u>
	<u>41,962,551</u>	<u>32,881,398</u>	<u>39,240,335</u>	<u>32,544,643</u>

13. HIRE-PURCHASE CREDITORS

Group & Company	2006 RM	2005 RM
Minimum payments:		
- not later than 1 year	7,727,875	4,740,627
- later than 1 year and not later than 5 years	17,264,460	5,038,691
- later than 5 years	309,510	249,693
	<u>25,301,845</u>	<u>10,029,011</u>
Less: Future hire-purchase charges	<u>(3,535,910)</u>	<u>(1,395,947)</u>
Present value	<u>21,765,935</u>	<u>8,633,064</u>
Total payable	21,765,935	8,633,064
Less: Payable within 1 year	<u>(6,457,613)</u>	<u>(4,095,177)</u>
Payable after 1 year	<u>15,308,322</u>	<u>4,537,887</u>

The term for hire-purchase is 3 to 7 (2005 – 3 to 7) years. In respect of the financial year ended 30th June, 2006, the effective borrowing rate ranges from 2.55% to 5.7% (2005 - 3.3% to 5.7%) per annum. The interest rates are fixed at the inception of the hire-purchase arrangements.

14. TERM LOANS AND OTHER CREDIT FACILITIES

Group & Company	2006 RM	2005 RM
Unsecured		
Term loan I: interest at 1.75% above the bank's base lending rate per annum, repayable by 119 equal monthly instalments of RM42,735 and one final instalment to be calculated commencing 30th September, 2003	2,677,766	2,984,061
Term loan II: interest at 6.8% per annum, repayable in one lump sum on the last day of the tenor of the facility on 1st June, 2009	40,000,000	40,000,000
	<u>42,677,766</u>	<u>42,984,061</u>
Repayments due:		
Within twelve months	336,021	313,879
Between 1 and 2 years	360,312	336,569
Between 2 and 5 years	41,206,671	41,127,158
After 5 years	774,762	1,206,455
	<u>42,341,745</u>	<u>42,670,182</u>
	<u>42,677,766</u>	<u>42,984,061</u>

The bankers' acceptances bear interest between 2.7% to 4.0% (2005 - 2.6% to 4.3%) per annum. The revolving credits bear interest between 5.66%-5.69% per annum for the year ended 30th June, 2006.

15. DEFERRED TAXATION

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
At 1st July	13,070,734	9,912,000	12,085,000	9,912,000
Acquisition of subsidiaries	–	319,800	–	–
Transferred from income statement (Note 19)	2,827,100	2,044,200	1,645,000	2,173,000
Arising from surplus on revaluation of the following property, plant and equipment of subsidiaries acquired				
- properties	–	103,268	–	–
- plant and machinery	(531,028)	821,666	–	–
Realised upon disposal of plant and machinery	(120,400)	(130,200)	–	–
At 30th June	<u>15,246,406</u>	<u>13,070,734</u>	<u>13,730,000</u>	<u>12,085,000</u>
The deferred tax liability is principally due to the temporary differences:-				
Surplus of tax capital allowances claimed over book depreciation of property, plant and equipment	15,897,834	12,276,000	13,730,000	12,085,000
Surplus arising from revaluation of properties and plant and machinery	(651,428)	794,734	–	–
	<u>15,246,406</u>	<u>13,070,734</u>	<u>13,730,000</u>	<u>12,085,000</u>

16. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Other payables	2,210,127	1,827,540	1,169,415	804,386
Accruals	<u>1,400,012</u>	<u>1,613,638</u>	<u>1,177,394</u>	<u>1,413,595</u>
	<u>3,610,139</u>	<u>3,441,178</u>	<u>2,346,809</u>	<u>2,217,981</u>

17. BANK OVERDRAFTS

Bank overdrafts for the year ended 30th June, 2005 bear interest between 7.25% to 9.5% per annum.

18. PROFIT BEFORE TAXATION

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
a) Profit before taxation is arrived at after charging/ (crediting):-				
Auditors' remuneration				
- current year	102,200	88,700	65,000	60,000
- underprovision in prior year	15,550	-	-	-
Directors' remuneration				
- Fees				
- current year	327,000	297,000	327,000	297,000
- overprovision in prior year	-	(6,000)	-	(6,000)
- Other emoluments				
- current Directors	1,616,575	2,051,873	1,616,575	2,051,873
- past Director	-	2,000	-	2,000
- Attendance allowances	70,000	68,000	70,000	68,000
Rental of premises	61,776	56,014	34,956	29,494
Staff costs:				
- Staff salaries, wages, bonus and allowances	6,880,822	5,283,575	4,777,234	4,869,626
- Defined contribution plan – EPF	593,262	384,735	410,858	358,871
- Other staff benefits	1,080,553	619,276	1,004,080	589,379
	8,554,637	6,287,586	6,192,172	5,817,876
Depreciation (Note 3)				
- current year	9,357,661	8,610,533	8,698,022	8,469,190
- overprovision in prior year	(25,817)	-	-	-
- reversed upon refund	(4,586)	(4,118)	(4,586)	(4,118)
Allowance for doubtful debts	-	113,438	-	113,438
Allowance for doubtful debts no longer required	(80,458)	-	(303)	-
Bad debts written off	80,155	-	-	-
Loss on disposal of investments	199,526	-	199,526	-
Impairment loss on investments no longer required	(477,337)	-	(487,837)	-
Impairment loss on investments	-	373,424	-	352,424
Realised (gain)/loss on foreign exchange	(91,309)	29,282	(76,502)	27,595
Amortisation of goodwill on consolidation	225,300	283,327	-	-
Finance cost:				
- Interest paid/payable for:-				
- Bank overdrafts	634,339	650,609	623,731	612,869
- Hire-purchase	731,062	915,110	731,062	915,110
- Term loans	2,941,429	2,940,169	2,941,429	2,940,169
- Bankers' acceptances	1,623,200	1,100,461	1,597,767	1,100,461
- Revolving credit	284,645	-	184,774	-
- Others	26,406	80,608	26,406	80,608
	6,241,081	5,686,957	6,105,169	5,649,217

PROFIT AFTER TAXATION (Continued)

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Gain on disposal of property, plant and equipment	(3,530,155)	(516,271)	(3,037,095)	(27,000)
Rental income	(58,700)	(163,451)	(58,700)	(163,451)
Dividend from Malaysian quoted investment (gross)	(8,231)	(13,285)	(1,231)	(1,035)
Bad debts recovered	(3,100)	–	–	–
Interest income				
- Fixed and short term deposits	(41,083)	(463,464)	(36,700)	(460,293)
- Bonds interest	–	(42,507)	–	(42,507)
- Other interest	(1,763)	(1,739)	(1,763)	–

Group & Company
**2006
RM**
**2005
RM**
b) Directors' remuneration

Directors' remuneration is analysed as follows:-

Executive Directors

- salaries and allowances	1,467,075	1,885,344
- fees	62,500	60,000
- attendance allowances	18,000	18,000

Non-executive directors

- salaries and allowances		
- current Directors	149,500	166,529
- past Director	–	2,000
- fees	264,500	237,000
- attendance allowances	52,000	50,000

Group & Company
2006
2005

The number of Directors
whose remuneration fell
within the following
ranges (per annum):-

Executive Non-executive Executive Non-executive

RM1 - RM50,000	–	3	–	3
RM50,001 - RM100,000	–	2	–	2
RM100,001 - RM150,000	–	2	–	2
RM150,001 - RM650,000	–	–	–	–
RM650,001 - RM700,000	–	–	–	–
RM700,001 - RM750,000	1	–	–	–
RM750,001 - RM800,000	–	–	–	–
RM800,001 - RM950,000	1	–	–	–
RM950,001 - RM1,000,000	–	–	1	–
RM1,000,001 - RM1,050,000	–	–	1	–

19. TAXATION

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Current taxation:				
Estimated for the year	1,246,000	1,197,000	1,120,000	1,120,000
Acquisition of subsidiaries	–	(90,000)	–	–
Overprovision in prior years	(115,571)	(349,726)	(66,823)	(336,698)
Deferred taxation:				
Transferred to deferred taxation (Note 15)	<u>2,827,100</u>	<u>2,044,200</u>	<u>1,645,000</u>	<u>2,173,000</u>
	<u>3,957,529</u>	<u>2,801,474</u>	<u>2,698,177</u>	<u>2,956,302</u>
Reconciliation of effective tax rate:				
Profit before taxation	<u>18,644,195</u>	<u>14,538,149</u>	<u>14,513,597</u>	<u>14,122,201</u>
Taxation using statutory tax rate of 28%	5,220,375	4,070,682	4,063,807	3,954,216
Reduction in statutory tax rate	(15,264)	(36,229)	–	–
Non-deductible expenses for tax purposes	3,245,142	3,815,155	2,969,389	3,535,422
Capital allowances utilised	(4,321,423)	(4,542,576)	(3,641,995)	(4,290,490)
Reinvestment allowance utilised	(2,689,459)	(2,197,944)	(2,498,211)	(2,197,944)
Increased in unused tax losses	10,768	–	–	–
Non taxable gain	(1,520,661)	(16,146)	(850,387)	(8,713)
Balancing charge	1,309,989	–	1,077,029	–
Other items	6,533	104,058	368	127,509
Acquisition of subsidiaries	–	(90,000)	–	–
Transfer to deferred taxation	<u>2,827,100</u>	<u>2,044,200</u>	<u>1,645,000</u>	<u>2,173,000</u>
	<u>4,073,100</u>	<u>3,151,200</u>	<u>2,765,000</u>	<u>3,293,000</u>
Overprovision in prior years	<u>(115,571)</u>	<u>(349,726)</u>	<u>(66,823)</u>	<u>(336,698)</u>
	<u>3,957,529</u>	<u>2,801,474</u>	<u>2,698,177</u>	<u>2,956,302</u>

Subject to agreement by the Inland Revenue Board, the Company has sufficient tax credit under Section 108 and tax exempt account under Schedule 7A of the Income Tax Act 1967 and tax exempt account under Section 12 of the Income Tax (Amendment) Act, 2001 to frank the payment of dividends out of all its retained profit as at 30th June, 2006 without incurring any additional tax liability.

20. EARNINGS PER ORDINARY SHARE

Basic

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

EARNINGS PER ORDINARY SHARE (Continued)

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Profit attribute to the equity holders of the Company	<u>14,200,881</u>	<u>11,502,654</u>	<u>11,815,420</u>	<u>11,165,899</u>
Weighted average number of ordinary shares in issue	<u>69,640,611</u>	<u>68,206,411</u>	<u>69,640,611</u>	<u>68,206,411</u>
Basic earnings per share (sen)	<u>20.39</u>	<u>16.86</u>	<u>16.97</u>	<u>16.37</u>

Fully diluted

For the diluted earnings per share calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

The dilutive potential ordinary shares for the year of the Group and of the Company are share options granted to employees.

Share options are deemed to have been converted into ordinary shares at the beginning of the year or on the date when the options were granted whichever is the later.

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Profit attribute to the equity holders of the Company	<u>14,200,881</u>	<u>11,502,654</u>	<u>11,815,420</u>	<u>11,165,899</u>
Weighted average number of ordinary shares in issue	69,640,611	68,206,411	69,640,611	68,206,411
Adjustment for assumed exercise of share options	<u>1,569,000</u>	<u>4,391,000</u>	<u>1,569,000</u>	<u>4,391,000</u>
Adjusted weighted average number of ordinary shares in issue and issueable	<u>71,209,611</u>	<u>72,597,411</u>	<u>71,209,611</u>	<u>72,597,411</u>
Diluted earnings per share (sen)	<u>19.94</u>	<u>15.84</u>	<u>16.59</u>	<u>15.38</u>

21. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the respective cash flow statements comprise the following:

CASH AND CASH EQUIVALENTS (Continued)

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Fixed deposits				
with licensed banks	501,709	481,243	501,709	481,243
*Cash and bank balances	16,764,984	18,009,968	14,983,479	17,501,611
Bank overdrafts	—	(1,147,468)	—	(1,133,047)
	<u>17,266,693</u>	<u>17,343,743</u>	<u>15,485,188</u>	<u>16,849,807</u>

* Included herein for the financial year ended 30th June, 2005 are share application monies of RM1,098,800.

22. SEGMENTAL REPORTING

The Group is principally involved in the business of manufacturing and trading of confectionery and other related foodstuffs. Accordingly, information by industry segment on the Group's operations is not presented.

The Group operates predominantly in Malaysia and accordingly, information by geographical location on the Group operations is also not presented.

23. CAPITAL COMMITMENTS

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Capital expenditure authorised and contracted for but not provided in the financial statements:				
-in respect of purchase of property, plant and equipment	<u>23,182,263</u>	<u>9,361,437</u>	<u>7,629,814</u>	<u>9,361,437</u>

24. RELATED PARTY TRANSACTIONS

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
With subsidiaries				
- sales to	—	—	(8,504,000)	(902,088)
- purchases from	—	—	3,107,053	315,119
- sales of plant and machinery to	—	—	(2,571,783)	—
Professional fees paid to a firm in which a director is a partner				
- charged to income statement	8,490	—	—	—
- capitalised as cost of investment	<u>—</u>	<u>—</u>	<u>—</u>	<u>208,794</u>

The Directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

25. FINANCIAL INSTRUMENTS

Financial Risk Management Objectives and Policies

The operations of the Group are subject to a variety of financial risks, including credit risk, foreign currency exchange risk, interest rate risk, liquidity risk and cash flow risk and market risk. The Group has formulated guidelines and policies as well as internal controls which seek to minimise the Group's exposure to risks associated with the financing, investing and operating activities of the Group.

(a) Credit risk

The Group has a credit policy in place to evaluate customers requiring credit over a certain amount or period. Credit risk is further minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's management reporting procedures.

(b) Foreign currency exchange risk

The Group is exposed to currency risk as a result of the Group's transactions with foreign vendors of plant and equipment and foreign trade receivables and payables. The Group monitors the movements in foreign currency exchange rates closely to ensure their exposure is minimised.

(c) Interest rate risk

The Group's exposure to interest rate risk arises from interest-bearing borrowings of which the Group reviews and monitors the interest rates at regular intervals.

(d) Liquidity risk and cash flow risk

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash and cash equivalents to meet its working capital requirements and prudently balances its portfolio of short term and long term funding requirements.

(e) Market risk

The Group is principally involved in the manufacture of extruded corn snacks, chocolates, cakes and other snack products and is therefore subject to certain risks inherent in the food-processing industry. These risks include, inter-alia the possible increase in the operating and capital costs due to increase in the cost of labour and raw materials, changes in consumer demands and changes in general economic conditions. The Group seeks to limit these risks through, inter-alia, expansion of both existing and new markets, developing and maintaining a diversified market network and investment in automated machinery to improve efficiency.

Fair values

In the opinion of the Directors, the carrying amounts of financial assets and liabilities of the Group at the balance sheet date are not materially different from their fair values.

26. CONTINGENT LIABILITIES - NON SECURED

Company	2006 RM	2005 RM
Corporate guarantees given to various financial institutions for facilities granted to subsidiary companies		
- outstanding balances as at 30th June, 2006	6,018,417	—

27. SIGNIFICANT EVENT IN A SUBSIDIARY COMPANY

In conjunction with the acquisition of the subsidiary company (Kinos Food Industries (M) Sdn Bhd ("Kinos") the Company submitted and received the approval of the High Court of Malaysia at Johor Bahru for the following:-

- i) the issued and paid-up share capital of Kinos of RM37,816,149 comprising 37,816,149 ordinary shares of RM1.00 each be reduced to up to RM3,781,615 comprising 37,816,149 ordinary shares of 10 sen each representing a capital reduction of 90 sen for every existing ordinary share of RM1.00 each and the credit of RM34,034,534 in the share capital account arising from the Capital Reduction be set-off against Kinos's accumulated losses as at 31st December, 2004 from RM44,236,763 to RM10,202,229.
- ii) a share premium reduction whereby the share premium account of the Kinos of RM6,604,395 as at 31st December, 2004 be written off against Kinos's accumulated losses and thereby resulting in the audited accumulated losses being further reduced from RM10,202,229 to RM3,597,834; and
- iii) on completion of the capital reduction as stated hereinabove, that the 37,816,149 ordinary shares of 10 sen each arising from the capital reduction be consolidated to 3,781,615 ordinary shares of RM1.00 each on the basis of every ten (10) ordinary shares of 10 sen each being consolidated into one (1) ordinary share of RM1.00 each.

The abovementioned transactions (i) to (iii), which were completed during the current financial year, do not have any significant financial implications on the financial statements of the Group.

28. GENERAL INFORMATION

- 28.1 The Company is a public limited company, incorporated and domiciled in Malaysia, and listed on the Main Board of Bursa Malaysia Securities Berhad.
- 28.2 The number of employees in the Group at the end of the financial year were 470(2005 – 466). The number of employees in the Company at the end of the financial year were 299 (2005 - 294).
- 28.3 The principal place of business is located at No 1, Jalan Istimewa 2, Taman Perindustrian Desa Cemerlang, 81800 Ulu Tiram, Johor Darul Takzim.
- 28.4 The financial statements of the Group and of the Company were authorised for issue by the Board of Directors in accordance with a resolution dated 30th October, 2006.

29. CURRENCY

All amounts are stated in Ringgit Malaysia.

30. COMPARATIVE FIGURES

Certain comparative figures had been reclassified to conform with current year's presentation.

directors' statement

We, **DATO' LIEW KUEK HIN** and **DATO' LIEW YEW CHUNG**, being two of the Directors of the Company, do hereby state that in the opinion of the Directors, the financial statements set out on pages 32 to 67 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Approved Accounting Standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30th June, 2006 and of their results and cash flows for the year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution dated 30th October, 2006.

DATO' LIEW KUEK HIN, DIMP, PJK, JP
Director

DATO' LIEW YEW CHUNG, DIMP
Director

Kuala Lumpur

statutory declaration

I, **DATO' LIEW YEW CHUNG, DIMP** being the Director responsible for the financial management of **LONDON BISCUITS BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 32 to 67 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared)
by the abovenamed at Kuala Lumpur)
this 30th October 2006)

Before me:-

K. MARIASOOSAY
Commissioner for Oaths,
W344
Kuala Lumpur

list of properties as at 30th june 2006

Location	Existing Use	Tenure	Approximate Age of Building (Years)	Land Area (sq.m)	Net Book Value at 30 June 2006 RM'000
H.S.(D) No.191719 PTD No.91908 and H.S.(D) No.191720 PTD No.91909 Mukim of Plentong District of Johor Bahru State of Johor	Industrial land with office and factory building for manufacturing of corn extruded products	Freehold	11 years	2,378.32 sq.m	2,208*
H.S.(D) No.191403 PTD No.89457 and H.S.(D) No.191404 PTD No.89458, Mukim of Plentong District of Johor Bahru State of Johor	Industrial land with office and factory building for warehouse and manufacture of bakery products	Freehold	11 years	1,401.26 sq.m	1,248*
H.S.(D) No.237253 PTD No.115209 and H.S.(D) No.237254 PTD No.115210 and H.S.(D) No.237255 PTD No.115211 and H.S.(D) No.237256 PTD No.115212 Mukim of Plentong District of Johor Bahru State of Johor	Industrial land with office and factory building for warehouse and manufacture of bakery products	Freehold	7 years	5,351.21 sq.m	6,348*
H.S.(D) No. 237257 PTD No. 115213 Mukim of Plentong District of Johor Bahru State of Johor	Industrial land with office and factory building for warehouse	Freehold	3 years	5423.0312sq.m	5,135
H.S.(D) No.22041 Lot MLO 2485 Mukim of Plentong District of Johor Bahru State of Johor	Double storey semi-detached house for investment	Freehold	18 years	371.61 sq.m	432*
Unit No. B-06-09 Megan Phileo Avenue 12 Jln Yap Kwan Seng 50450 Kuala Lumpur	Office lot for investment	Freehold	10 years	222.32 sq.m	564*



list of properties as at 30th june 2006 (continued)

Location	Existing Use	Tenure	Approximate Age of Building (Years)	Land Area (sq.m)	Net Book Value at 30 June 2006 RM'000
H.S.(D) No.237252 PTD No.115208 Mukim of Plentong District of Johor Bahru State of Johor	Industrial land with office and factory building for warehouse	Freehold	7 years	1,337.80 sq.m	1,280
H.S.(D) No.237251 PTD No.115207 Mukim of Plentong District of Johor Bahru State of Johor	Industrial land with office and factory building for warehouse	Freehold	7 years	1,337.80 sq.m	1,392
PN 6715 Lot No.51709 Mukim of Plentong District of Johor Bahru State of Johor	Industrial land with a two-storey office with a single-storey factory for the manufacturing of bakery products	Leasehold 60 years	21 years	8,093,72 sq.m	4,066**
H.S.(D) No.124988 PTD No.71051 Mukim of Plentong District of Johor Bahru State of Johor	Industrial land with a two-storey office with a single-storey factory for the manufacturing of bakery products	Leasehold 60 years	21 years	8,093,72 sq.m	2,511**
Total					25,184

* Revalued on 01 November 2000 and taken up into the Financial Statements in year ended 30 June 2002.

** The leasehold properties of the subsidiaries were revalued by a firm of professional valuers Messrs Colliers Jordan Lee & Jaafar on 29th March, 2005 and taken up into the Financial Statement in year ended 30th June 2005.

*** The Group and Company adopts the policy to revalue its freehold land and buildings every 5 years.

analysis of shareholdings as at 1st november 2006

AUTHORISED SHARE CAPITAL	: RM100,000,000 ordinary shares of RM1-00 each
ISSUED AND FULLY PAID-UP CAPITAL	: RM71,031,000.00 divided into 71,031,000 shares
CLASS OF SHARES	: Ordinary Shares of RM1-00 each
NO OF SHAREHOLDERS	: 1869
VOTING RIGHTS	: One vote per ordinary share

A) LIST OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Shareholders	Direct		Deemed interest in shares	
		No. of shares As at 1 Nov 2006	%	No. of shares As at 1 Nov 2006	%
1.	Meileelanusa Sdn Bhd	29,087,288	40.95	—	—
2.	Employees Provident Fund Board	9,270,300	13.05	—	—
3.	Dato' Liew Yew Chung, DIMP	3,548,985	5.00	33,099,598 ^{*1,4}	46.60
4.	Dato' Liew Kuek Hin, DIMP, PJK, JP	3,342,850	4.71	33,305,733 ^{*1,2}	46.89
5.	Datin Lim Yook Lan	224,487	0.32	36,424,096 ^{*1,3}	51.28
6.	Liew Yew Cheng	213,131	0.30	36,435,452 ^{*1,5}	51.30
7.	Liew Yet Lee	192,171	0.27	36,456,412 ^{*1,7}	51.32
8.	Liew Yet Mei	39,671	0.06	36,608,912 ^{*1,6}	51.54

Note :

- *1 Deemed interested by virtue of their interest in Meileelanusa Sdn Bhd.
 *2 Deemed interested by virtue of the shares held by his spouse, Datin Lim Yook Lan and his children, Dato' Liew Yew Chung, Liew Yew Cheng, Liew Yet Mei and Liew Yet Lee
 *3 Deemed interested by virtue of the shares held by her spouse, Dato' Liew Kuek Hin and her children, Dato' Liew Yew Chung, Liew Yew Cheng, Liew Yet Mei and Liew Yet Lee
 *4 Deemed interested by virtue of the shares held by his parents, Dato' Liew Kuek Hin and Datin Lim Yook Lan and his siblings, Liew Yew Cheng, Liew Yet Mei and Liew Yet Lee
 *5 Deemed interested by virtue of the shares held by his parents, Dato' Liew Kuek Hin and Datin Lim Yook Lan and his siblings, Dato' Liew Yew Chung, Liew Yet Mei and Liew Yet Lee
 *6 Deemed interested by virtue of the shares held by her parents, Dato' Liew Kuek Hin and Datin Lim Yook Lan and her siblings, Dato' Liew Yew Chung, Liew Yew Cheng and Liew Yet Lee
 *7 Deemed interested by virtue of the shares held by her parents, Dato' Liew Kuek Hin and Datin Lim Yook Lan and her siblings, Dato' Liew Yew Chung, Liew Yew Cheng and Liew Yet Mei

B) LIST OF DIRECTORS' SHAREHOLDINGS

No.	Name of Directors	Ordinary Shares				Rights under ESOS	
		Direct		Deemed interest		Direct	Deemed interest
		No. of shares	%	No. of shares	%		
1.	Dato' Liew Kuek Hin, DIMP, PJK, JP	3,342,850	4.71	33,305,733 ^{*1,2}	46.89	—	—
2.	Datin Lim Yook Lan	224,487	0.32	36,424,096 ^{*1,3}	51.28	—	—
3.	Dato' Liew Yew Chung, DIMP	3,548,985	5.00	33,099,598 ^{*1,4}	46.60	—	—
4.	Liew Yew Cheng	213,131	0.30	36,435,452 ^{*1,5}	51.30	—	—
5.	Liew Yet Mei	39,671	0.06	36,608,912 ^{*1,6}	51.54	—	—
6.	Liew Yet Lee	192,171	0.27	36,456,412 ^{*1,7}	51.32	—	—
7.	Dato' Cheong Siew Kai, DJMK, AMS, JP	—	—	—	—	—	—
8.	Huang Yan Teo, PIS, PPN	—	—	—	—	—	—
9.	Leslie Looi Meng	—	—	—	—	—	—

Note :

- *1 Deemed interested by virtue of their interest in Meileelanusa Sdn Bhd.
 *2 Deemed interested by virtue of the shares held by his spouse, Datin Lim Yook Lan, and his children, Dato' Liew Yew Chung, Liew Yew Cheng, Liew Yet Mei and Liew Yet Lee

- *3 Deemed interested by virtue of the shares held by her spouse, Dato' Liew Kuek Hin and her children, Dato' Liew Yew Chung, Liew Yew Cheng, Liew Yet Mei and Liew Yet Lee
- *4 Deemed interested by virtue of the shares held by his parents, Dato' Liew Kuek Hin and Datin Lim Yook Lan and his siblings, Liew Yew Cheng, Liew Yet Mei and Liew Yet Lee
- *5 Deemed interested by virtue of the shares held by his parents, Dato' Liew Kuek Hin and Datin Lim Yook Lan and his siblings, Dato' Liew Yew Chung, Liew Yet Mei and Liew Yet Lee
- *6 Deemed interested by virtue of the shares held by her parents, Dato' Liew Kuek Hin and Datin Lim Yook Lan and her siblings, Dato' Liew Yew Chung, Liew Yew Cheng and Liew Yet Lee
- *7 Deemed interested by virtue of the shares held by her parents, Dato' Liew Kuek Hin and Datin Lim Yook Lan and her siblings, Dato' Liew Yew Chung, Liew Yew Cheng and Liew Yet Mei

C) DISTRIBUTION OF SHAREHOLDINGS

No. of holders	Holdings	Total Holding	%
33	Less than 100	850	0.0012
810	100 to 1,000	348,300	0.4903
809	1,001 to 10,000	3,330,896	4.6894
163	10,001 to 100,000	5,929,562	8.3478
51	100,001 to less than 5% of issued shares	31,347,804	44.1326
3	5% and above of issued shares	30,073,588	42.3387

D) TOP 30 LARGEST SHAREHOLDERS

No.	Name	No. of Shares Held	Percentage (%)
1.	Meileelanusa Sdn Bhd	18,849,188	26.54
2.	Employees Provident Fund Board Seksyen Depositori Pusat	6,724,400	9.47
3.	Southern Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Meileelanusa Sdn Bhd	4,500,000	6.34
4.	HSBC Nominees (Asing) Sdn Bhd Exempt an for JPMorgan Chase Bank, National Association	3,300,000	4.65
5.	Alliancegroup Nominees (Tempatan) Sdn Bhd PHEIM Asset Management Sdn Bhd for Employees Provident Fund	2,545,900	3.58
6.	HSBC Nominees (Asing) Sdn Bhd TNTC for Government of Singapore Investment Corporation Pte Ltd	2,540,800	3.58
7.	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Liew Yew Chung	2,332,800	3.29
8.	Perdana Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Meileelanusa Sdn Bhd	2,040,000	2.87
9.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Meileelanusa Sdn Bhd	2,000,000	2.82
10.	BHLB Trustee Berhad TA Small Cap Fund	1,372,100	1.93
11.	HDM Nominees (Tempatan) Sdn Bhd EON Finance Berhad for Liew Kuek Hin	1,207,400	1.70
12.	Southern Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Liew Kuek Hin	1,000,000	1.41

D) TOP 30 LARGEST SHAREHOLDERS (continued)

13.	HSBC Nominees (Asing) Sdn Bhd HSBC-FS for Pheim-Aizawa Asia Fund	910,000	1.28
14.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Liew Yew Chung	895,485	1.26
15.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Meileelanusa Sdn Bhd	670,000	0.95
16.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Pheim Emerging Companies	633,800	0.89
17.	Mayban Nominees (Tempatan) Sdn Bhd Mayban Trustees Berhad for Income Plus Fund	611,000	0.86
18.	HSBC Nominees (Asing) Sdn Bhd Exempt an For Fortis Banque Luxembourg (OPCVM A/C)	570,000	0.80
19.	EB Nominees (Tempatan) Sendirian Berhad Pledged Securities Account for Meileelanusa Sdn Bhd	528,100	0.74
20.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Liew Kuek Hin	520,000	0.73
21.	HDM Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Meileelanusa Sdn Bhd	500,000	0.70
22.	Kim Dong Bae	500,000	0.70
23.	HSBC Nominees (Asing) Sdn Bhd HSBC-FS for The Vittoria Fund Limited	437,000	0.62
24.	Citigroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Gan Soo Jin	400,000	0.56
25.	AllianceGroup Nominees (Tempatan) Sdn Bhd PHEIM Asset Management Sdn Bhd for Magnum Corporation	343,800	0.48
26.	EB Nominees (Tempatan) Sendirian Berhad Pledged Securities Account for Liew Yew Chung	315,200	0.44
27.	EB Nominees (Tempatan) Sendirian Berhad Pledged Securities Account for Liew Kuek Hin (SFC)	315,200	0.44
28.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Liew Kuek Hin	300,000	0.42
29.	HSBC Nominees (Asing) Sdn Bhd HSBC-FS for KEP Holdings Limited	295,500	0.42
30.	HSBC Nominees (Asing) Sdn Bhd HSBC-FS for FIVECA Holdings Limited	280,000	0.39
		<hr/> 57,437,673	<hr/> 80.86



Perfect & Taste



CERT. NO. 403581

London Biscuits Berhad (72057-H)

form of proxy

I/We _____ [NRIC NO: _____] of _____ being a member/ members of **LONDON BISCUITS BERHAD** (Co. No. 72057-H) do hereby appoint _____ [NRIC NO: _____] of _____ or failing him _____ [NRIC NO: _____] of _____ as * my/our proxy to attend and to vote for * me/us on * my/our behalf at the 25th Annual General Meeting of the Company to be held on Friday, 29th December 2006 at 11:30 a.m. at The London Room at No. 1, Jalan Istimewa 2, Taman Perindustrian Desa Cemerlang, 81800 Ulu Tiram, Johor and at any adjournment thereof. * My / our proxy is to vote as indicated below :

No.	RESOLUTION	FOR	AGAINST
1.	Declaration of First & Final Dividend of 7% less 28% Income Tax and 6% tax exempted.		
2.	Approval of Directors' Fees		
3.	Re-election of Director - Dato' Liew Yew Chung, DIMP		
4.	Re-election of Director - Liew Yet Lee		
5.	Re-election of Director - Huang Yan Teo, PIS, PPN		
6.	Re-appointment of Messrs Wong Weng Foo & Co as Auditors.		
	Special Business:		
7.	Authority to Allot and Issue Shares pursuant to Section 132D of the Companies Act, 1965.		
8.	Proposed Renewal of Shareholders Mandate for Proposed Share Buy Back by the Company		

(Please indicate with a cross (X) in the spaces whether you wish your votes to be cast for or against the resolution. In the absence of such specific directions, your proxy will vote or abstain as he thinks fit.)

Number of shares held	
-----------------------	--

Dated this _____ day of _____ 2006

Signature of Member / Members

Note :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
2. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same Meeting.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
4. Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where the Proxy Form is executed by a corporation, it must be either under its Common Seal or under the hand of an officer or attorney duly authorised.
6. The Proxy Form must be deposited with the Company Secretary at the Registered Office, No. 1, Jalan Istimewa 2, Taman Perindustrian Desa Cemerlang, 81800 Ulu Tiram, Johor not less than 48 hours before the time set for the Meeting.

Fold here for sealing

Fold along this line (1)



The Company Secretary
London Biscuits Berhad (72057-H)
No.1 Jalan Istimewa 2
Taman Perindustrian Desa Cemerlang
81800 Ulu Tiram
Johor Darul Takzim

Fold along this line (2)



倫敦食品製造廠有限公司
London Biscuits Berhad

72057-H



1, Jalan Istimewa Dua, Taman Perindustrian Desa Cemerlang,
81800 Ulu Tiram, Johor, Malaysia.

Tel: 607-861 5288 ■ Fax: 607-861 5186

email: lbb@londonbiscuits.com.my

website: www.londonbiscuits.com.my