GROUP FINANCIAL PROFILE

	2005 RM'000	2006 RM'000	2007 RM'000	2008 RM'000	2009 RM'000
Revenue	44,000	51,405	74,660	105,456	79,336
Cost of sales	(24,665)	(27,373)	(31,616)	(46,385)	(37,443)
Gross profit	19,335	24,032	43,044	59,071	41,893
Other income	3,203	6,154	5,771	5,784	4,765
Administrative expenses	(9,037)	(8,546)	(9,065)	(11,428)	(10,917)
Selling expenses	(1,119)	(1,328)	(1,257)	(1,608)	(1,473)
Replanting expenses	(1,138)	(691)	(772)	(1,263)	(1,688)
Other operating expenses	-	-	-	(1,059)	-
Fair value adjustments of biological assets	-	14,497	20,000	(19,000)	5,900
Operating profit	11,244	34,118	57,721	30,497	38,480
Share of profit / (loss) of associates	472	699	1,258	(940)	341
Share of loss of a jointly controlled entity	-	(39)	(270)	(441)	(2,052)
Profit before taxation	11,716	34,778	58,709	29,116	36,769
Taxation	(2,956)	(8,691)	(14,241)	(7,948)	(8,984)
Profit for the year	8,760	26,087	44,468	21,168	27,785
Attributable to:					
Equity holders of the Company	8,155	22,273	38,163	16,519	24,075
Minority interests	605	3,814	6,305	4,649	3,710
	8,760	26,087	44,468	21,168	27,785
Dividends	7,963	8,079	12,812	20,780	13,162
Earnings per stock unit (sen)					
Basic	11.9	31.9	54.4	23.5	34.3
Diluted	11.8	31.9	54.4	23.5	34.3
Net dividend (sen per stock unit)					
First interim	5.76	5.76	7.30	14.80	7.50
Second interim	5.76	5.76	10.95	14.80	11.25
	11.52	11.52	18.25	29.60	18.75
Dividend cover (times)	1.02	2.76	2.98	0.79	1.83

GROUP FINANCIAL PROFILE

	2005 RM'000	2006 RM'000	2007 RM'000	2008 RM'000	2009 RM'000
Assets					
Non-current assets					
Property, plant and equipment	52,132	81,118	80,984	81,015	81,147
Prepaid land lease payments	45,340	68,800	67,809	66,817	65,826
Biological assets	33,703	48,200	68,200	49,200	55,100
Investment in associates	7,000	8,521	10,339	9,919	19,844
Investment in a jointly controlled entity	-	16,683	16,336	23,779	24,495
Other investments	9,632	8,931	9,423	20,233	15,965
Deferred tax assets	489	-	-	-	-
	148,296	232,253	253,091	250,963	262,377
Current assets					
Inventories	1,010	1,453	1,984	2,607	2,612
Receivables	3,232	4,244	6,528	4,491	4,559
Tax recoverable	1,029	335	542	2,634	2,058
Cash and bank balances	108,517	101,061	113,854	108,040	112,970
	113,788	107,093	122,908	117,772	122,199
Total assets	262,084	339,346	375,999	368,735	384,576
Equity and liabilities					
Equity attributable to equity holders of the Company					
Share capital	69,412	70,202	70,202	70,202	70,202
Share premium	3,767	4,336	4,336	4,336	4,336
Other reserves	23,709	60,809	62,338	62,131	61,850
Retained profits	112,295	129,407	155,234	151,449	162,838
	209,183	264,754	292,110	288,118	299,226
Minority interests	33,272	43,532	48,956	51,362	54,013
Total equity	242,455	308,286	341,066	339,480	353,239
Non-current liabilities					
Provision for retirement benefits	579	-	-	-	-
Deferred tax liabilities	15,826	25,715	28,195	23,332	24,661
	16,405	25,715	28,195	23,332	24,661
Current liabilities					
Payables	3,207	4,375	5,677	5,920	6,676
Provision for retirement benefits	17	18	-	-	-
Taxation	-	952	1,061	3	-
	3,224	5,345	6,738	5,923	6,676
Total liabilities	19,629	31,060	34,933	29,255	31,337
Total equity and liabilities	262,084	339,346	375,999	368,735	384,576
Net assets per stock unit attributable to ordinary equity holders of the Company (RM)	3.01	3.77	4.16	4.10	4.26

GROUP FINANCIAL PROFILE

	2005 RM'000	2006 RM'000	2007 RM'000	2008 RM'000	2009 RM'000
Net cash generated from operating activities	5,250	11,146	24,324	32,399	23,350
Net cash generated/(used in) investing activities	668	(12,685)	2,583	(16,869)	(4,473)
Net cash used in financing activities	(6,818)	(7,378)	(14,077)	(23,018)	(14,249)
Net (decrease)/increase in cash and cash equivalents	(900)	(8,917)	12,830	(7,488)	4,628
Effects of exchange rate changes	(785)	1,452	(43)	1,676	275
Cash and cash equivalents at beginning of year	109,921	108,236	100,771	113,558	107,746
Cash and cash equivalents at end of year	108,236	100,771	113,558	107,746	112,649
Deposits pledged for banks guarantee facilities	281	290	296	294	321
Cash and bank balances	108,517	101,061	113,854	108,040	112,970

PLANTATIONS STATISTICS

	2005	2006	2007	2008	2009
Malaysia					
Planted Area -Hectares					
Mature	6,232	7,069	6,892	6,879	6,857
Immature	990	92	269	285	303
	7,222	7,161	7,161	7,164	7,160
Mature oil palm					
Age in years					
Above 25	1.52%	1.82%	0.59%	0.60%	3.09%
21 - 25	7.08%	6.75%	9.61%	14.68%	13.14%
16 - 20	39.12%	44.65%	44.72%	44.15%	43.56%
11 - 15	26.68%	14.05%	17.09%	22.45%	22.52%
6 - 10	25.60%	18.84%	14.73%	15.99%	16.84%
Below 6	0.00%	13.89%	13.26%	2.13%	0.85%
	100.00%	100.00%	100.00%	100.00%	100.00%
Production (m/t)					
ffb					
- own estates	125,499	138,249	132,660	147,732	150,110
- purchased	21,992	26,038	18,331	20,263	25,063
	147,491	164,287	150,991	167,995	175,173
Crude palm oil	16,301	19,393	19,867	23,411	24,874
Palm kernel	4,837	5,806	5,639	6,475	7,006
ffb yield per mature hectare, m/t per hectare	20.14	19.56	19.25	21.48	21.89
Extraction Rate (%)					
Crude palm oil	19.00	18.78	18.62	18.79	18.75
Palm kernel	5.64	5.62	5.29	5.20	5.28
Joint venture in Indonesia					
Planted Area -Hectares					
Immature	-	-	632	1,673	1,992

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2009.

Principal activities

The principal activities of the Company are the cultivation of oil palms and sale of fresh fruit bunches and investment holding.

The principal activities of the subsidiaries are the cultivation of oil palms, process and sale of crude palm oil and palm kernel.

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

Results

	Group RM	Company RM
Profit for the year	27,784,642	16,375,078
Attributable to:		
Equity holders of the Company	24,074,598	16,375,078
Minority interests	3,710,044	-
	24,784,642	16,375,078

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

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

Dividends

The amount of dividends paid by the Company since 31 December 2008 were as follows:

	RM
In respect of the financial year ended 31 December 2009:	
First interim dividend of 10% less 25% taxation, on 70,201,962 ordinary stock units, declared on 28 May 2009 and paid on 30 June 2009	5,265,147
Second interim dividend of 15% less 25% taxation, on 70,201,962 ordinary stock units, declared on 23 November 2009 and paid on 31 December 2009	7,897,720
	13,162,867

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

Directors

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

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

Directors (cont'd.)

In accordance with the Company's Articles of Association, Gho Lian Chin and Goh Wei Lei retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

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

Directors' benefits

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

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 6 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 28 to the financial statements.

Directors' interests

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

	Number of ordinary stock units of RM1.00 each			
	1 January 2009	**Bought**	**Sold**	**31 December 2009**
The Company				
Direct interest:				
Goh Eng Chew	400,000	-	-	400,000
Goh Pock Ai	401,100	-	-	401,100
Wong Aun Phui	645,850	-	-	645,850
Goh Beng Hwa @ Gho Bin Hoa	1,010,513	1,991,689	-	3,002,202
Goh Yeok Beng	400,000	-	-	400,000
Gho Lian Chin	2,200	-	-	2,200
Sio Sit Po	482,466	-	-	482,466
Gho Bun Tjin	2,200	-	-	2,200
Indirect interest:				
Goh Eng Chew	38,701,009	-	-	38,701,009
Wong Aun Phui	59,785	-	-	59,785
Goh Beng Hwa @ Gho Bin Hoa	1,991,689	-	(1,991,689)	-
Gho Lian Chin	38,852,673	-	-	38,852,673

Directors' interests (cont'd.)

	Number of ordinary shares of RM1.00 each			
	1 January 2009	Bought	Sold	31 December 2009
Eng Thye Plantations Berhad - Subsidiary				
Direct interest:				
Wong Aun Phui	3,500	-	-	3,500
Goh Beng Hwa @ Gho Bin Hoa	3,500	-	-	3,500
Dato' Ong Bok Lim	35,000	-	-	35,000
Indirect interest:				
Goh Eng Chew	15,783,250	-	-	15,783,250
Gho Lian Chin	15,783,250	-	-	15,783,250
Timor Oil Palm Plantation Berhad - Subsidiary				
Direct interest:				
Goh Eng Chew	10,000	-	-	10,000
Goh Pock Ai	10,000	-	-	10,000
Wong Aun Phui	1,000	-	-	1,000
Goh Yeok Beng	10,000	-	-	10,000
Gho Lian Chin	10,000	-	-	10,000
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	10,000	-	-	10,000
Indirect interest:				
Goh Eng Chew	6,112,300	-	-	6,112,300
Wong Aun Phui	39,000	-	-	39,000
Gho Lian Chin	6,112,300	-	-	6,112,300
Tiong Thye Company Berhad - Holding company				
Direct interest:				
Gho Lian Chin	1,000	-	-	1,000
Gho Bun Tjin	1,000	-	-	1,000
Indirect interest:				
Goh Eng Chew	13,649,000	-	-	13,649,000
Gho Lian Chin	5,670,000	-	-	5,670,000

Goh Eng Chew and Gho Lian Chin by virtue of their interests in the holding company, are also deemed interested in the shares of all its subsidiaries to the extent the holding company has an interest.

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

Other statutory information

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

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and no provision for doubtful debts was required; and

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

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

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

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

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

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

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

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

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

(f) In the opinion of the directors:

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

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

Significant events

The significant events during the financial year are disclosed in Note 26 to the financial statements.

Auditors

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

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 February 2010.

Goh Eng Chew　　　　Wong Aun Phui

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

We, Goh Eng Chew and Wong Aun Phui, being two of the directors of Negri Sembilan Oil Palms Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 33 to 69 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2009 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 February 2010.

Goh Eng Chew

Wong Aun Phui

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

I, Gan Kok Tiong, being the officer primarily responsible for the financial management of Negri Sembilan Oil Palms Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 33 to 69 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Gan Kok Tiong
at Kuala Lumpur in the Federal Territory
on 25 February 2010.

Gan Kok Tiong

Before me,

Ooi Ah Bah
No. W152
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEGRI SEMBILAN OIL PALMS BERHAD

Report on the financial statements

We have audited the financial statements of Negri Sembilan Oil Palms Berhad, which comprise the balance sheets as at 31 December 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 33 to 69.

Directors' responsibility for the financial statements

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2009 and of their financial performance and cash flows of the Group and of the Company for the year then ended.

Report on other legal and regulatory requirements

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

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

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

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

Other matters

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

Ernst & Young
AF: 0039
Chartered Accountants

Ong Chee Wai
No. 2857/07/10(J)
Chartered Accountant

Kuala Lumpur, Malaysia
25 February 2010

INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Revenue	3	79,336,183	105,455,772	25,874,470	33,685,333
Cost of sales	3	(37,442,528)	(46,385,087)	(7,421,416)	(12,545,390)
Gross profit		41,893,655	59,070,685	18,453,054	21,139,943
Other income	4	4,764,674	5,783,914	7,133,486	10,921,144
Administrative expenses		(10,917,291)	(11,427,978)	(4,550,128)	(4,674,378)
Selling expenses		(1,472,840)	(1,608,295)	(632,953)	(633,900)
Replanting expenses		(1,688,880)	(1,262,844)	(359,475)	(164,333)
Other operating expenses		-	(1,058,796)	-	(753,509)
Fair value adjustment of biological assets	13	5,900,000	(19,000,000)	1,400,000	(11,000,000)
Operating profit	5	38,479,318	30,496,686	21,443,984	14,834,967
Share of profit/(loss) of associates		341,456	(940,210)	-	-
Share of loss of a jointly controlled entity		(2,052,401)	(441,130)	-	-
Profit before taxation		36,768,373	29,115,346	21,443,984	14,834,967
Taxation	8	(8,983,731)	(7,947,146)	(5,068,906)	(4,201,053)
Profit for the year		27,784,642	21,168,200	16,375,078	10,633,914
Attributable to:					
Equity holders of the Company		24,074,598	16,518,771	16,375,078	10,633,914
Minority interests		3,710,044	4,649,429	-	-
		27,784,642	21,168,200	16,375,078	10,633,914
Earnings per stock unit attributable to equity holders of the Company (sen):					
Basic	9	34.29	23.53		
Diluted	9	34.29	23.53		
Net dividends per stock unit (sen)	10	18.75	29.60	18.75	29.60

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

BALANCE SHEETS AS AT 31 DECEMBER 2009

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Assets					
Non-current assets					
Property, plant and equipment	11	81,147,273	81,015,140	24,903,387	24,892,067
Prepaid land lease payments	12	65,826,250	66,817,500	37,826,250	38,317,500
Biological assets	13	55,100,000	49,200,000	24,500,000	23,100,000
Investments in subsidiaries	14	-	-	160,552,479	136,964,296
Investments in associates	15	19,844,128	9,919,100	11,063,584	4,664,304
Investment in a jointly controlled entity	16	24,494,968	23,778,588	13,781.480	12,519.020
Other investments	17	15,964,954	20,233,061	3,015,423	6,337,654
		262,377,573	250,963,389	275,642,603	246,794,841
Current assets					
Inventories	18	2,612,278	2,607,250	347,113	426,647
Receivables	19	4,558,443	4,491,284	2,967,074	1,903,408
Tax recoverable		2,057,621	2,633,965	1,295,086	2,034,165
Cash and bank balances	20	112,970,106	108,039,846	45,330,933	46,921,996
		122,198,448	117,772,345	49,940,206	51,286,216
Total assets		384,576,021	368,735,734	325,582,809	298,081,057
Equity and liabilities					
Equity attributable to equity holders of the Company					
Share capital	22	70,201,962	70,201,962	70,201,962	70,201,962
Share premium		4,335,840	4,335,840	4,335,840	4,335,840
Other reserves	23	61,849,017	62,130,985	152,930,635	129,627,366
Retained profits	24	162,837,774	151,449,742	84,218,557	80,721,432
		299,224,593	288,118,529	311,686,994	284,886,600
Minority interests		54,013,816	51,361,581	-	-
Total equity		353,238,409	339,480,110	311,686,994	284,886,600
Non-current liabilities					
Deferred tax liabilities	25	24,661,426	23,332,287	11,894,604	11,673,095
Current liabilities					
Payables	21	6,676,186	5,920,531	2,001,211	1,521,362
Taxation		-	2,806	-	-
		6,676,186	5,923,337	2,001,211	1,521,362
Total liabilities		31,337,612	29,255,624	13,895,815	13,194,457
Total equity and liabilities		384,576,021	368,735,734	325,582,809	298,081,057

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009

	<---- Attributable to equity holders of the Company					---->	Minority interests	Total equity
		<---- Non-distributable	---->		Distributable			
Group	**Share capital (Note 22) RM**	**Share premium RM**	**Asset revaluation reserve – lands (Note 23) RM**	**Foreign currency translation reserve (Note 23) RM**	**Retained profits (Note 24) RM**	**Total RM**	**RM**	**RM**
At 1 January 2008	70,201,962	4,335,840	60,389,117	1,948,525	155,234,450	292,109,894	48,955,888	341,065,782
Revaluation reserve on leasehold lands realised	-	-	(476,301)	-	476,301	-	-	-
Foreign currency translation:								
Associates	-	-	-	491,375	-	491,375	28,929	520,304
Jointly controlled entity	-	-	-	(221,731)	-	(221,731)	(34,319)	(256,050)
Net (expense) and income recognised directly in equity	-	-	(476,301)	269,644	476,301	269,644	(5,390)	264,254
Profit for the year	-	-	-	-	16,518,771	16,518,771	4,649,429	21,168,200
Total recognised (expense) and income for the year	-	-	(476,301)	269,644	16,995,072	16,788,415	4,644,039	21,432,454
Dividends (Note 10)	-	-	-	-	(20,779,780)	(20,779,780)	(2,238,346)	(23,018,126)
At 31 December 2008	70,201,962	4,335,840	59,912,816	2,218,169	151,449,742	288,118,529	51,361,581	339,480,110

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009 (CONT'D.)

	<---- Attributable to equity holders of the Company					---->	Minority interests	Total equity
		<---- Non-distributable	---->	Distributable				
Group	**Share capital (Note 22) RM**	**Share premium RM**	**Asset revaluation reserve – lands (Note 23) RM**	**Foreign currency translation reserve (Note 23) RM**	**Retained profits (Note 24) RM**	**Total RM**	**RM**	**RM**
At 1 January 2009	70,201,962	4,335,840	59,912,816	2,218,169	151,449,742	288,118,529	51,361,581	339,480,110
Revaluation reserve on leasehold lands realised	-	-	(476,301)	-	476,301	-	-	-
Foreign currency translation:								
Associates	-	-	-	(4,621)	-	(4,621)	1,123	(3,498)
Jointly controlled entity	-	-	-	198,954	-	198,954	28,211	227,165
Net (expense) and income recognised directly in equity	-	-	(476,301)	194,333	476,301	194,333	29,334	223,667
Profit for the year	-	-	-	-	24,074,598	24,074,598	3,710,044	27,784,642
Total recognised (expense) and income for the year	-	-	(476,301)	194,333	24,550,899	24,268,931	3,739,378	28,008,309
Dividends (Note 10)	-	-	-	-	(13,162,867)	(13,162,867)	(1,087,143)	(14,250,010)
At 31 December 2009	70,201,962	4,335,840	59,436,515	2,412,502	162,837,774	299,224,593	54,013,816	353,238,409

The accompanying notes form an integral part of the financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009

Company	Share capital (Note 22) RM	Share premium RM	<--- Non-distributable ---> Asset revaluation reserve – lands (Note 23) RM	Asset revaluation reserve – investments in subsidiaries (Note 23) RM	Distributable Retained profits (Note 24) RM	Total equity RM
At 1 January 2008	70,201,962	4,335,840	28,800,635	96,292,577	90,582,384	290,213,398
Revaluation reserve of leasehold land realised	-	-	(284,914)	-	284,914	-
Revaluation increase of investment in subsidiaries (Note 14)	-	-		4,819,068	-	4,819,068
Net (expense) and income recognised directly in equity	-	-	(284,914)	4,819,068	284,914	4,819,068
Profit for the year	-	-	-	-	10,633,914	10,633,914
Total recognised (expense) and income for the year	-	-	(284,914)	4,819,068	10,918,828	15,452,982
Dividends (Note 10)	-	-	-	-	(20,779,780)	(20,779,780)
At 31 December 2008	70,201,962	4,335,840	28,515,721	101,111,645	80,721,432	284,886,600

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009 (CONT'D.)

	<---- Non-distributable			---->	Distributable	
Company	**Share capital (Note 22) RM**	**Share premium RM**	**Asset revaluation reserve – lands (Note 23) RM**	**Asset revaluation reserve – investments in subsidiaries (Note 23) RM**	**Retained profits (Note 24) RM**	**Total equity RM**
At 1 January 2009	70,201,962	4,335,840	28,515,721	101,111,645	80,721,432	284,886,600
Revaluation reserve of leasehold land realised	-	-	(284,914)	-	284,914	-
Revaluation increase of investment in subsidiaries (Note 14)	-	-		23,588,183	-	23,588,183
Net (expense) and income recognised directly in equity	-	-	(284,914)	23,588,183	284,914	23,588,183
Profit for the year	-	-	-	-	16,375,078	16,375,078
Total recognised (expense) and income for the year	-	-	(284,914)	23,588,183	16,659,992	39,963,261
Dividends (Note 10)	-	-	-	-	(13,162,867)	(13,162,867)
At 31 December 2009	70,201,962	4,335,840	28,230,807	124,699,828	84,218,557	311,686,994

The accompanying notes form an integral part of the financial statements

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Group		Company	
	2009	2008	2009	2008
Cash flows from operating activities	RM	RM	RM	RM
Profit before taxation	36,768,373	29,115,346	21,443,984	14,834,967
Adjustments for:				
Amortisation of prepaid land lease payments	991,250	991,250	491,250	491,250
Depreciation of property, plant and equipment	882,042	831,368	210,030	195,795
Fair value (increase)/decrease in biological assets	(5,900,000)	19,000,000	(1,400,000)	11,000,000
Gain on sale of property, plant and equipment	-	(16,735)	-	-
Gain on sale of other investments	(696,776)	(131,368)	(270,933)	(119,558)
Gross dividend income	(1,012,590)	(1,082,555)	(5,159,707)	(9,023,995)
Impairment loss of other investments	-	1,013,270	-	722,607
Interest income	(1,659,302)	(2,788,571)	(921,092)	(1,698,501)
Property, plant and equipment written off	-	30,048	-	30,048
Reversal of impairment loss of other investments	(1,013,270)	-	(722,607)	-
Share of (profit)/ loss of associates	(341,456)	940,210	-	-
Share of loss of a jointly controlled entity	2,052,401	441,130	-	-
Bad debts written off	41,396	-	-	-
Inventories written off	-	14,624	-	-
Unrealised gain on foreign exchange	(274,617)	(1,675,891)	(43,699)	(73,467)
Operating profit before working capital changes	29,837,451	46,682,126	13,627,226	16,359,146
(Increase)/decrease in inventories	(5,028)	(637,640)	79,534	(94,252)
(Increase)/decrease in receivables	(199,830)	1,975,674	(1,128,783)	1,508,153
Increase/(decrease) in payables	755,655	243,775	479,849	(289,886)
Cash generated from operations	30,388,248	48,263,935	13,057,826	17,483,161
Taxes paid	(7,047,179)	(15,865,353)	(2,874,000)	(7,436,309)
Net cash generated from operating activities	23,341,069	32,398,582	10,183,826	10,046,852
Cash flows from investing activities				
Capital distribution from quoted investments	-	18,600	-	18,600
Investment in an associate	(9,587,070)	-	(6,399,280)	-
Investment in a jointly controlled entity	(2,541,615)	(8,139,610)	(1,262,460)	(4,069,810)
Interest received	1,723,577	2,849,566	986,209	1,719,678
Net dividends received	1,005,714	987,870	3,925,389	6,698,746
Purchase of property, plant and equipment	(1,014,175)	(922,203)	(284,683)	(223,451)
Purchase of other investments	(1,854,081)	(12,089,919)	(554,152)	(5,250,762)
Proceeds from sale of property, plant and equipment	-	46,082	63,333	-
Proceeds from sale of other investments	7,832,234	379,500	4,869,923	345,000
(Placement)/withdrawal of fixed deposits pledged to banks	(26,717)	2,191	(16,397)	3,601
Net cash (used in) / generated from investing activities	(4,462,133)	(16,867,923)	1,327,882	(758,398)
Cash flows from financing activities				
Dividends paid to shareholders of the Company	(13,162,867)	(20,779,780)	(13,162,867)	(20,779,780)
Dividends paid to minority interests	(1,087,143)	(2,238,346)	-	-
Net cash used in financing activities	(14,250,010)	(23,018,126)	(13,162,867)	(20,779,780)
Net increase/(decrease) in cash and cash equivalents	4,628,926	(7,487,467)	(1,651,159)	(11,491,326)
Effects of exchange rate changes	274,617	1,675,891	43,699	73,467
Cash and cash equivalents at beginning of year	107,745,986	113,557,562	46,745,804	58,163,663
Cash and cash equivalents at end of year (Note 20)	112,649,529	107,745,986	45,138,344	46,745,804

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

1. Corporate information

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

The immediate and ultimate holding company of the Company is Tiong Thye Company Berhad, which is incorporated in Malaysia.

The principal activities of the Company are the cultivation of oil palms and sale of fresh fruit bunches and investment holding. The principal activities of the subsidiaries are the cultivation of oil palms, process and sale of crude palm oil and palm kernel. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 February 2010.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements comply with Financial Reporting Standards ("FRS") and the Companies Act, 1965 in Malaysia.

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

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

2.2 Summary of significant accounting policies

(a) Subsidiaries and basis of consolidation

(i) Subsidiaries

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

In the Company's separate financial statements, investments in subsidiaries are classified as available-for-sale financial assets in accordance with FRS 139. These financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

Any dividends received from a subsidiary after the revaluation, which are paid out of profits earned before the revaluation of the investment in that subsidiary, are offset against the carrying amount of the investments in the books of the Company.

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

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

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

(ii) Basis of consolidation

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

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

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

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

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

(b) Associates

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

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

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

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

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(b) Associates (cont'd.)

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

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

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

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

(c) Jointly controlled entities

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

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

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

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

(d) Revenue recognition

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

(i) Revenue – Sale of goods

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

(ii) Other operating Income:

(a) Interest income

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

(b) Dividend income

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

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(e) Property, plant and equipment and depreciation

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

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

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

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

Buildings	4% - 20%
Motor vehicles	20%
Plant and machinery, office equipment, furniture and fittings	10% - 20%

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

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

(f) Biological assets

This represents the oil palms of the Group and of the Company which are measured at their fair values less estimated point-of-sale costs annually. The fair value of biological assets is determined by an independent valuer based on expected value in use of the biological assets.

The changes in fair value of the biological assets are recognised through profit or loss.

(g) Replanting expenses

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

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(h) Inventories

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

(i) Foreign currencies

(i) Functional and presentation currency

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

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

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

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

	2009 RM	2008 RM
Singapore Dollar	2.47	2.45

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(i) Foreign currencies (cont'd.)

(iii) Foreign operations

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

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

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

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

(j) Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

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

(k) Income tax

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

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

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(k) Income tax (cont'd.)

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

(l) Provisions

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

(m) Impairment of non-financial assets

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

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

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(n) Financial instruments

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

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

(i) Cash and cash equivalents

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

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

(ii) Other investments

Other investments are stated at cost less impairment losses. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in profit and loss.

(iii) Trade and other receivables

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

(iv) Trade and other payables

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

(v) Equity Instruments

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

(o) Leases

(i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases, with the following exceptions:

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

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

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(o) Leases (cont'd.)

(ii) Operating leases – the Group as lessee

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

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

2.3 Standards and Interpretations issued but not yet effective

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

FRSs, Amendments to FRSs and Interpretations		**Effective for financial periods beginning on or after**
FRS 8	Operating Segments	1 July 2009
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101	Presentation of Financial Statements (as revised in 2009)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
Amendment to FRS 8	Operating Segments	1 January 2010
Amendment to FRS 107	Cash Flow Statements	1 January 2010
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendment to FRS 110	Events After the Balance Sheet Date	1 January 2010
Amendment to FRS 116	Property, Plant and Equipment	1 January 2010
Amendment to FRS 117	Leases	1 January 2010
Amendment to FRS 118	Revenue	1 January 2010
Amendment to FRS 119	Employee Benefits	1 January 2010
Amendment to FRS 120	Accounting for Government Grants and Disclosures of Government Assistance	1 January 2010
Amendment to FRS 123	Borrowing Costs	1 January 2010
Amendment to FRS 128	Investments in Associates	1 January 2010
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendment to FRS 131	Interests in Joint Ventures	1 January 2010
Amendment to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendment to FRS 134	Interim Financial Reporting	1 January 2010
Amendment to FRS 136	Impairment of Assets	1 January 2010
Amendment to FRS 138	Intangible Assets	1 January 2010
Amendment to FRS 140	Investment Property	1 January 2010

2. Significant accounting policies (cont'd.)

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

FRSs, Amendments to FRSs and Interpretations		Effective for financial periods beginning on or after
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivates	1 January 2010
Improvements to FRSs - 2009	Improvements to FRSs (2009)	1 January 2010
IC interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC interpretation 13	Customer Loyalty Programmes	1 January 2010
IC interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combination (revised)	1 July 2010
FRS 127	Consolidated and Separate Financial Statements (amended)	1 July 2010
IC interpretation 12	Service Concession Arrangements	1 July 2010
IC interpretation 15	Agreements for the Construction of Real Estate	1 July 2010
IC interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 2	Share-based Payment	1 July 2010
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 138	Intangible Assets	1 July 2010
Amendments to IC interpretation 9	Reassessment of Embedded Derivates	1 July 2010

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group and of the Company upon their initial application except for the changes arising from the adoption of FRS 7, FRS 139, FRS 101 and FRS 138.

The Group and the Company are exempted from disclosing the possible impact to the financial statements upon the initial application of FRS 7 and FRS 139.

FRS 101 (Revised): Presentation of Financial Statements

The new FRS 101 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item. In addition, the revised standard introduces the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements.

This is a disclosure standard with no impact on the financial position or financial performance of the Group.

FRS 8: Operating Segments

FRS 8 requires the disclosures of segment information based on the information reviewed by the Group's chief operating decision makers. This is a disclosure standard with no impact on the financial position or financial performance of the Group.

2. Significant accounting policies (cont'd.)

2.4 Significant accounting estimates

Key sources of estimation uncertainty

(i) Fair value of biological assets

The biological assets are measured at their fair values less estimated point-of-sale costs annually. This requires an estimation of the value in use of the biological assets.

In assessing value in use, the independent professional valuers are required to make an estimate of the expected future cash flows from the biological assets and also to choose a suitable discount rate in order to calculate to their present value of those cash flows. The details are as disclosed in Note 13.

(ii) Carrying value of the investments in subsidiaries

Investments in subsidiaries are classified as available-for-sale financial assets and carried at fair value.

The directors are of the opinion that the adjusted net tangibles assets of the subsidiaries which comprise the fair value of the biological assets, lands, quoted investments and other financial instruments, represents the fair value of the subsidiaries.

3. Revenue and cost of sales

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

Revenue of the Company represents the invoiced value of sales of fresh fruit bunches. The cost of sales in relation to the Company's invoiced value of sales consists of cost of cultivation, labour and overheads.

4. Other income

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Dividend income:				
- Subsidiaries	-	-	4,850,476	8,735,210
- Quoted investments:				
- in Malaysia	293,975	426,514	174,600	241,993
- outside Malaysia	718,615	656,041	134,631	46,792
Interest income	1,659,302	2,788,571	921,092	1,698,501
Gain on sale of property, plant and equipment	-	16,735	-	-
Gain on sale of other investments	696,776	131,368	270,933	119,558
Net foreign exchange gain	274,196	1,674,188	43,547	72,613
Reversal of impairment loss of other investments	1,013,270	-	722,607	-
Miscellaneous	108,540	90,497	15,600	6,477
	4,764,674	5,783,914	7,133,486	10,921,144

5. Operating profit

Operating profit during the year is arrived after charging:

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Amortisation of prepaid land lease payments (Note 12)	991,250	991,250	491,250	491,250
Auditors' remuneration				
- statutory audit	99,000	99,000	38,000	38,000
- other services	8,000	8,000	8,000	8,000
Depreciation of property, plant and equipment (Note 11)	882,042	831,368	210,030	195,795
Non-executive directors' remuneration (Note 6)	462,121	522,219	263,000	267,000
Employee benefits expense (Note 7)	12,481,547	12,605,579	4,620,022	4,161,163
Net foreign exchange loss	421	1,703	152	854
Bad debts written off	41,396	-	-	-
Property, plant and equipment written off	-	30,048	-	30,048
Impairment loss of other investments	-	1,013,270	-	722,607
Inventories written off	-	14,624	-	-

6. Directors' remuneration

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Directors of the Company				
Executive directors:				
Fees	172,000	174,084	78,000	80,084
Salaries	764,400	679,400	594,000	509,000
Commission	519,311	752,523	310,682	361,690
Other emoluments	80,000	82,000	40,000	42,000
	1,535,711	1,688,007	1,002,682	992,774
Non-executive directors (Note 5):				
Fees	225,000	225,000	169,000	169,000
Salaries	84,000	84,000	-	-
Commission	31,621	87,719	-	-
Other emoluments	121,500	125,500	94,000	98,000
	462,121	522,219	263,000	267,000
	1,997,832	2,210,226	1,285,682	1,259,774

6. Directors' remuneration (cont'd.)

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

	Number of Directors 2009	2008
Executive directors:		
RM150,001 – RM200,000	-	1
RM200,001 – RM250,000	1	-
RM250,001 – RM300,000	-	-
RM300,001 – RM350,000	-	-
RM350,001 – RM400,000	2	-
RM400,001 – RM450,000	-	2
RM450,001 – RM500,000	-	-
RM500,001 – RM550,000	1	-
RM550,001 – RM600,000	-	-
RM600,001 – RM650,000	-	1
	4	4
Non-executive directors:		
RM50,000 and below	4	3
RM50,001 – RM100,000	2	3
RM100,001 – RM150,000	-	-
RM150,001 – RM200,000	1	-
RM200,001 – RM250,000	-	1
	7	7
	11	11

7. Employee benefits expense

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Wages and salaries	10,543,415	10,144,659	4,083,531	3,495,156
Social security contributions	53,958	52,950	9,216	9,122
Employees Provident Fund	438,587	405,560	121,611	117,855
Other staff related expenses	1,445,587	2,002,410	405,664	539,030
	12,481,547	12,605,579	4,620,022	4,161,163

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM1,535,711 (2008: RM1,688,007) and RM1,022,682 (2008: RM992,774) respectively, as further disclosed in Note 6 to the financial statements.

8. TAXATION

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Tax expense for the year:				
Malaysian income tax	7,714,356	12,731,468	4,872,218	7,047,084
Foreign tax	-	548	-	-
	7,714,356	12,732,016	4,872,218	7,047,084
(Over)/under provision in prior years:				
Malaysian income tax	(59,764)	77,386	(24,821)	(5,354)
	7,654,592	12,809,402	4,847,397	7,041,730
Deferred tax (Note 25):				
Relating to origination and reversal of temporary differences	1,370,297	(4,857,340)	239,060	(2,840,349)
Overprovision in prior years	(41,158)	(4,916)	(17,551)	(328)
	1,329,139	(4,862,256)	221,509	(2,840,677)
	8,983,731	7,947,146	5,068,906	4,201,053

Domestic current income tax is calculated at the statutory tax rate of 25% (2008: 26%) of the estimated assessable profit for the year. Taxation for other jurisdictions are calculated at the rates prevailing in those jurisdictions.

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

	2009 RM	2008 RM
Group		
Profit before taxation	36,768,373	29,115,346
Taxation at Malaysian statutory tax rate of 25% (2008: 26%)	9,192,093	7,569,990
Income not assessable for tax purposes	(728,621)	(690,116)
Expenses not deductible for tax purposes	193,445	470,169
(Over)/under provision of income tax expenses in prior years	(59,764)	77,386
Deferred tax recognised at different tax rates	-	165,485
Overprovision of deferred tax expense in prior year	(41,158)	(4,916)
Effect of share of loss of associates and a jointly controlled entity	427,736	359,148
Tax expense for the year	8,983,731	7,947,146
Company		
Profit before taxation	21,443,984	14,834,967
Taxation at Malaysian statutory tax rate of 25% (2008: 26%)	5,360,996	3,857,091
Income not assessable for tax purposes	(313,774)	(69,451)
Expenses not deductible for tax purposes	64,056	305,481
Overprovision of income tax expenses in prior years	(24,821)	(5,354)
Deferred tax recognised at different tax rates	-	113,614
Overprovision of deferred tax expense in prior year	(17,551)	(328)
Tax expense for the year	5,068,906	4,201,053

9. Earnings per stock unit

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

	2009	**2008**
Profit attributable to ordinary equity holders of the Company (RM)	24,074,598	16,518,771
Weighted average number of ordinary stock units in issue	70,201,962	70,201,962
Basic earnings per stock unit (sen)	34.29	23.53
Diluted earnings per stock unit (sen)	34.29	23.53

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

10. Dividends

	Dividends in respect of year		**Dividends recognised in year**	
	2009	**2008**	**2009**	**2008**
	RM	**RM**	**RM**	**RM**
First interim dividend of 20% less 26% taxation, on 70,201,962 ordinary stock units, declared on 30 May 2008 and paid on 30 June 2008 (14.80 sen net per ordinary stock unit)	-	10,389,890	-	10,389,890
Second interim dividend of 20% less 26% taxation, on 70,201,962 ordinary stock units, declared on 28 November 2008 and paid on 31 December 2008 (14.80 sen net per ordinary stock unit)	-	10,389,890	-	10,389,890
First interim dividend of 10% less 25% taxation, on 70,201,962 ordinary stock units, declared on 28 May 2009 and paid on 30 June 2009 (7.50 sen net per ordinary stock unit)	5,265,147	-	5,265,147	-
Second interim dividend of 15% less 25% taxation, on 70,201,962 ordinary stock units, declared on 23 November 2009 and paid on 31 December 2009 (11.25 sen net per ordinary stock unit)	7,897,720	-	7,897,720	-
	13,162,867	20,779,780	13,162,867	20,779,780

11. Property, plant and equipment

	Valuation	<----------	----------	Cost	----------	---------->	
	Freehold lands RM	Buildings RM	Motor vehicles RM	Office equipment and furniture and fittings RM	Plant and machinery RM	Capital-work-in-progress RM	Total RM
Group							
At 31 December 2009							
Valuation / cost							
At 1 January 2009	75,478,073	6,246,289	3,372,296	545,070	11,723,393	-	97,365,121
Additions	-	430,054	135,321	33,488	283,732	131,580	1,014,175
Write off	-	(23,484)	(137,982)	(17,092)	(114,520)	-	(293,078)
At 31 December 2009	75,478,073	6,652,859	3,369,635	561,466	11,892,605	131,580	98,086,218
Accumulated depreciation							
At 1 January 2009	-	4,593,677	2,719,292	364,079	8,672,933	-	16,349,981
Charge for the year (Note 5)	-	144,993	228,269	39,963	468,817	-	882,042
Write off	-	(23,484)	(137,982)	(17,092)	(114,520)	-	(293,078)
At 31 December 2009	-	4,715,186	2,809,579	386,950	9,027,230	-	16,938,945
Net carrying amount							
At 31 December 2009	75,478,073	1,937,673	560,056	174,516	2,865,375	131,580	81,147,273

11. Property, plant and equipment (cont'd.)

	Valuation	<----------	----------	Cost ----------	---------->	
	Freehold lands RM	Buildings RM	Motor vehicles RM	Office equipment and furniture and fittings RM	Plant and machinery RM	Total RM
Group (cont'd.)						
At 31 December 2008						
Valuation / cost						
At 1 January 2008	75,507,000	6,182,174	3,435,602	561,697	11,179,931	96,866,404
Additions	-	66,015	269,394	22,182	564,612	922,203
Disposal	(28,927)	-	-	(6,300)	-	(35,227)
Write off	-	(1,900)	(332,700)	(32,509)	(21,150)	(388,259)
At 31 December 2008	75,478,073	6,246,289	3,372,296	545,070	11,723,393	97,365,121
Accumulated depreciation						
At 1 January 2008	-	4,461,686	2,836,882	332,817	8,251,319	15,882,704
Charge for the year (Note 5)	-	133,213	215,110	42,913	440,132	831,368
Disposal	-	-	-	(5,880)	-	(5,880)
Write off	-	(1,222)	(332,700)	(5,771)	(18,518)	(358,211)
At 31 December 2008	-	4,593,677	2,719,292	364,079	8,672,933	16,349,981
Net carrying amount						
At 31 December 2008	75,478,073	1,652,612	653,004	180,991	3,050,460	81,015,140

11. Property, plant and equipment (cont'd.)

	Valuation	<------------------	Cost	------------------>		
	Freehold land RM	Buildings RM	Motor vehicles RM	Office equipment and furniture and fittings RM	Plant and machinery RM	Total RM
Company						
At 31 December 2009						
Valuation / cost						
At 1 January 2009	23,600,000	2,096,420	1,116,502	162,059	645,796	27,620,777
Additions	-	167,254	87,321	228	29,880	284,683
Disposal	-	-	(152,000)	-	-	(152,000)
Write off	-	(23,484)	(3,730)	-	(15,377)	(42,591)
At 31 December 2009	23,600,000	2,240,190	1,048,093	162,287	660,299	27,710,869
Accumulated depreciation						
At 1 January 2009	-	1,294,869	820,152	109,608	504,081	2,728,710
Charge for the year (Note 5)	-	63,006	108,232	9,406	29,386	210,030
Disposal	-	-	(88,667)	-	-	(88,667)
Write off	-	(23,484)	(3,730)	-	(15,377)	(42,591)
At 31 December 2009	-	1,334,391	835,987	119,014	518,090	2,807,482
Net carrying amount						
At 31 December 2009	23,600,000	905,799	212,106	43,273	142,209	24,903,387

11. Property, plant and equipment (cont'd.)

	Valuation	<----------	----------	Cost ----------	---------->	
	Freehold land RM	Buildings RM	Motor vehicles RM	Office equipment and furniture and fittings RM	Plant and machinery RM	Total RM
Company (cont'd.)						
At 31 December 2008						
Valuation / cost						
At 1 January 2008	23,600,000	2,082,305	1,136,888	184,976	601,496	27,605,665
Additions	-	16,015	132,394	9,592	65,450	223,451
Write off	-	(1,900)	(152,780)	(32,509)	(21,150)	(208,339)
At 31 December 2008	23,600,000	2,096,420	1,116,502	162,059	645,796	27,620,777
Accumulated depreciation						
At 1 January 2008	-	1,233,641	868,331	104,864	504,370	2,711,206
Charge for the year (Note 5)	-	62,450	104,601	10,515	18,229	195,795
Write off	-	(1,222)	(152,780)	(5,771)	(18,518)	(178,291)
At 31 December 2008	-	1,294,869	820,152	109,608	504,081	2,728,710
Net carrying amount						
At 31 December 2008	23,600,000	801,551	296,350	52,451	141,715	24,892,067

11. Property, plant and equipment (cont'd.)

(a) Freehold lands were revalued on 31 December 2006 by Paul Khong Poh Yew, an executive director with Regroup Associates Sdn. Bhd., an independent professional valuer. Fair value is determined by reference to open market value on the profit and comparison method.

The net book value of the freehold lands had these revalued lands been carried at historical cost has not been disclosed as such information and records relating to the periods prior to the previous revaluation in 1978 are no longer available for review.

(b) Included in the above property, plant and equipment are fully depreciated assets of the Group and of the Company costing RM12,743,353 (2008: RM12,908,012) and RM1,584,917 (2008: RM1,602,021) respectively, which are still in use.

12. Prepaid land lease payments

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
At 1 January	66,817,500	67,808,750	38,317,500	38,808,750
Amortisation (Note 5)	(991,250)	(991,250)	(491,250)	(491,250)
At 31 December	65,826,250	66,817,500	37,826,250	38,317,500
Analysed as:				
Long term leasehold land	65,826,250	66,817,500	37,826,250	38,317,500

13. Biological assets

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
At valuation				
At 1 January	49,200,000	68,200,000	23,100,000	34,100,000
Fair value adjustments	5,900,000	(19,000,000)	1,400,000	(11,000,000)
At 31 December	55,100,000	49,200,000	24,500,000	23,100,000

The biological assets were revalued on 31 December 2009 by Paul Khong Poh Yew, an executive director with CB Richard Ellis (Malaysia) Sdn Bhd, an independent professional valuer.

The fair value of the biological assets is determined based on the value in use calculations using cash flow projections, covering a twenty five-year period. The discount rate used is based on the expected rate of return of the biological assets, determined by the independent professional valuer.

14. Investments in subsidiaries

	Company 2009 RM	Company 2008 RM
Unquoted shares, at valuation		
At 1 January	136,964,296	132,145,228
Revaluation surplus	23,588,183	4,819,068
At 31 December	160,552,479	136,964,296

Details of the subsidiaries which are incorporated in Malaysia are as follows:

Name of company	Proportion of ownership interest (%) 2009	2008	Principal activities
Eng Thye Plantations Berhad	83.3	83.3	Cultivation of oil palms, process and sale of crude palm oil and palm kernel
Timor Oil Palm Plantation Berhad	58.0	58.0	

15. Investments in associates

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Unquoted shares, at cost				
At 1 January	5,804,672	5,804,672	4,664,304	4,664,304
Increase during the year	9,587,070	-	6,399,280	-
At 31 December	15,391,742	5,804,672	11,063,584	4,664,304
Share of post acquisition reserves	2,345,038	2,003,582	-	-
Currency translation differences	2,107,348	2,110,846	-	-
At 31 December	19,844,128	9,919,100	11,063,584	4,664,304

Details of the associates are as follows:

Name of associate	Proportion of ownership interest (%) 2009	2008	Proportion of voting power (%) 2009	2008	Principal activities
Sin Thye Oil Mills Sdn. Bhd. #	50.0	50.0	50.0	50.0	To process and sell crude palm oil and palm kernel. The company has not commenced operations.
Sin Thye Management Sdn. Bhd. #	30.0	30.0	30.0	30.0	Provision of management and advisory services and acting as an insurance agent.
Huay Guan Investment Pte. Ltd.***	35.4*	35.4*	37.5**	37.5**	Trading in stocks and shares.

\# Incorporated in Malaysia
Audited by Ernst & Young, Malaysia
Year end of 31 December

* Includes interest held by a subsidiary, Eng Thye Plantations Berhad

** The proportion of voting power is higher than the proportion of ownership interest as it includes interest held by a non-wholly owned subsidiary of the Group

*** Incorporated in the Republic of Singapore
Audited by a firm of auditors other than Ernst & Young
Year end of 31 December

During the financial year, the Group and the Company further subscribed for shares in Huay Guan Investment Pte Ltd for a total cash subscription sum of RM9,587,070 and RM6,399,280 respectively, as disclosed in Note 26 to the financial statements.

15. Investments in associates (cont'd.)

The summarised financial information of the associates are as follows:

	2009 RM	2008 RM
Assets and liabilities		
Current assets	51,090,942	24,258,833
Non-current assets	2,632,693	2,847,234
Total assets	53,723,635	27,106,067
Current liabilities	281,880	84,680
Results		
Revenue	13,836,228	25,840,269
Profit/(loss) for the year	863,800	(2,598,374)

16. Investment in a jointly controlled entity

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Unquoted shares, at cost				
At 1 January	25,089,340	16,949,730	12,519,020	8,449,210
Increase during the year	2,541,615	8,139,610	1,262,460	4,069,810
	27,630,955	25,089,340	13,781,480	12,519,020
Share of post acquisition reserves	(2,803,153)	(750,752)	-	-
Currency translation differences	(332,834)	(560,000)	-	-
At 31 December	24,494,968	23,778,588	13,781,480	12,519,020

Details of the jointly controlled entity is as follows:

Name of jointly controlled entity	Proportion of ownership interest (%) 2009	2008	Proportion of voting power (%) 2009	2008	Principal activity
Chin Thye Investment Pte Ltd *	34.6**	34.6**	40.0***	40.0***	Investment holding

* Incorporated in the Republic of Singapore
Audited by an affiliate of Ernst & Young
Year end of 31 December

** Includes interests held by subsidiaries

*** The proportion of voting power is higher than the proportion of ownership interest as it includes interests held by non-wholly owned subsidiaries of the Group

During the financial year, the Group and the Company further subscribed for shares in Chin Thye Investment Pte Ltd for a total cash subscription of RM2,541,615 and RM1,262,460 respectively, as disclosed in Note 26 to the financial statements.

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

	Group	
	2009 RM	2008 RM
Assets and liabilities		
Current assets	15,457,314	15,516,420
Non-current assets	11,395,547	8,342,911
Total assets	26,852,861	23,859,331
Current liabilities	2,357,893	80,743
Results		
Revenue (other income)	127,456	142,260
Expenses	2,179,857	583,390

17. Other investments

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Quoted securities, at cost:				
In Malaysia	6,234,893	5,619,814	3,015,423	2,722,102
Outside Malaysia	9,730,061	15,626,517	-	4,338,159
	15,964,954	21,246,331	3,015,423	7,060,261
Less: Accumulated impairment losses	-	(1,013,270)	-	(722,607)
	15,964,954	20,233,061	3,015,423	6,337,654
Market value of quoted securities:				
In Malaysia	10,091,067	6,307,094	5,530,868	3,498,980
Outside Malaysia	15,902,786	13,925,967	-	2,838,674
	25,993,853	20,233,061	5,530,868	6,337,654

18. Inventories

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
At cost:				
Oil palm produce	870,343	855,468	-	-
Estate stores	1,741,935	1,751,782	347,113	426,647
	2,612,278	2,607,250	347,113	426,647

The cost of inventories of the Group and of the Company recognised as an expense during the financial year in the income statements amounts to RM13,100,243 (2008: RM18,280,493) and RM4,237,354 (2008: RM8,116,942) respectively.

19. Receivables

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Trade receivables				
Third parties	2,051,124	2,644,327	-	-
Subsidiary	-	-	561,903	341,662
A related corporation	2,218,762	1,325,155	2,218,762	1,325,155
A company in which certain directors and substantial shareholders have interests	-	158,643	-	-
	4,269,886	4,128,125	2,780,665	1,666,817
Other receivables				
Deposits, prepayment and sundry receivables	288,557	363,159	186,409	236,591
	4,558,443	4,491,284	2,967,074	1,903,408

19. Receivables (cont'd.)

(a) Credit risks

The Group's primary exposure to credit risks arose through its trade receivables. The Group's normal trade credit term is 30 days (2008: 30 days). Other credit terms are assessed and approved on a case-by-case basis. Credit risks are minimised and monitored via strictly limiting the Group's association to business partners with high creditworthiness. The Group seeks to maintain strict control over its outstanding receivables and has a management reporting procedure to monitor on an ongoing basis.

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors other than the amount due from a related corporation.

(b) Amounts due from a subsidiary, a related corporation and a company in which certain directors and substantial shareholders have interests

The amounts due from a subsidiary, a related corporation and a company in which certain directors and substantial shareholders have interests are trade in nature, non-interest bearing, unsecured, repayable on demand and are to be settled in cash.

Further details on related party transactions are disclosed in Note 28.

Other information on financial risks of other receivables are disclosed in Note 30.

20. Cash and cash equivalents

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Cash on hand and at banks	9,123,179	12,459,636	3,564,240	4,285,652
Deposits with:				
Licensed banks	80,871,277	72,093,810	41,766,693	42,636,344
Other financial institutions	22,975,650	23,486,400	-	-
	103,846,927	95,580,210	41,766,693	42,636,344
Cash and bank balances	112,970,106	108,039,846	45,330,933	46,921,996

The fixed deposits with licensed banks of the Group and of the Company amounting to RM320,577 (2008: RM293,860) and RM192,589 (2008: RM176,192) respectively have been pledged to the banks for guarantee facilities provided to the Group and the Company. The Group's deposits with other financial institutions relate to placements with foreign banks.

Other information on financial risks of cash and cash equivalents are disclosed in Note 30.

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

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Cash and bank balances	112,970,106	108,039,846	45,330,933	46,921,996
Less: Deposits pledged for banks guarantee facilities	(320,577)	(293,860)	(192,589)	(176,192)
Cash and cash equivalents	112,649,529	107,745,986	45,138,344	46,745,804

21. Payables

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Trade payables				
Third parties	552,765	972,192	490,405	9,387
A person connected with certain directors and a substantial shareholder	1,547,111	-	-	-
	2,099,876	972,192	490,405	9,387
Other payables				
Accruals and sundry payables	4,576,310	4,948,339	1,510,806	1,511,975
	6,676,186	5,920,531	2,001,211	1,521,362

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranges from 30 to 90 days (2008: 30 to 90 days).

(b) Amount due to a person connected with certain directors and a substantial shareholder

The amounts due to a person connected with certain directors and a substantial shareholder is non-interest bearing, unsecured, repayable on demand and are to be settled in cash.

Further details on related party transactions are disclosed in Note 28.

22. Share capital

	Number of ordinary shares of RM1.00 each		Amount	
	2009	2008	2009	2008
			RM	RM
Authorised share capital				
At 1 January/31 December	150,000,000	150,000,000	150,000,000	150,000,000

	Number of ordinary stock units of RM1.00 each		Amount	
	2009	2008	2009	2008
Issued and fully paid:				
At 1 January/31 December	70,201,962	70,201,962	70,201,962	70,201,962

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

23. Other reserves

The nature and purpose of each category of reserve are as follows:

(a) Asset revaluation reserve - lands

The asset revaluation reserve is used to record increases in the revaluation of freehold and leasehold lands and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

(b) Asset revaluation reserve - investments in subsidiaries

The assets revaluation reserve is used to record increases in the value of fair value of subsidiaries and decreases to the extent that such decrease relates to an increase on the same subsidiary previously recognised in equity.

(c) Foreign currency translation reserve

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

24. Retained profits

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

The Company did not elect for the irrevocable option to disregard the 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the 108 balance as at 31 December 2009 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act 2007. As at 31 December 2009, the Company has sufficient credit in the 108 balance to pay franked dividends amounting to RM48,212,880 (2008: RM67,552,707) out of its entire retained earnings. The remaining amount of the retained earnings of RM36,005,677 (2008: RM13,168,725) may be distributed under its tax exempt income of RM3,033,805 (2008: RM3,033,805) and under the single tier system of RM32,971,872 (2008: RM10,134,920). Alternatively, the Company may distribute the remaining amount of the retained earnings of RM36,005,677 (2008: RM13,168,725) under the single tier system.

25. Deferred tax liabilities

	Group		Company	
	2009	**2008**	**2009**	**2008**
	RM	**RM**	**RM**	**RM**
At 1 January	23,332,287	28,194,543	11,673,095	14,513,772
Recognised in income statement (Note 8)	1,329,139	(4,862,256)	221,509	(2,840,677)
At 31 December	24,661,426	23,332,287	11,894,604	11,673,095

25. Deferred tax liabilities (cont'd.)

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

Deferred tax liabilities of the Group:

	Property, plant and equipment RM	Revaluation of lands and biological assets RM	Total RM
At 1 January 2009	536,392	22,795,895	23,332,287
Recognised in income statement	92,057	1,237,082	1,329,139
At 31 December 2009	628,449	24,032,977	24,611,426
At 1 January 2008	476,640	27,717,903	28,194,543
Recognised in income statement	59,752	(4,922,008)	(4,862,256)
At 31 December 2008	536,392	22,795,895	23,332,287

Deferred tax liabilities of the Company:

	Property, plant and equipment RM	Revaluation of lands and biological assets RM	Total RM
At 1 January 2009	200,233	11,472,862	11,673,095
Recognised in income statement	(566)	222,075	221,509
At 31 December 2009	199,667	11,694,937	11,894,604
At 1 January 2008	228,894	14,284,878	14,513,772
Recognised in income statement	(28,661)	(2,812,016)	(2,840,677)
At 31 December 2008	200,233	11,472,862	11,673,095

26. Significant events

During the financial year,

(i) the Group and the Company further subscribed for additional shares in Huay Guan Investment Pte Ltd, an associate for a total cash subscription sum of RM9,587,070 and RM6,399,280 respectively pursuant to an issue of shares by Huay Guan Investment Pte Ltd on a pro-rata basis to its shareholders. The equity interests held by the Group and the Company in Huay Guan investment Pte Ltd remained unchanged subsequent to the subscription.

(ii) the Group and the Company further subscribed for additional shares in Chin Thye Investment Pte Ltd, a jointly controlled entity for a total cash subscription sum of RM2,541,615 and RM1,262,460 respectively pursuant to an issue of shares by Chin Thye Investment Pte Ltd on a pro-rata basis to its shareholders. The equity interests held by the Group and the Company in Chin Thye investment Pte Ltd remained unchanged subsequent to the subscription.

27. Segment information

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

28. Related party disclosures

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

	Group		Company	
	2009	**2008**	**2009**	**2008**
	RM	**RM**	**RM**	**RM**
A related corporation in which certain directors and substantial shareholders have interest:				
- Sale of oil palm produce	17,723,540	23,137,524	17,723,540	23,137,524
An associate in which certain directors and substantial shareholders have interest:				
- Management fee	176,759	54,282	76,489	22,295
A person connected with certain directors and a substantial shareholder:				
- Purchase of fertilisers	3,033,036	3,923,724	1,820,,505	770,033
Companies in which certain directors and substantial shareholders have interest:				
- Agency fee	42,000	42,000	12,000	12,000
- Sale of oil palm produce	251,191	158,643	-	-
- Purchase of oil palm produce	135,598	376,882	-	-
A subsidiary in which certain directors and substantial shareholders have interest:				
- Sale of oil palm produce	-	-	7,974,956	10,179,010
- Sale of property, plant and equipment	-	-	63,333	-

(b) Compensation of key management personnel ("KMP")

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

Total KMPs' remuneration (including Board of Directors)

	Group		Company	
	2009	**2008**	**2009**	**2008**
	RM	**RM**	**RM**	**RM**
Total	1,997,832	2,210,226	1,285,682	1,259,774

For the details of Board of Directors' remuneration, please refer to Note 6 to the financial statements.

29. Capital commitments

	Group		Company	
	2009	**2008**	**2009**	**2008**
	RM	**RM**	**RM**	**RM**
Capital expenditure				
Approved and contracted for:				
Capital and investment outlay in a jointly controlled entity	22,769,045	25,310,660	11,418,250	12,680,980

30. Financial instruments

(a) Financial risks management objectives and policies

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

(b) Interest rate risks

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

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

	WAEIR %	One month and less than one month RM	More than one month but not more than three months RM	More than three months but not more than six months RM	More than nine months but not more than one year RM	Total RM
At 31 December 2009						
Group	1.3232	51,023,031	52,509,298	107,459	207,139	103,846,927
Company	1.7862	23,680,495	17,893,608	106,167	86,423	41,766,693
At 31 December 2008						
Group	2.6730	61,719,336	32,672,200	141,189	1,047,485	95,580,210
Company	2.9996	21,893,138	19,667,014	114,224	961,968	42,636,344

(c) Foreign currency risks

The Group business is predominantly located in Malaysia. The functional currency in foreign bank balances and other investments quoted outside Malaysia are predominantly denominated in Singapore Dollar, which give rise to conversion exposure. The foreign currency exposures are not hedged.

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

	Cash and bank balances RM	Non-current investments RM	Total RM
Singapore Dollar			
At 31 December 2009	24,531,557	9,730,061	34,261,618
At 31 December 2008	27,912,148	15,626,517	43,538,665

30. Financial instruments (cont'd.)

(d) Liquidity risks

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

(e) Credit risks

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

The credit risks of the Group's and of the Company's other financial assets, which comprise cash and cash equivalents and non-current investments, arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

The Group does not have any significant exposure to any individual customer or counterparty other than as disclosed in Note 19 nor does it have any major concentration or credit risks related to any financial instruments.

(f) Fair values

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

	Group		Company	
	Carrying amounts RM	Fair values RM	Carrying amounts RM	Fair values RM
Financial assets				
31 December 2009				
Other investments:				
Quoted investments	15,964,954	25,993,853	3,015,423	5,530,868

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

SHAREHOLDINGS STATISTICS

Share Capital As At 30 April 2010

Authorised	: RM150,000,000
Issued and fully paid	: RM70,201,962
Class of stock units	: Ordinary stock units of RM1.00 each
Voting rights	: One vote per stock unit
No. of shareholders	: 2,759

Distribution schedule of issued and paid-up share capital as at 30 April 2010

No. of Holders	%	Holdings	Total Holdings	%
21	0.76	Less than 100	641	*
510	18.48	100 to 1,000	430,506	0.61
1,814	65.75	1,001 to 10,000	6,695,677	9.54
381	13.81	10,001 to 100,000	10,058,435	14.33
32	1.16	100,001 to less than 5% of the issued shares	14,315,694	20.39
1	0.04	5% and above of the issued shares	38,701,009	55.13
2,759	100.00		70,201,962	100.00

Substantial shareholders (excluding bare trustees) as shown in the register of substantial shareholders as at 30 April 2010.

Name of Substantial Shareholders	<-------Direct Interest--------> No. of Stock Units	%	<------Deemed Interest-------> No. of Stock Units	%
Tiong Thye Company Berhad	38,701,009	55.13	-	-
Goh Eng Chew	400,000	0.57	38,701,009	55.13
Gho Lian Chin	2,200	*	38,852,673	55.34
Tai Chuan Company (Private) Limited	-	-	38,701,009	55.13

(A) Interests of directors in the stock units of the Company as at 30 April 2010.

Name of Directors	<-------Direct Interest--------> No. of Stock Units	%	<------Deemed Interest-------> No. of Stock Units	%
Goh Eng Chew	400,000	0.57	38,701,009	55.13
Goh Pock Ai	401,100	0.57	-	-
Wong Aun Phui	645,850	0.92	59,785	0.09
Goh Wei Lei	-	-	-	-
Goh Beng Hwa @ Gho Bin Hoa	3,002,202	4.28	-	-
Gho Lian Chin	2,200	*	38,852,673	55.34
Sio Sit Po	482,466	0.69	-	-
Goh Yeok Beng	400,000	0.57	-	-
Dato' Ong Bok Lim	-	-	-	-
Keong Choon Keat	-	-	-	-
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	-	-	-	-
Gho Bun Tjin	2,200	*	-	-

* Less than 0.01%

(B) Interests of directors in the shares of the related corporations as at 30 April 2010.

(i) Eng Thye Plantations Berhad, subsidiary of the Company.

	<------Direct Interest---------->		<------Deemed Interest------>	
Name of Directors	No. of Ordinary Shares of RM1 Each	%	No. of Ordinary Shares of RM1 Each	%
Goh Eng Chew	-	-	15,783,250	83.51
Goh Pock Ai	-	-	-	-
Wong Aun Phui	3,500	0.02	-	-
Goh Wei Lei	-	-	-	-
Goh Beng Hwa @ Gho Bin Hoa	3,500	0.02	-	-
Gho Lian Chin	-	-	15,783,250	83.51
Sio Sit Po	-	-	-	-
Goh Yeok Beng	-	-	-	-
Dato' Ong Bok Lim	35,000	0.19	-	-
Keong Choon Keat	-	-	-	-
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	-	-	-	-
Gho Bun Tjin	-	-	-	-

(ii) Timor Oil Palm Plantation Berhad, subsidiary of the Company.

	<--------Direct Interest-------->		<-------Deemed Interest------>	
Name of Directors	No. of Ordinary Shares of RM1 Each	%	No. of Ordinary Shares of RM1 Each	%
Goh Eng Chew	10,000	0.10	6,112,300	58.21
Goh Pock Ai	10,000	0.10	-	-
Wong Aun Phui	1,000	0.01	39,000	0.37
Goh Wei Lei	-	-	-	-
Goh Beng Hwa @ Gho Bin Hoa	-	-	-	-
Gho Lian Chin	10,000	0.10	6,112,300	58.21
Sio Sit Po	-	-	-	-
Goh Yeok Beng	10,000	0.10	-	-
Dato' Ong Bok Lim	-	-	-	-
Keong Choon Keat	-	-	-	-
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	10,000	0.10	-	-
Gho Bun Tjin	-	-	-	-

(B) Interests of directors in the shares of the related corporations as at 30 April 2010. (cont'd.)

Immediate and ultimate holding company and other related corporations.

Tiong Thye Company Berhad, immediate and ultimate holding company.

Name of Directors	<-------Direct Interest---------> No. of Ordinary Shares of RM1 Each	%	<-------Deemed Interest------> No. of Ordinary Shares of RM1 Each	%
Goh Eng Chew	-	-	13,649,000	65.00
Gho Lian Chin	1,000	*	5,670,000	27.00
Gho Bun Tjin	1,000	*	-	-

* Less than 0.01%

Goh Eng Chew and Gho Lian Chin by virtue of their interests in the immediate and ultimate holding company, are also deemed interested in the shares of all its subsidiaries to the extent the immediate and ultimate holding company has an interest.

The interests of Goh Eng Chew and Gho Lian Chin in other related corporations are as follows:

Name of other related corporation	<-------Direct Interest---------> No. of Ordinary Shares of RM1 Each	%	<-------Deemed Interest------> No. of Ordinary Shares of RM1 Each	%
Seong Thye Plantations Sdn Bhd	-	-	43,474,500	100.00
Seong Thye Development & Oil Mills Sdn Bhd	-	-	6,000,000	100.00
Masai Tinggi Developments Sdn Bhd	-	-	2	100.00

Other than as disclosed above, none of the other directors have any shareholdings in the immediate and ultimate holding company and other related corporations.

SHAREHOLDINGS STATISTICS

List of 30 largest securities account holders according to the Record of Depositors (without aggregating the securities from different securities accounts belonging to the same person) as at 30 April 2010

	Name	No. of Stock Units	%
1.	Tiong Thye Company Berhad	38,701,009	55.13
2.	Goh Beng Hwa @ Gho Bin Hoa	3,002,202	4.28
3.	Nam Heng Oil Mill Company Sdn. Berhad	2,775,000	3.95
4.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for OCBC Securities Private Limited (Client A/C-NR)	1,026,406	1.46
5.	Wong Aun Phui	645,850	0.92
6.	HDM Nominees (Asing) Sdn Bhd Kim Eng Securities Pte Ltd for Sio Sit Po	482,466	0.69
7.	Mayban Securities Nominees (Asing) Sdn Bhd UOB-Kay Hian Pte Ltd for Sio Sit Min	442,313	0.63
8.	Goh Pock Ai	401,100	0.57
9.	Goh Yeok Beng	400,000	0.57
10.	HDM Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for Goh Eng Chew @ Gho Kim Tjin	400,000	0.57
11.	Mayban Securities Nominees (Asing) Sdn Bhd UOB-Kay Hian Pte Ltd for Sio Leh Koen	396,503	0.56
12.	Chew Huaipin Sdn Bhd	396,100	0.56
13.	Affin Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for Oen Loe Ien	379,504	0.54
14.	Guan Brothers Realty Sdn Bhd	335,000	0.48
15.	Seah Mok Khoon	260,000	0.37
16.	Hup Lee Bakery Sdn Bhd	247,500	0.36
17.	Nam Heng Oil Mill Company Sdn. Bhd	240,000	0.34
18.	Lim Sian Yew And Sons Sdn. Berhad	226,250	0.32
19.	Lai Beng Chu	214,000	0.31
20.	Lim Kian Huat	213,500	0.31
21.	Ng Poh Cheng	206,700	0.29
22.	Citigroup Nominees (Asing) Sdn Bhd CBNY for Dimensional Emerging Markets Value Fund	167,600	0.24
23.	Ooi Chye Hoon	158,000	0.23
24.	Tong Ai Lin	150,000	0.21
25.	Tong Nguen Khoong	150,000	0.21
26.	Teoh Peng Heong & Sons Sdn Bhd	149,000	0.21
27.	Thiam Loy Sdn Bhd	129,800	0.18
28.	Yeo Khee Huat	127,000	0.18
29.	Low Kim Seng	126,600	0.18
30.	Foo Hoe Kuang	125,400	0.18
		52,674,803	75.03

LIST OF PROPERTIES AS AT 31 DECEMBER 2009

Location	Tenure	Size	Description	Net book value as at 31 December 2009
		Hectares		RM'000
Ladang Senama Lot 594, 607, 947 Mukim of Jelai, Daerah Jempol Negeri Sembilan Darul Khusus (Date of acquisition: 8.1.1950, 14.4.1930 & 5.4.1930)	Freehold	942	Oil palm estate	25,734[*a]
Ladang Ibam PT 5419 Mukim of Bebar, Daerah Pekan Pahang Darul Makmur (Date of acquisition: 10.3.1988)	Leasehold (Expires on 9.3.2087)	2,180	Oil palm estate	61,098[*a]
Ladang Gula Lot PT1668, 2124, 2126, 2127, 2150, 2151, 2794, 2795, 2831, 4583, 8418, 4351, 4352, 6721, 8950, 10035 Mukim of Kuala Kurau and Bagan Serai, Daerah Kerian Perak Darul Ridzuan (Date of acquisition: 10.9.1959)	Freehold	2,583	Oil palm estate with mill (Approximate age of mill: 43 years)	67,994[*a]
Lot 1009, 1010, 1011, 1012, 1237, 1374 Mukim of Sungai Tinggi Daerah Larut & Matang Perak Darul Ridzuan (Date of acquisition: 11.4.1988) Lot 2670, 2671 Mukim of Batu Kurau Daerah Larut & Matang Perak Darul Ridzuan (Date of acquisition: 1.10.1988)	Freehold	13.81	Agricultural land	1,507[*a]
Ladang Maran Lot PT 2/2273 Mukim of Luit Daerah Maran Pahang Darul Makmur (Date of acquisition: 25.1.1967)	Leasehold (Expires on 24.1.2066)	1,964	Oil palm estate with mill (Approximate age of mill: 36 years)	42,008[*a]

(a) Net book value as at 31 December 2009 are as follows: -

	Valuation	Valuation	Valuation	Valuation	Cost	
	Lands	Prepaid land lease payments	Biological assets	Lands and biological assets	Buildings	Lands and biological assets and buildings
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Ladang Senama	23,600	-	2,100	25,700	34	25,734
Ladang Ibam	-	37,826	22,400	60,226	872	61,098
Ladang Gula	50,371	-	17,300	67,671	323	67,994
Freehold agricultural land	1,507	-	-	1,507	-	1,507
Ladang Maran	-	28,000	13,300	41,300	708	42,008
	75,478	65,826	55,100	196,404	1,937	198,341

An independent firm of professional registered valuers, Regroup Associates Sdn Bhd had carried out valuations of the Group's freehold and leasehold lands (prepaid land lease payments) on 31 December 2006. The revaluation surplus was incorporated in the financial statements of the Group and of the Company for the financial year ended 31 December 2006. Subsequent revaluations will be made at least once every five years by an independent firm of professional registered valuers.

The biological assets were revalued on 31 December 2009 by an independent firm of professional registered valuers, CB Richard Ellis (Malaysia) Sdn Bhd. The changes in carrying value of biological assets are recognised in profit or loss. Subsequent revaluations will be made at each financial year-end by an independent firm of professional registered valuers.

OTHER INFORMATION

(a) Material Contracts

Material contracts entered into by the Company and its subsidiaries which involved the directors' and major shareholders' interests either still subsisting at the end of the financial year ended 31 December 2009 or entered into since the end of the previous financial year: -

Related party transactions of a revenue or trading nature entered into by the Company and its subsidiaries during the financial year ended 31 December 2009: -

	RM
Sale of oil palm produce by the Company to Seong Thye Plantations Sdn. Bhd., a related corporation in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company Pte Ltd, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Goh Pock Ai, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	17,723,540
Transactions by the Company and its subsidiaries with Chin Teck Plantations Berhad, a company in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company Pte Ltd, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Wong Aun Phui, Goh Pock Ai, Goh Beng Hwa @ Gho Bin Hoa, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Sio Sit Po, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	
Sale of oil palm produce	251,191
Purchase of oil palm produce	135,598
Agency fees paid to Tat Lee Commodities Pte. Ltd., a company incorporated in the Republic of Singapore, in which the substantial shareholders (Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Goh Pock Ai, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	42,000
Management fees paid to Sin Thye Management Sdn. Bhd., an associate in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company Pte Ltd, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Goh Pock Ai, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong, Gho Bun Tjin) have interests.	176,759
Purchase of fertilisers from Kai Lee Company, the sole proprietor of whom, Ng Yong Seng, is a person connected to a substantial shareholder (Goh Eng Chew) and several directors (Goh Eng Chew, Goh Pock Ai and Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong)	3,033,036

(b) Sanctions and /or penalties

No sanctions and/or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies.

(c) Non-audit fees paid to external auditors for the financial year ended 31 December 2009

During the financial year ended 31 December 2009, non-audit fees paid or payable to the external auditors amounted to RM8,000.

NEGRI SEMBILAN OIL PALMS BERHAD (592D)
(Incorporated in Malaysia)

FORM OF PROXY

I / We ....

of ....

being a member of NEGRI SEMBILAN OIL PALMS BERHAD hereby appoint ....

....

of ....

or failing him / her ....

of ....

as my / our proxy to attend and vote on my / our behalf at the Seventy Eighth Annual General Meeting of the Company to be held at the Conference Room, Suite 2B-3A-3, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur on Thursday, 24 June 2010 at 10.30 am and at any adjournment thereof.

Resolutions		For	Against
1.	To receive and adopt the Directors' Report and the Financial Statements for the financial year ended 31 December 2009 and the Auditors' Report thereon.		
2.	To approve the directors' fees for the financial year ended 31 December 2009 and to authorise the directors to divide such fees in the proportions and manner to be determined by them.		
	To re-elect the following directors retiring under Article 94 of the Articles of Association of the Company: -		
3.	(i) Mr Gho Lian Chin		
4.	(ii) Mr Goh Wei Lei		
5.	To re-appoint Mr Goh Eng Chew as director pursuant to Section 129(6) of the Companies Act, 1965		
6.	To re-appoint Mr Wong Aun Phui as director pursuant to Section 129(6) of the Companies Act, 1965		
7.	To re-appoint Mr Goh Beng Hwa @ Gho Bin Hoa as director pursuant to Section 129(6) of the Companies Act, 1965		
8.	To re-appoint Dato' Ong Bok Lim as director pursuant to Section 129(6) of the Companies Act, 1965		
9.	To re-appoint Mr Goh Pock Ai as director pursuant to Section 129(6) of the Companies Act, 1965		
10.	To re-appoint auditors and authorise the directors to fix their remuneration.		
	Proposed renewal of shareholders' mandate for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with: -		
11.	Seong Thye Plantations Sdn Bhd		
12.	Kai Lee Company		

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

Signature(s)
Date:

No. of stock units held	
CDS No,	

NOTES:

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