NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

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

2.16 Income taxes (cont'd)

(b) Deferred tax

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

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

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

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

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
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2. Summary of significant accounting policies (cont'd.)

2.17 Provisions

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

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

2.18 Impairment of non-financial assets

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

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

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

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

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

2.19 Cash and cash equivalents

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

2.20 Financial assets

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
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2. Summary of significant accounting policies (cont'd.)

2.20 Financial assets (cont'd.)

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

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition.

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

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

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

(b) Loans and receivables

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

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

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

The Group and the Company have designated its cash and bank balances and receivables as loans and receivables as summarised in Note 20 to financial statements.

(c) Held-to-maturity

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

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

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

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

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

2.20 Financial assets (cont'd.)

(d) Available-for-sale financial assets

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

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

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

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

The Group and the Company have classified its investment in securities under available-for-sale financial assets. The Company has also classified its investment in subsidiaries as available-for-sale financial assets.

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

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

2.21 Impairment of financial assets

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

(a) Trade and other receivables carried at amortised cost

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

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

2.21 Impairment of financial assets (cont'd)

(a) Trade and other receivables carried at amortised cost (cont'd.)

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

(b) Unquoted equity security carried at cost

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

(c) Available-for-sale financial assets

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

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

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

2.22 Financial liabilities

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

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

2.22 Financial liabilities (cont'd.)

(b) Other financial liabilities

The Group's and the Company's financial liabilities include trade payables and other payables. All financial liabilities of the Group and the Company are classified as other financial liabilities.

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

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

2.23 Leases

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

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

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

2.24 Segment reporting

The principal activities of the Group are the cultivation of oil palms, production and sale of fresh fruit bunches, crude palm oil and palm kernel and is wholly carried out in Malaysia. The management of the Company regularly reviews the segment performance. Additional disclosures on the segment is shown in Note 27, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.25 Share capital and share issuance expenses

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

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

3. Significant accounting judgements and estimates

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

3. Significant accounting judgements and estimates (cont'd.)

3.1 Key sources of estimation uncertainty

(a) 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 accredited independent valuer is 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 14.

(b) 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, land, quoted investments and other financial instruments, represents the fair value of the subsidiaries.

(c) Revaluation of freehold and leasehold land

The freehold and leasehold land of the Group and the Company are measured at fair value. This requires an estimation of the fair value.

Valuations are performed at least once every five years by accredited independent valuer by reference to open market value on the profit and comparison methods. Judgement is required in selecting any comparable properties which have been sold or are being offered for sale and making adjustments for factors which affect value such as location and accessibility, market conditions, size, shape and terrain of land, tenure and restrictions if any, availability of infrastructure, soil type and drainage, age and density of plantings and other relevant characteristics.

4. 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.

5. Dividend income

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Dividend income from:				
Subsidiaries	-	-	9,218,081	6,379,138
Available-for-sale financial assets				
- Securities quoted in Malaysia	883,502	500,933	247,789	252,106
- Securities quoted outside Malaysia	1,158,489	735,439	-	-
	2,041,991	1,236,372	9,465,870	6,631,244

During the year, the Group and the Company received scrip dividend amounting to RM431,500 (2010: RM289,091) and RM38,970 (2010: RM28,498), respectively.

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6. Other income

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Gain on sale of property, plant and equipment	100,000	14,000	100,000	14,000
Net fair value gain on available-for-sale investment securities (transferred from equity on disposal)	-	1,986	-	-
Replanting incentives	102,390	-	-	-
Unrealised foreign exchange gain	587,671	-	4,011	-
Rental	76,522	56,512	-	-
Miscellaneous	178,773	36,763	18,184	9,040
	1,045,356	109,261	122,195	23,040

7. Profit before tax

The following items have been included in arriving at profit before tax:

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Auditors' remuneration				
- statutory audit	124,000	99,000	48,000	38,000
- other services	8,000	25,000	8,000	25,000
Depreciation of property, plant and equipment (Note 13)	2,204,540	1,977,683	813,048	735,455
Non-executive directors' remuneration (Note 8)	514,741	467,296	259,000	256,500
Net fair value loss on available-for-sale investment securities (transferred from equity on disposal)	193,158	-	-	-
Employee benefits expense (Note 9)	15,480,972	13,125,316	5,400,167	4,658,382
Foreign exchange loss				
- realised	608	-	-	-
- unrealised	-	429,327	215	5,506
Property, plant and equipment written off	684	-	684	-

8. Directors' remuneration

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Directors of the Company				
Executive directors:				
Fees	172,000	172,000	78,000	78,000
Salaries	764,400	764,400	594,000	594,000
Commission	911,554	579,028	443,615	337,228
Other emoluments	80,000	80,000	40,000	40,000
	1,927,954	1,595,428	1,155,615	1,049,228
Non-executive directors (Note 7):				
Fees	225,000	225,000	169,000	169,000
Salaries	84,000	84,000	-	-
Commission	88,241	43,296	-	-
Other emoluments	117,500	115,000	90,000	87,500
	514,741	467,296	259,000	256,500
	2,442,695	2,062,724	1,414,615	1,305,728

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

8. 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	
	2011	**2010**
Executive directors:		
RM200,001 – RM250,000	-	-
RM250,001 – RM300,000	1	1
RM300,001 – RM350,000	-	-
RM350,001 – RM400,000	-	2
RM400,001 – RM450,000	-	-
RM450,001 – RM500,000	2	-
RM500,001 – RM550,000	-	-
RM550,001 – RM600,000	-	1
RM650,001 – RM700,000	1	-
	4	4
Non-executive directors:		
RM50,000 and below	5	3
RM50,001 – RM100,000	2	3
RM100,001 – RM150,000	-	-
RM150,001 – RM200,000	-	1
RM200,001 – RM250,000	1	-
	8	7
	12	11

9. Employee benefits expense

	Group		Company	
	2011	**2010**	**2011**	**2010**
	RM	**RM**	**RM**	**RM**
Wages and salaries	12,205,876	11,042,169	4,409,656	4,185,088
Social security contributions	61,002	54,409	10,106	8,517
Employees Provident Fund	529,501	448, 018	151,968	125,722
Other staff related expenses	2,684,593	1,580,720	828,437	339,055
	15,480,972	13,125,316	5,400,167	4,658,382

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM1,927,954 (2010: RM1,595,428) and RM1,155,615 (2010: RM1,049,228) respectively, as further disclosed in Note 8.

NOTES TO THE FINANCIAL STATEMENTS
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10. Income tax expense

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Current income tax:				
Malaysian income tax	14,295,752	8,951,601	7,295,975	5,542,838
(Over)/under provision in respect of previous years	(795)	(13,555)	(3,990)	876
	14,294,957	8,938,046	7,291,985	5,543,714
Deferred income tax (Note 26):				
Origination and reversal of temporary differences	(1,227,499)	1,299,852	(1,278,974)	397,228
Under provision in respect of previous years	19,774	5,639	3,036	4,479
	(1,207,725)	1,305,491	(1,275,938)	401,707
Income tax expense recognised in profit or loss	13,087,232	10,243,537	6,016,047	5,945,421

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

The reconciliation between income tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2011 and 31 December 2010 are as follows:

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Profit before tax, representing accounting profit before tax	54,239,729	40,165,760	23,820,340	23,570,651
Tax at Malaysian statutory rate of 25%	13,559,932	10,041,440	5,955,085	5,892,663
Adjustments:				
Non-deductible expenses	391,531	265,015	115,320	87,404
Income not subject to tax	(844,809)	(273,956)	(53,404)	(40,001)
Share of results of associates and a jointly controlled entity	(38,401)	218,954	-	-
Under provision of deferred tax in respect of previous years	19,774	5,639	3,036	4,479
(Over)/under provision of income tax in respect of previous years	(795)	(13,555)	(3,990)	876
Income tax expense recognised in profit or loss	13,087,232	10,243,537	6,016,047	5,945,421

NOTES TO THE FINANCIAL STATEMENTS
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11. Earnings per stock unit

Basic earnings per stock unit amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary stock units outstanding during the financial year.

	Group 2011 RM	Group 2010 RM
Profit attributable to owners of the parent used in the computation of basic and diluted earnings per stock unit	33,316,946	25,649,821
	Number of ordinary stock units	**Number of ordinary stock units**
Weighted average number of ordinary stock units for basic and diluted earnings per stock unit computation	70,201,962	70,201,962

The respective profit attributable to owners of the parent used in the computation of basic and diluted earnings per stock unit and the weighted average number of ordinary stock units for basic and diluted earnings per stock unit is similar as there is no potential dilutive ordinary stock units outstanding as at end of the financial years.

12. Dividends

	Dividends in respect of year		Dividends recognised in year	
	2011 RM	**2010 RM**	**2011 RM**	**2010 RM**
First interim dividend of 15% less 25% taxation, on 70,201,962 ordinary stock units, declared on 26 May 2010 and paid on 30 June 2010 (11.25 sen net per ordinary stock unit)	-	7,897,720	-	7,897,720
Second interim dividend of 17% less 25% taxation, on 70,201,962 ordinary stock units, declared on 26 November 2010 and paid on 31 December 2010 (12.75 sen net per ordinary stock unit)	-	8,950,750	-	8,950,750
First interim dividend of 18% less 25% taxation, on 70,201,962 ordinary stock units, declared on 27 May 2011 and paid on 30 June 2011 (13.50 sen net per ordinary stock unit)	9,477,265	-	9,477,265	-
Second interim dividend of 24% less 25% taxation, on 70,201,962 ordinary stock units, declared on 25 November 2011 and paid on 30 December 2011 (18.00 sen net per ordinary stock unit)	12,636,353	-	12,636,353	-
	22,113,618	16,848,470	22,113,618	16,848,470

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2011

13. Property, plant and equipment

Group	<------- At valuation	-------->	<-------------------	-------------------	At cost	-------------------	------------------->	
	Freehold land RM	Leasehold land RM	Buildings RM	Motor vehicles RM	Office equipment and furniture and fittings RM	Plant and machinery and estate equipment RM	Capital work-in-progress RM	Total RM
Valuation or cost								
At 1 January 2010	75,478,073	68,800,000	6,652,859	3,369,635	561,466	11,892,605	131,580	166,886,218
Additions	-	-	690,855	363,500	50,120	437,158	475,158	2,017,525
Disposal	-	-	-	(45,200)	-	-	-	(45,200)
Transfer	-	-	131,580	-	-	-	(131,580)	-
At 31 December 2010	75,478,073	68,800,000	7,475,294	3,687,935	611,586	12,329,763	475,892	168,858,543
At 1 January 2011	75,478,073	68,800,000	7,475,294	3,687,935	611,586	12,329,763	475,892	168,858,543
Additions	-	-	343,183	907,227	15,413	380,610	-	1,646,433
Disposal	-	-	-	(155,567)	-	-	-	(155,567)
Write off	-	-	(25,915)	(201,022)	(5,388)	-	-	(232,325)
Transfer	-	-	475,892	-	-	-	(475,892)	-
Elimination of accumulated depreciation on revaluation	-	(4,956,250)	-	-	-	-	-	(4,956,250)
Revaluation surplus	32,501,927	38,056,250	-	-	-	-	-	70,558,177
At 31 December 2011	107,980,000	101,900,000	8,268,454	4,238,573	621,611	12,710,373	-	235,719,011

NOTES TO THE FINANCIAL STATEMENTS
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13. Property, plant and equipment (cont'd.)

Group	<------- At valuation	-------->	<--------------		At cost	--------------	-------------->	
	Freehold land RM	Leasehold land RM	Buildings RM	Motor vehicles RM	Office equipment and furniture and fittings RM	Plant and machinery and estate equipment RM	Capital work-in-progress RM	Total RM
Accumulated depreciation								
At 1 January 2010	-	2,973,750	4,715,186	2,809,579	386,950	9,027,230	-	19,912,695
Charge for the year	-	991,250	187,837	248,508	38,388	511,700	-	1,977,683
Disposal	-	-	-	(45,200)	-	-	-	(45,200)
At 31 December 2010	-	3,965,000	4,903,023	3,012,887	425,338	9,538,930	-	21,845,178
At 1 January 2011	-	3,965,000	4,903,023	3,012,887	425,338	9,538,930	-	21,845,178
Charge for the year	-	991,250	271,690	341,038	39,555	561,007	-	2,204,540
Write off	-	-	(25,544)	(201,022)	(5,075)	-	-	(231,641)
Disposal	-	-	-	(155,567)	-	-	-	(155,567)
Elimination of accumulated depreciation on revaluation	-	(4,956,250)	-	-	-	-	-	(4,956,250)
At 31 December 2011	-	-	5,149,169	2,997,336	459,818	10,099,937	-	18,706,260
Net carrying amount								
At 31 December 2010	75,478,073	64,835,000	2,572,271	675,048	186,248	2,790,833	475,892	147,013,365
At 31 December 2011	107,980,000	101,900,000	3,119,285	1,241,237	161,793	2,610,436	-	217,012,751

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

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

Company	Freehold land RM	Leasehold land RM	Buildings RM	Motor vehicles RM	Office equipment and furniture and fittings RM	Plant and machinery and estate equipment RM	Total RM
	<------- At valuation -------->		<------------------------------- At cost			---------------------------->	
Valuation or cost							
At 1 January 2010	23,600,000	39,300,000	2,240,190	1,048,093	162,287	660,299	67,010,869
Additions	-	-	4,627	363,500	36,162	121,780	526,069
Disposal	-	-	-	(45,200)	-	-	(45,200)
At 31 December 2010	23,600,000	39,300,000	2,244,817	1,366,393	198,449	782,079	67,491,738
At 1 January 2011	23,600,000	39,300,000	2,244,817	1,366,393	198,449	782,079	67,491,738
Additions	-	-	11,971	290,115	10,071	101,910	414,067
Disposal	-	-	-	(155,567)	-	-	(155,567)
Write off	-	-	(415)	-	(5,388)	-	(5,803)
Elimination of accumulated depreciation on revaluation	-	(2,456,250)	-	-	-	-	(2,456,250)
Revaluation surplus	10,300,000	19,856,250	-	-	-	-	30,156,250
At 31 December 2011	33,900,000	56,700,000	2,256,373	1,500,941	203,132	883,989	95,444,435

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011**

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

	<------- At valuation	-------->	<----------	---------- At cost	----------	---------->	
Company	**Freehold land RM**	**Leasehold land RM**	**Buildings RM**	**Motor vehicles RM**	**Office equipment and furniture and fittings RM**	**Plant and machinery and estate equipment RM**	**Total RM**
Accumulated depreciation							
At 1 January 2010	-	1,473,750	1,334,391	835,987	119,014	518,090	4,281,232
Charge for the year	-	491,250	69,285	132,293	7,920	34,707	735,455
Disposal	-	-	-	(45,200)	-	-	(45,200)
At 31 December 2010	-	1,965,000	1,403,676	923,080	126,934	552,797	4,971,487
At 1 January 2011	-	1,965,000	1,403,676	923,080	126,934	552,797	4,971,487
Charge for the year	-	491,250	69,819	188,276	10,304	53,399	813,048
Disposal	-	-	-	(155,567)	-	-	(155,567)
Write off	-	-	(44)	-	(5,075)	-	(5,119)
Elimination of accumulated depreciation on revaluation	-	(2,456,250)	-	-	-	-	(2,456,250)
At 31 December 2011	-	-	1,473,451	955,789	132,163	606,196	3,167,599
Net carrying amount							
At 31 December 2010	23,600,000	37,335,000	841,141	443,313	71,515	229,282	62,520,251
At 31 December 2011	33,900,000	56,700,000	782,922	545,152	70,969	277,793	92,276,836

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

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

(a) Freehold and leasehold land were revalued on 31 December 2011 based on valuations performed by accredited independent valuer. The valuations were determined by reference to open market value on the profit and comparison methods.

The net carrying amount of the freehold and leasehold land had these revalued land 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 except for a piece of leasehold land had it been carried at historical cost, its net carrying amount that would have been included in the financial statements of the Group and of the Company as at 31 December 2011 would be RM8,828,797 (2010: RM8,859,867) and RM9,026,068 (2010: RM9,057,138) respectively.

(b) Included in the above property, plant and equipment are fully depreciated assets of the Group and of the Company costing RM13,074,955 (2010: RM13,161,739) and RM1,589,976 (2010: RM1,581,127) respectively, which are still in use.

14. Biological assets

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
At valuation				
At 1 January	60,600,000	55,100,000	26,300,000	24,500,000
Fair value adjustment	(4,400,000)	5,500,000	(4,900,000)	1,800,000
At 31 December	56,200,000	60,600,000	21,400,000	26,300,000

The biological assets were revalued on 31 December 2011 based on valuation performed by accredited independent 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 accredited independent valuer.

15. Investments in subsidiaries

	Company	
	2011 RM	2010 RM
Unquoted shares, at valuation		
At 1 January	172,295,634	160,552,479
Revaluation surplus	26,681,871	11,743,155
At 31 December	198,977,505	172,295,634

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

Name of subsidiary	Proportion of ownership interest (%) 2011	2010	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	

NOTES TO THE FINANCIAL STATEMENTS
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16. Investments in associates

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Unquoted shares, at cost	15,391,742	15,391,742	11,063,584	11,063,584
Share of post acquisition reserves	1,228,942	1,853,608	-	-
Currency translation differences	2,662,987	2,262,089	-	-
	19,283,671	19,507,439	11,063,584	11,063,584

Details of the associates are as follows:

Name of associate	Proportion of ownership interest (%) 2011	2010	Proportion of voting power (%) 2011	2010	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

The summarised financial information of the associates, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	2011 RM	2010 RM
Assets and liabilities		
Current assets	50,365,446	49,995,297
Non-current assets	2,432,239	2,604,032
Total assets	52,797,685	52,599,329
Total liabilities	896,402	61,985
Results		
Revenue	9,054,632	13,388,052
(Loss)/profit for the year	(1,657,234)	48,387

NOTES TO THE FINANCIAL STATEMENTS
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17. Investment in a jointly controlled entity

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Unquoted shares, at cost	27,630,955	27,630,955	13,781,480	13,781,480
Share of post acquisition reserves	(2,940,616)	(3,704,968)	-	-
Currency translation differences	(247,624)	(1,011,687)	-	-
	24,442,715	22,914,300	13,781,480	13,781,480

Details of the jointly controlled entity is as follows:

Name of jointly controlled entity	Proportion of ownership interest (%) 2011	2010	Proportion of voting power (%) 2011	2010	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

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	
	2011 RM	2010 RM
Assets and liabilities		
Current assets	14,373,136	15,225,984
Non-current assets	17,424,129	11,741,174
Total assets	31,797,265	26,967,158
Current liabilities	6,282,959	4,052,858
Non-current liabilities	1,071,591	-
Total liabilities	7,354,550	4,052,858
Results		
Revenue (other income)	2,627,764	104,308
Expenses	(1,863,412)	(1,006,123)
Profit/(loss) for the year	764,352	(901,815)

18. Investment securities

	2011		2010	
	Carrying amount RM	Market value of quoted investments RM	Carrying amount RM	Market value of quoted investments RM
Group				
Available-for-sale financial assets				
Securities quoted In Malaysia	12,338,868	12,338,868	12,780,955	12,780,955
Securities quoted outside Malaysia	28,749,489	28,749,489	28,119,674	28,119,674
Total investment securities	41,088,357	41,088,357	40,900,629	40,900,629
Company				
Available-for-sale financial assets				
Securities quoted In Malaysia, representing total investment securities	6,894,472	6,894,472	6,980,922	6,980,922

NOTES TO THE FINANCIAL STATEMENTS
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19. Inventories

	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
At cost:				
Oil palm produce	565,695	348,756	-	-
Estate stores	1,732,707	1,112,297	324,282	200,203
	2,298,402	1,461,053	324,282	200,203

The amount of inventories of the Group and of the Company recognised as an expense during the financial year in the income statements was RM9,114,725 (2010: RM11,671,840) and RM2,171,469 (2010: RM4,106,168) respectively.

20. Receivables

	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Trade receivables				
Third parties	3,008,172	2,637,131	-	-
A subsidiary	-	-	492,550	684,547
A related corporation	1,611,580	3,144,603	1,611,580	3,144,603
	4,619,752	5,781,734	2,104,130	3,829,150
Other receivables				
Interest receivable	247,268	215,181	142,391	147,207
Dividend receivable	-	-	-	2.647,316
Deposits, prepayment and sundry receivables	328,688	142,818	272,570	91,287
	575,956	357,999	414,961	2,885,810
Total trade and other receivables	5,195,708	6,139,733	2,519,091	6,714,960
Add: Cash and bank balances (Note 21)	125,325,124	109,981,525	46,465,003	42,930,529
Less: Prepayment	(5,141)	(4,845)	(5,141)	(4,845)
Total loans and receivables	130,515,691	116,116,413	48,978,953	49,640,644

Trade receivables are non-interest bearing and are generally on 30-day (2010: 30-day) terms. Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

<u>Ageing analysis of trade receivables</u>

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

	Group 2011 RM	Group 2010 RM
Neither past due nor impaired	4,619,752	5,781,734
1 to 30 days past due not impaired	-	-
31 to 60 days past due not impaired	-	-
More than 61 days past due not impaired	-	-
	-	-
Impaired	-	-
	4,619,752	5,781,734

NOTES TO THE FINANCIAL STATEMENTS
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20. Receivables (cont'd.)

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. The Group's trade receivables arise from customers with more than ten years of experience with the Group and losses have occurred infrequently.

None of the Group's trade receivables of RM4,619,752 (2010: RM5,781,734) that are either past due nor impaired have been renegotiated during the financial year.

Amounts due from a subsidiary and a related corporation

The amounts due from a subsidiary and a related corporation are trade in nature, non-interest bearing, unsecured and are normally settled on 30-day (2010: 30-day) terms.

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

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

21. Cash and cash equivalents

	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Cash on hand and at banks	16,018,413	13,501,954	6,300,103	1,402,449
Deposits with:				
Licensed banks	88,043,211	75,663,271	40,164,900	41,528,080
Other financial institutions	21,263,500	20,816,300	-	-
	109,306,711	96,479,571	40,164,900	41,528,080
Cash and bank balances	125,325,124	109,981,525	46,465,003	42,930,529

Deposits are made for varying periods between 1 day and 365 days depending on the immediate cash requirements of the Group and the Company, and earn interests at the respective short-term deposit rates. The weighted average effective interest rates as at 31 December 2011 for the Group and the Company was 2.39% (2010: 1.95%) and 2.88% (2010: 2.43%) respectively.

Included in deposits with licensed banks are deposits pledged to banks for bank guarantee facilities provided to the Group and the Company amounting to RM343,721 (2010: RM327,483) and RM204,921 (2010: RM197,157) respectively. The deposits with other financial institutions relate to placements with foreign banks.

For the purpose of the statements cash flows, cash and cash equivalents comprise the following as at the reporting date:

	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Cash and bank balances	125,325,124	109,981,525	46,465,003	42,930,529
Less: Deposits pledged for banks guarantee facilities	(343,721)	(327,483)	(204,921)	(197,157)
Cash and cash equivalents	124,981,403	109,654,042	46,260,082	42,733,372

NOTES TO THE FINANCIAL STATEMENTS
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22. Payables

	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Trade payables				
Third parties	945,037	1,268,888	146,716	361,304
A company in which certain directors and substantial shareholders have interests	520,067	302,733	-	-
A person connected with certain directors and a substantial shareholder	-	321,250	-	175,000
	1,465,104	1,892,871	146,716	536,304
Other payables				
Accruals and sundry payables				
Third parties	5,471,973	4,046,332	2,107,276	1,366,043
An associate	134,408	-	-	-
	5,606,381	4,046,332	2,107,276	1,366,043
Total payables	7,071,485	5,939,203	2,253,992	1,902,347

(a) Trade payables

Trade payables are non-interest bearing and are normally settled on 30 to 90-day (2010: 30 to 90-day) terms.

(b) Other payables

Other payables are non-interest bearing and are normally settled on an average term of three to six months (2010: average term of three to six months).

(c) Amount due to related parties

The amounts due to a company in which certain substantial shareholders and directors have interests, a person connected to certain directors and an associate are unsecured, non-interest bearing and are normally settled on 30 to 90-day (2010: 30 to 90-day) terms.

23. Share capital and share premium

	Group and Company		
	Number of ordinary stock units of RM1 each	<--------- Amount ----------> Share capital RM	Share premium RM
Issued and fully paid			
At 1 January 2011/2010 and 31 December 2011/2010	70,201,962	70,201,962	4,335,840

	Group and Company			
	Number of ordinary shares of RM1.00 each		<--------- Amount ---------->	
	2011	2010	2011 RM	2010 RM
Authorised share capital				
At 1 January and 31 December	150,000,000	150,000,000	150,000,000	150,000,000

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

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

24. Other reserves

	Asset revaluation reserve - land RM	Foreign currency translation reserve RM	Fair value adjustment reserve RM	Total RM
Group				
At 1 January 2010	59,436,515	2,412,502	7,790,974	69,639,991
Revaluation reserve of leasehold land realised	(476,301)	-	-	(476,301)
Other comprehensive income				
Foreign currency translation	-	(950,755)	-	(950,755)
Net gain on fair value changes of available-for-sale investment securities				
- Transfer to profit or loss upon disposal	-	-	(1,403)	(1,403)
- Gain on fair value changes	-	-	2,657,382	2,657,382
At 31 December 2010	58,960,214	1,461,747	10,446,953	70,868,914
At 1 January 2011	58,960,214	1,461,747	10,446,953	70,868,914
Revaluation reserve of leasehold land realised	(476,301)	-	-	(476,301)
Other comprehensive income				
Foreign currency translation	-	1,040,257	-	1,040,257
Net loss on fair value changes of available-for-sale investment securities				
- Transfer to profit or loss upon disposal	-	-	136,486	136,486
- Loss on fair value changes	-	-	(4,167,389)	(4,167,389)
Revaluation surplus	51,607,833	-	-	51,607,833
At 31 December 2011	110,091,746	2,502,004	6,416,050	119,009,800

	Asset revaluation reserve - land RM	Asset revaluation reserve – investments in subsidiaries RM	Fair value adjustment reserve RM	Total RM
Company				
At 1 January 2010	28,230,807	124,699,828	2,515,445	155,446,080
Revaluation reserve of leasehold land realised	(284,914)	-	-	(284,914)
Other comprehensive income				
Net gain on fair value changes of available-for-sale investments in subsidiaries	-	11,743,155	-	11,743,155
Net gain on fair value changes of available-for-sale investment securities	-	-	1,344,762	1,344,762
At 31 December 2010	27,945,893	136,442,983	3,860,207	168,249,083
At 1 January 2011	27,945,893	136,442,983	3,860,207	168,249,083
Revaluation reserve of leasehold land realised	(284,914)	-	-	(284,914)
Other comprehensive income				
Net gain on fair value changes of available-for-sale investments in subsidiaries	-	26,681,871	-	26,681,871
Net loss on fair value changes of available-for-sale investment securities	-	-	(127,692)	(127,692)
Revaluation surplus	25,192,187	-	-	25,192,187
At 31 December 2011	52,853,166	163,124,854	3,732,515	219,710,535

24. Other reserves (cont'd.)

(a) Asset revaluation reserve - land

The asset revaluation reserve – land represents increases in the fair value of freehold and leasehold land and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in statement of comprehensive income.

(b) Asset revaluation reserve - investments in subsidiaries

The asset revaluation reserve – investments in subsidiaries represents increases in the fair value of investments in subsidiaries and decreases to the extent that such decrease relates to an increase on the same subsidiary previously recognised in statement of comprehensive income.

(c) Foreign currency translation reserve

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

(d) Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes of available-for-sale investment securities until they are disposed of or impaired.

25. 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 2011 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act 2007. As at 31 December 2011, the Company has sufficient credit in the 108 balance to pay franked dividends amounting to RM15,427,749 (2010: RM37,541,367) out of its entire retained earnings. The remaining amount of the retained earnings of RM65,828,071 (2010: RM47,738,864) may be distributed under its tax exempt income of RM3,036,914 (2010: RM3,036,914) and under the single tier system of RM62,791,157 (2010: RM44,701,950). Alternatively, the Company may distribute the remaining amount of the retained earnings of RM65,828,071 (2010: RM47,738,864) under the single tier system.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

26. Deferred tax liabilities

Deferred income tax as at 31 December relates to the following:

	Property, plant and equipment RM	Revaluation of land and biological assets RM	Total RM
Group			
At 1 January 2010	628,449	24,032,977	24,661,426
Recognised in income statement	135,455	1,170,036	1,305,491
At 31 December 2010/1 January 2011	763,904	25,203,013	25,966,917
Recognised in income statement	97,239	(1,304,964)	(1,207,725)
Recognised in equity	-	9,514,063	9,514,063
At 31 December 2011	861,143	33,412,112	34,273,255
Company			
At 1 January 2010	199,667	11,694,937	11,894,604
Recognised in income statement	46,678	355,029	401,707
At 31 December 2010/1 January 2011	246,345	12,049,966	12,296,311
Recognised in income statement	44,033	(1,319,971)	(1,275,938)
Recognised in equity	-	4,964,063	4,964,063
At 31 December 2011	290,378	15,694,058	15,984,436

27. Segment information

The chief operating decision-maker has been identified as the Board of Directors. The Board reviews the Group's internal reporting in order to assess performance and allocation of resources. The principal activities of the Group are the cultivation of oil palms, production and sale of fresh fruit bunches, crude palm oil and palm kernel and is wholly carried out in Malaysia.

	Group	
	2011 RM	2010 RM
	Oil palm plantation	
Revenue from external customers	113,164,789	86,612,276
Reportable segment profit	48,771,638	38,208,128
Reportable segment assets	285,034,334	214,998,970
Reportable segment liabilities	7,071,485	5,939,203

Reportable segment profit is reconciled as follows:		
Total profit for reportable segment	48,771,638	38,208,128
Share of results of associates	(610,749)	25,999
Share of results of jointly controlled entity	764,352	(901,815)
Interest income	2,523,981	1,916,772
Dividend income	2,041,991	1,236,372
Other income	942,966	109,261
Other expenses	(194,450)	(428,957)
Profit before tax	54,239,729	40,165,760

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

27. Segment information (cont'd.)

	Group 2011 RM	Group 2010 RM
	Oil palm plantation	
Reportable segment assets are reconciled as follows:		
Total assets for reportable segment	285,034,334	214,998,970
Investments in associates	19,283,671	19,507,439
Investment in a jointly controlled entity	24,442,715	22,914,300
Investment securities	41,088,357	40,900,629
Unallocated assets	122,173,638	111,475,848
Total assets	492,022,715	409,797,186
Reportable segment liabilities are reconciled as follows:		
Total liabilities for reportable segment	7,071,485	5,939,203
Income tax payable	395,194	964,863
Deferred tax liabilities	34,273,255	25,966,917
Total liabilities	41,739,934	32,870,983

Revenue from major customers amounted to RM86,006,852 (2010: RM75,305,605).

28. Related party transactions

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
A related corporation in which certain directors and substantial shareholders have interest:				
- Sale of oil palm produce	22,504,644	20,533,497	22,504,644	20,286,635
- Purchase of oil palm produce	382,652	442,138	-	-
An associate in which certain directors and substantial shareholders have interest:				
- Management fee	177,320	176,760	76,490	76,490
A person connected with certain directors and a substantial shareholder:				
- Purchase of fertilisers	1,133,980	1,859,577	101,770	831,435
Companies in which certain directors and substantial shareholders have interest:				
- Agency fee	54,600	54,600	15,600	15,600
- Sale of oil palm produce	-	-	-	-
- Purchase of oil palm produce	1,937,614	1,835,177	-	-
- Purchase of fertilisers	-	19,144	-	-
- Sale of property, plant and equipment	100,000	-	100,000	-
A subsidiary in which certain directors and substantial shareholders have interest:				
- Sale of oil palm produce	-	-	9,178,502	7,283,698

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

28. Related party transactions (cont'd.)

(b) Compensation of key management personnel

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

Total remuneration of key management personnel

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Total	2,442,695	2,062,724	1,414,615	1,305,728

For the details of Board of Directors' remuneration, please refer to Note 8 to the financial statements.

29. Capital commitments

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Capital expenditure				
Approved and contracted for:				
Capital and investment outlay in a jointly controlled entity	22,769,045	22,769,045	11,418,520	11,418,520
Approved but not contracted for:				
Purchase of property, plant and machinery	2,310,000	-	-	-
	25,079,045	22,769,045	11,418,520	11,418,520

30. Fair value of financial instruments

(a) Determination of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Receivables	20
Cash and bank balances	21
Payables	22

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

The Company has carried its investments in subsidiaries as available-for-sale financial asset at their fair value.

The fair value of investments in subsidiaries is valued using adjusted net tangible assets of the subsidiaries which comprise the fair value of the biological assets, land, quoted investments and other financial instruments.

The fair value of quoted equity investment securities is determined directly by reference to their published market price at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

30. Fair value of financial instruments (cont'd.)

(b) Fair value hierarchy

The Group's and Company's financial instruments carried at fair value are analysed as follows:

(i)	Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities
(ii)	Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie; as prices) or indirectly (ie; derived from prices)
(iii)	Level 3	Inputs for the asset or liability that are not based on observable market data (unobservable input)

As at reporting date, the Group's and Company's quoted equity instruments and investments in subsidiaries are classified as Level 1 and Level 2, respectively.

There were no material transfers between Level 1, Level 2 and Level 3 during the current financial year.

The Group and the Company do not have any financial instruments classified as Level 3 as at 31 December 2011.

31. Financial risk management objectives and policies

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

The Group overall financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst minimising the potential adverse impact arising from fluctuation in foreign exchange and interest rates and the unpredictability of the financial markets.

The Group operates within clearly defined guidelines that are approved by the Board of Directors and it does not engage in speculation transactions. Financial risk management is further enhanced by effective internal controls and adherence to the financial risk management policies.

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

(a) Credit risk

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

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

<u>Exposure to credit risk</u>

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risks related to any financial assets other than an amount due from a related corporation which amounts to approximately 35% (2010: 54%) of the Group's trade receivables as disclosed in Note 20.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

31. Financial risk management objectives and policies (cont'd.)

(a) Credit risk (cont'd.)

Financial assets that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 20. Deposits with banks and other financial institutions that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain sufficient levels of cash including fixed deposits to meet its working capital requirements.

At the reporting date, the Group does not have any borrowings (including overdrafts) from financial institutions.

(c) Interest rate risk

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

The Group's exposure to interest rate risk arises primarily from its deposits with financial institutions.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM217,596 (2010: RM238,130) lower/higher, arising mainly as a result of lower/higher interest income from deposits with financial institutions. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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

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

	Cash and bank balances RM	Investment securities RM	Total RM
Singapore Dollar			
At 31 December 2011	24,704,238	28,749,489	53,453,727
At 31 December 2010	23,776,205	28,119,674	51,895,879

Sensitivity analysis for foreign currency risk

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

	Other reserves		Profit net of tax	
	2011 RM	2010 RM	2011 RM	2010 RM
SGD/RM				
- strengthened 1% (2010: 1%)	203,074	198,177	247,042	208,163
- weakened 1% (2010: 1%)	(203,074)	(198,177)	(247,042)	(208,163)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

31. Financial risk management objectives and policies (cont'd.)

(e) Market price risk

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

The Group is exposed to securities price risk from its investment in quoted securities classified as available-for-sale financial assets. These securities are listed on the Bursa Malaysia and Singapore Exchange Limited.

The Group's objective is to manage investment returns and the price risk by investing in investment grade shares with steady dividend yield.

Sensitivity analysis for security price risk

At the reporting date, if the market prices for available-for-sale investment had been 1% higher/lower, with all other variables being held constant, the Group's other reserve in equity would have been RM312,489 (2010: RM310,916) higher/lower, arising as a result of an increase/decrease in the fair value of quoted securities classified as available-for-sale.

The Group does not enter into commodity future contracts.

32. Capital management

The Group's objectives in managing its capital is to ensure that it maintains a strong and healthy capital to enable the Group to continue as a going concern in order to provide returns for shareholders and to maintain a debt free capital structure.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group did not have any borrowings for the years ended 31 December 2011 and 31 December 2010. The Group monitors capital using dividend payout ratio, which is amount of dividends paid divided by profit net of tax attributable to owners of the parent.

The Group's strategy in 2011, which was unchanged from 2010, was to maintain a debt free capital structure and to pay steady amount of dividends to shareholders.

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Amount of dividends paid	22,113,618	16,848,470	22,113,618	16,848,470
Profit net of tax attributable to owners of the parent	33,316,946	25,649,821	17,804,293	17,625,230
Dividend payout ratio - %	66.37%	65.69%	124.20%	95.59%

33. Breakdown of retained earnings into realised and unrealised

The breakdown of the retained profits as at 31 December 2011 and 31 December 2010 into realised and unrealised profits is are follows:

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Total retained profits of the Company and subsidiaries				
Realised	190,678,764	169,699,188	70,723,424	71,031,451
Unrealised	33,205,860	36,906,708	10,532,396	14,248,780
	223,884,624	206,605,896	81,255,820	85,280,231
Total shares of retained profits/(accumulated losses) from associates				
Realised (losses)/profits	(586,296)	1,751,735	-	-
Unrealised profits/(losses)	1,716,062	(42,680)	-	-
Total shares of retained profits/(accumulated losses) from a jointly controlled entity				
Realised losses	(5,768,409)	(3,113,235)	-	-
Unrealised profits/(losses)	3,221,954	(95,118)	-	-
	222,467,935	205,106,598	81,255,820	85,280,231
Less: Consolidation adjustments	(38,672,880)	(32,991,172)	-	-
Total retained profits as per accounts	183,795,055	172,115,426	81,255,820	85,280,231

The disclosure of realised and unrealised profits or losses above has been made solely for complying with the disclosure requirements as stipulated in the directives of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

SHAREHOLDINGS STATISTICS

Share Capital As At 30 April 2012

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	: 2,597

Distribution schedule of issued and paid-up share capital as at 30 April 2012

No. of Holders	%	Holdings	Total Holdings	%
25	0.96	Less than 100	603	*
511	19.68	100 to 1,000	421,411	0.60
1,656	63.77	1,001 to 10,000	6,004,410	8.55
370	14.24	10,001 to 100,000	9,724,535	13.85
34	1.31	100,001 to less than 5% of the issued shares	15,349,994	21.87
1	0.04	5% and above of the issued shares	38,701,009	55.13
2,597	100.00		70,201,962	100.00

Substantial shareholders (excluding bare trustees) as shown in the register of substantial shareholders as at 30 April 2012.

	<-------Direct Interest-------->		<------Deemed Interest------->	
Name of Substantial Shareholders	No. of Stock Units	%	No. of Stock Units	%
Tiong Thye Company Berhad	38,701,009	55.13	-	-
Goh Eng Chew	-	-	39,101,009	55.70
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 2012.

	<-------Direct Interest-------->		<------Deemed Interest------->	
Name of Directors	No. of Stock Units	%	No. of Stock Units	%
Goh Eng Chew	-	-	39,101,009	55.70
Goh Pock Ai	401,100	0.57	-	-
Wong Aun Phui	645,850	0.92	59,785	0.09
Goh Wei Lei	-	-	-	-
Gho Lian Chin	2,200	*	38,852,673	55.34
Sio Sit Po	608,968	0.87	-	-
Goh Yeok Beng	400,000	0.57	-	-
Dato' Ong Bok Lim	-	-	-	-
Keong Choon Keat	-	-	-	-
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	-	-	-	-
Gho Eng Liong	400,000	0.57	-	-
Gho Bun Tjin	2,200	*	-	-

* Less than 0.01%

SHAREHOLDINGS STATISTICS

(B) Interests of directors in the shares of the related corporations as at 30 April 2012.

(i) Eng Thye Plantations Berhad, subsidiary of the 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	-	-	15,783,250	83.51
Goh Pock Ai	-	-	-	-
Wong Aun Phui	3,500	0.02	-	-
Goh Wei Lei	-	-	-	-
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 Eng Liong	-	-	-	-
Gho Bun Tjin	-	-	-	-

(ii) Timor Oil Palm Plantation Berhad, subsidiary of the 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	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	-	-	-	-
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 Eng Liong	-	-	-	-
Gho Bun Tjin	-	-	-	-

SHAREHOLDINGS STATISTICS

(B) Interests of directors in the shares of the related corporations as at 30 April 2012. (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	-	-	13,650,000	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 2012

	Name	No. of Stock Units	%
1.	Tiong Thye Company Berhad	38,701,009	55.13
2.	Nam Heng Oil Mill Company Sdn. Berhad	3,356,800	4.78
3.	Goh Beng Hwa @ Gho Bin Hoa	1,602,202	2.28
4.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for OCBC Securities Private Limited (Client A/C-NR)	1,326,406	1.89
5.	Wong Aun Phui	645,850	0.92
6.	Maybank Securities Nominees (Asing) Sdn Bhd Kim Eng Securities Pte Ltd for Sio Sit Po	608,968	0.87
7.	Mayban Securities Nominees (Asing) Sdn Bhd UOB-Kay Hian Pte Ltd for Sio Sit Min	568,814	0.81
8.	Guan Brothers Realty Sdn Bhd	555,500	0.79
9.	Mayban Securities Nominees (Asing) Sdn Bhd UOB-Kay Hian Pte Ltd for Sio Leh Koen	523,004	0.74
10.	Chew Huaipin Sdn Bhd	415,500	0.59
11.	Goh Pock Ai	401,100	0.57
12.	Goh Eng Hian	400,000	0.57
13.	Goh Yeok Beng	400,000	0.57
14.	HDM Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for Great Eastern Trading Company Pte Ltd	400,000	0.57
15.	OSK Nominees (Tempatan) Sdn Berhad DMG & Partners Securities Pte Ltd for Gho Eng Liong	400,000	0.57
16.	Seah Mok Khoon	400,000	0.57
17.	Lim Kian Huat	330,800	0.47
18.	OSK Nominees (Asing) Sdn Berhad DMG & Partners Securities Pte Ltd for Goh Hooi Min @ Gho Hooi Min	300,000	0.43
19.	Hup Lee Bakery Sdn Bhd	247,500	0.36
20.	Lim Sian Yew & Sons Sdn. Berhad	226,250	0.32
21.	Lai Beng Chu	214,000	0.30
22.	Ng Poh Cheng	205,900	0.29
23.	Citigroup Nominees (Asing) Sdn Bhd CBNY for Dimensional Emerging Markets Value Fund	167,600	0.24
24.	Chan Wai Meng	166,000	0.24
25.	Tong Ai Lin	150,000	0.21
26.	Teoh Peng Heong & Sons Sdn Bhd	149,000	0.21
27.	Guan Bian Leng	147,200	0.21
28.	Nam Heng Oil Mill Company Sdn. Bhd	146,800	0.21
29.	Low Kim Seng	136,600	0.20
30.	Lim Choon Siong	133,000	0.19
		53,425,803	76.10

LIST OF PROPERTIES AS AT 31 DECEMBER 2011

Location	Tenure	Size	Description	Net carrying amount as at 31 December 2011
		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	36,042[*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	76,741[*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: 45 years)	93,558[*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	3,080[*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: 38 years)	59,778[*a]

(a) Net book value as at 31 December 2011 are as follows: -

	Valuation	Valuation	Valuation	Cost	
	Land	Biological assets	Land and biological assets	Buildings	Land and biological assets and buildings
	RM'000	RM'000	RM'000	RM'000	RM'000
Ladang Senama	33,900	2,100	36,000	42	36,042
Ladang Ibam	56,700	19,300	76,000	741	76,741
Ladang Gula	71,000	21,000	92,000	1,558	93,558
Freehold agricultural land	3,080	-	3,080	-	3,080
Ladang Maran	45,200	13,800	59,000	778	59,778
	209,880	56,200	266,080	3,119	269,199

The freehold and leasehold land and biological assets were revalued on 31 December 2011 by an independent firm of professional registered valuers, CB Richard Ellis (Malaysia) Sdn Bhd.

The revaluation surplus arising from the revaluation of freehold and leasehold land is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve.

The changes in carrying value of biological assets are recognised in profit or loss.

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 2011 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 2011: -

	RM
Transactions with 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.	
Sale of oil palm produce	22,504,644
Purchase of oil palm produce	382,652
Transactions 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, 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.	
Purchase of oil palm produce	1,937,614
Sale of property, plant and equipment	100,000
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.	54,600
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.	177,320
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)	1,133,980

(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 2011

During the financial year ended 31 December 2011, 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 Eightieth 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 Friday, 22 June 2012 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 2011 and the Independent Auditors' Report thereon.		
2.	To approve the directors' fees for the financial year ended 31 December 2011 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 Goh Yeok Beng		
4.	(ii) Mr Sio Sit Po		
	To re-elect the following director retiring under Article 97 of the Articles of Association of the Company: -		
5.	(i) Mr Gho Eng Liong		
6.	To re-appoint Mr Goh Eng Chew as director pursuant to Section 129(6) of the Companies Act, 1965		
7.	To re-appoint Mr Wong Aun Phui as director pursuant to Section 129(6) of the Companies Act, 1965		
8.	To re-appoint 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 depositor shall not be regarded as a member entitled to attend this Meeting and to speak and vote thereat unless his/her name appears in the Record of Depositors as at 15 June 2012 (which is not less than 3 market days before the date of this Meeting) issued by Bursa Depository Sdn Bhd ("Bursa Depository") upon request by the Company in accordance with the rules of the Bursa Depository.

2. 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.

3. 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.

4. 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.

Fold this flap for sealing

Then fold here

AFFIX
POSTAGE
STAMP

NEGRI SEMBILAN OIL PALMS BERHAD
Suite 2B-3A-2
Block 2B Level 3A
Plaza Sentral
Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur

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