



# livestock farming

## BACKGROUND INFORMATION

FFM Group diversified downstream into broiler breeding and production of eggs with the incorporation of FFM Farms Sdn Bhd.

FFM Farms owns two breeder farms in Sua Betong, Negeri Sembilan and Gurun, Kedah covering a total area of 167 hectares, producing high quality day-old chicks. These chicks are sold to farmers who rear them to a market weight of approximately 2kg. The two farms can rear up to 350,000 Parent Stock chickens, capable of producing 2.65 million premium quality chicks every month through a combination of good farming practices, hatchery management and the usage of good breeds. FFM Farms supplies 6.7% of the local requirements of day-old-chicks.

FFM Farms has a layer farm in a 550-acre land at Trong, Perak with a production capacity of 20 million eggs a month which are sold under the “Seri Murni” label. FFM Farms supplies about 2.5% of the local egg consumption.

FFM Farms also produces organic fertiliser under the label “Organic” using pure chicken manure that has been completely composted into a near odourless plant food.

#### TOTAL PRODUCTION

(All figures in million)	DAY-OLD-CHICKS		EGGS	
	2002	2001	2002	2001
Total farming capacity (per month)	2.65	2.55	20.0	10.0
Total production (per year)	27.9	27.0	136.1	83.8

#### SIGNIFICANT EVENTS OF FFM FARMS

Year	Event
1993	Commissioned its first breeder farm at Sua Betong, Negeri Sembilan.
1994	First batch of day-old-chicks was sold.
1996	The broiler breeder farm in Gurun, Kedah commenced operations.
2000	First layer farm in Trong, Perak began operations.
2001	“Seri Murni” Premium Eggs were launched.
2002	Sua Betong farm's production capacity increased by 10%.

#### EXPANSION PLANS

- The construction of a new broiler breeder farm in Jemaluang, Johor to produce 600,000 day-old-chicks per month scheduled for completion by end 2004 (total project cost : RM20 million).
- The construction of the first liquid egg plant in Trong, Perak with a production capacity of 1.5 million eggs per month scheduled for completion by end 2004 (total project cost : RM7.5 million).

#### LOOKING AHEAD

FFM Farms has plans to expand its existing Sua Betong and Gurun farms as there is spare land available without compromising the present farm biosecurity/buffer zones. This enables FFM Farms to increase its production capacity speedily at minimal cost.



# oil palm plantations

## BACKGROUND INFORMATION

Oil Palm Plantations represent one of the core businesses of the Group and are held through its 55.8% subsidiary, PPB Oil Palms Bhd (PPBOP).

PPBOP's subsidiaries involved in oil palm plantations are :

### **SABAH**

- Sapi Plantations Sdn Bhd (100%)
- Sabahmas Plantations Sdn Bhd (100%)
- Kiabau Plantations Sdn Bhd
- Reka Halus Sdn Bhd (70%)
- Sri Kamusan Sdn Bhd (100%)
- Ceramilek Sdn Bhd (89.8%)
- Ribubonus Sdn Bhd (100%)
- Aktif Kukuh Sdn Bhd (100%)

### **SARAWAK**

- Saremas Sdn Bhd (100%)
- Suai Plantations Sdn Bhd (100%)
- Segarmas Plantations Sdn Bhd (100%)
- Suburmas Plantations Sdn Bhd (70%)
- Clonal Palms Sdn Bhd (70%)

### **INDONESIA**

- PT Mustika Sembuluh (90%)
- PT Tidar Sungkai Sawit (100%)

FFB produced from its plantations are processed by seven mills located in Sabah (4), Sarawak (2) and Indonesia (1) with a total milling capacity of 1.525 million mt per annum.

## AREA STATEMENT

(All figures in ha)	East Malaysia		Indonesia		Total	
	2002	2001	2002	2001	2002	2001
Total Area	76,995	76,995	25,727	25,727	102,722	102,722
Total Plantable Area	65,464	63,201	19,700	19,700	85,164	82,901
Total Planted Area	60,615	57,356	9,708	8,641	70,323	65,997
Mature	49,463	45,899	5,185	4,520	54,648	50,419
Immature	11,152	11,457	4,523	4,121	15,675	15,578

## TOTAL PRODUCTION

	East Malaysia		Indonesia		Total	
	2002	2001	2002	2001	2002	2001
<i>Estates</i>						
FFB ('000 mt)	978.9	957.3	72.0	48.4	1,050.9	1,005.7
Yield per mature ha (mt)	19.8	20.9	13.9	10.7	19.2	19.9
<i>Mills</i>						
CPO ('000 mt)	263.4	250.1	16.1	3.4	279.6	253.5
OER (%)	22.3	21.5	21.7	21.9	22.2	21.5
KER (%)	4.7	4.7	4.4	4.2	4.7	4.7

## AVERAGE SELLING PRICES

	Year 2002	Year 2001
Crude Palm Oil (RM/tonne)	1,299	835
Palm Kernel (RM/tonne)	608	383
Fresh Fruit Bunches (RM/tonne, ex-estate)	266	153

## AGE PROFILE OF PALMS AS AT 31 DECEMBER 2002

Age of Palms		East Malaysia	Indonesia	Total	
Immature -	Up to 3 years	11,152	4,523	15,675	22.3%
Young -	4 to 6 years	13,328	3,756	17,084	24.3%
Prime ]	7 to 10 years	17,683	1,429	19,112	27.2%
]	11 to 14 years	14,329	0	14,329	20.4%
	15 years and above	4,123	0	4,123	5.9%
	Total	60,615	9,708	70,323	100%

## SIGNIFICANT EVENTS OF PPBOP

Year	Event
Aug 1997	Listed on the Main Board of Kuala Lumpur Stock Exchange.
Oct 1997	Acquisition of 80% interest in Ceramilek Sdn Bhd for the proposed development of an oil palm project on 10,800 hectares of land in the Sugut District of Sabah.
Mar 1998	Joint venture with Agrocom Enterprises Sdn Bhd to produce high yielding clonal oil palm plantlets.
May 1998	Acquisition of 100% interest in Sabahmas Plantations Sdn Bhd which owns 10,991 hectares of oil palm plantation near Lahad Datu in Sabah.
Sep 1998	Acquisition of 100% interest in Sri Kamusan Sdn Bhd which owns 2,833 hectares of oil palm land in the District of Labuk and Sugut, Sabah.
Jan 2000	Investment of 90% interest in PT Mustika Sembuluh, Central Kalimantan, Indonesia involved in oil palm plantation.
Feb 2000	Acquisition of 21% interest in Agri-Sabah Fertilizer Sdn Bhd, involved in the manufacturing of fertilizers.
Dec 2000	Completion of the merger of the edible oils refining operations of PPBOP and FFM Berhad under PGEO Group Sdn Bhd.
May 2001	Acquisition of PT Tidar Sungkai Sawit, Indonesia which owns a total of 10,216 hectares of oil palm plantation.
Jul 2002	PPBOP commissioned its first palm oil mill of 30-tonne per hour in West Sumatra, Indonesia to process FFB from its wholly-owned subsidiary, PT Tidar Sungkai Sawit and surrounding areas.
Dec 2002	PPBOP's 70% subsidiary, Suburmas Plantations Sdn Bhd, entered into a joint venture with three other companies to build and operate a 40-tonne per hour crude palm oil mill in Sarawak.

## EXPANSION PLAN

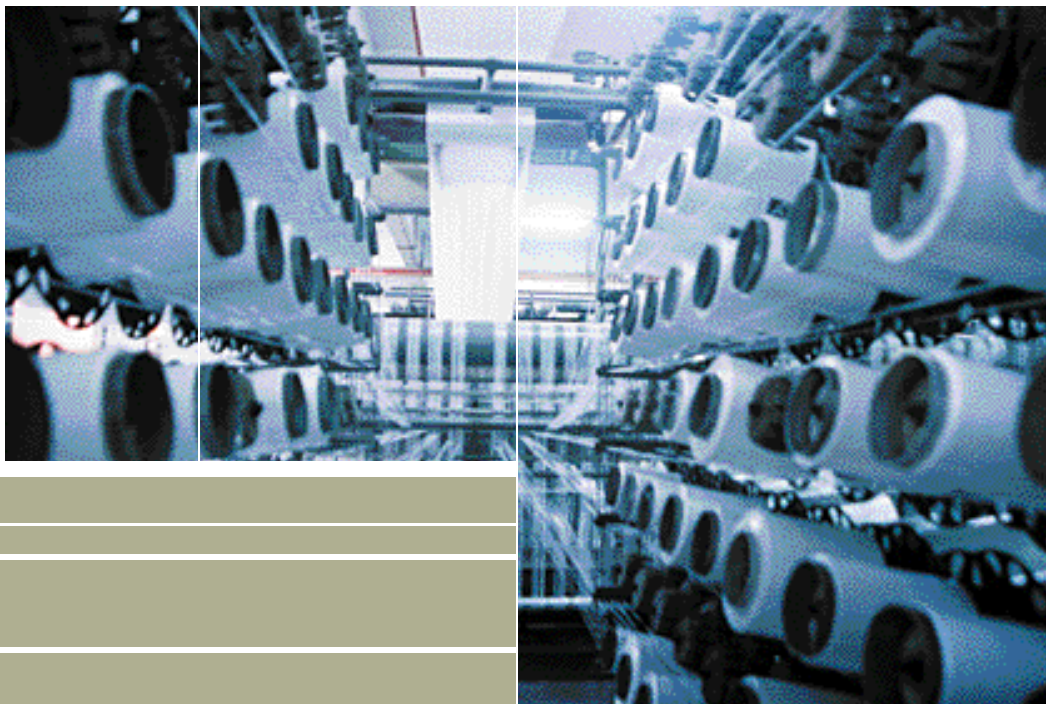
Kalimantan Palm Industries Sdn Bhd (KPI), a wholly-owned subsidiary of PPBOP, acquired 90% equity interest in PT Kerry Sawit Indonesia, which owns 32,200 hectares of land proposed for development into an oil palm plantation in Central Kalimantan.

## LOOKING AHEAD

The Group will continue to develop its remaining land with oil palm and seek opportunities both domestically and overseas to acquire additional land for future expansion.

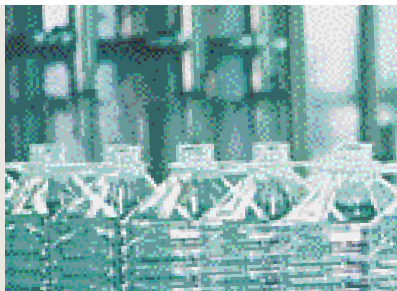
FFB production is expected to grow as more immature plantings reach maturity and an increasing proportion of young palms attain prime age. Crop production is also expected to continue its upward trend in view of the attractive age profile of its palms. Mill extraction rates are likely to remain at favourable levels and CPO output is expected to improve further.





packaging





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## CONSUMER PACKAGING

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PGEO Edible Oils Sdn Bhd [PGEO] ventured into consumer packaging in 1986 with the packing of edible oil into tin cans and PVC bottles. PGEO owns 14 units of filling lines used to pack various sizes of bottles and containers ranging from 250 ml of PET bottles to 25 kg HDPE containers. Most of the packed products are exported whilst some packed oil in bottles under “Neptune” and “Seri Murni” brands are for local distribution.

### **Steel drum**

PGEO’s drum manufacturing activity which started in 1988 produces 210-litre steel drums used to pack refined oils for export to China, Africa, Middle East and the Southeast Asian countries. It operates two drum assembly lines with a combined capacity of 800 drums per hour. The drums are internally unlined or coated with epoxy or ataskote and externally sprayed with stoving paint.

### **PET Bottle**

PGEO diversified into manufacturing PET bottle for edible oil packaging and owns two PET bottle-blowing machines to produce mainly 5kg bottles.

### **HDPE Container**

The HDPE Container (Jerry Can) manufacturing has been in operation since 1993 producing mainly 20-litre size container.



## POLYBAG MANUFACTURING

Tego Sdn Bhd (Tego), a 79.9% subsidiary of FFM Bhd, is the leading producer of commercial polypropylene (PP) and polyethylene (PE) bags capturing about 20% share of the local market.

Tego is able to produce up to 50 million pieces/metres of bags and fabrics a month. Its manufacturing facilities occupy a total of 16 acres of industrial land in the Senawang Industrial Estate and Senawang Industrial Park in Negeri Sembilan. Its subsidiary, Tefel Packaging Industries Co Ltd is located on a 4-acre land in Yangon, Myanmar.

Its products include:

- Woven polypropylene (PP) and polyethylene (PE) bags
- PP and PE fabrics
- Kraft paper bags with PP/PE lamination
- PP ropes and sewing yarns
- FIBC bulker bags
- Geotextiles
- Weedtex
- Webbing
- PE blown film products
- High tenacity PP/PE multifilament yarns

## SIGNIFICANT EVENTS

### YEAR EVENT

#### PGEO

- |      |   |
|------|---|
| 1986 | Diversified into consumer packaging with the packing of edible oil into tin cans and PVC bottles. |
| 1988 | Ventured into steel drum manufacturing.   |
| 1991 | Commenced PET Bottle manufacturing.   |
| 1993 | Started production of HDPE Container (Jerry can).   |

#### Tego

- |      |  |
|------|--|
| 1973 | Commenced commercial production.   |
| 1992 | Tego's wholly-owned subsidiary, Tego Multifil Sdn Bhd, commenced production of multifilament yarns.            |
| 1995 | Received award for ISO 9002 : 1994 Quality Management Systems certification.                                   |
| 1995 | Started production of its labour intensive factory in Myanmar.   |
| 2002 | Tego's ISO 9002 : 1994 certification was upgraded to ISO 9001 : 2000 Quality Management Systems certification. |

## EXPANSION PLANS

- Tego is planning to relocate the production of most of its lower-end and labour intensive products to its Myanmar manufacturing plant to capitalize on the lower production cost and improve competitiveness.
- PGEO has been actively investing in new facilities and upgrading existing plants to meet market requirements and consumer needs.

## LOOKING AHEAD

Tego plans to further explore the Japanese and Australian market for its products and pursue on product innovation.





# property development

## BACKGROUND INFORMATION

PPB Hartabina Sdn Bhd (PPBH), a wholly-owned subsidiary of PPB is principally involved in residential and commercial development as well as property management. PPBH is currently developing 52.6 acres of prime hilly land in Taman Segar, Cheras and managing its own shopping complex "Cheras LeisureMall".

The other active property companies under PPB Group are Seletar Sdn Bhd (Seletar), Cathay Screen Cinemas Group (CSC) and Shaw Brothers (M) Sdn Bhd (SBM) in which PPB has 100%, 66.2% and 34% equity interest respectively.

Seletar's first development project at Taman Sri Mentari, Bedong, Kedah covers 120 acres comprising 1111 units of single storey and semi-detached houses. Phase I of 561 units covering 64 acres of land was launched in June 2002 and is expected to be completed by December 2003.

CSC and SBM are owners of several prime commercial properties in the country.

PPB Group's major commercial properties are as follows:

	<b>Owners</b>	<b>Lettable Area (sf)</b>	<b>Average Monthly Rental (RM/sf)</b>	<b>Occupancy (%)</b>
Cheras Leisuremall	PPBH	264,517	4.49	100
Cheras Plaza	PPBH	108,979	1.40	100
Shaw Centrepont	SBM	255,450	3.48	98
Shaw Parade	SBM	155,733	1.09	90

#### SIGNIFICANT EVENTS/PROJECTS OF PPBH

<b>Year</b>	<b>Event</b>
1982	PPB acquired Tai Yan Realty Sdn Bhd which owned a piece of development land at Taman Segar, Cheras. The company's name was subsequently changed to Cheras Heights Sdn Bhd.
1987	Completion of Cheras Plaza, an office tower cum retail centre.
1991-1995	Construction of 11 blocks of 602 units of low medium cost apartments.
1993	Cheras Heights Sdn Bhd changed its name to PPB Hartabina Sdn Bhd.
1993-1996	Project management of Shaw Centrepont in Klang.
1994	Completion and opening of "Cheras Leisuremall", a shopping mall with GFA of 425,000 sf and NFA of 264,000 sf.
1997-1999	Renovations of Golden Sands Hotel in Penang.
2002-2003	Phase II renovations of Shangri-La, Kuala Lumpur.

#### CURRENT PROJECTS

- Completion and handing over of Phase I of its Bukit Segar residential development comprising 17 units of bungalow, 11 lots of bungalow land and 150 units of semi-detached homes.
- Constructing Phase 2 of its Bukit Segar development comprising 114 units of semi-detached houses, 5 bungalows and 2 pieces of land.
- Providing project management services for a scheme involving the restoration of pre-war shoplots owned by PPB's 100% subsidiary, Kembang Developments Sdn Bhd.
- Providing project management services for renovations at Rasa Sayang and Shangri-La Penang hotels.
- Providing project management services for the mixed development at Bedong, Kedah covering an area of 120 acres.

#### LOOKING AHEAD

PPBH will develop its remaining 20 acres of land bank in Cheras which have been earmarked for high-end development comprising mainly bungalows.

PPBH is actively looking for strategic land banks for residential development and to develop a strategy of mixed development projects with high cost, medium cost and low cost houses in anticipation of the cyclical nature of the industry.



# shipping

## BACKGROUND INFORMATION

The Group's shipping operation is undertaken by Malaysian Bulk Carriers Sdn Bhd (MBC), a 20% associate of Malayan Sugar Manufacturing Company Berhad. As at 31 December 2002, MBC owns 13 bulk carriers and 3 tankers with a total tonnage of 593,905 dwt which are used to carry raw sugar, edible oils and other commodities for the Group.

Katella Sdn Bhd, a wholly-owned subsidiary of FFM Berhad owns 1 bulk carrier of 47,000 dwt and is used mainly to transport FFM's raw materials.

### SIGNIFICANT EVENT FOR YEAR 2002

As part of MBC's fleet renewal exercise, 10 vessels comprising 7 bulk carriers and 3 tankers were sold at a total cost of RM290.58 million.

### LOOKING AHEAD

MBC is on the look out for investment opportunities which may be present in the current global economic downturn.



### MBC'S FLEET AS AT 31-12-2002

		YEAR BUILT	DWT
<b>BULKERS</b>			
1.	MV Alam Talang	1987	17,324
2.	MV Alam Tenggara	1987	17,324
3.	MV Alam Gula	1985	23,418
4.	MV Alam Sempurna	1984	28,097
5.	MV Alam Senang	1984	28,098
6.	MV Alam Sejahtera	1985	29,692
7.	MV Alam Selamat	1992	39,110
8.	MV Alam Selaras	1992	39,110
9.	MV Alam Sentosa	1992	39,110
10.	MV Alam Mesra	2000	46,011
11.	MV Alam Makmur	2000	46,446
12.	MV Ikan Suji	2001	50,296
13.	MV Ikan Serong	2001	50,296
Sub-total Bulkers			454,332
<b>TANKERS</b>			
1.	MT Alam Bitara	1998	45,573
2.	MT Alam Budi	2000	47,000
3.	MT Alam Bistari	2000	47,000
Sub-total Tankers			139,573
<b>Total fleet tonnage</b>			<b>593,905</b>



# sugar

## BACKGROUND INFORMATION

The Group's wholly-owned subsidiary, Malayan Sugar Manufacturing Co Bhd (MSM) operates the region's largest sugar refinery at Prai, Province Wellesley with a melting capacity of 2,000 mt of raw sugar per day. MSM produces various types of sugar for industrial and household consumption for the domestic and overseas markets.

Kilang Gula Felda Perlis Sdn Bhd (KGFP), a joint venture between PPB and FELDA, operates an integrated sugar mill on 4,350 hectares of sugar cane plantation in Chuping, Perlis, with a milling capacity of 5,500 mt of cane per day and melting capacity of 650 mt of raw sugar per day.

At present, MSM and KGFP produce more than 650,000 mt of refined sugar per annum and supply about 60% of the domestic sugar requirements.



## SIGNIFICANT EVENTS OF MSM

**YEAR    EVENT**

1964	Commissioned its Prai sugar refinery after receiving a five year tax waiver by the Government.
1971	Achieved the SIRIM product certification for its white refined sugar.
1994	Applied and received the ISO 9002 certification from SIRIM.
1997	MSM was the first company in the region to commission VKT for crystallization of refined sugar with 80 tonnes per hour capacity. VKT or vertical continuous crystallization tower is an environment-friendly advanced technology that reduces energy requirement and labour cost.
2002	Achieved Hazard Analysis Critical Control Point (HACCP) certification from the Ministry of Health.

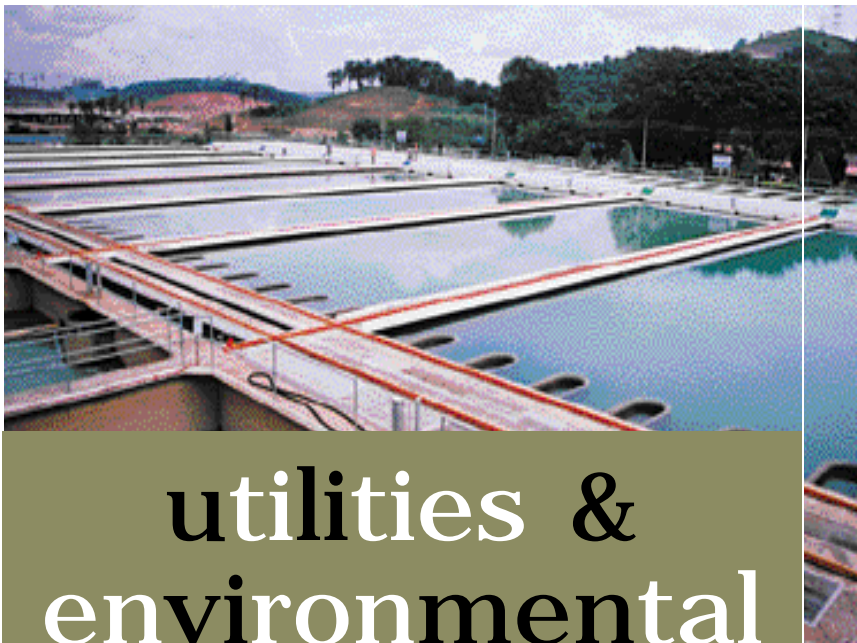
## EXPANSION PLAN

For 2002, MSM approved a budget of RM12.8 million for upgrading its plant and machinery and to acquire containers for sugar delivery to Singapore.

## LOOKING AHEAD

Barring unforeseen circumstances and with prevailing favourable world raw sugar prices, MSM is expected to perform satisfactorily for year 2003.





# utilities & environmental engineering

## BACKGROUND INFORMATION

Chemical Waste Management Sdn Bhd [CWM], a leading service provider for water resource engineering and solid waste management, provides the following services :-

- Build, commission and manage various water treatment facilities for human and industrial consumption.
- Construct wastewater treatment plants for both industrial and government agencies.
- Infrastructure development.
- Collect and manage industrial and residential waste for municipalities in Malaysia.
- Waste to energy management.

## SIGNIFICANT EVENTS OF CWM

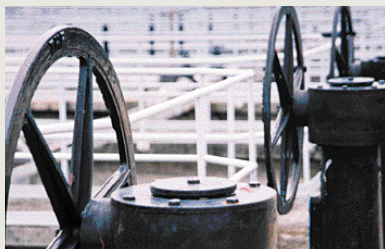
YEAR	EVENT
1995	Completed the sizeable Genting Sanyen Water Treatment Plant.
1995	Awarded a 20-year concession by the Selangor State Government to operate and manage a Sanitary Landfill at Puchong through Worldwide CWM Consortium.
Mar 1996	Mechanical & Electrical contractor for the largest water treatment plant in Malaysia under the Sungei Selangor Phase II Water Supply Scheme.
Jul 1997	Received the Enterprise 50 Award from the Ministry of International Trade and Industry.
Jan 2001	Awarded a 30-year concession to operate and manage the entire Sungei Semenyih Water Supply Scheme through Konsortium Abass Sdn Bhd.

## CURRENT PROJECTS

- Construct and commission intake and treatment works for New Gadek Water Treatment Plant project in Malacca, scheduled for completion by 30 June 2003 (contract value : RM30.0 million).
- Supplying, laying, joining, testing and commissioning 20 km of Mild Steel Pipes from Bukit Tadun Reservoir to New Jelutong Reservoir for the Bukit Badong Distribution Supply Scheme Stage 1, scheduled for completion by 31 May 2003 (contract value : RM60.0 million).
- Construct, commission and manage the Bayan Baru Sewage Treatment Plant in Bayan Baru, Penang, scheduled for commissioning by December 2003 (contract value : RM40.0 million).

## LOOKING AHEAD

Going forward, CWM is negotiating for a number of environmental and utilities projects in Malaysia as well as overseas.





# Directors and Management

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Board of Directors *54-55*  
Group Management Team *56*

## Boards of Directors

**Ong Ie Cheong** 61, is the Executive Chairman of PPB Group Berhad. He was appointed to the Board on 18 September 1985 and was the Deputy Managing Director of PPB from 1993 before being appointed Chairman and Managing Director in 2000 and subsequently as Executive Chairman in 2001. He is a member of the Remuneration Committee of the Company. Mr Ong is also the Managing Director of Central Sugars Refinery Sdn Bhd since 1983. In addition, he holds directorships in PPB Oil Palms Berhad, Tradewinds (M) Bhd and Kuok Brothers Sdn Bhd. Mr Ong graduated from the University of Malaya with a Bachelor of Science degree.

Y. Bhg. **Datuk Oh Siew Nam** 64, is the Deputy Chairman of PPB Group Berhad. He was appointed to the Board on 2 March 1988 and was the Managing Director of the Company from 1993 to 1999. Datuk Oh joined the FFM Group in 1968 and is presently the Executive Chairman of FFM Berhad. He is also a Director of Kuok Brothers Sdn Bhd since 1998 and a Board Member of Bank Negara Malaysia since 1989. He served as a Member of the Capital Issues Committee from 1990 to 1993 and the National Economic Consultative Council II (MAPEN II). He was the Assistant Controller of Telecom Malaysia for five (5) years from 1963. He holds a Bachelor of Engineering (Honours) degree in Electrical Engineering from the University of Canterbury, New Zealand.

Y. Bhg. **Dato' Lim Chee Wah** 63, is an Executive Director of PPB Group Berhad. He was appointed to the Board on 2 March 1988. Dato' Lim is the Executive Chairman of Malayan Sugar Manufacturing Co. Berhad and Chairman of Jerneh Asia Berhad. He is also a Director of Kuok Brothers Sdn Bhd and a trustee of Kuok Foundation Berhad. He graduated from the University of Malaya with a Bachelor of Economics (Honours) degree.

Y. Bhg. **Dato' Abdul Jabid bin Mohd Don** 73, was appointed to the Board of PPB on 11 January 1985. Dato' Jabid held several positions in the Government service which include, amongst others, Deputy Secretary-General, Ministry of Home Affairs and Director-General of Immigration, Malaysia. He serves on the Boards of Tradewinds (M) Bhd and various private companies.

Y. Bhg. **Dato Sri Liang Kim Bang** 66, is the Chairman of the Audit and Remuneration Committees and is a member of the Nomination Committee of PPB Group Bhd. He was appointed to the Board on 4 January 1995. Dato' Sri Liang held various positions in the Sarawak Civil service and prior to his retirement in 1994, he was the Sarawak State Financial Secretary. Presently, he is a Non-Executive Chairman of CMS Steel Berhad and an Independent Non-Executive Director of PPB Oil Palms Berhad, Malaysia International Shipping Corporation Berhad, Cahya Mata Sarawak Berhad, CMS Trust Management Berhad and several other companies. Dato Sri Liang graduated from the University of Malaya with Bachelor of Arts and Bachelor of Arts (Honours) degrees. He also undertook a post-graduate course in Public Administration at the University of Cambridge, England.

**Ang Guan Seng** 64, is the Chairman of the Nomination Committee and also a member of the Audit and Remuneration Committees of PPB Group Berhad. He was appointed to the Board on 8 July 1998. He is the Managing Director of Petaling Garden Berhad and sits on the Boards of various public and private companies which include, amongst others, Mui Industries Berhad and Parkway Holdings Limited.

**Tan Yew Jin** 62, is a member of the Audit and Nomination Committees of PPB Group Berhad. He joined the Board on 12 May 2001. Mr Tan is the Executive Chairman of PPB Oil Palms Berhad. He also serves on the Boards of FFM Berhad, Jerneh Asia Berhad and Tradewinds (M) Berhad. Mr Tan is an Accountant by profession and a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants, CPA Australia and the Institute of Certified Public Accountants of Singapore.

**Michael Oh Aik Teong** 45, was appointed to the Board as an Alternate Director to Dato' Abdul Jabid bin Mohd Don on 16 May 2002. Mr Oh joined in 1992 to help establish the utilities and environmental engineering division of the Group and is presently the Managing Director of Chemquest Group. He had previously worked for Exxon Chemicals Sdn Bhd for 10 years. He graduated from the University of Malaya with a Bachelor of Engineering (Honours) degree, majoring in chemicals.

**Koh Mei Lee** 38, was appointed to the Board as an Alternate Director to Mr Tan Yew Jin on 16 May 2002. Ms Koh joined PPB Group Berhad in 1990 to oversee the treasury functions of the Group and has undertaken various responsibilities within the Group until her current position as Senior Manager, Corporate Affairs Department. She has been instrumental in the development of the Corporate Affairs Department and her responsibilities include fostering investor relations, corporate development and restructuring as well as mergers and acquisitions. She is also the Chief Executive of Golden Screen Cinemas Sdn Bhd. She graduated from the University of Montevallo, USA with a Bachelor of Business Administration degree (Summa Cum Laude).



## Management Team

**Ong Ie Cheong** (refer to page 54)

**Tan Yew Jin** (refer to page 55)

**Michael Oh Aik Teong** (refer to page 55)

**Koh Mei Lee** (refer to page 55)

**Tan Gee Sooi** 58, is the Managing Director of FFM Berhad. He serves on the boards of various FFM subsidiaries both in Malaysia and overseas. He holds a Bachelor of Engineering (Hons) degree in Electrical Engineering from the University of Malaya.

**Chua Say Sin** 56, is the Managing Director of Malayan Sugar Manufacturing Co. Berhad (MSM). He joined MSM in 1974 as an Instrument Engineer involving mainly in the implementation of automatic/computer control and mechanization of sugar refinery operations. He became a Factory Manager of MSM in 1988 before he was seconded to become the Managing Director of Chemquest Sdn Bhd. He is now the Managing Director of MSM. He graduated as an Electrical Engineer from New South Wales University, Australia and holds a Master in Engineering Science from Sydney University. He is currently a registered Professional Engineer (PE) and a member of the Institution of Engineers.

**Eapen Thomas** 55, is the Executive Director of PPB Hartabina Sdn Bhd, the property arm of PPB Group. He joined the Kuok Group in 1993 and is currently the General Manager of Hillcrest Garden Sdn Bhd. Mr Thomas is an Accountant by profession and a member of the Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants.

**Tan Teong Boon** 55, has been Company Secretary of PPB Group Berhad since 1969. He is also a Company Secretary of FFM Berhad and was a Company Secretary of PPB Oil Palms Berhad from 1996 to 2000. Besides secretarial matters, Mr Tan is also responsible for all general administrative functions of PPB Group. He holds a Bachelor of Economics (Hons) degree in Business Administration from the University of Malaya.

# facts and figures

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## Group Financial Highlights

Quarter Financial period ended	1st 31.3.02 (RM'million)	2nd 30.6.02 (RM'million)	3rd 30.9.02 (RM'million)	4th 31.12.02 (RM'million)	12 months 31.12.02 31.12.01 (RM'million) (RM'million)		Change
<b>Income Statements</b>							
Revenue	1,512.299	1,978.274	2,168.095	2,199.312	7,857.980	5,629.093	39.6%
Profit from operations	58.761	64.603	126.435	136.177	385.976	235.119	64.2%
Profit before taxation	89.443	93.171	157.683	168.586	508.883	321.566	58.3%
Earnings for the year	45.678	46.816	78.206	80.003	250.703	170.302	47.2%
<b>Balance Sheet</b>							
Non-current assets	3,358.528	3,401.220	3,393.103	3,425.897	3,425.897	3,347.837	2.3%
Current assets	1,748.376	1,731.542	1,889.420	1,968.442	1,968.442	1,863.446	5.6%
Cash and deposits	502.088	564.428	547.753	478.532	478.532	492.913	-2.9%
Non-current and deferred liabilities	101.498	104.878	147.769	153.238	153.238	101.602	50.8%
Current liabilities	816.672	805.925	830.810	933.594	933.594	1,002.498	-6.9%
Borrowings							
-> Long term	34.527	35.878	78.867	78.148	78.148	32.824	138.1%
-> Short term	410.840	376.785	374.634	383.244	383.244	469.605	-18.4%
Share capital	490.623	490.623	490.623	490.623	490.623	490.623	-
Shareholders' fund	2,822.854	2,826.717	2,866.950	2,826.853	2,826.853	2,775.528	1.8%
Funds employed	4,290.232	4,326.837	4,451.713	4,460.745	4,460.745	4,208.785	6.0%
<b>Ratios</b>							
Return on net assets (%)	2.08	2.15	3.54	3.78	11.47	7.68	
Return on equity (%)	1.62	1.66	2.73	2.83	8.87	6.14	
EPS (sen)	9.31	9.54	15.94	16.31	51.10	34.71	47.2%
Profit before tax over revenue (%)	5.91	4.71	7.27	7.67	6.48	5.71	
Interest coverage (times)	41.71	33.53	50.82	30.86	37.69	24.34	54.8%
Current ratio (times)	2.14	2.15	2.27	2.11	2.11	1.86	13.4%
Debt ratio (%)	1.21	1.25	2.68	2.69	2.69	1.17	
NTA per share (RM)	5.68	5.68	5.77	5.69	5.69	5.58	2.0%
Net dividend per share (sen)	0.00	7.60	25.00	10.40	43.00	15.80	172.2%
<b>Stock Market Information</b>							
Share price (RM)	3.56	3.94	3.84	3.94	3.94	3.32	18.7%
Market capitalisation (RM'million)	1,746.62	1,933.05	1,883.99	1,933.05	1,933.05	1,628.87	18.7%
PE ratio (times)					7.71	9.56	

# FINANCIAL PERFORMANCE

	Revenue		Profit before tax		Earnings		EPS		NTA per share	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000	2002 sen	2001 sen	2002 RM	2001 RM
PPB Group Berhad	7,857,980	5,629,093	508,883	321,566	250,703	170,302	51.10	34.71	5.69	5.58
<b>Listed subsidiaries :-</b>										
FFM Berhad	6,620,465	4,532,452	216,463	177,449	161,791	131,313	72.51	58.85	7.01	6.52
PPB Oil Palms Berhad	404,633	239,411	168,586	47,150	123,558	30,417	28.35	7.22	2.69	2.50
<b>Non-listed subsidiaries :-</b>										
MSM Group	690,987	684,769	79,953	92,563	61,157	77,277	168.20	212.53	15.92	19.99
Chemquest Group	260,222	282,457	14,781	16,218	7,625	6,876	5.84	5.79	1.09	1.03
PPB Leisure Group	77,233	60,334	8,643	(5,822)	5,243	(3,957)	10.74	(8.10)	1.56	1.45
PPB Hartabina Sdn Bhd	100,037	37,881	25,237	7,137	14,863	1,415	21.23	2.02	1.27	1.07

## FIVE YEAR GROUP STATISTICS

Year ended 31 December	2002 RM' million	2001 RM' million	2000 RM' million	1999 RM' million	1998 RM' million
<b>INCOME STATEMENT</b>					
Revenue	7,857.980	5,629.093	5,240.288	6,729.250	7,599.534
Profit from operations	385.976	235.119	266.292	438.615	297.424
Profit before tax	508.833	321.566	408.855	369.484	312.394
Earnings for the year	250.703	170.302	244.482	192.889	110.540
<b>BALANCE SHEET</b>					
Non-current assets	3,425.897	3,347.837	3,247.395	3,234.728	3,222.827
Current assets	1,968.442	1,863.446	1,711.400	1,762.132	1,594.012
Cash and deposits	478.532	492.913	480.756	363.593	256.412
Non-current and deferred liabilities	153.238	101.602	73.090	65.275	69.230
Current liabilities	933.594	1,002.498	945.436	1,197.181	1,323.774
Borrowings					
-> Long term	78.148	32.824	11.190	4.582	20.000
-> Short term	383.244	469.605	508.139	761.536	885.611
Share capital	490.623	490.623	367.967	367.967	367.967
Shareholders' fund	2,826.853	2,775.528	2,653.469	2,474.555	2,343.889
Funds employed	4,460.745	4,208.785	4,013.359	3,799.679	3,493.065
<b>CASHFLOW POSITION</b>					
Operating	332.512	310.143	521.420	462.925	388.548
Investing	(80.867)	(192.439)	(7.544)	(125.091)	(320.122)
Financing	(270.227)	(100.506)	(388.298)	(236.018)	(112.587)
Net increase in cash and cash equivalent	(18.582)	17.198	125.578	101.816	(44.161)
<b>RATIOS</b>					
Return on net assets (%)	11.47	7.68	10.23	9.74	8.94
Return on equity (%)	8.87	6.14	9.21	7.79	4.72
Earnings per share (sen)	51.10	34.71	49.83	39.32	22.53
Profits before tax over revenue (%)	6.48	5.71	7.80	5.49	4.11
Interest coverage (times)	37.69	24.34	21.73	14.46	5.23
Current ratio (times)	2.11	1.86	1.81	1.47	1.20
Debt ratio (%)	2.69	1.17	0.42	0.18	0.85
Net tangible assets per share (RM)	5.69	5.58	5.32	4.95	4.70
<b>STOCK MARKET INFORMATION</b>					
Share price (RM)	3.94	3.32	2.64	3.45	2.93
Market capitalisation (RM'million)	1,933.05	1,628.87	1,295.24	1,692.65	1,437.53
PE ratio (times)	7.71	9.56	5.30	8.77	12.98
<b>DIVIDEND</b>					
Gross dividend per share (sen)	46.50	20.00	20.00	24.00	16.00
Net dividend per share (sen)	43.00	15.80	15.80	17.28	11.52
Payout ratio of Company's earnings (%)	97.60	49.09	49.64	67.92	93.67
Net dividend yield (%)	10.91	4.76	5.98	5.01	3.94

**DIVIDEND RECORD**

FYE 31 Dec	Issued Capital '000	Gross dividend Sen	Net dividend Sen	Dividend payments Payout ratio of Company's earnings %
1992	294,374	16.0	10.5	47.2
1993	294,374	16.0	10.7	20.5
1994	294,374	16.0	11.0	41.8
1995	294,374	16.0	11.2	44.7
1996	367,967	16.0	11.2	91.2
1997	367,967	16.0	11.4	13.3
1998	367,967	16.0	11.5	93.7
1999	367,967	24.0	17.3	67.9
2000	367,967	20.0	15.8	49.6
2001	490,623	20.0	15.8	49.1
2002	490,623	46.5	43.0	97.6

**ANNUAL SCHEDULE**

2003	Events
Feb	Announcement of 4th Quarter Results of 2002
Mar	Press Briefing
Apr	Publication of Annual Report Analyst Briefing
May	Annual General Meeting Announcement of 1st Quarter Results of 2003
Aug	Announcement of 2nd Quarter Results of 2003 Analyst Briefing
Nov	Announcement of 3rd Quarter Results of 2003

**STATEMENT OF MOVEMENT IN SHARE CAPITAL**

Date of allotment	Consideration	No. of ordinary shares of RM1.00 each allotted	Cumulative total Issued and paid-up share capital RM
01.11.1968	Cash Subscription	2	2
31.12.1969	Cash Subscription	900,000	900,002
17.01.1971	Cash Subscription	1,650,000	2,550,002
31.03.1971	Cash Subscription	5,950,000	8,500,002
01.12.1971	Cash Subscription	1,500,000	10,000,002
23.03.1972	Cash Subscription	750,000	10,750,002
31.03.1972	Cash Subscription	1,249,998	12,000,000
22.05.1972	Cash - Public Issue	3,000,000	15,000,000
18.04.1974	1 for 3 Rights Issue at par	5,000,000	20,000,000
08.09.1976	Acquisition of 35,468,000 shares in MSM	53,202,000	73,202,000
20.09.1976	Acquisition of 640,000 shares in MSM	960,000	74,162,000
19.12.1979	Acquisition of 4,000,482 Minsec shares from Chinteik Brothers (S'pore) Co Pte Ltd	8,000,964	82,162,964
09.02.1980	Acquisition of 1,061,878 Minsec shares pursuant to acceptances of Takeover Offer dated 12.12.1979	2,123,756	84,286,720
01.04.1980	Compulsory acquisition of remaining 45,640 Minsec shares pursuant to Section 180 of the Companies Act, 1965	91,280	84,378,000
07.05.1981	2 for 5 Bonus Issue	33,751,200	118,129,200
15.06.1981	1 for 10 Rights Issue at RM4.00 per share	8,437,800	126,567,000



## STATEMENT OF MOVEMENT IN SHARE CAPITAL

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