



PPB GROUP BERHAD
INVESTOR HANDBOOK

07



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2007

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INTRODUCTION



As part of PPB's investor relations' programme, we are pleased to launch our seventh Investor Handbook, which we trust will give sufficient information on the Group's diversified activities to our shareholders and the investment community.

We have provided a current update of the Group's businesses to ensure continued interest towards our ventures and direction, and also to assist in appraising our future growth.

PPB Group is continually striving to strengthen its position as a market leader in its core businesses and expand into related industries, which are synergistic to existing operations in order to maintain its competitive edge in the market and to provide sustainable shareholder value.

Datuk Oh Siew Nam
Chairman

CORPORATE PROFILE

PPB Group Berhad was incorporated in Malaysia in 1968 and was subsequently listed on the then Stock Exchange of Kuala Lumpur and Singapore with an issued and paid-up capital of RM15 million in 1972.

The Company has grown from its initial business of cane cultivation and sugar refining to become a major conglomerate engaged in diverse businesses. The Group's operations now include sugar refining; grains trading, flour and feed milling; environmental engineering and waste management; film exhibition and distribution; property ownership and development; livestock farming, packaging and chemicals manufacturing.

PPB Group has positioned itself to be a market leader in all its core businesses. Its subsidiaries engaged in sugar refining; grains trading, flour and feed milling; and film exhibition and distribution are :-

- **Malayan Sugar Manufacturing Company Berhad** - operates the country's largest sugar refinery in Prai which supplies about 50% of domestic sugar requirements.
- **FFM Group** - major producer of flour and animal feed owning a total of three flour mills and five feed mills located throughout the country. The FFM Group supplies more than 40% of the country's flour requirements.
- **PPB Leisure Holdings Sdn Bhd** - holding company of Golden Screen Cinemas Sdn Bhd, the largest film exhibitor in the country with 141 screens in 21 locations nationwide.

In June 2007, the Group completed the disposal of its oil palm plantations and edible oils trading and refining businesses to Wilmar International Limited (Wilmar) for a 18.3% stake in Wilmar :-

- **Wilmar International Limited** - one of Asia's largest integrated agribusiness groups with operations in more than 20 countries with primary focus in Malaysia, Indonesia, China, India and Europe.

PPB's success over the years has shown that its strategic acquisitions and business ventures were in the right direction.

Today, PPB ranks among the top companies listed on Bursa Malaysia by turnover and assets. Its total assets exceed RM11.9 billion and turnover for the last financial year ended 31 December 2007 amounted to RM6.2 billion. PPB Group currently has operations in Malaysia, China, Vietnam, Indonesia, Myanmar, Thailand and Singapore and employs more than 4,000 employees in its domestic and overseas operations.



MISSION STATEMENT

Striving continually to strengthen our
position as a market leader in
our core businesses

&

to expand into other related activities to
increase shareholder value.

CORPORATE HISTORY

PPB's involvement in the sugar industry began as early as 1968 with the cultivation and milling of sugar cane in Chuping, Perlis.

In 1976, PPB acquired Malayan Sugar Manufacturing Company Berhad (MSM) and through MSM, PPB became indirectly involved in the hotel industry, polybags manufacturing and bulking operations.

Between 1982 and 1983, PPB ventured into the property sector with the acquisition of 100% equity interest in PPB Hartabina Sdn Bhd (then known as Tai Yan Realty Sdn Bhd) and 34% interest in Shaw Brothers (M) Sdn Bhd.

PPB's investment in oil palm cultivation began in 1986 through the establishment of Saremas Sdn Bhd to develop an oil palm plantation in Sarawak and in the following year, PPB acquired 60% equity interest in Sapi Plantations Sdn Bhd to operate an oil palm project in Sabah. In 1995, PPB expanded its oil palm operations to Indonesia with a 70% equity interest in PT Tidar Sungkai Sawit (PTSS). PPB's oil palm plantations in East Malaysia were merged under PPB Oil Palms Berhad (PPBOP) which was subsequently listed on the KLSE (now known as Bursa Malaysia) in 1997.


In 1987, PPB made a takeover offer for FFM Berhad enabling PPB to further diversify into flour and animal feed milling, edible oils processing and commodity trading.

In the same year, PPB finalized an agreement with Golden Harvest (International) Ltd (GH) of Hong Kong to establish Golden Communications (M) Sdn Bhd (now known as Golden Screen Cinemas Sdn Bhd [GSC]) to take over the Shaw cinemas. The cinema operations further expanded in 1990 when PPB acquired Borneo Film Organization (M) Sdn Bhd (now known as PPB Leisure Holdings Sdn Bhd [PPBL]) which owned the "Cathay Organisation" cinemas. In 1997, all the cinema operations were streamlined under GSC which was held by PPBL and GH. GH subsequently disposed of their entire 40.2% stake in GSC in February 2007 making GSC a 98.9% subsidiary of PPBL.

In an effort to diversify the Group's revenue base, PPB in 1993 subscribed for 40% equity interest in Chemquest Sdn Bhd (Chemquest) which is involved in environmental engineering, utilities, waste management, trading of chemicals and contract manufacturing. PPB's stake in Chemquest increased to 55% in 1998.




C O R P O R A T E H I S T O R Y



In 2000, PPB undertook a series of corporate restructuring exercise to streamline its operations which included the transfer of PTSS to PPBOP; injection of PT Healthcare Glovindo and Minsec Engineering Services to Chemquest; and the establishment of PGEO Group to consolidate the edible oils refining operations held under FFM and PPBOP. To better reflect its activities, the name of the Company was changed from “Perlis Plantations Berhad” to “PPB Group Berhad”.

In 2004, PPB successfully privatized FFM Berhad pursuant to a members’ scheme of arrangement under Section 176 of the Companies Act, 1965, making FFM a wholly-owned subsidiary.

PPB received an offer from Wilmar International Limited (Wilmar) in 2006, to acquire from PPB’s wholly-owned subsidiary, FFM Berhad, its 65.8% and 28% equity interests in PGEO Group Sdn Bhd and Kuok Oils and Grains Pte Ltd respectively. PPBOP, a 55.6% subsidiary of PPB, also received a Notice of Conditional Voluntary Offer from Wilmar to acquire all of its shares under the Malaysian Code on Takeovers and Mergers 1998 on the basis of 2.3 Wilmar shares for every PPBOP share. The disposals were completed in June 2007 and PPB Group became the second largest shareholder owning 18.3% equity interest in Wilmar.



As PPB continues to expand its core businesses and improve efficiency and productivity, it is ready to capitalize on any new investment opportunities especially in businesses which are strategic to its current operations to enable the Group to achieve further success.

CORPORATE OBJECTIVES

Create wealth for shareholders

To reward its shareholders through attractive dividends or capital issues.

Practise good corporate governance

To observe the highest standard of transparency, accountability and integrity in all its business practices and corporate performance.

Focus on core business

To focus on expanding its core operations and related businesses to capitalize on scale and integration for maximum cost efficiency.

Strengthen market position

To further strengthen its leadership position in all its core businesses.

Maintain sustainable growth

To focus on sustainable growth in the net tangible assets and earnings of the Group.

Utilise synergies

To leverage on the strong and committed management team from the various operations and to ensure integration of group activities to maximize synergies.

Stay committed as a responsible corporate citizen

To be a responsible corporate citizen focused on improving the quality of life of the community.

Care for the environment

To ensure that every operation and service is in accordance with appropriate industry standards and best practices, to minimize adverse effects on the environment.

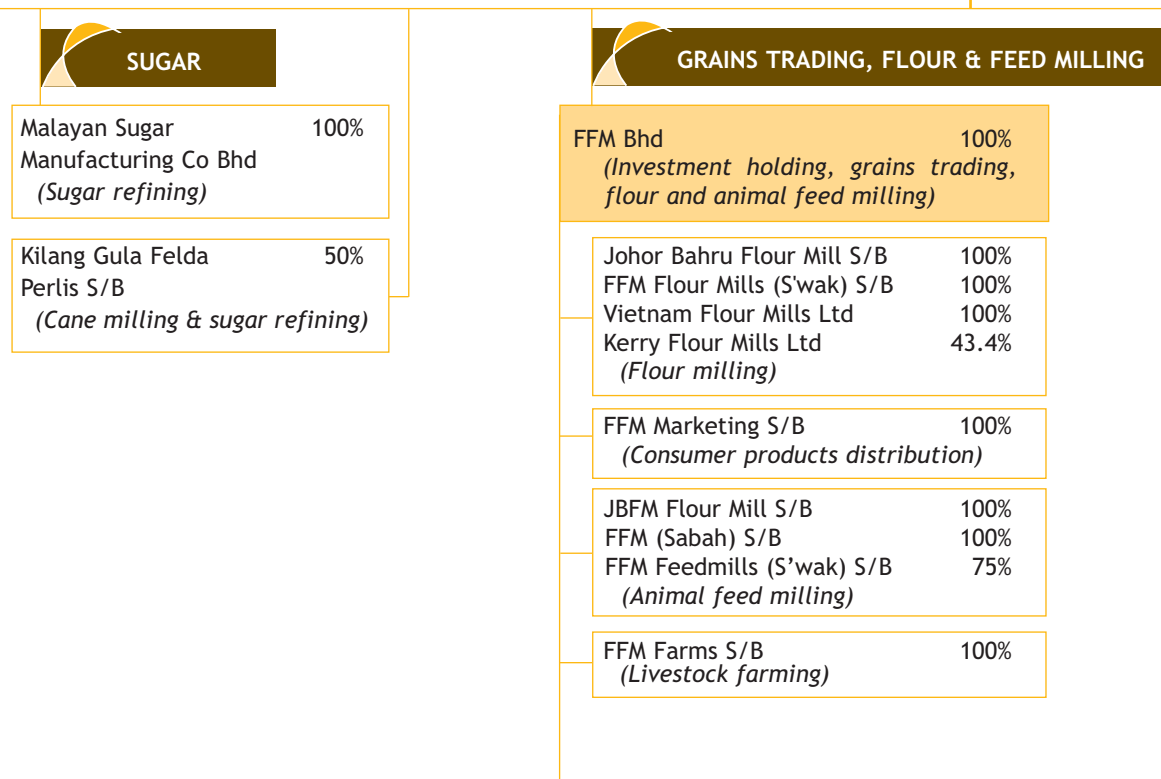
Improve efficiency & productivity

To further develop its standards in design, production, distribution and marketing in order to meet market requirements.

Secure future growth

To seek and capitalize on investment opportunities as well as explore new market segments both domestically and regionally for business and revenue growth in the years ahead.

CORPORATE STRUCTURE AS AT 31 MARCH 2008



MANUFACTURING & SERVICES

Chemquest S/B 55%
(Investment holding)

Chemical Waste Management S/B 100%
(Waste management & environmental engineering)

Asia Pacific Microspheres S/B 100%
(Microspheres manufacturing)

Malayan Adhesives & Chemicals S/B 99.1%
(Adhesives manufacturing)

Products Manufacturing S/B 70%
(Contract manufacturing)

Sitamas Environmental Systems S/B 70%
(Refuse disposal services)

Minsec Engineering Services S/B 100%
(Engineering services)

Tego S/B 79.9%
(Polybag manufacturing)

PROPERTIES

PPB Hartabina S/B 100%
(Property development)

Seletar S/B 100%
(Property development)

Shaw Brothers (M) S/B 34%
(Property owners)

Cathay Screen Cinemas S/B 66.2%
(Property owners)

INTEGRATED AGRIBUSINESS

Wilmar International Ltd 18.3%
(Investment holding)

ENTERTAINMENT

PPB Leisure Holdings S/B 100%
(Investment holding)

Golden Screen Cinemas S/B 98.9%
(Cinema operations)

Kerry Leisure Concepts S/B 50%
(Amusement centre operations)

Note: The above chart features only the main operating companies and percentages indicate the Group's equity interest held.

BOARD OF DIRECTORS

DATUK OH SIEW NAM

Chairman
Non-Independent Executive Director
Member of Remuneration Committee

DATE OF APPOINTMENT

Director - 2 March 1988
Executive Chairman - 1 July 2004
Chairman - 1 February 2008

AGE - 69

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Engineering (Honours) degree in Electrical Engineering from the University of Canterbury, New Zealand
- Assistant Controller of Telecom Malaysia for 5 years before joining FFM Berhad Group in 1968
- Managing Director of FFM Berhad from 1982 to 2002 and Executive Chairman from 2002 to 2006
- Board member of Bank Negara Malaysia since 1989
- Served as a member of the Capital Issues Committee and the National Economic Consultative Council II (MAPEN II)
- Chairman of PPB Oil Palms Berhad from 2004 to 2007

OTHER DIRECTORSHIPS IN PUBLIC COMPANIES

Kuok Foundation Berhad

DATO' LIM CHEE WAH

Deputy Chairman
Non-Independent Executive Director

DATE OF APPOINTMENT

Director - 2 March 1988
Deputy Chairman - 1 July 2004

AGE - 68

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Arts (Honours) degree in Economics from the University of Malaya
- Joined Malayan Sugar Manufacturing Company Berhad in 1965 and held several senior managerial positions before being appointed as Director in 1989 and Executive Chairman in 2000

OTHER DIRECTORSHIPS IN PUBLIC COMPANIES

Jerneh Asia Berhad
Jerneh Insurance Berhad
Kuok Foundation Berhad
Malaysian Bulk Carriers Berhad
Malayan Sugar Manufacturing Company Berhad

BOARD OF DIRECTORS

TAN GEE SOOI

Managing Director
Non-Independent Executive Director

DATE OF APPOINTMENT

Director - 28 July 2004
Managing Director - 1 February 2008

AGE - 63

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Engineering (Honours) degree in Electrical Engineering from the University of Malaya
- Held several senior managerial positions in the FFM Berhad Group and is presently the Executive Chairman of FFM Berhad

OTHER DIRECTORSHIPS IN PUBLIC COMPANIES

FFM Berhad
Tradewinds (M) Berhad
Redtone International Berhad

DATO SRI LIANG KIM BANG

Independent Non-Executive Director
Chairman of Audit and Remuneration Committees
Member of Nomination Committee

DATE OF APPOINTMENT

4 January 1995

AGE - 71

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Arts and Bachelor of Arts (Honours) degrees from the University of Malaya, Singapore
- Post Graduate Course in Public Administration at Cambridge University, England
- Sarawak State Civil Service (1961-1994). Held various senior positions including Permanent Secretary, Ministry of Communication and Works, Deputy State Financial Secretary and Chairman / Director / Member in several government statutory bodies and government linked companies. State Financial Secretary (1984-1994)

OTHER DIRECTORSHIPS IN PUBLIC COMPANIES

Cahaya Mata Sarawak Berhad
CMS Trust Management Berhad
MISC Berhad
UBG Berhad (formerly known as Utama Banking Group Berhad)

BOARD OF DIRECTORS

ANG GUAN SENG

Non-Independent Non-Executive Director
Chairman of Nomination Committee
Member of Audit and Remuneration Committees

DATE OF APPOINTMENT

8 July 1998

AGE - 69

QUALIFICATIONS AND EXPERIENCE

- Extensive experience and knowledge in commerce, industry, building as well as trading
- Managing Director of Petaling Garden Berhad from 1963 to 2008

OTHER DIRECTORSHIPS IN PUBLIC COMPANIES

Malayan United Industries Berhad

TAN YEW JIN

Non-Independent Non-Executive Director
Chairman of Risk Advisory Committee

DATE OF APPOINTMENT

12 May 2001

AGE - 66

QUALIFICATIONS AND EXPERIENCE

- Member of Malaysian Institute of Accountants
- Member of Malaysian Institute of Certified Public Accountants
- Member of Certified Public Accountants, Australia
- Fellow of the Institute of Certified Public Accountants, Singapore
- Was actively involved in FFM Berhad Group operations and was Deputy Managing Director of FFM Berhad from 1998 to 2000
- Executive Chairman of PPB Oil Palms Berhad from 2000 to 2004
- Executive Director of PPB Group Berhad from 2004 to 2007

OTHER DIRECTORSHIPS IN PUBLIC COMPANIES

Tradewinds (M) Berhad
Shangri-La Hotels (Malaysia) Berhad

BOARD OF DIRECTORS

YM RAJA DATO' SERI ABDUL AZIZ BIN RAJA SALIM

Independent Non-Executive Director
Member of Audit and Nomination Committees

DATE OF APPOINTMENT

12 May 2003

AGE - 69

QUALIFICATIONS AND EXPERIENCE

- Fellow of the Chartered Association of Certified Accountants, United Kingdom
- Fellow of the Chartered Institute of Management Accountants, United Kingdom
- Member of the Malaysian Institute of Accountants
- Honorary Fellow of the Malaysian Institute of Taxation
- Former Director-General of Inland Revenue, Malaysia
- Former Accountant-General of Malaysia

OTHER DIRECTORSHIPS IN PUBLIC COMPANIES

• Amanah Saham Mara Berhad • Camerlin Group Berhad • Gamuda Berhad • Jerneh Asia Berhad • Jerneh Insurance Berhad • Kenanga Investment Bank Berhad • K&N Kenanga Holdings Berhad • Kenanga Unit Trust Berhad • Panasonic Manufacturing Malaysia Berhad • Southern Steel Berhad • Tasek Corporation Berhad

DATUK HARUN BIN DIN

Independent Non-Executive Director
Member of Audit Committee

DATE OF APPOINTMENT

12 May 2005

AGE - 73

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Arts (Honours) degree from the University of Malaya, Singapore
- Joined the Malaysian Civil Service as Assistant Secretary in the Prime Minister's Department in 1959 and held the position of Deputy Secretary-General before retiring in 1990
- Former Secretary-General of the Ministry of Housing & Local Government
- Former Secretary-General of the Ministry of National & Rural Development
- Chairman of Malaysian Election Commission from 1990 to 1999
- Independent Non-Executive Director of FFM Berhad from 1999 to 2004
- Former General Manager of Klang Port Authority

OTHER DIRECTORSHIPS IN PUBLIC COMPANIES

Nil

DATUK RAJASINGAM A/L MAYILVAGANAM

Independent Non-Executive Director
Member of Audit Committee

DATE OF APPOINTMENT
16 May 2005

AGE - 65

QUALIFICATIONS AND EXPERIENCE

- Fellow of the Chartered Institute of Logistics and Transport
- Associate Member of the Institute of Industrial Engineers, Australia
- Served the Lembaga Pelabuhan Klang for 33 years and was the General Manager prior to his retirement in November 1997
- Independent Non-Executive Director of FFM Berhad from 1997 to 2004

OTHER DIRECTORSHIPS IN PUBLIC COMPANIES

Nil

GROUP MANAGEMENT TEAM

DATUK OH SIEW NAM

(refer to page 12)

TAN GEE SOOI

(refer to page 13)

CHUA SAY SIN

Managing Director of
Malayan Sugar Manufacturing
Co. Berhad (MSM)

YEAR JOINED PPB GROUP - 1974

AGE - 61

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Engineering (Honours) degree in Electrical Engineering from the University of New South Wales, Australia
- Masters in Engineering Science from the University of Sydney, Australia
- Registered Professional Engineer (PE) with Board of Engineers
- Member of the Malaysian Institute of Engineers
- Joined MSM in 1974 as an Instrument Engineer involving mainly in the implementation of automatic/computer control and mechanization of sugar refinery operations before becoming the Factory Manager in 1988
- Managing Director of Chemquest Group from 1993 to 2002

LEONG YEW WENG

Managing Director of
Chemquest Sdn Bhd

YEAR JOINED PPB GROUP - 1993

AGE - 48

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Engineering (Honours) degree in Electrical Engineering from the University of Liverpool
- Masters of Business Administration from Brunel, University of London
- Registered Professional Engineer (PE) with Board of Engineers
- Member of the Malaysian Institute of Engineers
- Attached with Behn Meyer and Esso Production Malaysia Inc in the early 80s. Held numerous management positions and served overseas assignments in Europe and Asia
- Joined the Group as CEO of Chemical Waste Management Sdn Bhd in 1993
- Has accumulated 27 years of experience in engineering, procurement and construction, business development and corporate management in the power, oil & gas, infrastructure, utilities and environmental engineering industries

GROUP MANAGEMENT TEAM

EAPEN THOMAS

Executive Director of
PPB Hartabina Sdn Bhd

YEAR JOINED PPB GROUP - 2003

AGE - 60

QUALIFICATIONS AND EXPERIENCE

- Member of the Malaysian Institute of Accountants
- Member of the Malaysian Institute of Certified Public Accountants
- General Manager of Hillcrest Gardens Sdn Bhd from 1994 to 2007

KOH MEI LEE

Chief Executive of Golden Screen
Cinemas Group & Senior Manager
(Corporate Affairs) of PPB Group Berhad

YEAR JOINED PPB GROUP - 1990

AGE - 43

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Business Administration degree (Summa Cum Laude) from the University of Montevallo, USA
- Oversees the corporate affairs and investor relations of PPB Group as well as the Group's leisure operations

GROUP MANAGEMENT TEAM

TAN TEONG BOON

Company Secretary of
PPB Group Berhad

YEAR JOINED PPB GROUP - 1969

AGE - 61

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Economics (Honours) degree in Business Administration from the University of Malaya
- Oversees the corporate secretarial matters and general administrative functions of PPB Group

LEONG CHOY YING

Chief Financial Officer of PPB Group Berhad &
Director of FFM Berhad

YEAR JOINED PPB GROUP - 2004

AGE - 42

QUALIFICATIONS AND EXPERIENCE

- Fellow of the Institute of Chartered Accountants in England and Wales
- Member of the Malaysian Institute of Accountants
- Member of the Malaysian Institute of Taxation
- Bachelor of Arts (Honours) degree in Business Studies from University of the West of England, Bristol
- Worked in auditing, merchant banking, stockbroking and a public listed company prior to joining PPB Group Berhad



THE ACTIVITIES

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chemicals manufacturing	28
cinema operations	30
consumer products distribution	33
contract manufacturing	36
engineering services	38
environmental engineering and waste management	40
flour milling	42
glove manufacturing	44
integrated agribusiness	46
livestock farming	48
packaging	50
property development	52
sugar refining	54







AMUSEMENT CENTRE OPERATIONS

BACKGROUND INFORMATION

Kerry Leisure Concepts Sdn Bhd (KLC) was established in 1993. It is an equal joint venture between PPB Leisure Holdings Sdn Bhd and Kerry Leisure Concepts Pte Ltd, Singapore.

AMUSEMENT CENTRE OPERATIONS

KLC manages one of the largest chains of family entertainment centres in Malaysia known as “Fireworks Fun Centre”. KLC has a total of seven Fireworks Fun Centres located in the Klang Valley (2), Johor Bahru (4) and Sungai Petani (1) with sizes ranging from 3,200sf to 10,000sf. It also operates Children Playlands and kiddie rides in several shopping complexes, supermarkets and hypermarkets in the Klang Valley, Johor Bahru, Sungei Petani and Penang.

Some of the rides and games available at Fireworks Fun Centres and Children Playlands in the country are: -

- Simulator games
- Dance / Music games
- Redemption games
- Carnival games
- Children interactive games
- Touch screen games
- Video simulator games
- Kiddie rides
- Walking Animal rides
- Ballpools and playports
- Bumper cars
- Inflatables / Bouncers

MAJOR ACTIVITIES IN 2007

In the year under review, KLC added the latest and more popular driving games, basketball games and carnival games at its centres.

KLC also upgraded its Fireworks Fun Centre at Sungai Petani and added a Children Playland to enhance attraction of family crowds.

EXPANSION / FUTURE PLANS

KLC plans to upgrade the Cheras LeisureMall centre and the Tesco Melaka Playland, open new centres / Children Playlands in the country and develop a new concept of Fireworks Fun Centre in 2008.





ANIMAL FEED MILLING

BACKGROUND INFORMATION

FFM Group, a 100% subsidiary of PPB, was incorporated in Malaysia in 1962. One of the biggest feed millers in Malaysia, FFM Group operates five feed mills in Peninsular and East Malaysia, strategically located in Prai, Port Klang, Pasir Gudang, Kota Kinabalu and Kuching.

ANIMAL FEED MILLING

FFM's subsidiaries involved in the animal feed business are: -

- JBFM Flour Mill Sdn Bhd
- FFM (Sabah) Sdn Bhd
- FFM Feedmills (Sarawak) Sdn Bhd
- Johor Bahru Flour Mill Sdn Bhd

With a combined production capacity of 135mt per hour, the Group manufactures over 300,000mt of animal feed annually which accounts for approximately 10% of the local market requirement.

Marketed under the brandname "Friendship", FFM's feed is available in mash, crumble and pellet expanded form. The products are categorized into: -

- Broiler feeds
- Domestic broiler feeds
- Poultry feeds
- Duck feeds
- Ruminant feeds
- Quail feeds
- Rabbit feeds

MAJOR ACTIVITIES IN 2007

No major activities were reported during the year.

EXPANSION / FUTURE PLANS

FFM will continue to explore opportunities to expand its feed business locally and overseas.





CHEMICALS MANUFACTURING

BACKGROUND INFORMATION

Asia Pacific Microspheres Sdn Bhd (APM) is a wholly-owned subsidiary of Chemquest Sdn Bhd. It is the world's only producer of phenolic thermoset microspheres - hollow microspheres used primarily for weight reduction in a variety of applications in the aerospace, automobile, marine, defence, electronic, coatings and adhesive sectors. APM's microspheres are marketed under the tradename "Phenaset®".

APM also produces contact adhesive resins for the local market as well as for export to North America, Europe and the Asia Pacific region.

Malayan Adhesives & Chemicals Sdn Bhd (MAC), a 99.1% subsidiary of Chemquest, manufactures adhesives, resins, additives and formaldehyde, which are marketed to the local wood-based and paper industries for use in the production of plywood, medium density fibreboards and particleboards. MAC also produces some strengthening resins for the corrugated paper industry.

The manufacturing plants of both APM and MAC are located in Shah Alam, Selangor. Both companies have received the ISO 9001-2000 certification.

MAJOR ACTIVITIES IN 2007

MAC built a new warehouse covering a total area of 17,000sq ft, increasing storage capacity by 30% to cater for the growth in volume as well as improve the efficiency of the stock and raw material movements.

EXPANSION / FUTURE PLANS

MAC will continue to improve its facilities by upgrading existing old warehouses which will add another 20% capacity to the enlarged floor area. MAC will also replace its product handling equipment to improve efficiency. Major capital expenditure will be spent on upgrading the formalin plant as well as purchasing one unit of chemical analysis equipment to achieve self-sufficiency in analysis for quality and research and development of its products.





CINEMA OPERATIONS

BACKGROUND INFORMATION

PPB Leisure Holdings Sdn Bhd (PPBL), the leisure and entertainment arm of PPB, owns 98.9% equity interest in Golden Screen Cinemas Sdn Bhd (GSC). Presently, GSC operates the largest cinema chain in the country with a total of 141 screens in 21 locations in major cities nationwide. Its 18-screen multiplex in Mid Valley Megamall, Kuala Lumpur, is also the largest in Southeast Asia.

C I N E M A O P E R A T I O N S

GSC is also the top distributor of Chinese and independent English films in Malaysia.

Locations	No. of Screens	No. of Seats
1. Mid Valley Megamall, Kuala Lumpur	18	2,899
2. One Utama New Wing, Petaling Jaya	13	2,168
3. Pavilion, Kuala Lumpur	13	1,899
4. Gurney Plaza, Penang	12	1,833
5. Berjaya Times Square, Kuala Lumpur	9	1,570
6. Queensbay Mall, Penang	8	1,512
7. Sunway Carnival, Seberang Jaya	8	1,448
8. The Summit, USJ	7	1,251
9. Signature, The Gardens	7	558
10. Pelangi Leisuremall, Johor Bahru	5	2,361
11. IOI Mall, Puchong	5	1,317
12. Berjaya Megamall, Kuantan	5	948
13. Cheras Leisuremall, Kuala Lumpur	4	1,423
14. Terminal 1, Seremban	4	1,086
15. Shaw Centrepoint, Klang	4	1,006
16. Mahkota Parade, Melaka	4	809
17. GSC, Kota Kinabalu	3	1,648
18. Ipoh Parade, Ipoh	3	803
19. BM Plaza, Bukit Mertajam	3	707
20. Summit Parade, Batu Pahat	3	678
21. Central Square, Sungai Petani	3	666
Total	141	28,590

MAJOR ACTIVITIES IN 2007

GSC opened 4 multiplexes in 2007 at a total cost of RM70.0 million :-

Locations	No. of Screens	Opening Date
I Queensbay Mall, Penang	8	25 January 2007
II Sunway Carnival, Seberang Jaya	8	4 October 2007
III Pavilion, Kuala Lumpur	13	29 November 2007
IV Signature, The Gardens	7	6 December 2007
Total	36	

GSC Signature at The Gardens, Mid Valley is the first boutique cinema in the country which offers only Gold Class and Premiere Class halls catering especially to customers with a penchant for premium entertainment.

GSC celebrated its 20th Anniversary in April 2007 with a special dinner to thank all staff, business partners and associates for their support over the past 20 years.

In June 2007, GSC added Maybank2u.com (a direct debit payment from Maybank customers' savings or current accounts) as the second payment option for customers to pay their movie tickets online. The e-payment ticketing is now available at GSC 1 Utama, Mid Valley, Berjaya Times Square, Pavilion, Gurney Plaza, Queensbay Mall, Sunway Carnival and GSC Signature, The Gardens.

EXPANSION / FUTURE PLANS

GSC plans to open 3 multiplexes in 2008 namely, a 5-screen multiplex at Alamanda Putrajaya, 8-screen multiplex at One Borneo, Kota Kinabalu and 10-screen multiplex at Dataran Pahlawan, Melaka.

With the strong growth in the cinema industry, GSC will continue to seek new viable sites in both urban and suburban areas.



CONSUMER PRODUCTS DISTRIBUTION

BACKGROUND INFORMATION

FFM Marketing Sdn Bhd (FMSB), a wholly-owned subsidiary of FFM Group, was set up in 1993 to market consumer goods produced by the Group. Since then, FMSB has established a strong distribution network and currently distributes a wide range of fast-moving consumer products under its own brands as well as other international and local brands.

FMSB is also responsible for the domestic marketing of all products produced by the FFM Group such as flour, feed, day-old-chicks and table eggs.

With eleven (11) warehouses located in Prai, Ipoh, Sg. Buloh, Melaka, Kuantan, Johor Baru, Kota Bharu, Kuching, Sibul, Kota Kinabalu and Sandakan, FMSB has a total warehousing area of 300,000 sq. ft.

FFM Group's own brands / products are as follows:

Fast-moving consumer goods (consumer packs)

- Anchor - packaged flour
- Blue Key - packaged flour
- Muhibah - packaged flour
- Blue Team - shortening and margarine
- Neptune - blended cooking oil
- Seri Murni - double fractionated 100% palm-based vegetable oil
- Krystal - 100% pure corn oil / sunflower oil / canola oil
- Marina - canned sardines / tuna / baked beans / peas
- Marina - frozen food (nuggets / fish fingers / sausages / beef balls)
- Seri Murni - premium / standard eggs
- Seri Murni - curry pastes
- Shamu - canned nata-de-coco in syrup, jelly cups, guava & pineapple juice

Others

- Flour (in 25kg bags and in bulk)
- Feed (in bags and in bulk)
- Day-old-chicks
- Table eggs (in 30's)

FMSB's external agency product portfolio consists of:

- Johnson & Johnson - baby care/personal care
- Clorox - liquid bleach
- Bluebell - household care and floor care
- Guard - shoe care
- Glads - wraps / bags
- Spin - detergents
- Blacktop - insecticide / mosquito coils
- Star Brand - culinary essence and colourings
- Lingham - chilli sauces
- V-Soy / Vita Milk - soyabean milk
- Orang Kampung - herbal energy drinks
- S & P - herbal soup spices / coconut milk and cream powder
- Softex - personal care products
- Real Power - energy drink

MAJOR ACTIVITIES IN 2007

FMSB has been handling the sales and distribution of Johnson & Johnson's products to the lower trade covering the Klang Valley, Selangor, Negeri Sembilan, Melaka and Johor. In view of FMSB's good track record, Johnson & Johnson has extended FMSB's coverage to include Pahang. In addition, Johnson & Johnson has also awarded FMSB the sales and distribution contract for their newly acquired product, the Listerine mouth wash range.

During the year under review, FMSB conducted staff training in preparation for the impending implementation of the new RM4.0 million Movex Java business solutions in January 2008. This is in line with FMSB's emphasis to continuously improve their process flow and supply chain management to enhance FMSB's position in the marketing and distribution of fast-moving consumer goods.

EXPANSION / FUTURE PLANS

With fast growing global trends for frozen perishables and food, FMSB aims to be a key player in the nationwide cold chain distribution. FFM Berhad has therefore commissioned a further processing plant in Pulau Indah to produce a wide range of frozen products from nuggets, sausages, burgers and other processed poultry meat products under the Marina brand.





CONTRACT MANUFACTURING

BACKGROUND INFORMATION

Products Manufacturing Sdn Bhd (PMSB), a 70% subsidiary of Chemquest Sdn Bhd, was acquired in 1993 by PPB Group to provide contract-manufacturing services for the cosmetic, toiletry and household product industries.

CONTRACT MANUFACTURING

PMSB produces an assortment of products such as creams, cold and hot mix liquids, dishwashing liquids, lotions, gels, powders and pastes for the hair care, skin care, baby care, body care, household and car care market.

PMSB has been accredited with the Good Manufacturing Practice status since 1995 by Malaysia's Ministry of Health as its factory complies with the requirements of the Drug and Cosmetics Regulations Act, 1994.

MAJOR ACTIVITIES IN 2007

PMSB passed the Good Manufacturing Practice audit conducted by the Ministry of Health and the JAKIM audit for Halal certification of household products.

EXPANSION / FUTURE PLANS

For 2008, PMSB plans to seek and develop new businesses for cosmetics and toiletries for the export market, develop toiletries for pet care products and explore expansion in ASEAN countries to widen its market.





ENGINEERING SERVICES

BACKGROUND INFORMATION

Minsec Engineering Services Sdn Bhd (MES), a 100% indirect subsidiary of PPB, is involved in turnkey construction of palm oil and sugar mills, bulking and storage facilities, factory buildings and ethanol and formalin plants in Malaysia and Indonesia.

MAJOR ACTIVITIES IN 2007

During the year, MES completed the following projects with a total contract value of RM45 million:-

- Kernel crushing plant for PT Mustika Sembuluh, Indonesia
- 45tph expandable to 60 tph palm oil mill for Keresia Palm Oil in Sarawak
- Mild steel storage tanks for Sandakan Edible Oils in Sabah
- A new pump house and pump pit at jetty for Malayan Sugar Manufacturing Co. in Prai
- 45tph palm oil mill for Ribubonus in Sarawak

MES is also working on various upgrading and expansion works in the palm oil and sugar industries with a total contract value in excess of RM50 million locally and in Indonesia.

After a period of research and development in the commercial application of oil palm waste (biomass), MES has successfully completed the design and installation of a power generation system to utilize processed empty fruit bunches (EFB) as fuel to generate electricity. In addition, MES has completed the building of a composting plant to convert palm oil waste into compost.

EXPANSION / FUTURE PLANS

For 2008 onwards, MES plans to explore other green projects as follows :-

- i. converting oil palm biomass into pulp and paper
- ii. harvesting biogas generated by oil palm effluent for power generation
- iii. commercial cultivation of crop to absorb effluent for compliance of zero discharge requirement.





ENVIRONMENTAL ENGINEERING AND WASTE MANAGEMENT

BACKGROUND INFORMATION

Chemical Waste Management Sdn Bhd (CWM), a wholly-owned subsidiary of Chemquest Group, is a leading provider of innovative, advanced technologies and professional management in water, sewage and solid waste industries. CWM's track record in these industries comprises of more than 80 water, sewage and industrial wastewater projects with a combined contract value in excess of RM1 billion, and a well-established solid waste collection and disposal business with an annual turnover of RM30 million.

CWM's group of companies are :

SES Environmental Services Sdn Bhd	50.1%
Cipta Wawasan Maju Engineering Sdn Bhd	70.0%
Sitamas Environmental Systems Sdn Bhd	70.0%
Sitaclean Technologies (M) Sdn Bhd	100.0%
Worldwide Landfills Sdn Bhd	40.0%

Chemquest Overseas Ltd (CQOL), a wholly-owned subsidiary of Chemquest Group, is the investment vehicle for Chemquest Group's overseas projects including the 20-year concession sewage treatment plant in Lugouqiao, Beijing with a 100,000m³ / day capacity and a 30-year concession water treatment plant with a capacity of 520,000 m³/day in Hohhot, the capital of Inner Mongolia, China.

MAJOR ACTIVITIES IN 2007

In 2007, CWM successfully completed the Filter Backwash at Sungai Semenyih Water Treatment Plant and the Jelutong Sewage Treatment Plant with a combined contract value of RM118 million. The Jelutong Sewage Treatment Plant is acclaimed to be the largest Sequential Batch Reactor Plant in Asia.

During the year, CWM secured the following projects with a combined contract value of RM140.0 million :-

- Flood Mitigation Project at Kawasan Bertam, Kepala Batas
- Sewage Treatment Plant at UiTM, Selangor
- Mechanical Works at Kg Kobat Water Treatment Plant
- Water Treatment Plant and associated works for Skim Bekalan Air Batu Hampar

EXPANSION / FUTURE PLANS

Chemquest Group will continue to engage in the 9th Malaysia Plan projects in 4 sectors; water, sewage, flood mitigation and rural water while also initiating Private Finance Initiative Schemes for solid waste management activities and pursuing related prospects in the various economic corridors.

As for its China investments, the Group will continue to nurture these investments in Beijing and Hohhot to optimize returns to shareholders.





FLOUR MILLING

BACKGROUND INFORMATION

FFM Berhad (FFM), a wholly-owned subsidiary of PPB, is the largest flour miller in Malaysia. It supplies more than 40% of the country's wheat flour requirements. Its milling complexes are strategically located in Pulau Indah, Port Klang; Pasir Gudang, Johor Bahru; Kuching, Sarawak; Thailand and Vietnam with a total milling capacity of 2,750 mt per day.

FLOUR MILLING

In November 2006, FFM Group entered into a joint-venture agreement to construct and operate a wheat flour mill facility in the Republic of Indonesia. The project which is undertaken by a joint-venture company called PT Pundi Kencana, will start operations in 2009.

Other products for the domestic market include:

- Wheat Flour - Bread, Noodles, Biscuits, Cakes, All-Purpose
- Specialty Wheat Flour Products - Semolina, Special Wholemeal
- Other Wheat Specialty Products - Wheat, Food Bran, Wheatgerm
- Bread Improvers & Premixers - Cake Donut, Yeast-raised Donut

FFM's subsidiaries and associate engaged in flour milling are as follows:

- Johor Bahru Flour Mill Sdn Bhd
- FFM Flour Mills (Sarawak) Sdn Bhd
- Vietnam Flour Mills Limited
- Kerry Flour Mills Limited

MAJOR ACTIVITIES IN 2007

In 2007, JBFBM Flour Mill Sdn Bhd, a wholly-owned subsidiary of FFM, started construction of a 360-mt per day wheat flour mill in Prai, Penang which is scheduled for completion in the 4th quarter of 2008. The new wheat flour mill will increase FFM's market share and provide better services to its customers in the northern region.

EXPANSION / FUTURE PLANS

FFM, through its wholly-owned subsidiary, FFM (Sabah) Sdn Bhd, will be setting up a 220-mt per day wheat flour mill in Kota Kinabalu. Construction works will start in the 2nd quarter of 2008 and the mill is scheduled to be completed by the 2nd quarter of 2009.

FFM will continue to explore new opportunities to expand its flour business locally and overseas.





GLOVE MANUFACTURING

BACKGROUND INFORMATION

PT Healthcare Glovindo [Glovindo], a wholly-owned subsidiary of Chemquest Group, was operating a glove factory in Medan, Sumatra with seventeen dipping lines, producing pre-powdered and powder-free latex examination gloves for medical and industrial use.

GLOVE MANUFACTURING

Since July 2006, Glovindo faced a shortage of natural gas and electricity supply. Management installed a coal boiler to partially augment the supply of natural gas. However, the natural gas supply to the factory further deteriorated and the factory could only produce at less than 30% of its capacity. As a result, the glove operations became non-viable and management officially ceased operations in December 2007.





INTEGRATED AGRIBUSINESS

BACKGROUND INFORMATION

In June 2007, PPB completed the disposal of PPB's oil palm plantations and edible oils trading and refining businesses to Wilmar International Limited (Wilmar) to create one of Asia's largest integrated agribusiness groups.

INTEGRATED AGRIBUSINESS

The said disposal in return for Wilmar shares resulted in PPB Group becoming the second largest shareholder of Wilmar with an equity interest of 18.3%.

Wilmar is engaged in the businesses of oil palm cultivation, oilseeds crushing, edible oils refining, consumer pack edible oils processing and merchandising, specialty fats, oleochemicals, biodiesel, fertilisers and soy protein manufacturing, rice and flour milling, and grains merchandising.

Headquartered in Singapore, Wilmar's operations are located in more than 20 countries across four continents, with a primary focus on Malaysia, Indonesia, China, India and Europe. Wilmar has over 160 processing plants and an extensive distribution network for its products which are delivered to more than 50 countries globally.





LIVESTOCK FARMING

BACKGROUND INFORMATION

FFM Farms Sdn Bhd (FFM Farms), a wholly-owned subsidiary of FFM Berhad, was established in 1993. FFM Farms undertakes high-tech and modern livestock farming which complement the Group's animal feed milling and trading operations. It operates a table egg layer farm in Trong, Perak and two broiler-breeder farms located at Sua Betong, Negeri Sembilan and Gurun, Kedah.

The monthly production capacity of the two breeder farms is 3 million day-old chicks. Monthly production capacity of the layer farm is 20 million table eggs. The day-old chicks are marketed to broiler farmers, while the table eggs are marketed mainly to wholesalers and supermarkets. Gaining popularity are the antibiotic-free and vitamin E-enriched 'Seri Murni' premium eggs.

FFM Farms also produces organic fertilizer using composted chicken manure. The fertilizer is sold under the "Organic" brandname and has been well received by vegetable farmers.

MAJOR ACTIVITIES IN 2007

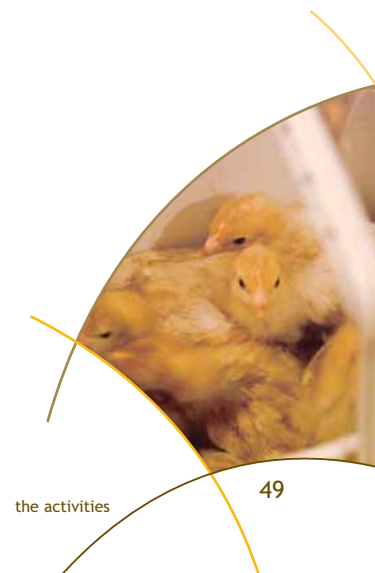
FFM Farms continued implementing and upgrading its Good Farming and Animal Husbandry Practices, with special emphasis on Good Flock Health Management, Disease Control and Biosecurity.

FFM Farms received accreditations from the Department of Veterinary Services, Malaysia, under the 'Skim Amalan Ladang Ternakan' (SALT) scheme for compliance with the Criteria of Good Farm Practices.

In addition, the Quality Management System for the production of eggs in the Trong Layer Farm was reassessed, and re-registered under MS ISO 9001:2000.

EXPANSION / FUTURE PLANS

FFM Farms plans to increase its production of day-old chicks, in anticipation of an increase in market share.





PACKAGING

BACKGROUND INFORMATION

Tego Sdn Bhd (Tego), a 79.9% subsidiary of FFM Berhad, is the leading producer of commercial polypropylene (PP) and polyethylene (PE) bags and fabrics in Malaysia. Tego produces 25kg-size bags used for packing sugar, flour, feedmeal, fertilizer, soya beans and industrial chemicals, and the specially designed flexible intermediate bulk container (FIBC) bags with 0.5 mt to 2.0 mt of loading capacity for packing bulk cargo. In addition, Tego supplies technical fabrics and sewing threads to local as well as export markets for industrial applications.

PACKAGING

Tego's manufacturing facilities in Malaysia occupy 16 acres of industrial land in Senawang Industrial Estate and Senawang Industrial Park in Negeri Sembilan. Its wholly-owned subsidiary, Tefel Packaging Industries Co Ltd, which produces normal PP bags and FIBC, is located on a 4-acre site in Yangon, Myanmar.

In 1995, Tego received the ISO 9002:1994 Quality Management Systems certification which was upgraded to ISO 9001:2000 in 2002.

MAJOR ACTIVITIES IN 2007

In 2007, Tego discontinued its PP circular bag production in Malaysia and focused on the development and marketing of high value technical fabrics and FIBCs.

EXPANSION / FUTURE PLANS

Tego will continue to focus on the development and marketing of technical fabrics and FIBCs with the aim of increasing its market share.





PROPERTY DEVELOPMENT

BACKGROUND INFORMATION

PPB Hartabina Sdn Bhd (PPBH), a wholly-owned subsidiary of PPB, is primarily involved in residential and commercial development as well as property management. Currently, PPBH is developing Phase I of Taman Tanah Aman on a 29-acre freehold land in Bukit Tengah, Seberang Prai; and manages its own shopping complex “Cheras LeisureMall”, and office building “Cheras Plaza” in Kuala Lumpur; and “New World Park” a commercial complex with hawker stalls and F&B outlets in Penang.

PROPERTY DEVELOPMENT

Other active property companies under PPB Group include Seletar Sdn Bhd (Seletar), Cathay Screen Cinemas Group (CSC) and Shaw Brothers Sdn Bhd (SBM) in which PPB has 100%, 66.2% and 34% equity interest respectively. CSC and SBM are owners of several prime commercial properties in the country.

The details of PPB Group's major commercial properties as at 31 December 2007 are summarized below :

	Owner	Lettable Area(sf)	Average Monthly Rental (RM/sf)	Occupancy (%)
Cheras Leisuremall	PPBH	260,960	5.86	100
Cheras Plaza	PPBH	101,504	2.05	83
New World Park	PPBH	61,344	1.82	74
Shaw Centrepoint	SBM	157,568	4.28	98
Shaw Parade	SBM	231,186	1.72	90
Damansara Jaya shophouses	CSC	53,379	1.71	100

MAJOR ACTIVITIES IN 2007

Phase I of the Masera Bukit Segar project in Cheras comprising 25 units of 2½ storey exclusive bungalows on the hilltop of Bukit Segar was completed on schedule. The Certificate of Occupation for the bungalows was issued on 8 January 2008.

The sales value of Phase I was RM102 million and a total of 16 units were sold as at 31 December 2007.

In October 2007, PPBH commenced construction of Phase 1 of Taman Tanah Aman, Seberang Prai comprising 24 units of semi-detached houses, with an estimated total sales value of RM19.5 million.

The re-development of New World Park at Jalan Burma, Penang was completed during the year. Phase I consisting of a food court with 28 hawker stalls was opened on 8 January 2007 whilst Phase II comprising mainly F&B outlets and a covered performance stage was opened on 1 August 2007.

EXPANSION / FUTURE PLANS

Phase II of the Masera Bukit Segar project comprising 13 units of 2½ storey bungalows will be launched end-2008.

PPBH will continue to provide management services to the other Group companies in respect of their property development projects.



SUGAR REFINING

BACKGROUND INFORMATION

Malayan Sugar Manufacturing Company Bhd (MSM), a wholly-owned subsidiary of PPB, operates the region's largest sugar refinery located at Prai, Penang. Currently, the refinery has a melting capacity of 2,500 mt of raw sugar per day.

SUGAR REFINING

MSM produces various types of sugar for industrial and household consumption in the domestic and overseas markets. They are as follows: -

Industrial products	Household products
P1, P1M, PIS, PXX, IG, Caster, PF, P2, P3, P3H, P4, PB, Icing	Coarse granulated sugar, fine granulated sugar, caster sugar, cube sugar, sachet sugar, icing sugar, soft brown sugar

Kilang Gula Felda Perlis Sdn Bhd (KGFP), a 50% associate, is a joint venture between PPB and FELDA. It operates an integrated sugar mill to process sugar cane from the combined plantation of approximately 9,000 hectares in Chuping, Perlis. The mill has a milling capacity of 5,500mt of cane per day and a melting capacity of 650mt of raw sugar per day.

At present, both MSM and KGFP produce more than 850,000mt of refined sugar per annum and supply about 60% of domestic sugar requirements.

MAJOR ACTIVITIES IN 2007

In January 2007, MSM completed its melting capacity expansion which increased its refined sugar production capacity to 800,000mt per annum.

EXPANSION / FUTURE PLANS

For 2008, MSM plans to invest RM103.7 million to further improve melting capacity, increase storage capacity and enhance factory operations.



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GROUP

FINANCIAL HIGHLIGHTS

Cumulative Quarter Financial period ended (All figures in RM million)	1st 31.3.07	2nd 30.6.07	3rd 30.9.07	4th 31.12.07	12 months		Change %
					31.12.07	31.12.06	
INCOME STATEMENT							
<u>Continuing operations</u>							
Revenue	689	1,418	2,179	2,989	2,989	2,591	15.4
Profit from operations	64	129	207	277	277	221	25.3
Profit before taxation	98	204	442	564	564	392	43.9
Profit for the period from continuing operations, net of tax	75	160	381	488	488	327	49.2
<u>Discontinued operations</u>							
Revenue	2,386	3,165	3,165	3,165	3,165	8,929	-64.6
Profit from operations	99	130	130	130	130	363	-64.2
Profit before taxation	146	6,592	6,592	200	200	448	-55.4
Profit for the period from discontinued operations, net of tax	122	6,561	6,561	6,514	6,514	368	>100.0
<u>Group total</u>							
Revenue	3,075	4,583	5,344	6,154	6,154	11,520	-46.6
Profit from operations	163	259	337	407	407	584	-30.3
Profit before taxation	244	6,796	7,034	764	764	840	-9.0
Profit for the period	197	6,721	6,942	7,002	7,002	695	>100.0
Profit attributable to shareholders of the Company	168	6,682	6,900	6,973	6,973	561	>100.0
BALANCE SHEET							
Non-current assets	1,955	9,900	10,114	10,237	10,237	4,271	>100.0
<u>Current assets</u>							
Cash and bank deposits	889	802	634	701	701	763	-8.1
Non-current assets classified as held for sale	3,832	56	56	9	9	-	>100.0
Others	943	951	1,055	1,037	1,037	2,255	-54.0
Total current assets	5,664	1,809	1,745	1,747	1,747	3,018	-42.1
Total assets	7,619	11,709	11,859	11,984	11,984	7,289	64.4
<u>Equity</u>							
Share capital	1,186	1,186	1,186	1,186	1,186	1,186	-
Reserves	3,631	9,972	10,109	10,244	10,244	3,459	>100.0
Equity attributable to shareholders of the Company	4,817	11,158	11,295	11,430	11,430	4,645	>100.0
Minority interests	868	155	159	137	137	886	-84.5
Total equity	5,685	11,313	11,454	11,567	11,567	5,531	>100.0

GROUP FINANCIAL HIGHLIGHTS

Cumulative Quarter Financial period ended (All figures in RM million)		1st 31.3.07	2nd 30.6.07	3rd 30.9.07	4th 31.12.07	12 months 31.12.07 31.12.06		Change %
<u>Non-current liabilities</u>								
Bank borrowings		17	14	21	20	20	334	-94.0
Others		65	67	65	69	69	303	-77.2
Total non-current liabilities		82	81	86	89	89	637	-86.0
<u>Current liabilities</u>								
Bank borrowings		52	42	52	36	36	357	-89.9
Others		1,800	273	267	292	292	764	-61.8
Total current liabilities		1,852	315	319	328	328	1,121	-70.7
Total liabilities		1,934	396	405	417	417	1,758	-76.3
Total equity and liabilities		7,619	11,709	11,859	11,984	11,984	7,289	64.4
RATIOS								
Return on equity attributable to shareholders of the Company	(%)	3.5	59.9	61.1	61.0	61.0	12.1	
Earnings per share	(sen)	14.2	563.6	582.1	588.2	588.2	47.3	
Interest coverage*	(times)	25.0	35.1	50.4	55.6	55.6	26.7	
Current ratio	(times)	3.1	5.7	5.5	5.3	5.3	2.7	
Total borrowings / Equity	(%)	16.9	0.5	0.6	0.5	0.5	12.5	
Long term borrowings / Equity	(%)	0.3	0.1	0.2	0.2	0.2	6.0	
Net assets per share attributable to shareholders of the Company	(RM)	4.1	9.4	9.5	9.6	9.6	3.9	
Net assets per share	(RM)	4.8	9.5	9.7	9.8	9.8	4.7	
Net dividend per share	(sen)	-	3.6	3.6	22.1	22.1	14.5	
STOCK MARKET INFORMATION								
Share price	(RM)	6.40	7.60	9.20	11.00	11.00	5.45	
Market capitalisation	(RM million)	7,590	9,010	10,911	13,046	13,046	6,464	
PE ratio*	(times)	11.30	15.59	16.14	20.80	20.80	11.52	

* Exclude the one-time gain from disposal of PPB Oil Palms Bhd, PGEO Group Sdn Bhd and Kuok Oils & Grains Pte Ltd amounting to RM6.346 billion.

5-YEAR GROUP STATISTICS

Year ended 31 December
(All figures in RM million)

	2003	2004	2005	2006	2007
INCOME STATEMENT					
Revenue	9,319.768	10,999.682	10,687.950	11,519.767	6,154.430
Profit from operations	554.572	601.970	516.778	583.660	407.440
Profit before taxation	686.094	710.277	608.501	840.065	763.477
Profit for the year	536.882	549.716	468.235	694.250	7,002.512
Profit attributable to shareholders of the Company	371.253	400.664	394.579	560.665	6,972.965
BALANCE SHEET					
<u>Non-current assets</u>					
Property, plant and equipment, investment properties, biological assets, prepaid lease payments and other intangible assets	2,478.584	2,642.271	2,780.267	3,063.885	1,111.980
Investment in associated companies	535.668	598.741	633.826	738.480	8,587.695
Interest in joint venture	27.547	38.867	40.151	39.050	39.403
Other investments	412.098	452.320	413.442	388.653	419.699
Goodwill	34.779	34.687	32.413	33.316	73.033
Others	24.129	19.945	10.264	7.535	5.124
Total non-current assets	3,512.805	3,786.831	3,910.363	4,270.919	10,236.934
<u>Current assets</u>					
Inventories, biological assets and other intangible assets	810.429	950.604	947.886	1,014.734	520.717
Trade receivables	423.760	412.929	375.157	418.225	358.933
Cash, bank balances and deposits	724.579	537.728	752.839	762.712	700.658
Others	333.583	445.820	383.068	822.332	166.803
Total current assets	2,292.351	2,347.081	2,458.950	3,018.003	1,747.111
Total assets	5,805.156	6,133.912	6,369.313	7,288.922	11,984.045
<u>Equity</u>					
Share capital	490.623	592.750	1,185.500	1,185.500	1,185.500
Reserves	2,497.404	3,367.338	3,029.653	3,459.184	10,244.265
Equity attributable to shareholders of the Company	2,988.027	3,960.088	4,215.153	4,644.684	11,429.765
Minority interests	1,482.721	779.395	803.656	886.641	137.288
Total equity	4,470.748	4,739.483	5,018.809	5,531.325	11,567.053
<u>Non-current liabilities</u>					
Long term borrowings	83.877	149.751	149.438	334.176	20.504
Others	268.313	312.076	332.102	302.535	68.823
Total non-current liabilities	352.190	461.827	481.540	636.711	89.327

5 - YEAR GROUP STATISTICS

Year ended 31 December
(All figures in RM million)

	2003	2004	2005	2006	2007
Current liabilities					
Trade payables	296.295	277.927	239.258	341.830	147.845
Short term borrowings	390.942	358.232	367.081	356.665	36.471
Others	294.981	296.443	262.625	422.391	143.349
Total current liabilities	982.218	932.602	868.964	1,120.886	327.665
Total liabilities	1,334.408	1,394.429	1,350.504	1,757.597	416.992
Total equity and liabilities	5,805.156	6,133.912	6,369.313	7,288.922	11,984.045
CASHFLOW POSITION					
Operating	527.441	442.849	592.734	290.859	179.496
Investing	(137.036)	(488.770)	(213.356)	(222.293)	(322.425)
Financing	(140.809)	(149.525)	(160.977)	(49.552)	90.793
Net increase / (decrease) in cash and cash equivalents	249.596	(195.446)	218.401	19.014	(52.136)
RATIOS					
Return on net assets attributable to shareholders of the Company (%)	12.42	10.12	9.36	12.07	61.01
Earnings per share (sen)	37.84	37.90	33.28	47.29	588.19
Interest coverage (times)	60.74	48.05	40.24	26.68	55.56*
Current ratio (times)	2.33	2.52	2.83	2.69	5.33
Total borrowings / Equity (%)	10.62	10.72	10.29	12.49	0.49
Long term borrowings / Equity (%)	1.88	3.16	2.98	6.04	0.18
Net assets per share attributable to shareholders of the Company (RM)	3.05	3.34	3.56	3.92	9.64
Operating cashflow per share (sen)	53.75	41.89	50.00	24.53	15.14
STOCK MARKET INFORMATION					
Share price (RM)	3.28	3.40	4.16	5.45	11.00
Market capitalisation (RM million)	3,214	4,031	4,932	6,461	13,046
PE ratio (times)	8.67	8.97	12.50	11.52	20.80*
DIVIDEND					
Gross dividend per share (sen)	12.50	15.00	20.00	20.00	30.00
Net dividend per share (sen)	10.26	11.85	14.40	14.55	22.15
Payout ratio of Group's earnings (%)	27.12	35.06	43.26	30.77	41.89*
Payout ratio of Company's earnings (%)	72.27	75.40	115.90	103.63	63.71*
Gross dividend yield (%)	3.81	4.41	4.81	3.67	2.73
Net dividend yield (%)	3.13	3.49	3.46	2.67	2.01

* Exclude the one-time gain from disposal of PPB Oil Palms Bhd, PGEO Group Sdn Bhd and Kuok Oils & Grains Pte Ltd amounting to RM6.346 billion.

FINANCIAL PERFORMANCE

	Revenue		Profit Before Tax	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
PPB Group Berhad	6,154,430	11,519,767	763,477	840,065
Non-listed subsidiaries :-				
FFM Berhad	4,467,834	10,017,882	291,274	399,245
MSM Group	1,071,011	880,833	197,213	124,454
Chemquest Group	304,613	330,036	(11,289)	92,579
PPB Leisure Group	156,314	129,988	24,431	18,333
PPB Hartabina Sdn Bhd	82,633	46,684	20,774	12,944

FINANCIAL PERFORMANCE

Profit For The Year		Earnings Per Share		Net assets per share attributable to shareholders of the Company	
2007 RM'000	2006 RM'000	2007 Sen	2006 Sen	2007 RM	2006 RM
7,002,512	694,250	588.19	47.29	9.64	3.92
3,606,974	335,252	1,614.43	132.60	25.18	9.36
161,302	97,050	443.62	266.91	23.82	23.35
(15,157)	89,021	(26.19)	56.30	2.89	1.83
17,035	11,462	29.87	13.81	2.11	1.70
14,616	9,521	20.88	13.60	1.87	1.73

MOVEMENTS 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
11.07.1969	Cash Subscription	900,000	900,002
17.01.1971	Cash Subscription	1,650,000	2,550,002
15.04.1971	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
20.04.1974	Rights Issue for cash (1 for 3 at par)	5,000,000	20,000,000
08.09.1976	Acquisition of 35,468,000 shares in Malayan Sugar Manufacturing Company Berhad (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 Mineral Securities Malaysia Bhd (now known as Minsec Properties Bhd [Minsec]) shares from Chinteik Brothers (Singapore) 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
05.06.1981	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

MOVEMENTS 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)
08.11.1982	Special Issue to Bumiputeras at RM4.60 per share	1,200,000	127,767,000
07.05.1983	Special Issue to Bumiputeras at RM4.60 per share	1,200,000	128,967,000
11.06.1984	Acquisition of 34% in Shaw Brothers (M) Sdn Bhd (SBM) in exchange for PPB shares	8,654,000	137,621,000
10.12.1987	Acquisition of 33,874,052 shares in Federal Flour Mills Berhad (now known as FFM Berhad [FFM]) pursuant to acceptances of Takeover Offer dated 22-10-1987	28,792,944	166,413,944
10.12.1987	Acquisition of 53,813,885 shares in Rasa Sayang Beach Hotels (Pg) Berhad (RSBH) (now known as Shangri-la Hotels (Malaysia) Berhad) pursuant to acceptances of Takeover Offer dated 22-10-1987	16,144,166	182,558,110
04.02.1988	Compulsory Acquisition of remaining 4,751,875 RSBH shares pursuant to Section 180 of the Companies Act, 1965	1,425,562	183,983,672
08.09.1989	1 for 3 Bonus Issue	61,327,890	245,311,562
18.09.1992	1 for 5 Bonus Issue	49,062,312	294,373,874
24.07.1996	1 for 4 Bonus Issue	73,593,469	367,967,343
23.11.2001	1 for 3 Bonus Issue	122,655,781	490,623,124
17.08.2004	Privatisation of FFM by way of a members' scheme of arrangement under Section 176 of the Companies Act, 1965, comprising of a share exchange on the basis of one (1) new PPB share plus cash of RM2.00 for every one (1) FFM share.	102,126,817	592,749,941
15.06.2005	1 for 1 Bonus Issue	592,749,941	1,185,499,882

DIVIDEND RECORD

FYE 31 Dec	Issued Capital '000					Payout Ratio	
		Gross Dividend		Net Dividend		Company Earnings %	Group Earnings %
		Sen	RM'000	Sen	RM'000		
1998	367,967	6.00	58,875	4.32	42,390	93.7	38.3
1999	367,967	9.00	88,312	6.48	63,585	67.9	33.0
2000	367,967	7.50	73,593	5.93	58,139	49.6	23.8
2001	490,623	8.75	98,125	7.00	68,688	49.1	40.3
2002	490,623	23.25	228,140	21.50	210,968	97.6	86.8
2003	490,623	12.50	122,656	10.26	100,675	72.3	27.1
2004	592,750	15.00	177,825	11.85	140,482	75.4	35.1
2005	1,185,500	20.00	237,100	14.40	170,712	115.9	43.3
2006	1,185,500	20.00	237,100	14.55	172,490	103.6	30.8
2007	1,185,500	30.00	355,650	22.15	262,588	*63.7	*41.9

* Exclude the one-time gain from disposal of PPB Oil Palms Bhd, PGEO Group Sdn Bhd and Kuok Oils & Grains Pte Ltd amounting to RM6.346 billion.

INVESTOR RELATIONS PROGRAMME FOR 2008

2008	Events
Mar	Press and Analyst Briefing Publication of Investor Update for the 4 th Quarter ended 31 December 2007
Apr	Publication of Annual Report and Investor Handbook for 2007
May	Annual General Meeting Publication of Investor Update for the 1 th Quarter of 2008
Aug	Press and Analyst Briefing Publication of Investor Update for the 2 th Quarter of 2008
Nov	Publication of Investor Update for the 3 th Quarter of 2008



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