

DIRECTORS' RESPONSIBILITY STATEMENT

In preparing the annual financial statements of the Group and the Company, the Directors are collectively responsible to ensure that these financial statements have been prepared to give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and the results and cash flows of the Group and the Company for the financial year in accordance with applicable Financial Reporting Standards in Malaysia, the provisions of the Companies Act 1965 and the Listing Requirements of Bursa Malaysia Securities Berhad.

In preparing the financial statements for the year ended 31 December 2008 set out on pages 73 to 181 of this Annual Report, the Directors have applied appropriate accounting policies on a consistent basis and made judgments and estimates that are fair and reasonable.

The Directors have responsibility for ensuring that proper accounting records are kept which disclose with reasonable accuracy financial information for the preparation of the financial statements.

The Directors have overall responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This Statement is made in accordance with a resolution of the Board of Directors dated 2 April 2009.







The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The Company is engaged in sugar cane cultivation and investment holding.

The principal activities of the subsidiaries are sugar refining; grains trading, flour and animal feed milling; film exhibition and distribution; environmental engineering, waste management and utilities; chemicals trading and manufacturing; property investment and development; livestock farming; packaging; and shipping.

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

RESULTS

	Group	Company
	RM'000	RM'000
Profit attributable to shareholders of the Company	1,286,509	703,964
Retained earnings brought forward	10,117,844	4,536,802
Effect of changes in group structure	13,275	-
Transfer of reserves	(42,049)	
Profit available for appropriation	11,375,579	5,240,766
Dividends	(822,500)	(822,500)
Retained earnings carried forward	10,553,079	4,418,266

DIVIDENDS

The dividends paid by the Company since the end of the previous financial year were as follows:

	RM'000
In respect of the financial year ended 31 December 2007, as disclosed in the	
Directors' report of that year:	
Final dividend of 25 sen per share less 26% income tax paid on 6 June 2008	219,318
In respect of the financial year ended 31 December 2008:	
Special dividend of 62 sen per share less 26% income tax paid on 12 May 2008	543,907
Interim single tier dividend of 5 sen per share paid on 29 September 2008	59,275
	822,500



DIRECTORS' REPORT

DIVIDENDS (continued)

The Directors have recommended the payment of a final single tier dividend of 18 sen per share in respect of the financial year ended 31 December 2008.

Together with the special dividend and interim single tier dividend already paid, the total dividend paid and payable for the financial year ended 31 December 2008 would be 85 sen per share.

RESERVES AND PROVISIONS

There were no material transfers to and from reserves and provisions during the financial year except as disclosed in the statement of changes in equity on pages 76 to 79.

SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial year.

The Company did not issue any debentures during the financial year.

DIRECTORS

The Board of Directors since the date of the last report are as follows:

Datuk Oh Siew Nam (Chairman)

Dato' Lim Chee Wah (Deputy Chairman)
Tan Gee Sooi (Managing Director)

Dato Sri Liang Kim Bang

YM Raja Dato' Seri Abdul Aziz bin Raja Salim

Datuk Rajasingam a/l Mayilvaganam

Cheang Kwan Chow (Appointed on 29.5.2008)
Lim Soon Huat (Appointed on 29.5.2008)

Tan Yew Jin (Retired on 16.5.2008)
Datuk Harun bin Din (Retired on 16.5.2008)

Ang Guan Seng (Passed away on 19.10.2008)

In accordance with Article 107 of the Company's Articles of Association, Datuk Rajasingam a/l Mayilvaganam retires by rotation at the forthcoming Annual General Meeting ("AGM") and has decided not to seek reelection.





DIRECTORS' REPORT

DIRECTORS (continued)

Datuk Oh Siew Nam, Dato Sri Liang Kim Bang and YM Raja Dato' Seri Abdul Aziz bin Raja Salim, being over seventy years of age, retire in accordance with Section 129 of the Companies Act 1965 at the forthcoming AGM and offer themselves for re-appointment pursuant to Section 129(6) of the Act to hold office until the conclusion of the next AGM.

Messrs Cheang Kwan Chow and Lim Soon Huat who were appointed Directors during the year retire at the AGM in accordance with Article 88 of the Company's Articles of Association and being eligible, offer themselves for election as Directors.

DIRECTORS' INTERESTS IN SHARES

According to the register of Directors' shareholdings, the interests of Directors who held office at the end of the financial year in shares of the Company and its related corporations were as follows:

Interest in the Company

No. of ordinary shares of RM1 each registered in the name of Directors

	As at			As at
Name of Director	1.1.08	Bought	Sold	31.12.08
Datuk Oh Siew Nam	120,666	-	-	120,666
Dato' Lim Chee Wah	100,000	-	-	100,000
Tan Gee Sooi	-	100	-	100

No. of ordinary shares of RM1 each in which Directors are deemed to have interest

	As at			As at
Name of Director	1.1.08	Bought	Sold	31.12.08
Datuk Oh Siew Nam	1,204,498	-	-	1,204,498
Dato' Lim Chee Wah	40,000	-	-	40,000
Tan Gee Sooi	579,236	6,000	-	585,236
Datuk Rajasingam a/l Mayilvaganam	20,000	-	-	20,000

Interest in subsidiary - Tego Sdn Bhd

No. of ordinary shares of RM1 each registered in the name of Director

	As at			As at
Name of Director	1.1.08	Bought	Sold	31.12.08
Tan Gee Sooi	37.500	_	_	37.500

As at



DIRECTORS' REPORT

DIRECTORS' INTERESTS IN SHARES (continued)

No. of ordinary shares of RM1 each in which Director is deemed to have interest

	As at			As at
Name of Director	1.1.08	Bought	Sold	31.12.08
Datuk Oh Siew Nam	18,000	-	-	18,000

Interest in holding company - Kuok Brothers Sdn Berhad

No. of ordinary shares of RM1 each registered in the name of Directors

As at 1.1.08/

date of

Name of Director	appointment	Bought	Sold	31.12.08
Tan Gee Sooi	1,240,000	-	-	1,240,000
Cheang Kwan Chow	50,000	-	-	50,000

No. of ordinary shares of RM1 each

in which Directors are deemed to have interest

	As at			As at
Name of Director	1.1.08	Bought	Sold	31.12.08
Datuk Oh Siew Nam	4,966,667	-	-	4,966,667
Dato' Lim Chee Wah	4,634,000	-	-	4,634,000
Tan Gee Sooi	163.333	-	_	163.333

Interest in subsidiary of holding company - Coralbid (M) Sdn Bhd

No. of ordinary shares of RM1 each

in which Directors are deemed to have interest

	As at			As at
Name of Director	1.1.08	Bought	Sold	31.12.08
Datuk Oh Siew Nam	100,000	-	-	100,000
Dato' Lim Chee Wah	100,000	-	-	100,000

DIRECTORS' INTERESTS IN CONTRACTS, BENEFITS AND EMOLUMENTS

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





DIRECTORS' REPORT

DIRECTORS' INTERESTS IN CONTRACTS, BENEFITS AND EMOLUMENTS (continued)

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest required to be disclosed by Section 169(8) of the Companies Act 1965.

INFORMATION ON THE FINANCIAL STATEMENTS

- (a) Before the Group's and the Company's Income Statements and Balance Sheets were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and have satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business their value as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
 - (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, there does not exist:
 - (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or



PPB GROUP BERHAD ANNUAL REPORT 2008

DIRECTORS' REPORT

INFORMATION ON THE FINANCIAL STATEMENTS (continued)

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

financial year.

OTHER STATUTORY INFORMATION

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this

report or the financial statements of the Group and of the Company, which would render any amount stated

in the respective financial statements misleading.

In the opinion of the Directors:

(a) the results of the operations of the Group and of the Company during the financial year were not

substantially affected by any item, transaction or event of a material and unusual nature;

(b) no item, transaction or event of a material and unusual nature has arisen in the interval between the

end of the financial year and the date of this report which is likely to affect substantially the results of

the operations of the Group or of the Company for the financial year in which this report is made; and

(c) no contingent or other liability has become enforceable, or is likely to become enforceable, within the

succeeding period of twelve months after the end of the financial year which will or may affect the

ability of the Group and of the Company to meet their obligations as and when they fall due.

ULTIMATE HOLDING COMPANY

The Directors regard Kuok Brothers Sdn Berhad, a company incorporated in Malaysia, as the ultimate holding

company.

AUDITORS

The auditors, Moores Rowland, Chartered Accountants, retire at the forthcoming AGM and do not seek re-

appointment. The Directors have received a nomination to appoint Mazars, Chartered Accountants, as

auditors for the ensuing year. Mazars have expressed their willingness to accept the nomination as auditors

and a motion to approve their appointment will be tabled at the forthcoming AGM.

On behalf of the Board

DATUK OH SIEW NAM

Chairman

DATO' LIM CHEE WAH

Deputy Chairman

Kuala Lumpur

2 April 2009



CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

Gross profit 641,810 535,370 Other operating income 28,543 22,446 Distribution costs (108,881) (107,955) Administrative and general expenses (127,553) (135,287) Other operating expenses (22,426) (37,096) Profit from operations 6 411,493 277,478 Net profit from investing activities 7 58,174 61,354 Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations 10 - 6,514,187 Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,286,509 6,972,965 Minority interests 6,91		Maka	2008	2007
Revenue 4 3,462,024 2,989,442 Cost of sales 5 (2,820,214) (2,454,072) Gross profit 641,810 535,370 Other operating income 28,543 22,446 Distribution costs (108,881) (107,955) Administrative and general expenses (127,553) (135,287) Other operating expenses (22,426) (37,096) Profit from operations 6 411,493 277,478 Net profit from investing activities 7 58,174 61,354 Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from discontinued operations 1,293,424 488,325 Discontinued operations 1 1,293,424 7,002,512 Attributable to: Shareholders of the Compan		Note	KM UUU	KM UUU
Cost of sales 5 (2,820,214) (2,454,072) Gross profit 641,810 535,370 Other operating income 28,543 22,446 Distribution costs (108,881) (107,955) Administrative and general expenses (122,753) (135,287) Other operating expenses (22,426) (37,096) Profit from operations 6 411,493 277,478 Net profit from investing activities 7 58,174 6,154,55 Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 8 (8,542) (4,443) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations 1,293,424 488,325 Discontinued operations 1,293,424 7,002,512 Attributable to: 1,286,509 6,972,965 Shareholders of the Company 1,286,509 6,972,965	Continuing operations			
Gross profit 641,810 533,370 Other operating income 28,543 22,446 Distribution costs (108,881) (107,955) Administrative and general expenses (127,553) (135,287) Other operating expenses (22,426) (37,096) Profit from operations 6 411,493 277,478 Net profit from investing activities 7 58,174 61,354 Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations 10 - 6,514,187 Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,286,509 6,972,965 Minority interests 6,91	Revenue	4	3,462,024	2,989,442
Other operating income 28,543 22,446 Distribution costs (108,881) (107,955) Administrative and general expenses (127,553) (135,287) Other operating expenses (22,426) (37,096) Profit from operations 6 411,493 277,478 Net profit from investing activities 7 58,174 61,354 Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations net of tax 10 - 6,514,187 Profit for the year from discontinued operations 1,286,509 6,972,965 Minority interests 6,915 29,547 Shareholders of the Company 1,286,509 6,972,965	Cost of sales	5	(2,820,214)	(2,454,072)
Distribution costs (108,881) (107,955) Administrative and general expenses (127,553) (135,287) Other operating expenses (22,426) (37,096) Profit from operations 6 411,493 277,478 Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations 1,293,424 7,002,512 Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,286,509 6,972,965 Minority interests 6,915 29,547 Minority interests 6,915 29,547 Profit from continuing operations 11 108.5 42.0 Profit from discontinued operations 11 <td>Gross profit</td> <td>-</td> <td>641,810</td> <td>535,370</td>	Gross profit	-	641,810	535,370
Administrative and general expenses (127,553) (135,287) Other operating expenses (22,426) (37,096) Profit from operations 6 411,493 277,478 Net profit from investing activities 7 58,174 61,354 Share of net profits less losses of associates 397,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations 10 - 6,514,187 Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share att	Other operating income		28,543	22,446
Other operating expenses (22,426) (37,096) Profit from operations 6 411,493 277,478 Net profit from investing activities 7 58,174 61,354 Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations 10 - 6,514,187 Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: 3 1,286,509 6,972,965 Minority interests 6,915 29,547 Minority interests 6,915 29,547 Basic earnings per share attributable to 3 1,286,509 6,972,965 P	Distribution costs		(108,881)	(107,955)
Profit from operations 6 411,493 277,478 Net profit from investing activities 7 58,174 61,354 Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations 10 - 6,514,187 Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: 5hareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) 1 1 - 546.2 <td>Administrative and general expenses</td> <td></td> <td>(127,553)</td> <td>(135,287)</td>	Administrative and general expenses		(127,553)	(135,287)
Net profit from investing activities 7 58,174 61,354 Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations 10 - 6,514,187 Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) - 1 108.5 42.0 - Profit from discontinued operations 11 108.5 42.0 - Profit from discontinued operations 11	Other operating expenses		(22,426)	(37,096)
Share of net profits less losses of associates 937,942 229,235 Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,286,509 6,972,965 Minority interests 6,915 29,547 Minority interests 6,915 29,547 Basic earnings per share attributable to shareholders of the Company (sen) 1 108.5 42.0 Profit from continuing operations 11 108.5 42.0 Profit from discontinued operations 11 108.5 588.2 Dividend per share (net of tax) (sen) 5.0 3.6 Interim 5.0 3.6 Special 45.9 - Final 18.5	Profit from operations	6	411,493	277,478
Share of net profits less losses of jointly controlled entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 10 - 6,514,187 Profit for the year 1,286,509 6,972,965 Attributable to: Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 Minority interests 6,915 29,547 Basic earnings per share attributable to shareholders of the Company (sen) 11 108.5 42.0 Profit from continuing operations 11 108.5 42.0 Profit from discontinued operations 11 108.5 588.2 Dividend per share (net of tax) (sen) 5.0 3.6 Interim 5.0 3.6 Special	Net profit from investing activities	7	58,174	61,354
entity 1,575 312 Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 7,002,512 Attributable to: Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 Interims ontinuing operations 11 108.5 42.0 Profit from continuing operations 11 108.5 42.0 Profit from discontinued operations 11 0 546.2 Dividend per share (net of tax) (sen) 108.5 588.2 Dividend per share (net of tax) (sen) 5.0 3.6 - Special 45.9 - - Final 18.5 45.9	Share of net profits less losses of associates		937,942	229,235
Finance costs 8 (8,542) (4,443) Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations - 6,514,187 Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: - 6,915 29,547 Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) - - Profit from continuing operations 11 108.5 42.0 - Profit from discontinued operations 11 108.5 586.2 Dividend per share (net of tax) (sen) 5.0 3.6 - Interim 5.0 3.6 - Special 45.9 - - Final 18.5	Share of net profits less losses of jointly controlled			
Profit before tax 1,400,642 563,936 Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) 1 108.5 42.0 - Profit from continuing operations 11 108.5 42.0 - Profit from discontinued operations 11 108.5 588.2 Dividend per share (net of tax) (sen) 5.0 3.6 - Special 45.9 - - Final 18.0 18.5	entity		1,575	312
Income tax expense 9 (107,218) (75,611) Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations	Finance costs	8	(8,542)	(4,443)
Profit for the year from continuing operations 1,293,424 488,325 Discontinued operations Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) 11 108.5 42.0 - Profit from continuing operations 11 108.5 42.0 - Profit from discontinued operations 11 - 546.2 Dividend per share (net of tax) (sen) 5.0 3.6 - Interim 5.0 3.6 - Special 45.9 - - Final 18.0 18.5	Profit before tax	-	1,400,642	563,936
Discontinued operations Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 Basic earnings per share attributable to shareholders of the Company (sen) - 11 108.5 42.0 - Profit from continuing operations 11 108.5 546.2 - Profit from discontinued operations 11 - 546.2 Dividend per share (net of tax) (sen) 5.0 3.6 - Interim 5.0 3.6 - Special 45.9 - - Final 18.0 18.5	Income tax expense	9	(107,218)	(75,611)
Profit for the year from discontinued operations, net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) - Profit from continuing operations 11 108.5 42.0 - Profit from discontinued operations 11 - 546.2 Dividend per share (net of tax) (sen) 5.0 3.6 - Interim 5.0 3.6 - Special 45.9 - - Final 18.0 18.5	Profit for the year from continuing operations	-	1,293,424	488,325
net of tax 10 - 6,514,187 Profit for the year 1,293,424 7,002,512 Attributable to: Shareholders of the Company Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) 11 108.5 42.0 - Profit from continuing operations 11 108.5 42.0 - Profit from discontinued operations 11 - 546.2 Dividend per share (net of tax) (sen) 5.0 3.6 - Interim 5.0 3.6 - Special 45.9 - - Final 18.0 18.5	Discontinued operations			
Profit for the year 1,293,424 7,002,512 Attributable to: 5hareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) - Profit from continuing operations 11 108.5 42.0 - Profit from discontinued operations 11 - 546.2 108.5 588.2 Dividend per share (net of tax) (sen) 5.0 3.6 - Interim 5.0 3.6 - Special 45.9 - - Final 18.0 18.5	Profit for the year from discontinued operations,			
Attributable to: Shareholders of the Company Minority interests 1,286,509 6,972,965 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) - Profit from continuing operations 11 108.5 42.0 - Profit from discontinued operations 11 - 546.2 108.5 588.2 Dividend per share (net of tax) (sen) - Interim 5.0 3.6 - Special 45.9 - Final	net of tax	10	-	6,514,187
Shareholders of the Company 1,286,509 6,972,965 Minority interests 6,915 29,547 Basic earnings per share attributable to shareholders of the Company (sen) 3 42.0 Profit from continuing operations 11 108.5 42.0 Profit from discontinued operations 11 - 546.2 Dividend per share (net of tax) (sen) 5.0 3.6 Interim 5.0 3.6 Special 45.9 - Final 18.0 18.5	Profit for the year	- -	1,293,424	7,002,512
Minority interests 6,915 29,547 1,293,424 7,002,512 Basic earnings per share attributable to shareholders of the Company (sen) - Profit from continuing operations 11 108.5 42.0 - Profit from discontinued operations 11 - 546.2 Dividend per share (net of tax) (sen) - 108.5 588.2 Dividend per share (net of tax) (sen) 5.0 3.6 - Special 45.9 - - Final 18.0 18.5	Attributable to:			
1,293,424 7,002,512	Shareholders of the Company		1,286,509	6,972,965
Basic earnings per share attributable to shareholders of the Company (sen) - Profit from continuing operations - Profit from discontinued operations 11 - 546.2 108.5 588.2 Dividend per share (net of tax) (sen) - Interim - Special - Final 18.0	Minority interests		6,915	29,547
shareholders of the Company (sen) 11 108.5 42.0 - Profit from continuing operations 11 - 546.2 - Profit from discontinued operations 11 - 546.2 - Dividend per share (net of tax) (sen) - - - 3.6 - Special 45.9 - - - Final 18.0 18.5		- -	1,293,424	7,002,512
- Profit from continuing operations 11 108.5 42.0 - Profit from discontinued operations 11 - 546.2 108.5 588.2 Dividend per share (net of tax) (sen) - Interim 5.0 3.6 - Special 45.9 Final 18.0 18.5	Basic earnings per share attributable to			
- Profit from discontinued operations 11 - 546.2 108.5 588.2 Dividend per share (net of tax) (sen) - Interim 5.0 3.6 - Special 45.9 - - Final 18.0 18.5	shareholders of the Company (sen)			
108.5 588.2	- Profit from continuing operations	11	108.5	42.0
Dividend per share (net of tax) (sen) - Interim - Special - Final 18.0	- Profit from discontinued operations	11	-	546.2
- Interim 5.0 3.6 - Special 45.9 Final 18.0 18.5		-	108.5	588.2
- Special 45.9 Final 18.0 18.5	Dividend per share (net of tax) (sen)			
- Final 18.0 18.5	- Interim		5.0	3.6
	- Special		45.9	-
68.9 22.1	- Final		18.0	18.5
		-	68.9	22.1

Notes to and forming part of the financial statements are set out on pages 87 to 181.

Auditors' Report - Pages 184 and 185.





	Note	2008 RM'000	2007 RM'000
ASSETS			
Non-current assets	ſ		
Property, plant and equipment	12	957,970	810,852
Investment properties	13	168,436	163,835
Biological assets	14	2,943	2,681
Land held for property development	15	6,459	3,693
Prepaid lease payments	16	132,292	131,635
Goodwill	17	73,086	73,033
Other intangible assets	18	2,519	2,977
Investments in associates	20	9,699,666	8,587,695
Investment in jointly controlled entity	21	45,849	39,403
Other investments	22	398,111	419,699
Deferred tax assets	23	3,315	1,431
Total non-current assets		11,490,646	10,236,934
Current assets			
Inventories	25	706,444	489,902
Biological assets	14	27,404	21,339
Other intangible assets	18	7,977	9,476
Property development costs	26	38,297	28,684
Gross amount due from customers	27	19,129	27,059
Trade receivables	28	339,479	358,933
Accrued billings	29	-	111
Other receivables, deposits and prepayments	30	34,590	48,708
Amounts due from associates	31	34,794	39,463
Current tax assets		17,290	13,299
Deposits	32	411,628	634,320
Cash and bank balances	33	79,558	66,338
		1,716,590	1,737,632
Non-current assets classified as held for sale	34	9,009	9,479
Total current assets	-	1,725,599	1,747,111
TOTAL ASSETS		13,216,245	11,984,045
	•		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,





CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2008

	Note	2008 RM'000	2007 RM'000
EQUITY AND LIABILITIES			
Equity			
Share capital	35	1,185,500	1,185,500
Share premium		6,715	6,715
Non-distributable reserves	36	487,497	119,706
Retained earnings		10,553,079	10,117,844
Equity attributable to shareholders of the Company		12,232,791	11,429,765
Minority interests		160,088	137,288
Total equity		12,392,879	11,567,053
Non-current liabilities			
Long term bank borrowings	<i>37</i>	65,865	20,189
Hire purchase liabilities	38	130	315
Deferred tax liabilities	39	74,312	68,823
Total non-current liabilities		140,307	89,327
Current liabilities			
Gross amount due to customers	27	29,159	12,161
Trade payables	40	201,423	147,845
Progress billings	29	2	-
Other payables and accruals	41	105,502	113,229
Amounts due to associates	31	185	305
Amounts due to jointly controlled entity	21	12,176	6,678
Hire purchase liabilities	38	189	198
Short term borrowings	42	313,007	35,061
Bank overdrafts	43	2,094	1,212
Current tax liabilities		19,322	10,976
Total current liabilities		683,059	327,665
Total liabilities		823,366	416,992
TOTAL EQUITY AND LIABILITIES		13,216,245	11,984,045



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2008

<-----Attributable to shareholders of the Company ---

<-----Non-distributable--

	Note	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Exchange Translation Reserve RM'000
At 1 January 2007		1,185,500	6,715	160,540	(33,901)
Translation differences for the year		-	-	-	(196,929)
Fair value adjustments arising from acquisition of additional shares in					
an existing subsidiary		-	-	5,697	-
Effect of changes in tax rate on fair					
value adjustments		-	-	332	-
Effect of exemption from Real Property					
Gains Tax		-	-	1,307	-
Share of reserves of associates		-	-	675	55,292
Realisation upon disposal of subsidiaries		-	-	-	14,273
Realisation upon disposal of an associate		<u>-</u>	_	-	(16,660)
Net income/(expense) recognised					(- / /
directly in equity		-	-	8,011	(144,024)
Profit for the year		_	-	, -	-
Total recognised income/(expense)					
for the year		-	-	8,011	(144,024)
Transfer of reserves		-	-	(113,059)	3,079
Dividends paid to shareholders of					
the Company	45	-	-	-	-
Dividends paid to minority shareholders					
of subsidiaries		-	-	-	-
Acquisition of additional shares in					
an existing subsidiary		-	-	-	-
Acquisition of shares in new subsidiaries		-	-	-	-
Issue of shares to minority shareholders		-	-	-	-
Disposal of shares in subsidiaries		-	-	-	-
Capital reduction by subsidiaries		-	-	-	-
At 31 December 2007		1,185,500	6,715	55,492	(174,846)





CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2008

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Capital Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
175,855	3,149,975	4,644,684	886,641	5,531,325
-	-	(196,929)	(5,829)	(202,758)
-	-	5,697	-	5,697
-	-	332	5	337
-	848	2,155	22	2,177
120,364	-	176,331	-	176,331
-	-	14,273	-	14,273
	-	(16,660)	-	(16,660)
120,364	848	(14,801)	(5,802)	(20,603)
	6,972,965	6,972,965	29,547	7,002,512
120,364 (57,159)	6,973,813 167,139	6,958,164 -	23,745	6,981,909
-	(173,083)	(173,083)	-	(173,083)
-	-	-	(17,583)	(17,583)
_	-	-	(29,241)	(29,241)
-	-	-	9,506	9,506
-	-	-	698	698
-	-	-	(682,778)	(682,778)
-	-	-	(53,700)	(53,700)
239,060	10,117,844	11,429,765	137,288	11,567,053



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2008

<-----Non-distributable--

	Note	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Exchange Translation Reserve RM'000
At 1 January 2008		1,185,500	6,715	55,492	(174,846)
Effect of changes in group structure	44	-	-	-	(454)
Translation differences for the year		-	-	-	289,827
Fair value adjustments arising from acquisition of additional shares in					
an existing subsidiary		-	-	5,791	-
Share of reserves of associates		-	-	-	58,104
Realisation upon liquidation of a subsidiary		-	-	-	-
Net income/(expense) recognised					
directly in equity		-	-	5,791	347,477
Profit for the year		-	-	-	-
Total recognised income/(expense)					
for the year		-	-	5,791	347,477
Transfer of reserves		-	-	(608)	-
Dividends paid to shareholders of the Company	45	-	-	-	-
Dividends paid to minority					
shareholders of subsidiaries		-	-	-	-
Acquisition of additional shares in					
an existing subsidiary		-	-	-	-
Issue of shares to minority shareholders					
At 31 December 2008		1,185,500	6,715	60,675	172,631

Notes to and forming part of the financial statements are set out on pages 87 to 181. Auditors' Report - Pages 184 and 185.





CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2008

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Capital Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
239,060	10,117,844	11,429,765	137,288	11,567,053
(238)	13,275	12,583	-	12,583
-	-	289,827	2,059	291,886
-	-	5,791	68	5,859
(27,288)	-	30,816	-	30,816
	-	-	22	22
(27,526)	13,275	339,017	2,149	341,166
	1,286,509	1,286,509	6,915	1,293,424
(27,526) 42,657	1,299,784 (42,049)	1,625,526	9,064	1,634,590 -
-	(822,500)	(822,500)	-	(822,500)
-	-	-	(1,591)	(1,591)
-	-	-	(59)	(59)
			15,386	15,386
254,191	10,553,079	12,232,791	160,088	12,392,879





CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	2008 RM'000	2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		4 400 440	F/2 02/
Continuing operations		1,400,642	563,936
Discontinued operations	_	- 400 (42	6,545,591
Address and for your real thousand		1,400,642	7,109,527
Adjustments for non-cash items:		70 522	42.4.747
Amortisation and depreciation		79,522	124,716
Bad and doubtful debts		8,915	55,677
Property, plant and equipment and investment properties written off		1 4 / 1	2 507
		1,641	3,587
Impairment of property, plant and equipment and investment properties		_	8,109
Impairment of investment in an associate		4,436	6,109
Profit on disposal of property, plant and equipment, investment		4,430	_
properties and prepaid lease payments		(7,013)	(571)
Profit on disposal of subsidiaries		(7,013)	(4,539,030)
Profit on disposal of an associate		(372)	(1,817,960)
Deficit arising from liquidation of subsidiaries		30	(1,817,900)
Loss/(profit) on disposal of other investments		82	(21,020)
Capital distribution from an investee company		-	(21,020)
Diminution/(write back) in value of other investments		21,733	(258)
Share of net profits less losses of associates		(937,942)	(307,760)
Share of net profits less losses of jointly controlled entity		(1,575)	(312)
Inventories written off		591	528
Inventories written down		44,741	-
Unrealised foreign exchange loss/(gain)		7,989	(3,187)
Discount on acquisition written off		(1)	-
Surplus from redemption of an associate's preference shares		`-	(2,884)
Interest expense		8,542	13,993
Dividend income		(65,002)	(53,332)
Interest income		(16,292)	(26,859)
Rental income		(3,993)	(3,098)
Operating profit before working capital changes	-	546,674	539,903
Adjustments for working capital changes:			
Land and development expenditure		(12,379)	20,674
Inventories, biological assets and other intangible assets		(271,492)	(188,769)
Gross amounts due from/to customers		24,928	(16,585)
Receivables		12,867	(141,499)
Payables		40,438	67,333
Cash generated from operations	_	341,036	281,057
Tax paid		(98,876)	(101,561)
Net cash generated from operating activities	_	242,160	179,496
CASH FLOWS FROM INVESTING ACTIVITIES	_		•
Acquisition of shares in new subsidiaries	46(a)	-	9,506
Acquisition of additional equity interest in an existing			,,,,,,,,
subsidiary	46(b)	(119)	(101,595)
Acquisition of additional equity interest in an existing	` /	` ,	· , -,
associate		(87)	-
Proceeds from disposal of subsidiaries	47	-	21,120





CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	2008 RM'000	2007 RM'000
Surplus from liquidation of subsidiaries		-	697
Investments in associates		(13,912)	(73,817)
Proceeds from disposal of an associate		372	-
Repayment from/(advances to) associates		232	(345)
Purchase of other investments		(61)	(39,291)
Proceeds from disposal of other investments		1,042	32,309
Purchase of property, plant and equipment, investment			
properties, biological assets, prepaid lease payments			
and other intangible assets	48	(220,614)	(256,387)
Proceeds from disposal of property, plant and equipment,			
investment properties and prepaid lease payments		15,215	4,486
Placement of deposits		(35)	(7)
Proceeds from redemption of an associate's preference			
shares		-	33,823
Proceeds from capital repayment of an investee company		20	20
Discontinued operations - net cash disposed	10(d)	-	(76,366)
Dividends received from associates		167,438	41,399
Dividends received from other investments		62,104	53,163
Interest received		15,589	25,762
Rental received	_	3,993	3,098
Net cash generated from/(used in) investing activities	_	31,177	(322,425)
CASH FLOWS FROM FINANCING ACTIVITIES			
Shares issued to minority shareholders of subsidiaries		15,386	698
Payment to minority shareholders arising from capital reduction			
in subsidiaries		-	(53,700)
Revolving credits, bankers' acceptance and short term loans		275,144	330,759
Bank term loans		50,887	28,140
Payment of hire purchase liabilities		(198)	(255)
Advances from/(repayment to) associates		76	(9,535)
Advances from jointly controlled entity		4,899	4,153
Interest paid		(7,793)	(18,801)
Dividends paid to shareholders of the Company		(822,500)	(173,083)
Dividends paid to minority shareholders of subsidiaries		(1,591)	(17,583)
Net cash (used in)/generated from financing activities	_	(485,690)	90,793
NET DECREASE IN CASH AND CASH EQUIVALENTS		(212,353)	(52,136)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		699,411	750,981
EFFECTS OF EXCHANGE RATE CHANGES		1,964	566
CASH AND CASH EQUIVALENTS CARRIED FORWARD	_	489,022	699,411
Represented by:			
Cash and bank balances		79,558	66,338
Deposits		411,628	634,320
Bank overdrafts		(2,094)	(1,212)
	_	489,092	699,446
Deposits pledged with bank		(70)	(35)
	_	489,022	699,411
	_		•





	Note	2008 RM'000	2007 RM'000
Continuing operations			
Revenue	4	18,799	18,800
Cost of sales	5	(22,688)	(21,720)
Gross loss		(3,889)	(2,920)
Other operating income		1,398	1,217
Administrative and general expenses		(18,131)	(19,842)
Loss from operations	6	(20,622)	(21,545)
Net profit from investing activities	7	867,339	562,328
Finance costs	8	(5,773)	(3,739)
Profit before tax	_	840,944	537,044
Income tax expense	9	(136,980)	(124,904)
Profit for the year from continuing operations	_	703,964	412,140
Discontinued operations			
Profit for the year from discontinued			
operations, net of tax	10	-	3,333,542
Profit for the year	-	703,964	3,745,682
Dividend per share (net of tax) (sen)			
- Interim		5.0	3.6
- Special		45.9	-
- Final		18.0	18.5
	-	68.9	22.1





BALANCE AS AT 31 DECEMBER 2008

	Note	2008 RM'000	2007 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	12	4,417	5,633
Investment properties	13	2,925	2,953
Prepaid lease payments	16	25,894	26,303
Investments in subsidiaries	19	1,350,350	1,350,350
Investments in associates	20	3,898,904	3,887,366
Other investments	22	253,802	395,313
Amounts due from subsidiaries	24	122,628	163,710
Total non-current assets		5,658,920	5,831,628
Current assets			
Inventories	25	3,211	2,697
Biological assets	14	12,052	9,130
Other receivables, deposits and prepayments	30	1,019	1,842
Amounts due from subsidiaries	24	223	163
Amounts due from associates	31	17,337	22,350
Current tax assets		4,763	8,117
Deposits	32	198,076	17,215
Cash and bank balances	33	3,018	1,405
Total current assets		239,699	62,919
TOTAL ASSETS	- -	5,898,619	5,894,547
EQUITY AND LIABILITIES			
Equity			
Share capital	35	1,185,500	1,185,500
Share premium		6,715	6,715
Retained earnings		4,418,266	4,536,802
Total equity		5,610,481	5,729,017
Non-current liability			
Deferred tax liabilities	39	6,208	4,294
Current liabilities	_		
Trade payables	40	956	1,004
Other payables and accruals	41	5,902	10,371
Amounts due to subsidiaries	24	275,045	149,828
Amounts due to associates	31	27	33
Total current liabilities		281,930	161,236
Total liabilities		288,138	165,530
TOTAL EQUITY AND LIABILITIES	-	5,898,619	5,894,547

Notes to and forming part of the financial statements are set out on pages 87 to 181. Auditors' Report - Pages 184 and 185.



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Total RM'000
At 1 January 2007		1,185,500	6,715	964,203	2,156,418
Profit for the year		-	-	3,745,682	3,745,682
Dividends	45	-	-	(173,083)	(173,083)
At 31 December 2007	-	1,185,500	6,715	4,536,802	5,729,017
Profit for the year		-	-	703,964	703,964
Dividends	45	-	-	(822,500)	(822,500)
At 31 December 2008	-	1,185,500	6,715	4,418,266	5,610,481





CASH FLOW **STATEMENT**

FOR THE YEAR ENDED 31 DECEMBER 2008

	2008 RM'000	2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax		
Continuing operations	840,944	537,044
Discontinued operations	-	3,333,542
	840,944	3,870,586
Adjustments for non-cash items:		
Amortisation and depreciation	1,808	1,702
Property, plant and equipment written off	3	3
Impairment of investment properties	-	270
Profit on disposal of property, plant and equipment	(113)	(1)
Profit on disposal of subsidiaries	-	(3,344,390)
Capital distribution from a subsidiary	-	(4,950)
Impairment of investment in an associate	-	25
Allowance for doubtful debts in an associate	5,911	53,069
Profit on disposal of other investments	-	(19,433)
Diminution in value of other investments	141,510	9,625
Unrealised foreign exchange loss	379	-
Interest expense	5,773	3,739
Dividend income	(1,007,840)	(585,042)
Interest income	(6,300)	(5,852)
Rental income	(620)	(591)
Operating loss before working capital changes	(18,545)	(21,240)
Adjustments for working capital changes:		
Inventories and biological assets	(3,436)	493
Receivables	303	155
Payables	(2,877)	4,040
Cash used in operations	(24,555)	(16,552)
Tax refunded	3,636	4,815
Net cash used in operating activities	(20,919)	(11,737)



CASH FLOW **STATEMENT**

FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	2008 RM'000	2007 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital repayment from a subsidiary		-	57,750
Purchase of property, plant and equipment	48	(1,947)	(218)
Proceeds from disposal of property, plant and equipment		263	1
Proceeds from disposal of a subsidiary		-	21,120
Investment in an associate		(11,538)	(69,438)
Purchase of other investments		-	(28,204)
Proceeds from disposal of other investments		979	24,371
Repayment from/(Advances to) subsidiaries		40,978	(73,519)
Advances to associates		(1,134)	(15)
Dividends received from subsidiaries		765,516	170,175
Dividends received from associates		80,977	4,205
Dividends received from other investments		25,999	2,817
Interest received		6,122	5,462
Rental received		620	591
Net cash generated from investing activities	_	906,835	115,098
CASH FLOWS FROM FINANCING ACTIVITIES			
Advances from subsidiaries		124,478	82,008
Repayment to associates		(6)	(2)
Interest paid		(5,373)	(3,513)
Dividends paid		(822,500)	(173,083)
Net cash used in financing activities	_	(703,401)	(94,590)
NET INCREASE IN CASH AND CASH EQUIVALENTS		182,515	8,771
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		18,620	9,849
EFFECTS OF EXCHANGE RATE CHANGES		(41)	-
CASH AND CASH EQUIVALENTS CARRIED FORWARD	_	201,094	18,620
Represented by:			
Cash and bank balances		3,018	1,405
Deposits		198,076	17,215
•	_	201,094	18,620
	_	<u> </u>	<u> </u>





1. GENERAL

The Company is a public listed company limited by way of shares incorporated in Malaysia under the Companies Act, 1965. The Company is domiciled in Malaysia.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements comply with applicable approved Financial Reporting Standards ("FRSs"), issued by the Malaysian Accounting Standards Board and with the provisions of the Companies Act, 1965.

The measurement bases applied in the preparation of the financial statements include cost, recoverable value, realisable value, revalued amount and fair value. Estimates are used in measuring these values.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency. Unless otherwise indicated, the amounts in these financial statements have been rounded to the nearest thousand.

2.2 Changes in accounting policies

FRS 137

The significant accounting policies adopted by the Group and the Company are consistent with those of the previous financial year except for the adoption of the following revised FRSs which are relevant to the operations of the Group and the Company and effective for financial periods beginning on or after 1 July 2007:

Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates - Net
	Investment in a Foreign Operation
FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting

Provisions, Contingent Liabilities and Contingent Assets



The adoption of the above FRSs did not have significant financial impact on the Group and the Company except for the amendment to FRS 121. The principal effects of the adoption of the amendment to FRS 121 are discussed below:

Amendment to FRS 121 - The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation

The amendment to FRS 121 has resulted in exchange differences arising from monetary items that form part of the Group's net investment in a foreign operation to be recognised in equity irrespective of the currency in which the monetary item is denominated and of whether the monetary item results from a transaction with the Company or any of its subsidiaries. Previously, exchange differences arising from such transactions between the Company and its subsidiaries would be accounted for in the income statement or in equity depending on the currency of the monetary item.

2.3 New FRSs and interpretations that are not yet effective

The Group and the Company have not adopted the following new FRSs and interpretations that have been issued and are relevant to their operations as they are only effective for financial periods beginning on or after:

1 July 2009

FRS 8 Operating Segments

1 January 2010

FRS 7 Financial Instruments: Disclosures

FRS 139 Financial Instruments: Recognition and Measurement

IC Interpretation 9 Reassessment of Embedded Derivatives
IC Interpretation 10 Interim Financial Reporting and Impairment

The adoption of the above FRSs and interpretations is not expected to have any significant financial impact on the Group and the Company except for the expanded disclosure requirements in FRS 8 as discussed below:





FRS 8 - Operating Segments

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision-maker in order to allocate resources to the segment and to assess its performance. Currently, the Group presents segment information in respect of its business and geographical segments in note 55 below.

2.4 Significant accounting estimates and judgements

The preparation of financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the balance sheet date, and reported amounts of income and expenses during the financial year.

Although these estimates are based on management's best knowledge of current events and actions, historical experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Critical judgement made in applying accounting policies

The following are judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed certain criteria based on *FRS 140 Investment Property* in making that judgement.

In making its judgement, the Group considers whether a property generates cash flows largely independently of other assets held by the Group. Owner-occupied properties generate cash flows that are attributable not only to the property, but also to other assets used in the production and supply process.

090



NOTES TO THE FINANCIAL STATEMENTS

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for use in the production or supply of goods and services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately.

If the portions could not be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the production or supply of goods and services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Revenue recognition of property development activities and engineering contracts

The Group recognises property development and engineering contracts revenue and expenses based on the percentage of completion method. The stage of completion of the property development activities and engineering contracts is measured in accordance with the accounting policies set out in items 2.13 and 2.17 below.

Significant judgement is required in determining the percentage of completion, the extent of the development project and contract costs incurred, the estimated total revenue and total costs and the recoverability of the development project and contract. In making these judgements, management relies on past experience and the work of specialists.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Depreciation of property, plant and equipment and investment properties

Property, plant and equipment and investment properties are depreciated on a straight-line basis to write off their costs to their residual values over their estimated useful lives. Management estimates the useful lives of these assets to be between 4 to 50 years for property, plant and equipment and 50 years for investment properties.





The carrying amounts of the Group's and Company's property, plant and equipment as at 31 December 2008 were RM957.970 million and RM4.417 million (2007: RM810.852 million and RM5.633 million), respectively.

The carrying amounts of the Group's and Company's investment properties as at 31 December 2008 were RM168.436 million and RM2.925 million (2007: RM163.835 million and RM2.953 million), respectively.

Changes in the expected level of usage, physical wear and tear and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges may be revised.

Amortisation of film rights

Film rights are amortised based on the total revenue stream expected to be generated from the different titles and upon the exploitation of the rights. This requires an estimation of the future income expected to be derived from each of the titles.

The carrying amount of the Group's film rights as at 31 December 2008 was RM7.977 million (2007: RM9.476 million).

As changes in market conditions and the Group's marketing plans and directions could impact the future income expected to be derived from each title, future amortisation charges may be revised.

Allowance for doubtful debts

The collectibility of receivables is assessed on an on-going basis. An allowance for doubtful debts is made for any account considered to be doubtful of collection.

The carrying amounts of the Group's and Company's trade and other receivables as at 31 December 2008 were RM408.863 million and RM141.207 million (2007: RM447.104 million and RM188.065 million), respectively.

The allowance for doubtful debts is made based on a review of outstanding accounts as at the balance sheet date. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the creditworthiness and past collection history of each customer. If the financial condition of customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.



Impairment loss and write down of inventories

Inventories are stated at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected selling prices.

Inventories are reviewed on a regular basis and the Group will make an impairment loss for excess or obsolete inventories based primarily on historical trends and management estimates of expected and future product demand and related pricing.

The carrying amounts of the Group's and Company's inventories as at 31 December 2008 were RM706.444 million and RM3.211 million (2007: RM489.902 million and RM2.697 million), respectively.

Demand levels, technological advances and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories and additional impairment losses for slow-moving inventories may be required.

Impairment of goodwill

The Group determines at least once a year whether goodwill is impaired. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated.

Estimating value in use requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The net carrying amount of the Group's goodwill as at 31 December 2008 was RM73.086 million (2007: RM73.033 million).

Income taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.





The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The carrying amounts of the Group's and Company's tax assets as at 31 December 2008 were RM20.605 million and RM4.763 million (2007: RM14.730 million and RM8.117 million), respectively.

The carrying amounts of the Group's and Company's tax liabilities as at 31 December 2008 were RM93.634 million and RM6.208 million (2007: RM79.799 million and RM4.294 million), respectively.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unutilised tax losses to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and tax losses can be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

The carrying amount of the Group's recognised deferred tax assets as at 31 December 2008 were RM3.315 million (2007: RM1.431 million).

The carrying amounts of the Group's and Company's unrecognised deferred tax assets as at 31 December 2008 were RM8.108 million and RM4.629 million (2007: RM3.027 million and RM nil), respectively.

Impairment of investments in associates

Investments in associates are assessed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, an estimation of the investment's recoverable amount is required.

Estimating the recoverable amount requires management to make an estimate of the expected future cash flows from the associates and also choose a suitable discount rate in order to calculate the present value of those cash flows.



The carrying amount of the Group's investments in associates as at 31 December 2008 was RM9.700 billion (2007: RM8.588 billion).

2.5 Subsidiaries

A subsidiary is an entity controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible, are considered when assessing whether the Group has the power to govern the financial and operating policies of another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. Impairment losses are charged to the income statement.

On disposal, the difference between the net disposal proceeds and the carrying amount of the subsidiary disposed of is taken to the income statement.

2.6 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of all its subsidiaries made up to the end of the financial year. The consolidated financial statements are prepared using uniform accounting policies for like transactions in similar circumstances.

All intra-group balances, transactions, income and expenses are eliminated in full on consolidation and the consolidated financial statements reflect external transactions only.

All subsidiaries are consolidated on the purchase method of accounting from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date such control ceases.

Under the purchase method of accounting, the cost of an acquisition is measured as the aggregate of the fair values of the assets acquired, liabilities incurred or assumed and equity instruments issued at the date of exchange, plus any costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured at their fair values at the acquisition date.





The excess of the acquisition cost over the fair values of the identifiable assets, liabilities and contingent liabilities acquired is retained in the balance sheet as goodwill, while the shortfall is immediately credited to the consolidated income statement. The goodwill is accounted for in accordance with the accounting policy set out in item 2.25.1 below.

Minority interests represent the portion of the profit or loss and net assets in subsidiaries not held by the Group.

2.7 Associates

An associate is an entity in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has significant influence.

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

On disposal, the difference between the net disposal proceeds and the carrying amount of the associate disposed of is taken to the income statement.

Investments in associates are accounted for in the consolidated financial statements by the equity method of accounting. Under the equity method, investments in associates are initially recognised at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the associates.

The Group's share of net profits or losses and changes recognised directly in the equity of the associates are recognised in the consolidated income statement and consolidated statement of changes in equity, respectively.

An investment in an associate is accounted for using the equity method from the date on which the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Premium relating to an associate is included in the carrying value of the investment and is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment in accordance with the accounting policy set out in item 2.25.2 below.



Discount on acquisition is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

Equity accounting is discontinued when the Group's share of losses in an associate equals or exceeds its interest in the associate, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The results and reserves of associates are accounted for in the consolidated financial statements based on audited/unaudited financial statements made up to the end of the financial year and prepared using accounting policies that conform to those used by the Group for like transactions in similar circumstances.

2.8 Jointly controlled entities

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

Investments in jointly controlled entities are accounted for in the consolidated financial statements by the equity method of accounting.

In the Company's separate financial statements, investments in jointly controlled entities are stated at cost less impairment losses. Impairment losses are charged to the income statement.

On disposal, the difference between the net disposal proceeds and the carrying amount of the jointly controlled entities disposed of is taken to the income statement.

2.9 Other investments

Other investments are stated at cost less any diminution in value of the investments. An allowance for diminution in value is made if the Directors are of the opinion that there is a decline in the value of such investments which is other than temporary. The diminution in value is charged to the income statement.





On disposal, the difference between the net disposal proceeds and the carrying amount of the investment disposed of is taken to the income statement.

2.10 Property, plant and equipment

2.10.1 Measurement basis

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and impairment losses, if any.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of an asset. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is contracted as a consequence of acquiring or using the asset.

Subsequent costs are included in the asset's carrying amount when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

2.10.2 Depreciation

Freehold land and capital work-in-progress are not depreciated while leasehold buildings are amortised on a straight-line basis over the remaining period of the lease.

Depreciation is calculated to write off the depreciable amount of other property, plant and equipment on a straight-line basis over their estimated useful lives. The depreciable amount is determined after deducting residual value from cost.



The principal annual rates used for this purpose are:

Buildings	2%	-	5%	Or the lease period, if shorter
Plant, machinery and equipment	3%	-	33 1/3%	
Motor vehicles	10%	-	25%	
Vessel			5%	
Furniture, fittings, office and other	5%	-	50%	
equipment				

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date.

2.11 Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes, or sale in the ordinary course of business.

2.11.1 Measurement basis

Investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of investment properties includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.





2.11.2 Depreciation

Freehold land is not depreciated.

Depreciation is calculated to write off the depreciable amount of other investment properties on a straight-line basis over their estimated useful lives. Depreciable amount is determined after deducting the residual value from the cost of the investment property.

The principal annual rates used for this purpose are:

Freehold buildings 2%

Leasehold buildings with remaining lease period

- more than 50 years 2%

- less than 50 years

Over the remaining period of the lease

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date.

2.12 Biological assets

Biological assets comprise primarily oil palms and livestock.

2.12.1 Oil palms

The Group's plantation assets are mainly situated on freehold land. New planting and replanting expenditure incurred on land clearing and upkeep of trees up to the point of harvesting are capitalised and are amortised on a straight-line basis over their estimated useful lives. Management estimates the useful lives of the oil palms to be 25 years.

2.12.2 Livestock

Livestock comprises broilers, pullets and layers parent stock and hatchable eggs. Livestock is valued at the lower of amortised cost and net realisable value.

Cost includes the cost of the parent stock plus all attributable costs including overheads incurred in nursing the parent stock to the point of laying, and such cost is then amortised over its estimated economic life.



Net realisable value is defined as the aggregate income expected to be generated from total day old chicks and eggs to be produced and proceeds from the disposal of the ex-broiler parent stock less expenses expected to be incurred to maintain the parent stock up to its disposal.

2.13 Development properties

Development properties are classified under two categories i.e. land held for property development and property development costs.

Land held for property development is defined as land on which development is not expected to be completed within the normal operating cycle. Usually, no significant development work would have been undertaken on these lands. Accordingly, land held for property development is classified as non-current assets on the balance sheet and is stated at cost plus incidental expenditure incurred to put the land in a condition ready for development.

Land on which development has commenced and is expected to be completed within the normal operating cycle is included in property development costs. Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

Where the outcome of a development can be reasonably estimated, revenue and expenses are recognised on the percentage of completion method. The stage of completion is determined by the proportion that costs incurred to-date bear to estimated total costs. In applying this method of determining stage of completion, only those costs that reflect actual development work performed are included as costs incurred.

Where the outcome of a development cannot be reasonably estimated, revenue is recognised to the extent of property development costs incurred that is probable will be recoverable, and the property development costs on the development units sold shall be recognised as an expense in the period in which they are incurred.

When it is probable that total costs will exceed revenue, the foreseeable loss is immediately recognised in the income statement irrespective of whether development work has commenced or not, or of the stage of completion of development activity, or of the amounts of profits expected to arise on other unrelated development projects.

The excess of revenue recognised in the income statement over billings to purchasers of properties is recognised as accrued billings under current assets.





The excess of billings to purchasers of properties over revenue recognised in the income statement is recognised as progress billings under current liabilities.

2.14 Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.

2.14.1 Finance lease

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

Property, plant and equipment acquired by way of finance leases are stated at amounts equal to the lower of their fair values and the present value of minimum lease payments at the inception of the leases, less accumulated depreciation and any impairment losses.

In calculating the present value of the minimum lease payments, the discount rate is the interest rate implicit in the lease, if this is determinable; if not, the Group's incremental borrowing rate is used.

2.14.2 Operating lease

An operating lease is a lease other than a finance lease.

Operating lease income or operating lease rental expenses are credited or charged to the income statement on a straight-line basis over the period of the lease.

2.15 Prepaid lease payments

Leasehold land that has an indefinite economic life with title that is not expected to pass to the Group and the Company by the end of the lease term is classified as operating lease. Upfront payments for the right to use the leasehold land over a predetermined period are accounted for as prepaid lease payments.

2.15.1 Measurement basis

Prepaid lease payments are stated at cost less amounts amortised and impairment losses, if any.



2.15.2 Amortisation

The prepaid lease payments are amortised on a straight-line basis over the remaining period of the lease.

2.16 Intangible assets

Intangible assets comprise primarily goodwill, computer software and film rights.

2.16.1 Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's interest in the fair values of the identifiable assets and liabilities of subsidiaries at the date of acquisition.

Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is tested for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying values may be impaired.

2.16.2 Computer software and film rights

Measurement basis

Computer software and film rights acquired by the Group are stated at cost less accumulated amortisation and impairment losses, if any.

Computer software and film rights are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

Amortisation

Amortisation is calculated to write off the depreciable amount of computer software on a straight-line basis over their estimated useful lives. The principal annual rates used are 20% and 25%.





Film rights are amortised based on the total revenue stream expected to be generated from the different titles and upon the exploitation of the rights.

The amortisation period and the amortisation method are reviewed, and adjusted if appropriate, at each balance sheet date.

2.17 Engineering contracts

The Group's engineering contracts comprise substantially fixed price contracts and where their outcome can be reasonably estimated, revenue is recognised on the percentage of completion method. The stage of completion is determined by the proportion that costs incurred to-date bear to estimated total costs, and for this purpose, only those costs that reflect actual contract work performed are included as costs incurred.

Where the outcome of an engineering contract cannot be reasonably estimated, revenue is recognised only to the extent of contract costs incurred that are expected to be recoverable. At the same time, all contract costs incurred are recognised as an expense in the period in which they are incurred.

Costs that relate directly to a contract and which are incurred in securing the contract are also included as part of contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

When it is probable that total costs will exceed total revenue, the foreseeable loss is immediately recognised in the income statement irrespective of whether contract work has commenced or not, or of the stage of completion of contract activity, or of the amounts of profits expected to arise on other unrelated contracts.

On the balance sheet, contracts in progress are reflected either as gross amounts due from or due to customers, where a gross amount due from customers is the surplus of (i) costs incurred plus profits recognised under the percentage of completion method over (ii) recognised foreseeable losses plus progress billings. A gross amount due to customers is the surplus of (ii) over (i).

2.18 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on either the first-in-first-out basis or the weighted average basis, depending on the nature of the inventories. Cost comprises the landed cost of goods purchased, and in the case of work-in-progress and finished goods, includes an appropriate proportion of factory overheads.



Net realisable value represents the estimated selling price in the ordinary course of business, less selling and distribution costs and all other estimated cost to completion.

2.19 Receivables

Receivables are initially recognised at their costs when the contractual right to receive cash or another financial asset from another entity is established. Subsequent to initial recognition, receivables are stated at cost less allowance for doubtful debts.

Known bad debts are written off and allowance is made for any receivables considered to be doubtful of collection.

2.20 Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if the carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the assets (or disposal group) are available for immediate sale in its present condition and the sale is highly probable subject only to terms that are usual and customary.

On initial classification as held for sale, non-current assets are measured at the lower of their carrying amount and fair value less costs to sell. Immediately before the initial classification of the assets as held for sale, the carrying amounts of the assets (all the assets and liabilities of the disposal group) are measured in accordance with applicable FRSs.

An impairment loss is recognised for any initial or subsequent write-down of the disposal group to fair value less costs to sell. Subsequent increase in fair value less costs to sell is recognised as a gain in the income statement to the extent of the cumulative impairment loss that has been recognised previously.

A component of the Group's business is classified as a discontinued operation when the operation has been disposed of or meets the criteria to be classified as held for sale, and such operation represents a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.



2.21 Share capital

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

Dividends to shareholders are recognised in equity in the period in which they are declared.

2.22 Payables

Payables are measured initially and subsequently at cost. Payables are recognised when there is a contractual obligation to deliver cash or another financial asset to another entity.

2.23 Income recognition

- 2.23.1 Revenue from sale of goods is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.
- 2.23.2 Revenue from engineering contracts and the sale of development properties is recognised on the percentage of completion method, where the outcome of the contract can be reliably estimated.

Revenue from engineering contracts represents the proportionate contract value on engineering contracts attributable to the percentage of contract work performed during the financial year.

Revenue from the sale of development properties represents the proportionate sales value of development properties sold attributable to the percentage of development work performed during the financial year.

- 2.23.3 Revenue from box office collections, filmlet income, sale of movie rights and film rental is recognised upon the exhibition of the movie or filmlet.
- 2.23.4 Dividend income is recognised when the right to receive payment is established.
- 2.23.5 Interest income is recognised on a time proportion basis.



- 2.23.6 Rental income is recognised on a straight-line basis over the specific tenure of the respective leases.
- 2.23.7 Net voyage income is recognised over the period of the voyage on a pro-rata basis.
- 2.24 Foreign currencies

2.24.1 Functional currency

Functional currency is the currency of the primary economic environment in which an entity operates.

The financial statements of each entity within the Group are measured using their respective functional currency.

2.24.2 Transactions and balances in foreign currencies

Transactions in currencies other than the functional currency ("foreign currencies") are recorded in the functional currency using the exchange rate ruling at the date of the transactions.

At each balance sheet date, monetary items denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Exchange differences arising on the settlement of monetary items and the translation of monetary items are included in the income statement for the period.

Exchange differences arising on monetary items that form part of the Group's net investment in a foreign operation are recognised in equity as exchange translation reserve irrespective of the currency in which the monetary items are denominated and of whether the monetary items result from a transaction with the Company or any of its subsidiaries.

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated using the exchange rates ruling at the date of the initial transaction.

Non-monetary items which are measured at fair values denominated in foreign currencies are translated at the foreign exchange rate ruling at the date when the fair value was determined.





When a gain or loss on a non-monetary item is recognised directly in equity, any corresponding exchange gain or loss is recognised directly in equity. When a gain or loss on a non-monetary item is recognised in the income statement, any corresponding exchange gain or loss is recognised in the income statement.

2.24.3 Translation of foreign operations

For consolidation purposes, all assets and liabilities of foreign operations that have a functional currency other than RM (including goodwill and fair value adjustments arising from the acquisition of the foreign operations) are translated at the exchange rates ruling at the balance sheet date, except for goodwill and fair value adjustments arising from business combinations before 1 January 2006 which are translated at exchange rates ruling at the date of acquisition.

Income and expense items are translated at exchange rates approximating those ruling on transaction dates.

All exchange differences arising from the translation of the financial statements of foreign operations are dealt with through the exchange translation reserve account within equity. On the disposal of a foreign operation, the cumulative exchange translation reserves relating to that foreign operation are recognised in the income statement as part of the gain or loss on disposal.

2.25 Impairment of assets

2.25.1 Goodwill

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cashgenerating units that are expected to benefit from synergies of the business combination.

An impairment loss is recognised in the income statement when the carrying amount of the cash-generating unit, including the goodwill, exceeds the recoverable amount of the cash-generating unit. Recoverable amount of the cash-generating unit is the higher of the cash-generating unit's fair value less cost to sell and its value in use.



The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the cash-generating unit and then to the other assets of the cash-generating unit proportionately on the basis of the carrying amount of each asset in the cash-generating unit.

Impairment loss recognised on goodwill is not reversed in the event of an increase in recoverable amount in subsequent periods.

2.25.2 Property, plant and equipment, investment properties, biological assets, land held for property development, prepaid lease payments, other intangible assets, and investments in subsidiaries, associates and jointly controlled entities

Property, plant and equipment, investment properties, biological assets, land held for property development, prepaid lease payments, other intangible assets, and investments in subsidiaries, associates and jointly controlled entities are assessed at each balance sheet date to determine whether there is any indication of impairment.

If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the assets. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or a cashgenerating unit exceeds its recoverable amount. Impairment losses are charged to the income statement.

Any reversal of an impairment loss as a result of a subsequent increase in recoverable amount should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

2.26 Employee benefits

2.26.1 Short term employee benefits

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.





2.26.2 Post-employment benefits

The Company and its Malaysian subsidiaries pay monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan.

The legal or constructive obligation of the Company and its Malaysian subsidiaries is limited to the amount that they agree to contribute to the EPF. The contributions to the EPF are charged to the income statement in the period to which they relate.

Some of the Company's foreign subsidiaries make contributions to their respective countries' statutory pension schemes which are recognised as an expense in the income statement as incurred.

2.26.3 Termination benefits

The Group recognises termination benefits payable as a liability and an expense when it is demonstrably committed to terminate the employment of current employees according to a detailed formal plan without a realistic possibility of withdrawal.

2.27 Borrowing costs

Borrowing costs incurred on assets under development that take a substantial period of time to complete are capitalised into the carrying value of the assets. Capitalisation of borrowing costs ceases when development is completed or during extended periods when active development is interrupted.

All other borrowing costs are charged to the income statement in the period which they are incurred. The interest component of hire purchase payments is charged to the income statement over the hire purchase period so as to give a constant periodic rate of interest on the remaining tenure of the hire purchase contract.

2.28 Taxation

The tax expense in the income statement represents the aggregate amount of current tax and deferred tax included in the determination of profit or loss for the financial year.

On the balance sheet, a deferred tax liability is recognised for taxable temporary differences while a deferred tax asset is recognised for deductible temporary differences and unutilised tax losses only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and tax losses can be utilised.



No deferred tax is recognised for temporary differences arising from the initial recognition of:

- (i) goodwill; or
- (ii) an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured based on tax consequences that would follow from the manner in which the asset or liability is expected to be recovered or settled, and based on tax rates enacted or substantively enacted by the balance sheet date that are expected to apply to the period when the asset is realised or when the liability is settled.

Current tax and deferred tax are charged or credited directly to equity if the tax relates to items that are credited or charged, whether in the same or a different period, directly to equity.

2.29 Cash equivalents

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and exclude fixed deposits pledged to secure banking facilities.

2.30 Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

2.30.1 Financial instruments recognised in the balance sheet

The Group's financial instruments which are recognised in the balance sheet comprise cash and cash equivalents, other investments, receivables and payables, borrowings, hire purchase liabilities and ordinary shares.

These financial instruments are recognised when a contractual relationship has been established. The accounting policies and methods adopted, including the basis of measurement applied are disclosed above, where relevant.



Information on the extent and nature of these recognised financial instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows is disclosed in the respective notes below, where applicable.

2.30.2 Financial instruments not recognised in the balance sheet

The Group's financial instruments which are not recognised in the balance sheet comprise derivatives (primarily foreign currency forward contracts) and unsecured guarantees given.

Derivatives are not recorded as an asset or a liability. The objective of entering into these derivatives is to protect the Group against unfavourable exchange rate movements. Gains or losses from changes in the fair value of forward contracts offset the corresponding losses or gains on the receivables and payables covered by the forward contracts.

The Group has provided unsecured guarantees in respect of banking facilities which represent present obligations existing at the balance sheet date but these are not recognised in the financial statements at inception as it is not probable that an outflow of economic benefit will be required to settle these obligations.

2.31 Segment reporting

Segment revenue, expenses, assets and liabilities are those amounts resulting from operating activities of a segment that are directly attributable to the segment and a relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment.

2.32 Disclosure of fair value

2.32.1 Cash and cash equivalents, trade and other receivables, trade and other payables, short term investments and short term borrowings

The carrying amounts of these financial instruments approximate fair values because of their short maturities.



2.32.2 Long term investments

The fair value of quoted investments is estimated based on quoted market prices.

For unquoted investments, a reasonable estimate of fair value is not practical due to the lack of comparable quoted market prices and available observable market data for valuation. Therefore, such investments are valued at cost subject to review for diminution in value.

2.32.3 Long term borrowings and debts

The carrying amounts of the Group's long term floating-rate borrowings approximate fair value.

The fair value of the Group's long term fixed-rate borrowings and debts is estimated using discounted cash flow analyses, based on current market interest rates available to the Group for similar types of lending and borrowing arrangements.

2.32.4 Foreign currency contracts and commodity futures contracts

The fair value of foreign currency contracts and commodity futures contracts is estimated based on quotes obtained from brokers.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities are exposed to a variety of financial risks, including foreign currency exchange risk, interest rate risk, market risk, credit risk, liquidity and cash flow risk. The Group's overall financial risk management objective is to minimise potential adverse effects on the financial performance of the Group.

Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to financial risk management policies.

The Group enters into derivative instruments, principally foreign currency forward contracts, to hedge its exposure to financial risks. The Group does not trade in derivative instruments.

The Group's management reviews and agrees on policies for managing each of the financial risks and they are summarised below.



3.1 Foreign currency exchange risk

The Group is exposed to currency risk as a result of foreign currency transactions entered into in currencies other than its functional currencies. The Group enters into forward foreign currency contracts to limit its exposure on foreign currency receivables and payables, and on cash flows from anticipated transactions denominated in foreign currencies.

The Group's operations in Indonesia are funded with United States Dollar ("USD") bank loans and as such, are exposed to currency risk. The Group constantly monitors the exchange rate movements and whenever feasible, will utilise derivative instruments to hedge revenue and expenditure in Indonesian Rupiah ("IDR") against scheduled USD loan drawdowns and repayments.

3.2 Interest rate risk

The Group is exposed to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Exposure to changes in interest rate risk relates primarily to the Group's bank borrowings and deposits placed with licensed banks and financial institutions.

3.2.1 Financial Assets

By placing its deposits on short tenures and at prevailing market interest rates, the Group is able to reduce its exposure to interest rate fluctuations.

3.2.2 Financial Liabilities

The Group minimises its interest rate risk on bank borrowings by borrowing mainly on floating rates which vary according to changes in market interest rates.

3.3 Market risk

The Group's exposure to market risk arises mainly from fluctuation in the prices of key raw materials. The Group manages this risk by using cost plus contracts and fixed margin contracts, where relevant, to hedge its exposure.



The Group is also exposed to market risk arising from changes in value caused by movements in market price of its equity investments. The risk of loss is minimised via thorough analyses before investing and continuous monitoring of the performance of the investments. The Group optimises returns by disposing of investments after thorough analyses.

3.4 Credit risk

Credit risk arises from the possibility that a counter party may be unable to meet the terms of a contract in which the Group has a gain position.

The Group's management has a credit policy in place to ensure that transactions are conducted with creditworthy counter parties.

The Group's credit risk is primarily attributable to trade receivables arising from the sale of goods.

Exposure to credit risk arising from sales made on deferred credit terms is managed through the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. If necessary, the Group may obtain collaterals from counter parties as a means of mitigating losses in the event of default.

The Group seeks to invest its surplus cash safely by depositing it with licensed financial institutions.

3.5 Liquidity and cash flow risk

The Group seeks to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, the policy seeks to ensure that each business unit, through efficient working capital management (ie. inventory, accounts receivable and accounts payable management), must be able to convert its current assets into cash to meet all demands for payment as and when they fall due.

Owing to the nature of its businesses, the Group also seeks to maintain sufficient credit lines available to meet its liquidity requirements while ensuring an effective working capital management within the Group.







4. REVENUE

	Group		Comp	oany
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Sales of agricultural produce, food-based				
products and other goods	2,959,678	2,617,495	18,799	18,800
Contract revenue	229,845	103,855	-	-
Sale of development properties	33,188	59,971	-	-
Collection from cinema operations	177,533	150,329	-	-
Rental from leasing of investment properties	29,629	26,862	-	-
Waste management and other services				
rendered	32,151	30,930	-	-
	3,462,024	2,989,442	18,799	18,800

Included in the rental from leasing of investment properties is contingent rent amounting to RM29,000 (2007: RM121,000).

5. COST OF SALES

	Group		Comp	oany
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Cost of goods sold	2,391,104	2,155,310	22,688	21,720
Contract cost recognised as expense	213,678	92,128	-	-
Cost of development properties sold	23,759	44,262	-	-
Cost of cinema operations	150,882	123,951	-	-
Cost of leasing of investment properties	16,024	15,961	-	-
Cost of waste management and other				
services rendered	24,767	22,460	-	-
	2,820,214	2,454,072	22,688	21,720

6. PROFIT/(LOSS) FROM OPERATIONS

	Group		Comp	oany
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) from operations is stated				
after charging:				
Amortisation				
- prepaid lease payments	2,399	2,492	409	409
- other intangible assets				
- included in cost of sales	4,861	7,173	-	-
- included in administrative and general				
expenses	1,128	948	-	-



6. PROFIT/(LOSS) FROM OPERATIONS (continued)

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration				
- current year	923	805	63	60
- underprovision in prior year	39	83	3	9
Bad and doubtful debts	3,516	2,288	-	-
Depreciation				
- property, plant and equipment	66,970	65,433	1,371	1,264
- investment properties	4,001	20,150	28	29
- biological assets	163	144	-	-
Direct operating expenses on				
- revenue generating investment				
properties	16,742	16,422	69	70
- non-revenue generating				
investment properties	209	372	3	3
Directors' remuneration				
- Company's directors:				
- fees	308	328	308	325
- other emoluments	9,500	14,483	5,771	8,418
- Subsidiaries' directors:				
- fees				
~ current year	384	417	-	-
~ overprovision in prior year	(10)	-	-	-
- other emoluments	18,476	16,019	-	-
Foreign exchange loss				
- realised	10,765	15,360	2	1
- unrealised	9,435	1,636	379	-
Inventories written off	591	528	-	-
Inventories written down	44,741	-	-	-
Impairment of property, plant and				
equipment	-	7,839	-	-
Loss on disposal of property, plant and				
equipment	40	112	-	-
Operating leases				
- minimum lease payments for land and				
buildings	21,798	18,031	465	465
- minimum lease payments for equipment	739	1,350	-	-
- contingent rent	2,744	2,355	-	-
Property, plant and equipment				
written off	1,364	2,786	3	3





6. PROFIT/(LOSS) FROM OPERATIONS (continued)

	Group		Company	
	2008	2008 2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
and crediting:				
Allowance for doubtful debts no longer				
required	700	1,047	-	-
Bad debt recovered	3	-	-	-
Foreign exchange gain				
- realised	6,845	2,050	60	-
- unrealised	1,446	3,718	-	-
Profit on disposal of property, plant				
and equipment	1,882	890	113	1

Directors' remuneration does not include the estimated monetary value of benefits-in-kind as follows:

	Group		Company		
	2008	2008	2008 2007	2008	2007
	RM'000	RM'000	RM'000	RM'000	
Company's directors	69	83	2	17	
Subsidiaries' directors	568	312	<u> </u>	-	

7. NET PROFIT FROM INVESTING ACTIVITIES

	Group		Comp	oany
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Gross dividends from subsidiaries				
- quoted in Malaysia	-	-	-	24,265
- unquoted	-	-	896,955	552,234
Gross dividends from associates				
- quoted outside Malaysia	-	-	73,008	-
- unquoted	-	-	10,700	5,720
Gross dividends from other investments				
- quoted in Malaysia	56,952	45,792	24,083	21
- quoted outside Malaysia	8,050	7,536	3,094	2,802
- unquoted	-	4	-	-
Interest income	16,292	26,255	6,300	5,852
Rental income from investment properties	3,993	3,098	620	591
Profit/(Loss) on disposal of				
- subsidiaries	-	9,541	-	9,449
- an associate	372	-	-	-



7. NET PROFIT FROM INVESTING ACTIVITIES (continued)

	Company	
2008 RM'000	2007 RM'000	
) -	19,433	
7 -	-	
9) -	-	
7) -	-	
- <u>-</u>	4,950	
	-	
- -	-	
- -	(25)	
3) (141,510)	(9,625)	
1 -	-	
O) -	(270)	
(5,911)	(53,069)	
4 -	-	
- .	-	
867,339	562,328	
7	2008 RM'0000	

8. FINANCE COSTS

	Gro	oup	Com	pany
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Interest paid and payable on:				
Banker's acceptance	5,044	-	-	-
Revolving credits	1,416	766	-	-
Advances from subsidiaries	-	-	5,773	3,739
Bank term loans	1,938	3,457	-	-
Bank overdrafts	17	93	-	-
Hire purchase	32	25	-	-
Others	95	102	-	-
	8,542	4,443	5,773	3,739





9. INCOME TAX EXPENSE

Continuing operations Malaysian taxation based on results for the year Current Deferred	2008 RM'000 105,017	2007 RM'000	2008 RM'000	2007 RM'000
Malaysian taxation based on results for the year Current	105 017			
Current	105 017			
	105 017			
Deferred	105,017	67,933	135,001	125,784
_	4,492	8,788	364	(713)
	109,509	76,721	135,365	125,071
Foreign taxation				
Current	1,488	10	-	-
Deferred	(2,117)	(1,481)	-	-
	108,880	75,250	135,365	125,071
(Over)/Underprovision in prior year				
Malaysian taxation				
Current	(706)	(483)	65	(163)
Deferred	(956)	844	1,550	(4)
<u> </u>	107,218	75,611	136,980	124,904
<u>Discontinued operations</u>				
Malaysian taxation based on results for the year				
Current	-	21,725	-	-
Deferred	-	7,206	-	
	-	28,931	-	-
Foreign taxation				
Current	-	2,562	-	-
Deferred	-	(94)	-	-
_	-	31,399	-	-
Underprovision in prior year				
Malaysian taxation				
Current	-	5		<u> </u>
_	-	31,404	-	-
Total income tax expense	107,218	107,015	136,980	124,904

The statutory tax rate applicable to the Company was reduced from 27% in 2007 to 26% in 2008.



9. INCOME TAX EXPENSE (continued)

The provision for taxation differs from the amount of taxation determined by applying the applicable statutory tax rate to the profit before tax due to the following:

	Gro	up	Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Accounting profit from:				
- continuing operations	461,125	334,389	840,944	537,044
- discontinued operations	-	6,467,066	-	3,333,542
	461,125	6,801,455	840,944	3,870,586
Taxation at applicable tax rate	118,375	1,835,126	218,645	1,045,058
Tax effect arising from:				
Non-taxable income				
- exempt dividend	(13,562)	(14,213)	(126,639)	(28,002)
- under Section 54A of Income Tax Act				
1967	(10,248)	(5,358)	-	-
- surplus from redemption of preference				
shares of an associate	-	(779)	-	-
- profit on disposal of				
- subsidiaries	-	(1,225,161)	-	(902,607)
- associates	(97)	(490,849)	-	-
 land and buildings 	(1,345)	(64)	-	-
- other investments	(21)	(5,681)	-	(5,247)
- diminution in value of other investments				
written back	(187)	(95)	-	-
- capital distribution of a subsidiary	-	-	-	(1,337)
- others	(1,540)	(3,039)	(29)	-
Expenses eligible for double deduction	(491)	(1,955)	-	-
Non-deductible expenses				
- impairment of property, plant and				
equipment	-	2,116	-	-
- impairment of an investment property	-	73	-	73
- impairment of an associate	1,153	-	-	-
- diminution in value of other investments	5,838	25	36,793	2,599
- loss on disposal of investment properties	-	143	-	-
- allowance for doubtful debts in associates	1,586	14,698	1,537	14,329
- others	6,335	17,127	243	376





9. INCOME TAX EXPENSE (continued)

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Utilisation of reinvestment allowance Addition to deferred tax assets not	(3,190)	(14,467)	-	-
recognised	5,979	1,730	4,629	-
Unavailable group relief	-	45	-	-
Effect on reduction in future tax rate	295	(2,773)	186	(171)
(Over)/Underprovision in prior year	(1,662)	366	1,615	(167)
	107,218	107,015	136,980	124,904

The Company has elected for the single tier income tax system; accordingly the entire retained earnings of the Company are available for distribution by way of dividends without incurring additional tax liability.

10. DISCONTINUED OPERATIONS

In 2007, PPB Group disposed of two of its subsidiaries, PPB Oil Palms Berhad ("PPBOP") and PGEO Group Sdn Bhd ("PGEO") and their respective subsidiaries to Wilmar International Limited ("Wilmar") in a corporate exercise for a consideration of 569,489,427 and 287,122,772 ordinary shares in Wilmar ("Wilmar shares") respectively. PPBOP and PGEO are engaged in oil palm plantations, edible oils refining and trading and packaging; their financial information is disclosed in the relevant business segments in PPB's consolidated financial statements.

In the same corporate exercise, PPB Group also disposed of all its shares in an associate, Kuok Oils & Grains Pte Ltd ("KOG") to Wilmar for a consideration of 305,635,556 Wilmar shares. KOG is engaged in commodity trading and edible oils refining and trading.

The completion of this corporate exercise has allowed the businesses of PPBOP, PGEO and KOG to be merged with Wilmar's oil palm plantations and edible oils businesses to become one of the largest edible oils producers and traders in the world.

With the completion of the above PPBOP, PGEO and KOG disposals, the Group realised a gain of RM6.3 billion in 2007

The results of PPBOP, PGEO and KOG are disclosed under discontinued operations in the financial year ended 31 December 2007.



10. DISCONTINUED OPERATIONS (continued)

(a) The results of the discontinued operations are as follows:

	Gre	oup	Company		
	2008	2007	2008	2007	
	RM'000	RM'000	RM'000	RM'000	
Revenue	-	3,164,988	-	-	
Cost of sales	-	(2,982,182)	-	-	
Gross profit	-	182,806	-	-	
Other operating income	-	30,495	-	-	
Distribution costs	-	(35,685)	-	-	
Administrative and general expenses	-	(27,349)	-	-	
Other operating expenses	-	(20,305)	-	-	
Profit from operations	-	129,962	-	-	
Net profit from investing activities	-	604	-	-	
Share of net profits less losses of					
associates	-	78,525	-	-	
Finance costs	-	(9,550)	-	-	
Profit before tax	-	199,541	-	-	
Income tax expense	-	(31,404)	-	-	
Profit after tax from discontinued operations but before profit from					
disposal of discontinued operations	-	168,137	-	-	
Profit from disposal of discontinued					
operations	-	6,346,050	-	3,333,542	
Profit for the year from discontinued					
operations	-	6,514,187	-	3,333,542	

(b) Profit before tax

	Gro	oup
	2008	2007
	RM'000	RM'000
Profit before tax is stated after charging:		
Amortisation of prepaid lease payments	-	1,710
Auditors' remuneration		
- current year	-	300
- underprovision in prior year	-	6
Bad and doubtful debts	-	1
Depreciation		
- property, plant and equipment	-	21,928
- biological assets	-	4,738
Directors' remuneration		
- Company's directors fees	-	28





10. DISCONTINUED OPERATIONS (continued)

	Gro	oup
	2008	2007
	RM'000	RM'000
- Subsidiaries' directors:		
- fees		
~ current year	-	110
~ overprovision in prior year	-	(20)
- other emoluments	-	811
Unrealised foreign exchange loss	-	11,968
Finance costs		
- Bankers' acceptance and export credit refinancing	-	5,461
- Revolving credits	-	1,273
- Bank term loan	-	2,816
Property, plant and equipment written off	-	801
Minimum lease payments for land and buildings		333
and crediting:		
Foreign exchange gain		
- realised	-	15,314
- unrealised	-	13,073
Interest income	-	604
Profit on disposal of property, plant and equipment	<u> </u>	85
(c) Cash flows from discontinued operations		
	Gro	oup
	2008	2007
	RM'000	RM'000
Cash flows from operating activities	-	(44,083)
Cash flows from investing activities	-	(146,991)
Cash flows from financing activities	-	317,591
Net cash generated from discontinued operations		126,517

(d) The analysis of the disposals of PPBOP, PGEO and KOG in 2007 is as follows:

	Group		
	2008		
	RM'000	RM'000	
Property, plant and equipment	-	625,989	
Biological assets (non-current assets)	-	933,252	
Prepaid lease payments	-	432,400	
Goodwill	-	28,285	
Investments in associates	-	445,028	



10. DISCONTINUED OPERATIONS (continued)

	Group		
	2008	2007	
	RM'000	RM'000	
Inventories	_	654,632	
Biological assets (current assets)	-	22,972	
Receivables	-	823,120	
Cash and cash equivalents	-	76,366	
Bank borrowings	-	(985,317)	
Payables	-	(739,536)	
Minority interests	-	(673,304)	
Share of net assets disposed of	-	1,643,887	
Realisation of exchange fluctuation reserves	-	(2,387)	
Incidental expenses incurred	-	1,399	
Share of net assets disposed of and expenses incurred		1,642,899	
Profit from disposal of subsidiaries and associate	-	6,346,050	
Total sale consideration		7,988,949	
Less: consideration other than cash	-	(7,988,949)	
Less: cash and cash equivalent disposed of	-	(76,366)	
Net cash outflow during the year	-	(76,366)	

11. BASIC EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The basic earnings per share is calculated by dividing the Group's profit for the year attributable to shareholders of the Company by the number of ordinary shares in issue during the year.

	Group
200	08 2007
RM'C	000 RM'000
Profit from continuing operations attributable to	
shareholders of the Company 1,286	6,509 497,277
Profit from discontinued operations attributable to	
shareholders of the Company	- 6,475,688
Profit attributable to shareholders of the Company 1,286	6,509 6,972,965
Number of ordinary shares in issue ('000)	5,500 1,185,500
Basic earnings per share attributable to	
shareholders of the Company (sen)	
- Profit from continuing operations	108.5 42.0
- Profit from discontinued operations	- 546.2
1	108.5 588.2





12. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings RM'000	Long leasehold buildings RM'000	Short leasehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles and vessel RM'000	Furniture, fittings, office and other equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Group								
Cost/Valuation								
At 1.1.2008								
- cost	199,481	168,837	212,278	667,450	116,906	80,154	54,502	1,499,608
- valuation	87	-	15,960	15,863	-	-	-	31,910
•	199,568	168,837	228,238	683,313	116,906	80,154	54,502	1,531,518
Fair value adjustments*	145	-	-	-	-	-	-	145
Additions	143	3,811	11,062	12,342	3,778	8,818	185,763	225,717
Disposals - cost	-	-	(6,099)	(39,488)	(4,971)	(1,018)	-	(51,576)
Exchange differences - cost	-	-	141	1,066	2,903	36	(6,540)	(2,394)
Write-offs - cost	(97)	(26)	(2,591)	(4,471)	(292)	(2,320)	-	(9,797)
Reclassifications - cost	3,829	3,214	-	10,298	799	1,490	(19,630)	-
At 31.12.2008	203,588	175,836	230,751	663,060	119,123	87,160	214,095	1,693,613
,								
- cost	203,501	175,836	214,791	647,197	119,123	87,160	214,095	1,661,703
- valuation	87	-	15,960	15,863	-	-	-	31,910
	203,588	175,836	230,751	663,060	119,123	87,160	214,095	1,693,613
Accumulated depreciation At 1.1.2008 - cost	44,730	32,422	93,913	402,685	54,291	51,447	-	679,488
- valuation	87	-	15,960	15,863	-	-	-	31,910
•	44,817	32,422	109,873	418,548	54,291	51,447	-	711,398
Charge for the year - cost	4,463	4,994	12,226	31,420	6,813	7,054	-	66,970
Disposals - cost	-	-	(2,939)	(29,437)	(4,355)	(796)	-	(37,527)
Exchange differences - $cost$	-	-	67	790	928	20	-	1,805
Write-offs - cost	(92)	(26)	(1,598)	(4,282)	(271)	(2,164)	-	(8,433)
At 31.12.2008	49,188	37,390	117,629	417,039	57,406	55,561	-	734,213
- cost	49,101	37,390	101,669	401,176	57,406	55,561	-	702,303
- valuation	87	-	15,960	15,863	· -	, -	-	31,910
	49,188	37,390	117,629	417,039	57,406	55,561	-	734,213
Accumulated impairment lo	osses							
- cost	476	-	523	7,643	80	546	-	9,268
- valuation	-	-	-	-	-	-	-	-
•	476	-	523	7,643	80	546	-	9,268
Disposals - cost	-	-	-	(7,720)	(81)	(117)	-	(7,918)
Exchange differences - $cost$	-	-	-	78	1	1	-	80
At 31.12.2008	476	-	523	1	-	430	-	1,430
- cost	476	-	523	1	-	430	-	1,430
- cost - valuation	476 -	-	523 -	1 -	-	430	-	1,430 -



12. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Freehold land and buildings RM'000	Long leasehold buildings RM'000	Short leasehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles and vessel RM'000	Furniture, fittings, office and other equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Net book value								
at 31.12.2008	153,924	138,446	112,599	246,020	61,717	31,169	214,095	957,970
- cost - valuation	153,924	138,446	112,599	246,020	61,717 -	31,169	214,095	957,970
	153,924	138,446	112,599	246,020	61,717	31,169	214,095	957,970
Cost/Valuation At 1.1.2007								
- cost	197,202	236,292	299,527	1,494,335	142,571	109,253	118,455	2,597,635
- valuation	87 197,289	18,484 254,776	39,502 339,029	31,309 1,525,644	142,571	109,253	118,455	89,382 2,687,017
Fair value adjustments*	1,155	234,770	337,027	1,323,044	142,371	107,233	110,433	1,155
Additions	572	13,333	39,506	36,672	5,127	10,935	106,035	212,180
Disposals - cost	(16)	-	(1,009)	(5,282)	(2,799)	· ·	-	(9,652)
Disposals via disposal of subsidiaries	` ,		, , ,	, , ,		, ,		, , ,
- cost	-	(100,051)	(128,735)	(886,048)	(24,358)	(38,795)	(41,486)	(1,219,473)
- valuation	-	(18,484)	(23,542)	(15,446)	-	-	-	(57,472)
Exchange differences - cost	-	-	(3,939)	(12,104)	(3,963)	(935)	(953)	(21,894)
Transfer to non-current asse	ts							
held for sale - cost	(470)	-	-	-	-	-	-	(470)
Transfer to investment properties - cost	-	-	(7,502)	-	-	-	(18,731)	(26,233)
Transfer to biological								
assets - cost	(412)	- (54)	- (40)	(20.250)	(504)	- (2.472)	- (4 027)	(412)
Write-offs - cost Reclassifications - cost	1 450	(56)	(18)	(29,359)	(586) 914	` , ,	(1,037)	(33,228)
At 31.12.2007	1,450 199,568	19,319 168,837	14,448 228,238	69,236 683,313	116,906	2,414 80,154	(107,781) 54,502	1,531,518
	<u> </u>	<u> </u>	<u> </u>	<u> </u>		·		<u> </u>
- cost	199,481	168,837	212,278	667,450	116,906	80,154	54,502	1,499,608
- valuation	87	-	15,960	15,863	-	-	-	31,910
	199,568	168,837	228,238	683,313	116,906	80,154	54,502	1,531,518

^{*} Fair value adjustments made following the acquisition of additional equity interest in an existing subsidiary.





12. PROPERTY, PLANT AND EQUIPMENT (continued)

,	Freehold land and buildings RM'000	Long leasehold buildings RM'000	Short leasehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles and vessel RM'000	Furniture, fittings, office and other equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Group								
Accumulated depreciation								
At 1.1.2007								
- cost	40,500	52,388	118,867	901,879	64,860	71,524	-	1,250,018
- valuation	87	9,466	26,457	30,278	-	-	-	66,288
	40,587	61,854	145,324	932,157	64,860	71,524	-	1,316,306
Charge for the year								
- cost	4,279	5,875	12,038	54,029	7,869	7,250	-	91,340
- valuation	-	172	82	-	-	-	-	254
Disposals - cost	(3)	-	(1,009)	(4,688)	(2,537)	(431)	-	(8,668)
Disposals via disposal of subsidiaries								
- cost	-	(25,811)	(32,981)	(516,161)	(14,260)	(24,611)	-	(613,824)
- valuation	-	(9,638)	(10,579)	(14,415)	-	-	-	(34,632)
Exchange differences - cost	-	-	(811)	(5,302)	(1,102)	(286)	-	(7,501)
Transfer to investment								
properties - cost	-	-	(2,190)	-	-	-	-	(2,190)
Transfer to biological								
assets - cost	(46)	-	-	-	-	-	-	(46)
Write-offs - cost	-	(30)	(1)	(27,026)	(539)	(2,045)	-	(29,641)
Reclassifications - cost	-	-	-	(46)	-	46	-	-
At 31.12.2007	44,817	32,422	109,873	418,548	54,291	51,447	-	711,398
- cost	44,730	32,422	93,913	402,685	54,291	51,447	-	679,488
- valuation	87	-	15,960	15,863	-	-	-	31,910
	44,817	32,422	109,873	418,548	54,291	51,447	-	711,398
Accumulated impairment lo				4.504				2.000
- cost	476	-	1,448	1,504	-	501	-	3,929
- valuation	476	=	1 110	1 504	-	501	-	2 020
Charge for the year - cost	4/0	-	1,448	1,504	- 90		-	3,929
Disposal via disposal of	-	-	-	7,643	80	116	-	7,839
subsidiaries - cost		-	(925)	(1,504)		(71)	-	(2,500)
At 31.12.2007	476	-	523	7,643	80	546	-	9,268
- cost - valuation	476 -	-	523 -	7,643	80	546 -	-	9,268
	476	-	523	7,643	80	546	-	9,268
Net book value								
at 31.12.2007	154,275	136,415	117,842	257,122	62,535	28,161	54,502	810,852
- cost - valuation	154,275 -	136,415	117,842 -	257,122	62,535	28,161	54,502 -	810,852
	154,275	136,415	117,842	257,122	62,535	28,161	54,502	810,852



12. PROPERTY, PLANT AND EQUIPMENT (continued)

			Plant,		Furniture,	
		Long	machinery		fittings, office	
	Freehold	leasehold	and	Motor	and other	
	land	buildings	equipment	vehicles	equipment	Total
Company	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost						
At 1.1.2008	42	15,216	16,490	4,545	2,649	38,942
Additions	-	84	114	-	110	308
Disposals	-	-	-	(681)	(39)	(720)
Write-offs	-	(26)	(647)	-	(35)	(708)
At 31.12.2008	42	15,274	15,957	3,864	2,685	37,822
Accumulated depreciation						
At 1.1.2008	-	13,514	13,714	3,786	2,295	33,309
Charge for the year	-	330	756	113	172	1,371
Disposals	-	-	-	(532)	(38)	(570)
Write-offs	-	(26)	(647)	-	(32)	(705)
At 31.12.2008	-	13,818	13,823	3,367	2,397	33,405
Net book value at 31.12.2008	42	1,456	2,134	497	288	4,417
Cost						
At 1.1.2007	42	15,223	15,076	4,603	2,611	37,555
Additions	-	21	1,679	34	85	1,819
Disposals	-	-	-	(16)	(1)	(17)
Write-offs	-	(28)	(265)	(76)	(46)	(415)
At 31.12.2007	42	15,216	16,490	4,545	2,649	38,942
Accumulated depreciation						
At 1.1.2007	-	13,167	13,508	3,711	2,088	32,474
Charge for the year	-	375	468	167	254	1,264
Disposals	-	-	-	(16)	(1)	(17)
Write-offs	-	(28)	(262)	(76)	(46)	(412)
At 31.12.2007	-	13,514	13,714	3,786	2,295	33,309
Net book value at 31.12.2007	42	1,702	2,776	759	354	5,633

Included in the Group's additions to property, plant and equipment during the financial year is capitalised interest expense amounting to RM1.333 million (2007: RM160,000).

Included in the Group's property, plant and equipment are motor vehicles acquired under unexpired hire purchase arrangements with net book value amounting to RM482,000 (2007: RM827,000).

Title deeds to certain of the Group's freehold land and buildings with net book value of RM3.356 million (2007: RM3.459 million) have yet to be issued by the relevant authorities.

Capital work-in-progress of the Group with net book value of RM80.113 million (2007: RM7.995 million) has been charged to secure the long term bank loan referred to in note 37 below.

The property, plant and equipment stated at valuation were revalued by the directors based on independent professional valuations carried out in 1974, 1982 and 1995 on the open market value basis. These valuations were for special purposes. It has never been the Group's policy to carry out regular revaluations of its property, plant and equipment. The Group has availed itself of the transitional provisions when the MASB first adopted *IAS 16 Property*, *Plant and Equipment* in 1998 and accordingly, the carrying amounts of the revalued property, plant and equipment have been retained on the basis of these valuations as though they had never been revalued.





13. INVESTMENT PROPERTIES

	Grou	лb	Company		
	2008 2007		2008	2007	
	RM'000	RM'000	RM'000	RM'000	
Cost/Valuation					
At 1 January					
- cost	242,198	294,278	6,983	6,983	
- valuation	6,410	6,410	-	-	
	248,608	300,688	6,983	6,983	
Fair value adjustment*	7,667	12,425	-	-	
Additions	1,333	1,088	-	-	
Disposals - cost	(18,255)	(5,510)	-	-	
Disposals via disposal of a					
subsidiary - <i>cost</i>	-	(72,469)	-	-	
Write-offs - cost	(1,125)	-	-	-	
Transfer from property, plant and					
equipment - <i>cost</i>	-	26,233	-	-	
Transfer to assets held for sale - cost	-	(13,847)	-	-	
At 31 December	238,228	248,608	6,983	6,983	
- cost	231,818	242,198	6,983	6,983	
- valuation	6,410	6,410	· -	-	
	238,228	248,608	6,983	6,983	
Accumulated depreciation					
At 1 January					
- cost	78,292	61,479	366	337	
- valuation	102	102	-	-	
	78,394	61,581	366	337	
Charge for the year - cost	4,001	20,150	28	29	
Disposals - cost	(18,134)	(689)	-	-	
Write-offs - cost	(848)	-	-	-	
Transfer from property, plant and					
equipment - cost	-	2,190	-	-	
Transfer to assets held for sale - cost	-	(4,838)	-	-	
At 31 December	63,413	78,394	394	366	
- cost	63,311	78,292	394	366	
- valuation	102	102	-	-	
	63,413	78,394	394	366	



13. INVESTMENT PROPERTIES (continued)

	Gro	up	Company		
	2008	2007	2008	2007	
	RM'000	RM'000	RM'000	RM'000	
Accumulated impairment losses					
At 1 January					
- cost	6,379	33,678	3,664	3,394	
- valuation	-	-	-	-	
	6,379	33,678	3,664	3,394	
Charge for the year - cost	-	270	-	270	
Disposals - cost	-	(1,943)	-	-	
Disposals via disposal of a					
subsidiary - <i>cost</i>	-	(25,626)	-	-	
At 31 December	6,379	6,379	3,664	3,664	
- cost	6,379	6,379	3,664	3,664	
- valuation	-	-	-	-	
	6,379	6,379	3,664	3,664	
Net book value at 31 December	168,436	163,835	2,925	2,953	
- cost	162,128	157,527	2,925	2,953	
- valuation	6,308	6,308	-	-	
	168,436	163,835	2,925	2,953	
Fair value at 31 December	368,358	373,649	4,577	4,577	

^{*} Fair value adjustment made following the acquisition of additional equity interest in an existing subsidiary.

Title deeds to certain investment properties of the Group with net book value of RM8.990 million (2007: RM9.310 million) have yet to be issued by the relevant authorities.

The investment properties stated at valuation previously included in property, plant and equipment were revalued by the directors based on independent professional valuations carried out in 1974 and 1981 on the open market value basis. These valuations were for special purposes. It has never been the Group's policy to carry out regular revaluations of its property, plant and equipment. The Group has availed itself of the transitional provisions when the MASB first adopted IAS 16 Property, Plant and Equipment in 1998, and accordingly, the carrying amounts of these revalued investment properties have been retained on the basis of these valuations as though they had never been revalued.

The fair values of these investment properties as at financial year end were arrived at by reference to market evidence of transaction prices for similar properties and was performed by a registered independent valuer having an appropriate recognised professional qualification and recent experience in the locations and categories of the properties being valued.





14. BIOLOGICAL ASSETS

Plantation Development Expenditure	Group		Company	
(included under non-current assets)	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Cost/Valuation				
At 1 January				
- cost	3,675	703,681	-	-
- valuation	-	330,089	-	-
	3,675	1,033,770	-	-
Additions	425	33,305	-	-
Disposals via disposal of a subsidiary				
- cost	-	(718,970)	-	-
- valuation	-	(330,089)	-	-
Transfer from property, plant and				
equipment - cost	-	412	-	-
Exchange differences - cost		(14,753)	-	
At 31 December	4,100	3,675	-	
- cost	4,100	3,675	-	-
- valuation	-	-	-	-
	4,100	3,675	-	-
Accumulated depreciation				
At 1 January				
- cost	994	77,595	-	-
- valuation	-	35,137	-	-
	994	112,732	-	-
Charge for the year - cost	163	3,845	-	-
- valuation	-	1,037	-	-
Disposals via disposal of a subsidiary				
- cost	-	(79,633)	-	-
- valuation	-	(36,174)	-	-
Transfer from property, plant and				
equipment - cost	-	46	-	-
Exchange differences - cost	-	(859)	-	-
At 31 December	1,157	994		-
- cost	1,157	994	-	-
- valuation	-	-	-	-
	1,157	994	-	-



14. BIOLOGICAL ASSETS (continued)

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Net book value at 31 December	2,943	2,681		
- cost	2,943	2,681	-	-
- valuation				
	2,943	2,681		

Included in additions to plantation development expenditure during the financial year were the following capitalised expenses:

	Gre	Group		Company	
	2008	2007	2008	2007	
	RM'000	RM'000	RM'000	RM'000	
Interest expense	-	531	-	-	
Depreciation		4,233			

The biological assets stated at valuation previously included in property, plant and equipment were revalued by the directors based on independent professional valuations carried out in 1995 on the open market value basis. These valuations were for special purposes. It has never been the Group's policy to carry out regular revaluations of its property, plant and equipment. The Group has availed itself of the transitional provisions when the MASB first adopted IAS 16 Property, Plant and Equipment in 1998, and accordingly, the carrying amounts of these revalued biological assets have been retained on the basis of these valuations as though they had never been revalued.

BIOLOGICAL ASSETS	Group		Company	
(included under current assets)	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
At cost				
Livestock	15,351	12,209	-	-
Unharvested cane crop	12,053	9,130	12,052	9,130
	27,404	21,339	12,052	9,130







15. LAND HELD FOR PROPERTY DEVELOPMENT

Freehold land	Leasehold land	Development expenditure	Total
RM'000	RM'000	RM'000	RM'000
571	263	2,859	3,693
-	-	2,766	2,766
571	263	5,625	6,459
-	263	174	437
571	-	2,685	3,256
571	263	2,859	3,693
	land RM'000 571 - 571	land RM'000 RM'000 571 263	land RM'000 land RM'000 expenditure RM'000 571 263 2,859 - - 2,766 571 263 5,625 - 263 174 571 - 2,685

16. PREPAID LEASE PAYMENTS

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Cost/Valuation				
At 1 January				
- cost	141,507	472,831	14,400	14,400
- valuation	20,837	170,525	21,236	21,236
	162,344	643,356	35,636	35,636
Additions	4,840	6,339	-	-
Disposals - cost	(2,946)	-	-	-
Disposals via disposal of subsidiaries				
- cost	-	(332,110)	-	-
- valuation	-	(148,271)	-	-
Write-offs - valuation	-	(1,417)	-	-
Exchange differences - cost	(305)	(5,553)	-	-
At 31 December	163,933	162,344	35,636	35,636
- cost	143,096	141,507	14,400	14,400
- valuation	20,837	20,837	21,236	21,236
	163,933	162,344	35,636	35,636



16. PREPAID LEASE PAYMENTS (continued)

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Accumulated amortisation				
At 1 January				
- cost	22,994	45,350	1,971	1,817
- valuation	7,357	30,266	7,004	6,749
	30,351	75,616	8,975	8,566
Charge for the year - cost	2,068	3,871	154	154
- valuation	331	331	255	255
Disposals - cost	(1,467)	-	-	-
Disposals via disposal of subsidiaries				
- cost	-	(26,158)	-	-
- valuation	-	(21,823)	-	-
Write-offs - valuation	-	(1, 4 17)	-	-
Exchange differences - cost		(69)		
At 31 December	31,283	30,351	9,384	8,975
- cost	23,595	22,994	2,125	1,971
- valuation	7,688	7,357	7,259	7,004
	31,283	30,351	9,384	8,975
Accumulated impairment losses				
At 1 January				
- cost	358	358	358	358
- valuation	-		-	-
	358	358	358	358
Charge for the year - cost	<u> </u>	<u> </u>		-
At 31 December	358	358	358	358
- cost	358	358	358	358
- valuation	-	_	_	_
	358	358	358	358
Net book value at 31 December	132,292	131,635	25,894	26,303
- cost	119,143	118,155	11,917	12,071
- valuation	13,149	13,480	13,977	14,232
	132,292	131,635	25,894	26,303
Analysed as:	· ·	<u> </u>	· .	·
Long leasehold land	91,862	93,446	25 904	26 202
_			25,894	26,303
Short leasehold land	40,430	38,189	- 25 004	2/ 202
	132,292	131,635	25,894	26,303





16. PREPAID LEASE PAYMENTS (continued)

Title deeds to certain of the Group's leasehold land with net book value of RM9.923 million (2007: RM10.034 million) have yet to be issued by the relevant authorities.

The leasehold land stated at valuation were revalued by the directors based on independent professional valuations carried out in 1980, 1982 and 1995 on the open market value basis. These valuations were for special purposes. It has never been the Group's policy to carry out regular revaluations of its leasehold land.

The Group has availed itself of the transitional provisions of *FRS 117 Leases* and accordingly, the carrying amounts of these revalued leasehold land have been retained on the basis of these valuations as though they had never been revalued.

17. GOODWILL

	Group	
	2008	2007
	RM'000	RM'000
Cost		
At 1 January	73,033	33,316
Arising from the acquisition of additional shares		
in an existing subsidiary (see note 46)	60	68,002
Arising from the disposal of a subsidiary	-	(28,285)
Arising from the liquidation of a subsidiary	(7)	-
At 31 December	73,086	73,033

Impairment testing of goodwill

Goodwill acquired in business combinations has been allocated to the Group's cash-generating units ("CGU") identified according to business segments as follows:

	Group	
	2008	2007
	RM'000	RM'000
Environmental engineering, waste management and utilities	3,338	3,345
Film exhibition and distribution	68,062	68,002
Chemicals trading and manufacturing	932	932
Other operations	754	754
	73,086	73,033



17. GOODWILL (continued)

Recoverable amounts based on value in use

The recoverable amounts of the CGU of environmental engineering, waste management and utilities, film exhibition and distribution, chemicals trading and manufacturing and other operations are determined by value in use calculations using cash flow projections based on financial budgets covering a five-year period approved by management. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The key assumptions used in the value in use calculations are as follows:

	2008	2007	
Gross margin	9.29% - 12.60%	4.48% - 14.50%	
Growth rate	0.44% - 5.00%	5.00% - 12.40%	
Discount rate	3.69% - 17.82%	5.54% - 14.87%	
Risk free rate	3.20%	4.13%	

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing for goodwill:

(i) Budgeted gross margin

The budgeted gross margin is based on the margin achieved in the year immediately before the budgeted year and increased to cater for expected improvements in efficiency.

(ii) Growth rate

The weighted average growth rates used are based on the long-term average growth rates for the respective industries.

(iii) Discount rate

The discount rates applied exclude impact on taxation. Different discount rates are used to reflect specific risks relating to the relevant CGUs.

(iv) Risk free rate

The risk free rate is based on the yield on a 10-year Malaysian government bond at the beginning of the budgeted year.

Sensitivity to changes in assumptions

In assessing the value in use, management is of the view that no foreseeable changes in any of the above key assumptions is expected to cause the carrying values of the respective CGUs to materially exceed their recoverable amounts.





18. OTHER INTANGIBLE ASSETS

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Computer software				
(included under non-current assets)				
Cost				
At 1 January	6,354	5,683	-	-
Additions	670	671	-	-
Write-offs	(15)	-	-	-
At 31 December	7,009	6,354	-	-
Accumulated amortisation				
At 1 January	3,377	2,429	-	-
Charge for the year	1,128	948	-	-
Write-offs	(15)	-	-	-
At 31 December	4,490	3,377	-	-
Carrying amount				
At 31 December	2,519	2,977	<u>-</u>	
Film rights				
(included under current assets)				
Cost				
At 1 January	29,190	24,342	-	-
Additions	3,362	7,428	-	-
Rights expired	(2,589)	(2,580)	-	-
At 31 December	29,963	29,190	-	-
Accumulated amortisation				
At 1 January	19,714	15,121	-	-
Charge for the year	4,861	7,173	-	-
Rights expired	(2,589)	(2,580)	-	-
At 31 December	21,986	19,714	-	-
Carrying amount				
At 31 December	7,977	9,476		



19. INVESTMENTS IN SUBSIDIARIES

Company 2008 2007 RM'000 RM'000 1,350,350 1,350,350

Unquoted shares at cost

The subsidiaries are listed in note 58.

20. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2008	2007	2007 2008	2007
	RM'000	RM'000	RM'000	RM'000
Shares quoted outside Malaysia at cost	8,080,369	8,068,831	3,848,046	3,836,508
Unquoted shares at cost	111,600	108,752	50,883	50,883
	8,191,969	8,177,583	3,898,929	3,887,391
Impairment loss on unquoted shares	(4,436)	-	(25)	(25)
Group's share of post-acquisition reserves				
and retained profits less losses	1,512,133	410,112	-	-
	9,699,666	8,587,695	3,898,904	3,887,366
Market value of quoted shares	7,898,612	14,473,133	3,828,993	7,003,750

The Group's share of the current year's losses and accumulated losses of an associate amounting to RM7.635 million and RM60.458 million (2007: RM52.823 million and RM52.823 million), respectively have not been recognised in the Group's income statement as equity accounting has ceased when the Group's share of losses of this associate exceeded the carrying amount of its investment in the associate.

Impairment testing of investments in associates

Recoverable amount based on value in use

The recoverable amounts of the Group's investments in associates are determined based on the value in use method.

Where applicable, using the published or management financial results of the associates from the financial year 2008, cash flow projections were computed based on annual growth rates ranging from -2% to 3% over a ten-year period. Thereafter, the cash flows are extrapolated to perpetuity without applying any growth rates. The cash flows were discounted at the computed weighted average cost of capital of the Group of 9%.

Sensitivity to changes in assumptions

In assessing the value in use, management has considered and evaluated, among other factors, the long term business outlook of the associates, forecast demand for their revenue sources, and anticipated changes in their operating environment. Management is of the view that no foreseeable changes in any of the above key assumptions is expected to cause the carrying amount of the associates to materially exceed their recoverable amounts.





20. INVESTMENTS IN ASSOCIATES (continued)

The results of the impairment reviews undertaken have indicated that the carrying amount in associates was not impaired as the value in use was higher than the carrying amount in the Group's financial statements.

The summarised financial information of the associates as at 31 December are as follows:

	2008	2007
	RM'000	RM'000
Assets and liabilities		
Total assets	63,403,436	51,823,484
Total liabilities	28,119,095	24,488,403
Results		
Revenue	97,903,385	56,954,854
Profit for the year	5,195,044	1,544,850

The associates are listed in note 59.

21. INVESTMENT IN JOINTLY CONTROLLED ENTITY

Group	
2008	8 2007
RM'000	RM'000
38,897	38,897
6,952	506
45,849	39,403
	2008 RM'000 38,897 6,952

The Group's share of the assets and liabilities as at 31 December and revenue and results for the year of the jointly controlled entity are as follows:

	Group		
	2008	2007	
Assets and liabilities	RM'000	RM'000	
Non-current assets	31,598	30,585	
Current assets	15,048	10,169	
Total assets	46,646	40,754	
Non-current liabilities	-	-	
Current liabilities	797	1,392	
Total liabilities	797	1,392	



21. INVESTMENT IN JOINTLY CONTROLLED ENTITY (continued)

	Grou	Group	
	2008	2007	
Results	RM'000	RM'000	
Revenue	7,567	6,921	
Profit for the year	1,575	312	

The unincorporated jointly controlled entity has no material contingencies and capital commitments at year end.

The amount due to the jointly controlled entity represents unsecured advances which are interest-free and repayable on demand.

The jointly controlled entity is listed in note 60.

22. OTHER INVESTMENTS

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Shares quoted in Malaysia at cost	183,257	184,954	278,090	278,091
Diminution in value	(3,685)	(140)	(134,146)	(9,627)
	179,572	184,814	143,944	268,464
Shares quoted outside Malaysia at cost	235,489	235,378	126,583	126,583
Diminution in value	(17,377)	(921)	(16,991)	-
	218,112	234,457	109,592	126,583
Unquoted shares at cost	464	464	266	266
Diminution in value	(37)	(36)	-	-
	427	428	266	266
	398,111	419,699	253,802	395,313
Market values of				
- shares quoted in Malaysia	356,438	663,328	144,051	268,800
- shares quoted outside Malaysia	246,002	647,331	109,592	285,319
	602,440	1,310,659	253,643	554,119





23. DEFERRED TAX ASSETS

	Group		Company					
	2008	2008	2008	2008 2007 2008	2008 2007 2008	2008 2007 2008	2008	2007
	RM'000	RM'000	RM'000	RM'000				
At 1 January	1,431	7,098	-	-				
Exchange translation differences	(233)	(186)	-	-				
Originating during the year	2,117	1,682	-	-				
Reduction through subsidiaries disposed of	-	(7,163)	-	-				
At 31 December	3,315	1,431	-	-				

The Group has recognised the deferred tax assets based on the current level of operations of certain subsidiaries and the probability that sufficient taxable profit will be generated in the future against which the deferred tax assets can be utilised.

The deferred tax assets on temporary differences recognised in the financial statements are as follows:

	Group		Company						
	2008	2008	2008 2007 2008	2008 2007	2008 2007 2008	2008 2007 2008 20	2008	2007 2008 2007	2007
	RM'000	RM'000	RM'000	RM'000					
Tax effects of									
- Unabsorbed tax losses	3,315	1,394	-	-					
- Unabsorbed capital allowances	-	37	-	-					
	3,315	1,431							

Further, the following differences and unused tax losses exist as at 31 December the deferred tax benefits of which have not been recognised in the financial statements:

	Group		Company		
	2008	2007 2008	2008	2007	
	RM'000	RM'000 RM	RM'000	RM'000	RM'000
Unabsorbed tax losses	24,208	10,275	12,438	-	
Unabsorbed capital allowances	10,094	3,482	6,078	-	
Excess of capital allowances over accumulated depreciation on					
property, plant and equipment	(1,870)	(1,650)	-	-	
	32,432	12,107	18,516	-	
		12,107	10,310		



24. AMOUNTS DUE FROM/TO SUBSIDIARIES

Amounts due from subsidiaries included under non-current assets

The amounts due from subsidiaries included under non-current assets represent unsecured advances not expected to be recalled within the next 12 months and are analysed as follows:

	Company	
	2008	2007
	RM'000	RM'000
Bearing interest at 4.19% (2007: 3.53%) per annum (p.a)	113,690	153,605
Interest-free	8,938	10,105
	122,628	163,710

Amounts due from subsidiaries included under current assets

The amounts due from subsidiaries included under current assets represent unsecured interest-free advances which are repayable on demand.

Amounts due to subsidiaries included under current liabilities

The amounts due to subsidiaries included under current liabilities represent unsecured advances which are repayable on demand and are analysed as follows:

	Company	
	2008	
	RM'000	RM'000
Bearing interest at 4.25% (2007: 3.63%) p.a	140,203	40,112
Bearing interest at 4.15% (2007: 3.50%) p.a	126,735	101,600
Interest-free	8,107	8,116
	275,045	149,828

25. INVENTORIES

	Group		Company					
	2008	2008	2008	2008	2008 2007	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000				
Raw materials	560,616	347,490	-	-				
Work-in-progress	20,038	13,258	-	-				
Finished goods	98,900	101,765	-	-				
Sundry stores and consumables	26,890	27,389	3,211	2,697				
	706,444	489,902	3,211	2,697				





26. PROPERTY DEVELOPMENT COSTS

	Group	
	2008	2007
	RM'000	RM'000
Freehold land		
- at cost	4,035	7,408
- at valuation	748	748
Development and construction costs	27,093	57,451
Costs recognised as an expense in income statement in previous years	(3,192)	(12,993)
At 1 January	28,684	52,614
Costs transferred to:		
- land held for property development (see note 15)		
- freehold land, at cost	-	(571)
- development costs	-	(2,685)
Costs incurred during the year		
- development costs	12,591	44,255
	12,591	40,999
Costs recognised as an expense in income statement in current year	-	(38,522)
Transferred to inventories	(2,978)	(26,407)
At 31 December	38,297	28,684

27. GROSS AMOUNTS DUE FROM/(TO) CUSTOMERS

	Group		
	2008	2007	
	RM'000	RM'000	
Aggregate contract expenditure incurred to-date	393,149	402,399	
Attributable profit recognised to-date	26,692	36,752	
	419,841	439,151	
Progress billings to-date	(429,871)	(424,253)	
	(10,030)	14,898	
Gross amount due from customers	19,129	27,059	
Gross amount due to customers	(29,159)	(12,161)	
	(10,030)	14,898	
Progress billings comprise:			
Progress billings			
- received	403,899	403,642	
- receivable	18,141	16,084	
Retention sums	7,831	4,527	
	429,871	424,253	



28. TRADE RECEIVABLES

G	Group		
2008	2007		
RM'000	RM'000		
Related parties other than associates 5,761	10,005		
Others 347,752	361,769		
353,513	371,774		
Allowance for doubtful debts (14,034	(12,841)		
339,479	358,933		

The currency exposure profile of trade receivables is as follows:

	Grou	Group		
	2008	2007		
	RM'000	RM'000		
- RM	303,034	323,824		
- USD	19,587	22,971		
- Singapore Dollar ("SGD")	4,398	2,688		
- Euro ("EUR")	372	95		
- Brunei Dollar ("BND")	82	-		
- Japanese Yen ("JPY")	652	21		
- Yuan Renminbi ("CNY")	-	17		
- Vietnamese Dong ("VND")	11,354	9,317		
	339,479	358,933		

Credit terms granted to customers normally range from 14 to 90 days. For major established customers, the credit terms may be extended to 120 days based on the discretion of management.

29. ACCRUED BILLINGS/(PROGRESS BILLINGS)

	Group		
	2008	2007	
	RM'000	RM'000	
Revenue recognised as income to-date	79	885	
Progress billings to-date	(81)	(774)	
	(2)	111	
Accrued billings	-	111	
Progress billings	(2)	-	
	(2)	111	





30. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Amount receivable from Kuok Brothers				
Sdn Bhd ("KBSB"), a substantial				
shareholder of the Company	47	46	47	46
Interest receivable	190	204	71	10
Surplus assets yet to be distributed by				
subsidiaries under liquidation	870	74	-	-
Proceeds from disposal of other investments	-	978	-	978
Other receivables	19,274	20,334	664	588
	20,381	21,636	782	1,622
Allowance for doubtful debts	(1,223)	(1,156)	(67)	(67)
	19,158	20,480	715	1,555
Deposits held by				
- associate of KBSB				
- Jerneh Insurance Berhad	194	194	69	69
- others	7,930	6,761	45	55
Deposits for purchase of property, plant				
and equipment	206	16,927	-	-
	8,330	23,882	114	124
Prepayments	7,102	4,346	190	163
	34,590	48,708	1,019	1,842

The currency exposure profile of other receivables, deposits and prepayments is as follows:

Group		Comp	any
2008	2007	2008	2007
RM'000	RM'000	RM'000	RM'000
28,165	24,825	1,019	1,842
1	407	-	-
3,770	9,302	-	-
-	1,607	-	-
1	-	-	-
1,055	12,418	-	-
62	17	-	-
1,261	2	-	-
275	130	-	-
34,590	48,708	1,019	1,842
	2008 RM'000 28,165 1 3,770 - 1 1,055 62 1,261 275	2008 2007 RM'000 RM'000 28,165 24,825 1 407 3,770 9,302 - 1,607 1 - 1,055 12,418 62 17 1,261 2 275 130	2008 2007 2008 RM'000 RM'000 RM'000 28,165 24,825 1,019 1 407 - 3,770 9,302 - - 1,607 - 1 - - 1,055 12,418 - 62 17 - 1,261 2 - 275 130 -



31. AMOUNTS DUE FROM/TO ASSOCIATES

Amounts due from associates included under current assets

The amounts due from associates included under current assets are unsecured and are analysed as follows:

	Group		Compa	any
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Trade balances	2,248	2,521	1,297	1,694
Unquoted redeemable non-convertible				
preference shares in an associate, at cost	-	1,366	-	-
Advances				
- bearing interest at 2.05% (2007: 4.25%) p.a	13,093	12,863	-	-
- bearing interest at 2.41% (2007: 5.74%) p.a	1,523	1,403	-	-
- bearing interest at 5.19% (2007: 4.54%) p.a	3,375	3,214	3,375	3,214
- interest-free	74,332	72,531	71,645	70,511
	94,571	93,898	76,317	75,419
Allowance for doubtful debts	(59,777)	(54,435)	(58,980)	(53,069)
	34,794	39,463	17,337	22,350

The trade balances are expected to be settled within the normal credit periods. The advances can be recalled on demand.

The currency exposure profile of the amounts due from associates is as follows:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
- RM	20,143	25,136	17,337	22,350
- USD	1,523	1,423	-	-
- HKD	13,128	12,864	-	-
- CNY	-	40	-	-
	34,794	39,463	17,337	22,350





31. AMOUNTS DUE FROM/TO ASSOCIATES (continued)

Amounts due to associates included under current liabilities

The amounts due to associates included under current liabilities are unsecured and are analysed as follows:

	Group		Company									
	2008	2008	2008	2008	2008	2008 2007	2008 2007 2008	2008 2007 2008	2008 2007 2008	2008 2007 2008	08 2007 2008 2007	2007
	RM'000	RM'000	RM'000	RM'000								
Trade balances	38	43	-	-								
Advances												
- bearing interest at nil (2007: 4.35%) p.a	-	191	-	-								
- interest-free	147	71	27	33								
	185	305	27	33								

The trade balances are expected to be settled within the normal credit periods. The advances are payable on demand.

32. DEPOSITS

	Group		Company					
	2008	2008	2008	2008	2008 2007	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000				
Deposits with licensed banks								
- in Malaysia	286,384	579,633	114,290	17,215				
- outside Malaysia	125,244	54,687	83,786	-				
	411,628	634,320	198,076	17,215				

The currency exposure profile of deposits is as follows:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
- RM	283,677	566,252	114,290	17,215
- AUD	195	219	-	-
- USD	14,291	39,152	-	-
- SGD	84,023	220	83,786	-
- EUR	5,929	10,387	-	-
- IDR	3,241	692	-	-
- HKD	19,210	17,398	-	-
- CNY	509	-	-	-
- VND	553	-	-	-
	411,628	634,320	198,076	17,215



32. DEPOSITS (continued)

Included in the Group's deposits with licensed banks is an amount of RM0.070 million (2007: RM0.035 million) pledged to a bank as security for banking facilities granted to subsidiaries.

The effective interest rates range from 0.10% to 3.70% (2007: 1.88% to 5.16%) p.a. All the deposits have maturities of less than one year.

33. CASH AND BANK BALANCES

Cash and bank balances of the Group include an amount of RM10.697 million (2007: RM3.610 million) maintained in Housing Development Accounts. Withdrawals from the Housing Development Accounts are restricted in accordance with the Housing Development (Housing Development Account) Regulations 1991.

Funds maintained in the Housing Development Accounts earn interest at 2.0% (2007: 2.0%) p.a.

The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
- RM	65,480	48,667	935	1,405
- USD	6,975	12,259	-	-
- SGD	3,005	370	2,083	-
- EUR	653	14	-	-
- IDR	103	1,092	-	-
- HKD	268	118	-	-
- VND	2,213	2,774	-	-
- CNY	831	965	-	-
- JPY	1	-	-	-
- Thai Baht ("THB")	1	1	-	-
- Swiss Franc ("CHF")	23	12	-	-
- Myanmar Kyats ("KYATS")	5	66	-	-
	79,558	66,338	3,018	1,405

34. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Property, plant and equipment amounting to RM470,000 classified as held for sale in 2007 was in relation to a subsidiary which entered into a conditional Sale and Purchase Agreement to dispose of its freehold land. This transaction was completed in the current year.





34. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE (continued)

Investment property amounting to RM9.009 million classified as held for sale in 2007 was in relation to a subsidiary which entered into a Sale and Purchase Agreement to dispose of its investment property. Subsequent to the subsidiary entering into the Sale and Purchase Agreement, the existing tenant of the investment property filed a Writ of Summons and Statement of Claim against the subsidiary and the purchaser of the investment property. The judge has granted an injunction to preserve the status quo of the case and case management hearing has been postponed to 8 April 2009. Based on solicitors' advice, the subsidiary's directors are of the opinion that the subsidiary has a reasonable defence.

The assets and liabilities attributable to the above assets have been classified as held for sale and are presented separately in the consolidated balance sheet.

Since the fair values of the disposal assets less costs to sell are expected to exceed their net carrying amounts, no impairment loss is recognised.

The assets held for sale are as follows:

	Group		
	2008	2007	
	RM'000	RM'000	
Assets classified as held for sale:			
Property, plant and equipment			
At cost	-	470	
Investment properties			
At cost	13,847	13,847	
Accumulated depreciation	(4,838)	(4,838)	
Net book value	9,009	9,479	

35. SHARE CAPITAL

	<> Number of shares		<> Number of shares		
	'000	RM'000	'000	RM'000	
Authorised:					
Ordinary shares of RM1 each	2,000,000	2,000,000	2,000,000	2,000,000	
Issued and fully paid:					
Ordinary shares of RM1 each	1,185,500	1,185,500	1,185,500	1,185,500	



36. NON-DISTRIBUTABLE RESERVES

	Group		
	2008	2007	
	RM'000	RM'000	
Revaluation reserve	60,675	55,492	
Exchange translation reserve	172,631	(174,846)	
Capital reserve	254,191	239,060	
	487,497	119,706	
Details of the capital reserve are as follows:			
	Grou	ıр	
	2008	2007	
	RM'000	RM'000	
Share of capital reserves of associates	199,727	184,596	
Share premium of subsidiaries arising from shares			
issued to minority shareholders	23,651	23,651	
Transferred from unappropriated profit arising from:			
- bonus issue of subsidiaries	1,769	1,769	
- gain from disposal of landed properties and investments	29,044	29,044	
	254,191	239,060	

37. LONG TERM BANK LOANS

	Group	
	2008 RM'000	2007 RM'000
Secured:		
USD denominated loan bearing interest at 1.25% p.a above SIBOR (effective interest rate: 4.60% (2007: 5.98%) p.a) repayable by 20 quarterly instalments commencing 3 months after the commencement of production (see note 12)	51,570	4,888
Unsecured:		
CNY denominated loan bearing interest at 7.38% (2007: 7.38%) p.a,		
repayable in full by July 2014	17,158	17,854
	68,728	22,742
Repayments due within the next 12 months included under		
short term borrowings (see note 42)	(2,863)	(2,553)
Repayments due after 12 months	65,865	20,189
The bank term loans are repayable as follows:		
- within one year (included under current liabilities)	2,863	2,553
- later than one year but not later than five years	11,453	13,145
- later than five years	54,412	7,044
	65,865	20,189
	68,728	22,742





38. HIRE PURCHASE LIABILITIES

	Group	
	2008	2007
	RM'000	RM'000
Outstanding hire purchase instalments due:		
- within one year	203	225
- later than one year but not later than five years	129	320
- later than five years	12	19
	344	564
Unexpired term charges	(25)	(51)
Outstanding principal amount due	319	513
Outstanding principal amount due as follows:		
- within one year (included under current liabilities)	189	198
- later than one year but not later than five years	118	302
- later than five years	12	13
	130	315
	319	513

The effective interest rates of the hire purchase liabilities are between 6.80% and 8.46% (2007: between 4.20% and 6.17%) p.a.

39. DEFERRED TAX LIABILITIES

	Group		Comp	any
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
	(0.000	202 525	4.004	F 044
At 1 January	68,823	302,535	4,294	5,011
Exchange differences	-	(59)	-	-
Effect of changes in tax rate on fair value				
adjustments	-	(337)	-	-
Effect of exemption from Real Property Gains				
Tax	-	(2,177)	-	-
Fair value adjustments for the additional				
shares in an existing subsidiary	1,953	3,531	-	-
Reduction through subsidiaries disposed of	-	(251,615)	-	-
Transfer from/(to) income statement	3,536	16,945	1,914	(717)
At 31 December	74,312	68,823	6,208	4,294



39. DEFERRED TAX LIABILITIES (continued)

The deferred tax liabilities on temporary differences recognised in the financial statements are as follows:

Group		Company	
2008	2007	2008	2007
RM'000	RM'000	RM'000	RM'000
56,578	53,686	539	495
20,469	19,816	2,656	2,705
(4,460)	(6,343)	-	(1,189)
(731)	(548)	-	-
3,013	2,283	3,013	2,283
(557)	(71)	-	-
74,312	68,823	6,208	4,294
	2008 RM'000 56,578 20,469 (4,460) (731) 3,013 (557)	2008 2007 RM'000 RM'000 56,578 53,686 20,469 19,816 (4,460) (6,343) (731) (548) 3,013 2,283 (557) (71)	2008 2007 2008 RM'000 RM'000 RM'000 56,578 53,686 539 20,469 19,816 2,656 (4,460) (6,343) - (731) (548) - 3,013 2,283 3,013 (557) (71) -

40. TRADE PAYABLES

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Related parties other than associates	2,780	3,596	-	-
Others	198,643	144,249	956	1,004
	201,423	147,845	956	1,004

The currency exposure profile of trade payables is as follows:

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
- RM	109,235	121,736	956	1,004
- USD	90,288	25,006	-	-
- SGD	1,023	536	-	-
- EUR	40	-	-	-
- JPY	7	6	-	-
- VND	682	514	-	-
- Sterling Pound ("GBP")	120	-	-	-
- THB	28	47	-	-
	201,423	147,845	956	1,004





40. TRADE PAYABLES (continued)

The normal credit terms extended by suppliers range from 30 to 120 days. Retention sums for construction contracts are payable upon the expiry of the defects liability period of the respective construction contracts. The defects liability periods of construction contracts are between 12 and 30 months.

41. OTHER PAYABLES AND ACCRUALS

Group		Company	
2008	2007	2008	2007
RM'000	RM'000	RM'000	RM'000
14,724	19,074	7	1,646
838	89	-	-
40,806	42,589	4,969	7,832
37,531	39,833	754	720
11,603	11,644	172	173
105,502	113,229	5,902	10,371
	2008 RM'000 14,724 838 40,806 37,531 11,603	2008 2007 RM'000 RM'000 14,724 19,074 838 89 40,806 42,589 37,531 39,833 11,603 11,644	2008 2007 2008 RM'000 RM'000 RM'000 14,724 19,074 7 838 89 - 40,806 42,589 4,969 37,531 39,833 754 11,603 11,644 172

The currency exposure profile of other payables and accruals is as follows:

	Gro	Group		any
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
- RM	94,931	105,999	5,902	10,371
- USD	2,246	939	-	-
- SGD	941	377	-	-
- EUR	-	7	-	-
- IDR	1,736	771	-	-
- HKD	3,723	286	-	-
- JPY	18	22	-	-
- VND	1,756	1,507	-	-
- CNY	151	3,321	-	-
	105,502	113,229	5,902	10,371



42. SHORT TERM BORROWINGS

	Group	
	2008	2007
	RM'000	RM'000
Unsecured:		
Bankers' acceptance	235,994	-
Trust receipt	-	55
Revolving credits	74,150	21,800
Bank term loans	-	10,653
Current portion of long term bank loans (see note 37)	2,863	2,553
	313,007	35,061

The currency exposure profile of short term borrowings is as follows:

	Grou	Group	
	2008	2007	
	RM'000	RM'000	
- RM	313,007	21,855	
- USD	-	10,653	
- CNY	-	2,553	
	313,007	35,061	

The borrowings bear interest at commercial rates which vary according to inter-bank offer or base lending rates, depending on the nature and purpose of the borrowings.

The effective interest rates for the unsecured short term borrowings are as follows:

	Group	
	2008	2007
	% p.a	% p.a
Bankers' acceptance	3.45 - 4.15	-
Trust receipt	-	7.25 - 7.75
Revolving credits	3.98 - 5.13	4.14 - 5.12
Bank term loans	-	5.68 - 10.10

43. BANK OVERDRAFTS

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Unsecured	2,094	1,212	<u>-</u>	

The bank overdrafts bear interest at commercial rates which vary according to the banks' base lending rates. The effective interest rates applicable are between 6.75% and 8.00% (2007: between 6.75% and 8.00%) p.a.





44. EFFECT OF CHANGES IN GROUP STRUCTURE

		Group	
		2008	2007
		RM'000	RM'000
	Effect of issue of shares at a premium by an associate		
	- Capital reserve	(238)	-
	- Exchange fluctuation reserve	(454)	-
	- Unappropriated profit	13,275	-
		12,583	-
45.	DIVIDENDS		
		2008	2007
		RM'000	RM'000
	In respect of the year ended 31 December 2006		
	Final dividend of 15 sen per share less 27% income tax	-	129,812
	In respect of the year ended 31 December 2007		
	Interim dividend of 5 sen per share less 27% income tax	-	43,271
	Final dividend of 25 sen per share less 26% income tax	219,318	-
		219,318	43,271
	In respect of the year ended 31 December 2008		
	Special dividend of 62 sen per share less 26% income tax	543,907	-
	Interim single tier dividend of 5 sen per share	59,275	-
		603,182	-
		822,500	173,083

Subsequent to the financial year end, the Directors have recommended the payment of a final single tier dividend of 18 sen per share amounting to RM213.390 million.

46. ACQUISITION OF SHARES IN SUBSIDIARIES

(a) The subsidiaries acquired in 2007 were PT Pundi Kencana and Kerry Utilities Ltd.

There was no subsidiary acquired during the year.



46. ACQUISITION OF SHARES IN SUBSIDIARIES (continued)

Details of the assets, liabilities and net cash outflow arising from the acquisition of the subsidiaries were as follows:

	Carrying/Fair value		
	Grou	Group	
	2008	2007	
	RM'000	RM'000	
Property, plant and equipment	-	-	
Trade and other receivables	-	-	
Cash and bank balances	-	19,400	
Trade and other payables	-	-	
Net assets acquired	-	19,400	
Minority interests	-	(9,506)	
Total purchase consideration	-	9,894	
Less: Cash and cash equivalents acquired	-	(19,400)	
Net cash inflow on acquisition during the year		(9,506)	

The revenue and loss for the year in which the acquisitions took place and their post acquisition contribution included in the consolidated income statement were as follows:

	Group	
	2008	2007
	RM'000	RM'000
Revenue		
During the financial year	-	-
Pre-acquisition	-	-
Post-acquisition		-
Loss for the year		
During the financial year	-	(65)
Pre-acquisition	-	-
Post-acquisition	-	(65)

The net assets of the acquired subsidiaries included in the consolidated balance sheet at the end of the financial year were as follows:

Group	Group	
2008 20	007	
RM'000 RA	۷,000	
Non-current assets -	8,161	
Current assets -	13,970	
Current liabilities -	(62)	
Non-current liabilities -	(4,888)	
Minority interests -	(8,419)	
Group's share of net assets	8,762	





46. ACQUISITION OF SHARES IN SUBSIDIARIES (continued)

(b) The details of acquisition of additional interest in an existing subsidiary during 2008 are as follows:

		Additional	
Name of	Cash	interest	
subsidiary	consideration	acquired	Effective acquisition date
	RM'000	%	
Golden Screen Cinemas			
Sdn Bhd	119	0.1	20 May 2008

The additional shares in existing subsidiary acquired in 2007 were in respect of Golden Screen Cinemas Sdn Bhd.

The minority interests acquired and the net cash outflow arising from the acquisition of additional interests in the existing subsidiary are as follows:

	Group	
	2008	2007
	RM'000	RM'000
Minority interests acquired	59	29,241
Goodwill on acquisition (see note 17)	60	68,002
Fair value surplus on assets acquired	-	4,352
Net cash outflow on acquisition	119	101,595

47. DISPOSAL OF SHARES IN SUBSIDIARIES

The subsidiary disposed of during the year was Sri Aman Feedmills Sdn Bhd.

The subsidiaries disposed of in 2007 were PPBOP, PGEO and Ampang Leisuremall Sdn Bhd.



47. DISPOSAL OF SHARES IN SUBSIDIARIES (continued)

An analysis of the disposals is as follows:

	Group	
	2008	2007
	RM'000	RM'000
Non-current assets	-	46,843
Current assets	*	54
Non-current liabilities	(10)	(25,843)
Current liabilities	-	(1)
Minority interests	-	(9,474)
Share of net assets disposed of	(10)	11,579
Profit on disposal of subsidiaries	-	9,541
Liability waived	10	-
Total sale consideration	*	21,120
Less: Cash and cash equivalents disposed of	-	-
Net cash inflow during the year	*	21,120

The effects of the disposals on the consolidated financial results for the financial year and the consolidated financial position were as follows:

	Grou	Group	
Income statement	2008 RM'000	2007 RM'000	
Revenue	-	-	
Cost of sales	-	-	
Gross loss	 -	-	
Other operating income	-	-	
Administrative and general expenses	(1)	(168)	
Loss from operations	(1)	(168)	
Finance cost	-	-	
Loss before tax	(1)	(168)	
Income tax expense	-	-	
Loss after tax	(1)	(168)	
Minority interest	-	76	
Decrease in Group's net profit	<u>(1)</u>	(92)	
Balance sheet			
Non-current assets	-	46,843	
Current assets	*	54	
Non-current liabilities	-	(25,843)	
Current liabilities	(10)	(1)	
Minority interest	-	(9,474)	
Group's share of net (liabilities)/assets	(10)	11,579	

^{*} Represents RM2





48. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, BIOLOGICAL ASSETS, PREPAID LEASE PAYMENTS AND OTHER INTANGIBLE ASSETS

Group		Company	
2008	2007	2008	2007
RM'000	RM'000	RM'000	RM'000
232,985	253,583	308	1,819
-	(691)	-	-
-	(4,233)	-	-
-	(593)	-	-
(16,927)	(1,625)	-	-
206	16,927	-	-
19,074	12,093	1,646	45
(14,724)	(19,074)	(7)	(1,646)
220,614	256,387	1,947	218
	2008 RM'000 232,985 - - (16,927) 206 19,074 (14,724)	2008 2007 RM'000 RM'000 232,985 253,583 - (691) - (4,233) - (593) (16,927) (1,625) 206 16,927 19,074 12,093 (14,724) (19,074)	2008

49. LIQUIDATION OF SUBSIDIARIES

The subsidiary liquidated during the year was Conwaste Disposal Services (P.Pinang) Sdn Bhd.

The subsidiary liquidated in 2007 was Sitaclean Technologies (M) Sdn Bhd.

An analysis of the liquidations is as follows:

	Grou	р
	2008	2007
	RM'000	RM'000
Total surplus assets and capital receivable from companies		
liquidated during the year	796	1,021
Less:		
Cost of investment	(360)	(905)
Post-acquisition profit previously consolidated	(466)	(120)
Net gain from liquidation of a subsidiary		
over recognised in prior year	-	(53)
Deficit arising from liquidation	(30)	(57)



50. RELATED PARTY DISCLOSURES

(a) Significant related party transactions during the financial year are as follows:

	Group		Company	
	2008	2007	2008	2007
ı	000°M	RM'000	RM'000	RM'000
Transactions with subsidiaries				
Interest received and receivable	-	_	5,068	5,042
Interest paid and payable	-	-	5,771	3,739
Rental income	-	-	420	420
Registration fee paid and payable	-	-	71	76
Management fee received		<u> </u>	793	710
Transactions with associates				
Sales of goods	18,920	2,580,740	18,799	18,800
Interest received and receivable	614	875	161	143
Interest paid and payable	3	7	-	-
Management fee received	859	1,043	-	-
Rental of premises received	260	246	-	-
Commission received	-	131	-	-
Purchase of goods	-	844,529	-	-
Rental of premises paid	120	120	-	-
Lease rental paid	67	67	-	-
Maintenance fee paid	9	188	-	-
Ticketing system user's license paid	48	74	-	-
Film rental received	617	1,679	-	-
Screen advertising and filmlets paid	685	727	-	-
Information technology services				
and sales of related products	82	27	<u>-</u>	-
Transactions with subsidiaries				
of associates				
Sales of goods	-	21,139	-	-
Purchase of goods	164,260	137,264	-	-
Registration fee received	-	137	-	-
Management fee received	276	68	-	68
Rental received	2,873	2,782	-	-
Elevation and other services received	189	142	-	-
Security and other services paid and payable	644	581	-	-
Rental paid	,	2		
Engineering services rendered	6	2	-	-





50. RELATED PARTY DISCLOSURES (continued)

	Gro	up	Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Transactions with a substantial shareholder of the Company				
Management fee paid	124	126	-	_
Disposal of other investments	<u> </u>	4,104		
Transactions with subsidiaries of substantial shareholders of the Company				
Sales of goods	66,332	15,386	-	-
Purchase of goods	403,827	496,919	<u>-</u> .	-
Transactions with associates of a substantial shareholder of the Company				
Sales of goods	12,789	134,989	_	_
Insurance premium paid	8,529	11,465	355	360
Rental of premises paid	1,371	1,264	435	435
Insurance compensation received	732	, -	-	-
Project management fees received	96	96		
Transactions with companies in which				
a director has financial interests				
Purchase of goods	131,744	121,751	<u> </u>	-
Transactions with companies in which directors of subsidiaries have financial interests				
Purchase of goods	-	278	-	-
Sales of goods	-	3,126	-	-
Rental of truck received	-	60	-	-
Agent fee receivable	113	110	<u> </u>	
Transactions with minority shareholders of subsidiaries				
Purchase of goods	-	25,266	-	-
Interest paid	4	4	-	-
Support fee paid	106	106	<u> </u>	<u>-</u>

Kerry Group Limited and Kerry Holdings Limited had ceased to be substantial shareholders of the Company on 29 August 2008.

Kuok Brothers Sdn Berhad became the ultimate holding company of the Company on 28 November 2008.



50. RELATED PARTY DISCLOSURES (continued)

Significant outstanding balances with related parties were as follows:

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Amounts owing by:				
- Associates	2,248	2,521	1,297	1,694
- Other related parties	5,761	10,005		-
Amounts owing to:				
- Associates	38	43	-	-
- Other related parties	2,780	3,596	-	-

All outstanding balances with related parties are expected to be settled within the normal credit period. None of the balances is secured.

(b) Key management personnel compensation

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Directors				
Short-term employee benefits	8,679	12,220	5,289	6,743
Post-employment benefits - EPF	1,198	1,702	792	1,017
- Gratuity	-	1,000	-	1,000
Sub-total	9,877	14,922	6,081	8,760
Other key management personnel				
Short-term employee benefits	22,628	21,832	1,355	1,352
Post-employment benefits - EPF	2,621	2,572	208	209
Sub-total	25,249	24,404	1,563	1,561
Total compensation	35,126	39,326	7,644	10,321

51. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2008	2008 2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Employee benefits expense				
- Continuing operations	177,391	190,970	18,770	21,032
- Discontinued operations	-	41,253	-	-
	177,391	232,223	18,770	21,032





51. EMPLOYEE BENEFITS EXPENSE (continued)

Included in the employee benefits expense are defined contribution plans as follows:

	Group		Company	
	2008	2008 2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
EPF				
- Continuing operations	16,522	17,859	2,343	2,541
- Discontinued operations	-	1,509	-	-
	16,522	19,368	2,343	2,541

52. CONTINGENT LIABILITIES

	Group		Company	
	2008	2008 2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Unsecured guarantees issued in consideration				
of credit facilities given to associates	2,550	2,550	2,550	2,550

In addition to the above, Chemquest Sdn Bhd, a 55%-subsidiary of PPB, has granted unsecured corporate guarantees to a third party in respect of works being carried out by its 70%-indirect subsidiary, Cipta Wawasan Maju Engineering Sdn Bhd.

53. CAPITAL COMMITMENTS

	Gro	up	Comp	any
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Authorised acquisition of property, plant and equipment not provided for in the financial statements				
- contracted	95,057	140,441	20	10
- not contracted	198,332	173,211	413	358
Authorised acquisition of investments not provided for in the financial statements				
- not contracted	-	100	-	-
	293,389	313,752	433	368



54. OPERATING LEASE COMMITMENTS

The Group as lessee

The Group leases premises from various parties under operating leases. These leases comprise cancellable and non-cancellable leases and typically run for a period ranging from one to five years, with option to renew the leases after the expiry dates. There are no restrictions placed on the Group by entering into these leases. Certain of the leases include contingent rental arrangements computed based on sales achievement if higher than fixed base rents.

The future aggregate minimum lease payments under the non-cancellable operating lease contracted for as at the balance sheet date but not recognised as liabilities are as follows:

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
within one yearlater than one year but not later than	20,460	17,406	-	-
five years	21,577	17,891	-	-
- later than five years	-	2,783	-	-
	42,037	38,080	-	

The Group as lessor

The Group leases out its investment properties under cancellable and non-cancellable operating leases. These leases typically run for a period of one to three years with option to renew the leases after the expiry date. None of the leases includes contingent rentals.

The future aggregate minimum lease payments receivable under the non-cancellable operating leases contracted for as at the balance sheet date but not recognised as assets are as follows:

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
within one yearlater than one year but not later than	3,232	2,840	-	-
five years	3,252	2,186	-	-
	6,484	5,026	-	





55. SEGMENTAL REPORTING

(a) Primary reporting format - business segment

The Group's operations comprise the following business segments:

(i)	Sugar refining and cane plantation	-	Cane cultivation and refining of sugar
(ii)	Grains trading, flour and feed milling	-	Wheat and maize trading, flour milling and manufacturing of animal feed
(iii)	Film exhibition and distribution	-	Exhibition and distribution of cinematograph films
(iv)	Environmental engineering, waste management and utilities	-	Construction works specialising in water and environmental industry and provision of waste management services
(v)	Chemicals trading and manufacturing	-	Trading and manufacturing of chemical products
(vi)	Property investment and development	-	Letting of commercial properties and development of residential and commercial properties
(vii)	Livestock farming	-	Production of day-old chicks, eggs and other related downstream activities
(viii)	Edible oils refining and trading	-	Manufacturing and marketing of edible oils
(ix)	Oil palm plantations	-	Oil palm cultivation and milling of fresh fruit bunches
(x)	Packaging	-	Manufacturing of steel drums, plastic containers, polyethylene and polypropylene woven bags and fabrics
(xi)	Other operations	-	Consumer products and gloves, investment holding, engineering contracts, shipping and others

Transactions between segments are entered into in the normal course of business and are established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of such inter-segmental transactions are eliminated on consolidation.



55. SEGMENTAL REPORTING (continued)

	<	Grains		Continuir Environmenta	ng operations
2008	Sugar refining & cane plantation RM'000	trading, flour & feed milling RM'000	Film exhibition & distribution RM'000	engineering, waste management & utilities RM'000	Chemicals trading & manufacturing RM'000
REVENUE External sales Inter-segment sales	973,458	1,330,024 97,149	177,533	185,804	144,974 935
Total revenue	973,458	1,427,173	177,533	185,804	145,909
RESULTS Segment operating results Unallocated corporate expense Profit from operations	156,917 e	167,459	24,425	4,636	3,648
Investing activities Share of associates' profits Share of joint venture's profit Finance costs Profit before tax Income tax expense Profit for the year	2,450	11,055	1,144 -	5,905 1,575	-
OTHER INFORMATION Segment assets Investments in associates Investment in joint venture Other investing assets Tax assets Unallocated corporate assets Consolidated total assets	514,481 21,312 -	1,001,218 60,213 -	204,172 7,874 -	66,383 27,182 45,849	63,475 - -
Segment liabilities Borrowings Tax liabilities Unallocated corporate liabilitie Consolidated total liabilities	26,039 es	115,529	42,672	48,026	14,740
Capital expenditure Unallocated corporate capital expenditure	48,185	148,272	23,172	989	4,141
Amortisation and depreciation Unallocated corporate amortisation and depreciatio	,	17,252	20,979	1,915	2,021
Non-cash expenses other than amortisation and depreciation Unallocated corporate non-case expenses other than amortisation and depreciation		47,724	(89)	9	4,672





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Property investment & development RM'000	Livestock farming RM'000	Other operations RM'000	Elimination RM'000	Total RM'000
63,701 1,379	71,412 16,041	515,118 23,760	- (139,264)	3,462,024
65,080	87,453	538,878	(139,264)	3,462,024
	07,133	330,070	(137,201)	3,102,021
20,504	(5,738)	58,180	1,165	431,196 (19,703) 411,493
				58,174
5,249	-	912,139	-	937,942
-	-	-	-	1,575
				(8,542)
				1,400,642
				(107,218)
				1,293,424
202,433	90,725	370,821	(599)	2,513,109
93,579	, <u>-</u>	9,489,506	-	9,699,666
-	_	-	-	45,849
				932,944
				20,605
				4,072
			-	13,216,245
17,181	2,226	64,105	(1,531)	328,987
17,101	2,220	04,103	(1,331)	381,433
				93,634
				19,312
				823,366
			•	
2,265	249	5,636	-	232,909
				7/
				76
				232,985
4,379	5,341	9,606	-	79,058
				44.4
				464
				79,522
209	(77)	2,657	-	55,360
				200
				299
				55,659



55. SEGMENTAL REPORTING (continued)

	< Sugar	Grains		Continui Environmenta engineering,	ng operations I
2007	refining & cane plantation RM'000	flour & feed milling RM'000	Film exhibition & distribution RM'000	waste management & utilities RM'000	Chemicals trading & manufacturing RM'000
REVENUE External sales Inter-segment sales	1,089,811	961,871 80,788	150,329	95,300 -	122,226 1,223
Total revenue	1,089,811	1,042,659	150,329	95,300	123,449
RESULTS Segment operating results Unallocated corporate expense Profit from operations	131,842 e	126,066	22,571	3,936	5,192
Investing activities Share of associates' profits Share of joint venture's profit Finance costs Profit before tax Income tax expense Profit for the year	2,616	10,044 -	1,328	5,039 312	-
OTHER INFORMATION Segment assets Investments in associates Investment in joint venture Other investing assets Tax assets Unallocated corporate assets Consolidated total assets	407,982 21,748 -	743,988 54,721 -	193,226 6,730 -	74,883 20,465 39,403	58,250 - -
Segment liabilities Borrowings Tax liabilities Unallocated corporate liabiliti Consolidated total liabilities	21,465 es	52,164	45,850	57,376	14,018
Capital expenditure Unallocated corporate capital expenditure	39,770	41,598	51,674	2,141	2,855
Amortisation and depreciation Unallocated corporate amortisation and depreciation	,	17,059	18,901	1,738	1,991
Non-cash expenses other than amortisation and depreciation Unallocated corporate non-case expenses other than amortisation and depreciation		(951)	(288)	16	401





Property investment & development RM'000	Livestock farming RM'000	Other operations RM'000	Elimination RM'000	Total RM'000
87,081	67,939	414,885	_	2,989,442
1,328	14,257	31,103	(128,699)	-
88,409	82,196	445,988	(128,699)	2,989,442
23,198	7,214	(21,464)	2,207	300,762 (23,284) 277,478
				61,354
3,424	-	206,784	-	229,235
-	-	-	-	312
				(4,443)
				563,936
			-	(75,611)
			-	488,325
232,319	92,947	362,423	(2,475)	2,163,543
93,414	-	8,390,617	-	8,587,695
-	-	-	-	39,403
				1,175,100
				14,730
			-	3,574
				11,984,045
21,167	1,756	48,742	(2,548)	259,990
				57,238
				79,799
				19,965
				416,992
15,099	319	100,127	-	253,583
			-	- 252 502
			-	253,583
20,340	5,330	13,872	-	95,900
				440
			-	96,340
			•	
353	(544)	(1,250)	-	(2,387)
				10
			-	(2,377)
				(~,~,,,

(2,377)



55. SEGMENTAL REPORTING (continued)

	<	Disc	continued op	erations	>	
2008	Edible oils refining & trading RM'000	Oil palm plantations RM'000	Packaging RM'000	Elimination RM'000	Total RM'000	Total operations RM'000
REVENUE						
External sales	-	-	-	-	-	3,462,024
Inter-segment sales	-	-	-	-	-	-
Total revenue	-		-		-	3,462,024
RESULTS Segment operating results	_	-	_	_	_	431,196
Unallocated corporate expense	2				_	(19,703)
Profit from operations				-	-	411,493
Investing activities					-	58,174
Share of associates' profits	-	-	-	-	-	937,942
Share of joint venture's profit	-	-	-	-	-	1,575
Finance costs					-	(8,542)
Profit before tax					-	1,400,642
Income tax expense					-	(107,218)
Profit for the year					-	1,293,424
OTHER INFORMATION Amortisation and depreciation Unallocated corporate	-	-	-	-	-	79,058
amortisation and depreciation	n				-	464
					-	79,522
Non-cash expenses other than amortisation and depreciation Unallocated corporate non-cas expenses other than	- .h	-	-	-	-	55,360
amortisation and depreciation	n					299
amor cisación ana depreciació	''			-	-	55,659
						33,037





55. SEGMENTAL REPORTING (continued)

	<	Disc	continued op	erations	>	
2007	Edible oils refining & trading RM'000	Oil palm plantations RM'000	Packaging RM'000	Elimination RM'000	Total RM'000	Total operations RM'000
REVENUE						
External sales	3,080,979	62,738	21,271	-	3,164,988	6,154,430
Inter-segment sales	43,574	188,419	-	(231,993)	-	-
Total revenue	3,124,553	251,157	21,271	(231,993)	3,164,988	6,154,430
RESULTS Segment operating results	22,213	105,266	2,483	-	129,962	430,724
Unallocated corporate expense	е			-	-	(23,284)
Profit from operations					129,962	407,440
Investing activities Share of associates' profits					604	61,958
•	78,285	240	-	-	78,525	307,760
Share of joint venture's profit Finance costs	-	-	-	-	(0.550)	312
Profit before tax				-	(9,550)	(13,993)
Income tax expense					199,541	763,477
Profit for the year				=	(31,404)	(107,015)
Front for the year				-	168,137	656,462
OTHER INFORMATION Amortisation and depreciation Unallocated corporate	11,542	15,747	1,087	-	28,376	124,276
amortisation and depreciatio	n				-	440
				- -	28,376	124,716
Non-cash expenses other than amortisation and depreciation Unallocated corporate non-cas expenses other than		2,082	-	-	6,152	3,765
amortisation and depreciatio	n			_	<u>-</u>	10
				-	6,152	3,775



55. SEGMENTAL REPORTING (continued)

(b) Secondary reporting format - geographical segment

The Group operates mainly in Asia. In determining the geographical segments of the Group, revenue is based on the geographical location of customers. Total assets and capital expenditure are based on the geographical locations of the assets.

Continuing		<		Re\	/enue		>	
Malaysia 3,078,152 2,502,635 - 383,319 3,078,152 2,885,954 Indonesia 55,793 61,953 - 40,167 55,793 102,120 Singapore 171,658 156,414 - 2,624,191 171,658 2,780,605 Other Asean - - 2,271 110,484 106,351 106,3		Continuing	operations	Discontinue	doperations	Total		
Malaysia 3,078,152 2,502,635 - 383,319 3,078,152 2,885,954 Indonesia 55,793 61,953 - 40,167 55,793 102,120 Singapore 171,658 156,414 - 2,624,191 171,658 2,780,605 Other Asean countries 110,484 104,080 - 2,271 110,484 106,351 East Asia 12,529 96,113 - 25,751 12,529 121,864 Other Asian countries 13,543 23,209 - 30,556 13,543 53,765 European countries 3,199 10,241 - 45,955 3,199 56,196 America and Asia Pacific countries 3,462,024 2,989,442 - 12,778 16,666 47,575 and others 16,666 34,797 - 12,778 16,666 47,575 acception countries 2008 2007 2008 2007 Resident countries 2008 2007		2008	2007	2008	2007	2008	2007	
Indonesia 55,793 61,953 - 40,167 55,793 102,120 Singapore 171,658 156,414 - 2,624,191 171,658 2,780,605 Other Asean countries 110,484 104,080 - 2,271 110,484 106,351 East Asia 12,529 96,113 - 25,751 12,529 121,864 Other Asian countries 13,543 23,209 - 30,556 13,543 53,765 European countries 3,199 10,241 - 45,955 3,199 56,196 America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Carrying amount of segment assets Capital expenditure 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 Malaysia 2,331,162 2,061,378 148,414 214,482		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Singapore Other Asean Countries 171,658 156,414 - 2,624,191 171,658 2,780,605 Cother Asean Countries 110,484 104,080 - 2,271 110,484 106,351 East Asia 12,529 96,113 - 25,751 12,529 121,864 Other Asian Countries 13,543 23,209 - 30,556 13,543 53,765 European Countries 3,199 10,241 - 45,955 3,199 56,196 America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Carrying amount of segment assets Capital expenditure 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 Malaysia 2,331,162 2,061,378 148,414 214,482 Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 -	Malaysia	3,078,152	2,502,635	-	383,319	3,078,152	2,885,954	
Other Asean countries 110,484 104,080 - 2,271 110,484 106,351 East Asia 12,529 96,113 - 25,751 12,529 121,864 Other Asian countries 13,543 23,209 - 30,556 13,543 53,765 European countries 3,199 10,241 - 45,955 3,199 56,196 America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Malaysia Indonesia 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 RM'000 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405	Indonesia	55,793	61,953	-	40,167	55,793	102,120	
countries 110,484 104,080 - 2,271 110,484 106,351 East Asia 12,529 96,113 - 25,751 12,529 121,864 Other Asian countries 13,543 23,209 - 30,556 13,543 53,765 European countries and Asia Pacific countries and others 3,199 10,241 - 45,955 3,199 56,196 America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Carrying amount of segment assets Capital expenditure 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 Malaysia 2,331,162 2,061,378 148,414 214,482 Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean countries 91,153 8	Singapore	171,658	156,414	-	2,624,191	171,658	2,780,605	
East Asia 12,529 96,113 - 25,751 12,529 121,864 Other Asian countries 13,543 23,209 - 30,556 13,543 53,765 European countries and Asia Pacific countries and others 3,199 10,241 - 45,955 3,199 56,196 America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Malaysia Indonesia 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 RM'000 Malaysia Indonesia 86,263 12,988 82,671 37,696 Singapore Indonesia Indonesia 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405	Other Asean							
Other Asian countries 13,543 23,209 - 30,556 13,543 53,765 European countries 3,199 10,241 - 45,955 3,199 56,196 America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Malaysia Indonesia 2,331,162 2,061,378 148,414 214,482 Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405	countries	110,484	104,080	-	2,271	110,484	106,351	
Countries 13,543 23,209 - 30,556 13,543 53,765 European countries 3,199 10,241 - 45,955 3,199 56,196 America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Malaysia Indonesia 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405	East Asia	12,529	96,113	-	25,751	12,529	121,864	
European countries 3,199 10,241 - 45,955 3,199 56,196 America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Carrying amount of segment assets Capital expenditure 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405	Other Asian							
countries America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Carrying amount of segment assets Capital expenditure 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 Malaysia 2,331,162 2,061,378 148,414 214,482 Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405	countries	13,543	23,209	-	30,556	13,543	53,765	
America and Asia Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Carrying amount of segment assets 2008 2007 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405	European							
Pacific countries and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Carrying amount of segment assets Capital expenditure 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 RM'000 Malaysia 2,331,162 2,061,378 148,414 214,482 Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405	countries	3,199	10,241	-	45,955	3,199	56,196	
and others 16,666 34,797 - 12,778 16,666 47,575 3,462,024 2,989,442 - 3,164,988 3,462,024 6,154,430 Carrying amount of segment assets Capital expenditure 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 RM'000 Malaysia 2,331,162 2,061,378 148,414 214,482 Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405	America and Asia							
Carrying amount of segment assets Capital expenditure 2008 2007	Pacific countries							
Carrying amount of segment assets Capital expenditure 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 RM'000 CM'000 CM'00	and others	16,666	34,797	-	12,778	16,666	47,575	
segment assets Capital expenditure 2008 2007 2008 2007 RM'000 RM'000 RM'000 RM'000 Malaysia 2,331,162 2,061,378 148,414 214,482 Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean 91,153 85,315 1,860 1,405		3,462,024	2,989,442	-	3,164,988	3,462,024	6,154,430	
Malaysia 2,331,162 2,061,378 148,414 214,482 Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405				Carrying a	mount of			
RM'000RM'000RM'000RM'000Malaysia2,331,1622,061,378148,414214,482Indonesia86,26312,98882,67137,696Singapore1,7281,52040-Other Asean countries91,15385,3151,8601,405				segment	assets	Capital ex	penditure	
Malaysia 2,331,162 2,061,378 148,414 214,482 Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405				2008	2007	2008	2007	
Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean countries 91,153 85,315 1,860 1,405				RM'000	RM'000	RM'000	RM'000	
Indonesia 86,263 12,988 82,671 37,696 Singapore 1,728 1,520 40 - Other Asean 91,153 85,315 1,860 1,405	Malaysia			2 331 162	2 061 378	148 414	21 <i>4 4</i> 82	
Singapore 1,728 1,520 40 - Other Asean 91,153 85,315 1,860 1,405	•					•	•	
Other Asean 91,153 85,315 1,860 1,405				•	•	•	37,090	
countries 91,153 85,315 1,860 1,405				1,720	1,320	40	-	
				91,153	85,315	1,860	1,405	
	East Asia			2,803	2,342	-	-	

2,513,109

2,163,543

232,985

253,583





56. FINANCIAL INSTRUMENTS

(a) Credit risk

At balance sheet date, the Group and the Company did not have any significant concentration of credit risk that may arise from exposure to a single debtor or group of debtors.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet and the following:

	Gro	up	Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Outstanding credit facilities guaranteed by the Group and the Company (see note 52)				
Total amount guaranteed	2,550	2,550	2,550	2,550
Total amount outstanding	2,142	1,938	2,142	1,938

(b) Derivative financial instruments

Foreign currency forward contracts outstanding as at 31 December are as follows:

				Settlement
	Amount to b	Amount to be received		period
	or p	aid	contractual	within
2008		equivalent	rate	1 year
	'000	RM'000	RM	RM'000
Trade receivables				
USD	7,976	27,721	3.476	27,721
SGD	241	581	2.411	581
Other payables				
EUR	380	1,723	4.534	1,723
JPY	22,400	878	0.039	878
GBP	78	402	5.154	402



56. FINANCIAL INSTRUMENTS (continued)

	Amount to b		Average contractual	Settlement period within
2007		equivalent	rate	1 year
	'000	RM'000	RM	RM'000
Trade receivables				
USD	2,089	6,980	3.341	6,980
Trade payables USD	56,110	187,518	3.342	187,518
Other payables				
EUR	487	2,367	4.860	2,367
USD	1,598	5,355	3.351	5,355

(c) Fair values

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

	Gro	up	Comp	any
	Carrying	Fair	Carrying	Fair
	amount	value	amount	value
2008	RM'000	RM'000	RM'000	RM'000
Non-current assets				
Amounts due from subsidiaries	n/a	n/a	122,628	*
Other investments				
Shares quoted in Malaysia	179,572	356,438	143,944	144,051
Shares quoted outside Malaysia	218,112	246,002	109,592	109,592
	397,684	602,440	253,536	253,643
Unquoted shares	427	#	266	#
onquoteu shares		<u>π</u>		<u>π</u>





56. FINANCIAL INSTRUMENTS (continued)

	Gro	up	Company		
2007	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000	
2007	Idw 000	Idw 000	10W 000	IUM 000	
Non-current assets					
Amounts due from subsidiaries	n/a	n/a	163,710	*	
Other investments					
Shares quoted in Malaysia	184,814	663,328	268,464	268,800	
Shares quoted outside Malaysia	234,457	647,331	126,583	285,319	
	419,271	1,310,659	395,047	554,119	
Unquoted shares	428	#_	266	#	

^{*} It is not practical to estimate the fair values of the amounts due from subsidiaries due principally to the absence of fixed repayment terms. However, the Company does not anticipate the carrying amounts to be significantly different from the values that it would eventually receive.

57. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Directors on 2 April 2009.

[#] It is not practical to estimate the fair value of unquoted investments due to the lack of quoted market values and available observable market data. Such investments are valued at cost subject to review for impairment.



58. SUBSIDIARIES

The subsidiaries as at 31 December 2008 are as follows:

Companies	•	erest 2007	Country of incorporation	n Principal activities
Malayan Sugar Manufacturing Company Berhad	100.0	100.0	Malaysia	Sugar refining and investment holding
Astakonas Sdn Bhd	100.0	100.0	Malaysia	Provision of transportation services
* Masuma Trading Co Ltd	100.0	100.0	Hong Kong	Investment holding
* Quintrine Company Ltd	100.0	100.0	Hong Kong	Investment holding
* Banqua Limited	100.0	100.0	British Virgin Islands	Investment holding
MSM Properties Sdn Bhd	100.0	100.0	Malaysia	Dormant
FFM Berhad	100.0	100.0	Malaysia	Investment holding, grains trading, flour milling and animal feed manufacturing
Johor Bahru Flour Mill Sdn Bhd	100.0	100.0	Malaysia	Flour milling and animal feed manufacturing
* FFM (Sabah) Sdn Bhd	100.0	100.0	Malaysia	Manufacturing and trading of animal feed
* Cloverdale Trading Pte Ltd	100.0	100.0	Singapore	Marketing and distribution of wheat flour products
Lamlewa Feedmill Sdn Bhd	100.0	100.0	Malaysia	Dormant
* FFM Feedmills (Sarawak) Sdn Bhd	75.0	75.0	Malaysia	Manufacturing and trading of animal feed
Sri Aman Feedmills Sdn Bhd	-	100.0	Malaysia	Disposed in 2008
Mantap Hijau Sdn Bhd	100.0	100.0	Malaysia	Provision of management services
Mantap Aman Sdn Bhd	100.0	100.0	Malaysia	Investment holding
* PT Pundi Kencana	51.0	51.0	Indonesia	Dormant
FFM Marketing Sdn Bhd	100.0	100.0	Malaysia	Distribution and marketing of edible oils and consumer products
FFM Flour Mills (Sabah) Sdn Bhd	100.0	100.0	Malaysia	Dormant
Taloh Sdn Bhd	100.0	100.0	Malaysia	Investment holding
Waikari Sdn Bhd	100.0	100.0	Malaysia	Investment holding
* Buxton Limited	100.0	100.0	Samoa	Investment holding
Katella Sdn Bhd	100.0	100.0	Malaysia	Shipping
Friendship Trading Sdn Bhd	100.0	100.0	Malaysia	Provision of transportation services
* Glowland Limited	100.0	100.0	Samoa	Investment holding
JBFM Flour Mill Sdn Bhd	100.0	100.0	Malaysia	Manufacturing and trading of animal feed





58. SUBSIDIARIES (continued)

Companies	-	erest 2007 %	Country of incorporation	Principal activities
FFM Farms Sdn Bhd	100.0	100.0	Malaysia	Livestock breeding
FFM Pulau Indah Sdn Bhd	100.0		Malaysia	Provision of management services
* Affluence Trading Sdn Bhd	100.0	100.0	Malaysia	Dormant
* FFM Flour Mills (Sarawak) Sdn Bhd	100.0	100.0	Malaysia	Flour milling
FFM SMI Sdn Bhd	100.0	100.0	Malaysia	Investment holding
* Vietnam Flour Mills Ltd	100.0	100.0	Socialist Republic of Vietnam	Flour milling
Tego Sdn Bhd	79.9	79.9	Malaysia	Manufacturing of polyethylene and polypropylene woven bags and fabrics
Tego Multifil Sdn Bhd	100.0	100.0	Malaysia	Manufacturing and trading of polypropylene multi-filament yarns
* Tefel Packaging Industries Co Ltd	100.0	100.0	Union of Myanmar	Manufacturing and trading of polyethylene and polypropylene woven bags and fabrics
* Keen Trade Limited	100.0	100.0	British Virgin Islands	Trading of flexible intermediate bulk container bags, polyethylene and polypropylene woven bags and fabrics
PPB Hartabina Sdn Bhd	100.0	100.0	Malaysia	Property development and property investment
Kembang Developments Sdn Bhd	100.0	100.0	Malaysia	Rental of landed properties
South Island Mining Company Sdn Bhd	100.0	100.0	Malaysia	Investment holding, iron-ore sales and oil palm cultivation
Seletar Sdn Bhd	100.0	100.0	Malaysia	Oil palm cultivation and property development
Central Kedah Rubber Estates Sdn Bhd	100.0	100.0	Malaysia	Dormant
Minsec Properties Bhd	100.0	100.0	Malaysia	Property development
PPB Leisure Holdings Sdn Bhd	100.0	100.0	Malaysia	Investment holding
Cathay Screen Cinemas Sdn Bhd	66.2	66.2	Malaysia	Property investment and investment holding
Cathay Enterprises Sdn Bhd	100.0	100.0	Malaysia	Investment holding
Cathay Theatres Sdn Bhd	100.0	100.0	Malaysia	Property investment
Cathay Theatres (Sarawak) Sdn Bhd	100.0	100.0	Malaysia	Property investment



58. SUBSIDIARIES (continued)

Companies	-	erest 2007 %	Country of incorporation	Principal activities
Golden Screen Cinemas Sdn Bhd	99.0	98.9	Malaysia	Exhibition and distribution of cinematograph films
Premier Cinemas Sdn Bhd	100.0	100.0	Malaysia	Exhibition of cinematograph films
Cinead Sdn Bhd	100.0	100.0	Malaysia	Advertising contractor and consultant
Glitters Café Sdn Bhd	100.0	100.0	Malaysia	Operator of cafés
Easi (M) Sdn Bhd	60.0	60.0	Malaysia	Provision of information technology solutions, consultation services and sales of related products and services
* Enterprise Advanced System Intelligence Pte Ltd	100.0	100.0	Singapore	Software development and software maintenance
Jubilant Chain Sdn Bhd	100.0	100.0	Malaysia	Software development and software maintenance
# Golden Screen Film Distribution Company Sdn Bhd	100.0	-	Malaysia	Dormant
PPB Corporate Services Sdn Bhd	100.0	100.0	Malaysia	Corporate secretarial and share registration services
Hexarich Sdn Bhd	100.0	100.0	Malaysia	Investment holding
Chemquest Sdn Bhd	55.0	55.0	Malaysia	Trading in chemical products, investment holding and provision of management services
Chemquest Trading (M) Sdn Bhd	100.0	100.0	Malaysia	Dormant
Products Manufacturing Sdn Bhd	70.0	70.0	Malaysia	Manufacturing and trading in toilet requisites, household and chemical products
CQ Properties Sdn Bhd	100.0	100.0	Malaysia	Property investment
Minsec Engineering Services Sdn Bhd	100.0	100.0	Malaysia	Provision of engineering services
Chemical Waste Management Sdn Bhd	100.0	100.0	Malaysia	Construction works specialising in the water and environmental industry
Cipta Wawasan Maju Engineering Sdn Bhd	70.0	70.0	Malaysia	Builders and contractors for general engineering and construction works
SES Environmental Services Sdn Bhd	50.1	50.1	Malaysia	Investment holding
Solar Status Sdn Bhd	100.0	100.0	Malaysia	Investment holding





58. SUBSIDIARIES (continued)

Companies	-	's equity erest 2007 %	Country of incorporation	Principal activities
AWS Sales & Services Sdn Bhd	80.0	80.0	Malaysia	Contractors for garbage collection and provision of management and other services in connection with garbage collection
Conwaste Disposal Services (Pulau Pinang) Sdn Bhd	-	100.0	Malaysia	Under member's voluntary winding-up
Sitamas Environmental Systems Sdn Bhd	70.0	70.0	Malaysia	Provision of garbage disposal services
Zegwaard Bumianda Sdn Bhd	100.0	100.0	Malaysia	Provision of liquid waste disposal services
Entrol Systems Sdn Bhd	100.0	100.0	Malaysia	Letting of properties
Tunggak Menara Services Sdn Bhd	100.0	100.0	Malaysia	Provision of garbage collection and disposal services
Asia Pacific Microspheres Sdn Bhd	100.0	100.0	Malaysia	Manufacturing and marketing of "Phenoset Microspheres" and trading in contact glue (Ceased operations in May 2008)
Malayan Adhesives & Chemicals Sdn Bhd	99.1	99.1	Malaysia	Manufacturing and trading in adhesives, resins, additives, formaldehyde and phenoset microspheres, trading in contact glue, and investment holding
* Chemquest (Overseas) Ltd	100.0	100.0	British Virgin Islands	Investment holding
* PT Healthcare Glovindo	99.9	99.9	Indonesia	Ceased operations
* PT Glovindo Lampung	-	95.0	Indonesia	Under member's voluntary liquidation
* Kerry Utilities Ltd	50.0	50.0	Samoa	Investment holding
* Kerry Utilities Ltd	100.0	100.0	Hong Kong	Investment holding
* Beijing Kerry Veolia Waste Water Treatment Co Ltd	51.0	51.0	People's Republic of China	Investment holding
* Beijing CQ Environmental Management Consultancy Services Co Ltd	100.0	100.0	People's Republic of China	Provision of consultancy services

^{*} Subsidiaries not audited by Moores Rowland

[#] Became a wholly-owned subsidiary on 8 May 2008



59. ASSOCIATES

The associates as at 31 December 2008 are as follows:

Companies	Group's inter 2008 %		Country of incorporation	Principal activities
* Kilang Gula Felda Perlis Sdn Bhd* Shaw Brothers (M) Sdn Bhd	50.0 34.0		Malaysia Malaysia	Cane milling and sugar refining Property investment, investment holding and provision of management services
Vita Tenggara Fruit IndustriesSdn Bhd	40.0	40.0	Malaysia	Property development
Trinity Coral Sdn Bhd	25.0	25.0	Malaysia	Investment holding
Wisma Perak Sdn Bhd	50.0	50.0	Malaysia	Investment holding
Grenfell Holdings Sdn Bhd	49.7	49.7	Malaysia	Investment holding
* Kerry Flour Mills Ltd	43.4	43.4	Thailand	Wheat flour milling and distribution
Golden Screen Film Distribution Co Sdn Bhd	-	50.0	Malaysia	Dormant
Kerry Leisure Concepts Sdn Bhd	50.0	50.0	Malaysia	Operator of amusement centres
Berjaya-GSC Sdn Bhd	50.0	50.0	Malaysia	Exhibition of cinematograph films
* Golden Access Pte Ltd	50.0	50.0	Singapore	Provision of information technology services
* Ancom-Chemquest Terminals Sdn Bhd	25.0	25.0	Malaysia	Building, owning, operating, leasing and managing a chemical tank farm and warehouse
Cipta Quantum Sdn Bhd	30.0	30.0	Malaysia	Dormant
* Worldwide Landfills Sdn Bhd	40.0	40.0	Malaysia	Management of environmental sanitary landfill and waste treatment
* Veolia Water Kerry WaterServices Ltd	49.0	49.0	Hong Kong	Investment holding
 Kerry CQ Environmental Engineering Ltd 	49.0	49.0	British Virgin Islands	Investment holding
 Kerry CQ JV Environmental Engineering Ltd 	50.0	50.0	British Virgin Islands	Investment holding
* JER Envirotech Sdn Bhd	-	50.0	Malaysia	Disposed in 2008
* Mobile Money International Sdn Bhd	22.6	22.6	Malaysia	Research and development on providing mobile payment services and investment holding
* Foodteller Sdn Bhd	35.0	35.0	Malaysia	Manufacturing, trading and exporting of pastry and related products





59. ASSOCIATES (continued)

	Companies	Group's inter 2008 %		Country of incorporation	Principal activities
*	Wilmar International Limited	18.4	18.3	Singapore	Oil palm cultivation, edible oils refining, oilseed crushing, consumer pack edible oils processing and merchandising, specialty fats, oleochemicals and biodiesel manufacturing, and grains processing and merchandising
*	PT Tri Persada Mulia	30.0	-	Indonesia	Dormant

^{*} Associates not audited by Moores Rowland

The financial year ends of the associates are co-terminous with that of the Group except for the following:

Companies	Financial year end
Shaw Brothers (M) Sdn Bhd	31 March
Ancom-Chemquest Terminals Sdn Bhd	31 May
Mobile Money International Sdn Bhd	31 May
Golden Access Pte Ltd	30 June

For the purpose of applying the equity method of accounting, the audited or management financial statements made up to the end of the financial years of the respective associates have been used.

60. JOINTLY CONTROLLED ENTITY

The jointly controlled entity as at 31 December 2008 is as follows:

	•	tion of o interest	Country of operation	Principal activities
	2008 %	2007 %		
* Beijing Drainage Group Co Ltd Veolia Kerry Wastewater Treatment Plant	42.0	42.0	People's Republic of China	To own, operate and maintain a waste water treatment plant

^{*} Jointly controlled entity not audited by Moores Rowland



STATEMENT BY DIRECTORS

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT 1965

We, YM RAJA DATO' SERI ABDUL AZIZ BIN RAJA SALIM and DATO SRI LIANG KIM BANG, being two of the Directors of PPB Group Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 73 to 181 are drawn up in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2008 and of their results and cash flows for the year ended on that date.

On behalf of the Board

YM RAJA DATO' SERI ABDUL AZIZ BIN RAJA SALIM Director

DATO SRI LIANG KIM BANG Director

Kuala Lumpur 2 April 2009







I, Leong Choy Ying, being the person primarily responsible for the accounting records and financial management of PPB Group Berhad, do solemnly and sincerely declare that the financial statements of the Group and of the Company set out on pages 73 to 181 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

LEONG CHOY YING

Subscribed and solemnly declared by the abovenamed Leong Choy Ying at Kuala Lumpur in the Federal Territory on this 2nd day of April, 2009

Before me,

Kathirvelayudham a/l Palaniappan PPN Commissioner for Oaths Malaysia No.W385





Report on the Financial Statements

We have audited the financial statements of PPB Group Berhad, which comprise the balance sheets as at 31 December 2008 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 73 to 181.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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



THE FINANCIALS

REPORT OF THE AUDITORS

TO THE MEMBERS

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2008 and of their financial performance and cash flows for the year then ended.

185

Report on Other Legal and Regulatory Requirements

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

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

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in note 58 to the financial statements.

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

(d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

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

MOORES ROWLAND No. AF: 0539

Chartered Accountants

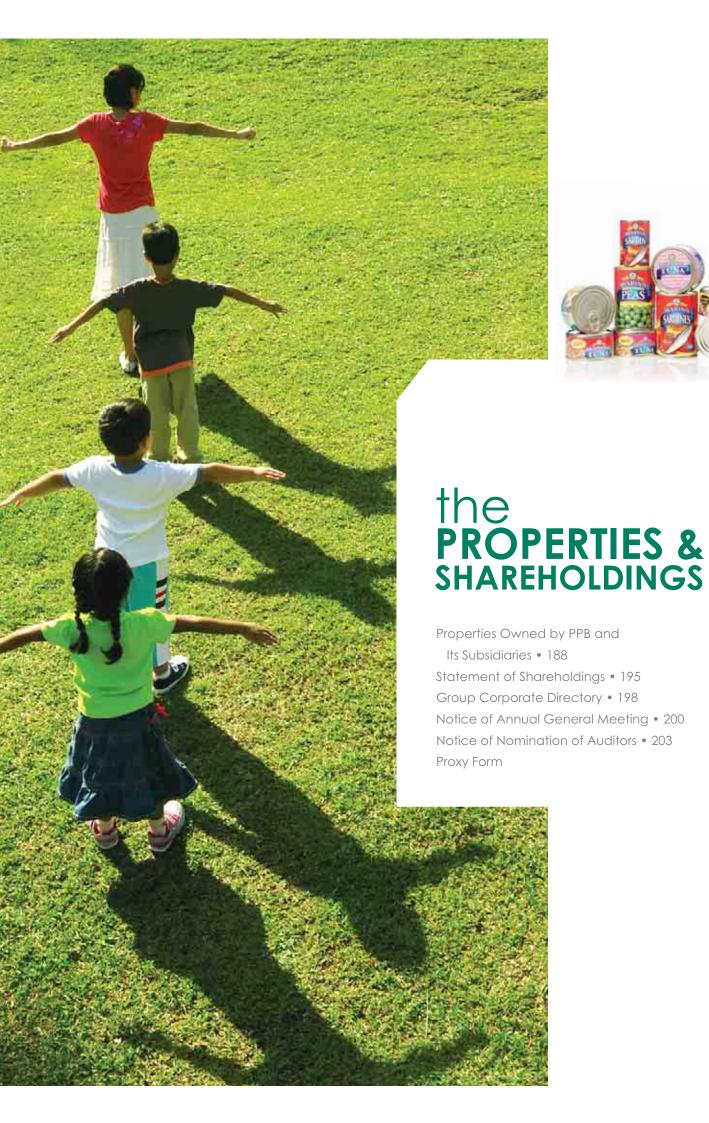
GAN MORN GHUAT No. 1499/5/09 (J)

Partner

Kuala Lumpur

2 April 2009









Location	Description & existing use of properties	Date of acquisition /revaluation	Age of building in years		Tenure	Year of expiry	Net book value at 31.12.2008 RM'000
STATE OF PERLIS							
PN 37, Kampung Baru, Chuping PN 39, Bukit Merah, Chuping PN 40, Store Chia, Chuping PN 41, Padang Hang Chik Wa, Chuping PN 42, Padang Mayat, Chuping PN 43, Air Hujan, Chuping HS (D) 4455, Air Timbul Jemeh, Chuping HS (D) 145, Chuping HS (D) 194, Rimba Mas-Mas, Chuping	Sugar cane plantation	1.11.1980	-	5,799 hectares	Leasehold	2061 & 2063	15,433
HS (D) 2587, Bilal Udoh, Chuping	Sugar cane experimental station	2.8.1982	40	13 hectares	Leasehold	2072	J
HS (D) 2483, Wang Bintong, Kangar	Bus depot	10.5.1969	-	6,070 sq metres	Freehold	-	41
STATE OF KEDAH							
Cathay Alor Setar No 1, Jln Limbong Kapal 05000 Alor Setar	Property leased out	16.4.1990	-	3,901 sq metres	Freehold	-	805
Cathay Sungai Petani No 11, Jln Bank, 08000 Sg Petani	Property leased out	16.4.1990	> 50	830 sq metres	Freehold	-	365
31 Jln Kampung Baru, Sg Petani, 08000 Kedah	Land for property development	7.11.1991	-	11,339 sq metres	Freehold	-	1,037
Lot 28, 57, 65, 1010, 1011, 1122-1124, 1128, 1137, 1139, 1142, 1242, 1273, 1279, 1289, 1290, 1292, 1294, 1664 & 1665, Mukim Semeling, Daerah Kuala Muda	Oil palm estate	13.4.1981	-	569 hectares	Freehold	-	13,332
Lot PT 4841 - 4846, Mukim Semeling, Daerah Kuala Muda	Oil palm estate	13.4.1981	-	91 hectares	Freehold	-	J
Lot 36-39, 50-51, 108, 3132-3135, Mukim of Ayer Puteh, Gurun	Poultry breeder farm & vacant agricultural land	21.2.1995	12	103 hectares	Freehold	-	14,054





Location	Description & existing use of properties	Date of acquisition /revaluation	Age of building in years		Tenure	Year of expiry	Net book value at 31.12.2008 RM'000
STATE OF PENANG							
Lot No 31, 333-339, 342, 343, 435 & 438, Section 15, City of Georgetown	Commercial building leased out	30.9.1976	2	2 hectares	Freehold	-	18,366
798, Main Road, Prai, Province Wellesley	Sugar refinery factory	30.9.1976	44	8 hectares	Leasehold	2028 & 2054	10,677
Plot 352-355 & 362-364 Tingkat Perusahaan Tiga, Seberang Prai Tengah	Factory & office building	28.4.1989	32	24,922 sq metres	Leasehold	2035 & 2043	1,922
Plot 99(1), MK1 Tingkat Perusahaan Dua, Seberang Prai Tengah	Factory & warehouse building	25.11.1982	26	21,089 sq metres	Leasehold	2042	3,299
Plot 100(1), MK1 Tingkat Perusahaan Dua, Seberang Prai Tengah	Warehouse building	10.2.1989	26	13,489 sq metres	Leasehold	2049	3,262
Plot 571, MK13 Tingkat Perusahaan Dua, Seberang Prai Tengah	Industrial land	4.11.1990	-	1,305 sq metres	Leasehold	2050	126
Odeon Penang No 130, Penang Road, 10000 Penang	Property leased out	16.4.1990 16.4.1990	62 -	1,084 sq metres 281 sq metres	Freehold Leasehold	2038	434 106
Dalit Cinema Kompleks Tun Abdul Razak Lebuh Tek Soon, 10000 Penang	Shoplot leased out	16.4.1990	28	3,332 sq metres	Leasehold	2080	4,621
Cathay Bukit Mertajam No 14, Jln Aston, 14000 Bukit Mertajam	Property leased out	16.4.1990 16.4.1990 16.4.1990	53 - -	1,092 sq metres 282 sq metres 166 sq metres	Freehold Freehold Leasehold	- - 2054	362 } 107
No 8-8A, 8B, 10, 10A, 12, 12A, 14, 14A, 16, 16A, 18, 18A, 20, 20A, 22, 22A, 22B & 22C, Beach Street, 10300 Penang	2 storey shophouses under refurbishment	24.2.4004	⋋ E0	2 526 og matras	Eroohold		0.074
No 2 & 4, Church Street, 10300 Penang	2 storey shophouses under refurbishment	\$ 31.3.1981	> 50	2,526 sq metres	Freehold	-	8,874



Location	Description & existing use of properties	Date of acquisition /revaluation	Age of buildings in years		Tenure	Year of expiry	Net book value at 31.12.2008 RM'000
STATE OF PERAK							
Cathay Ipoh No 60, Jln Dato' Onn Jaafar, 30300 Ipoh	Property leased out	16.4.1990	52	4,494 sq metres	Freehold	-	1,113
Plot 90, Kwsn Perusahaan Silibin, Lengkok Rishah 1, Ipoh	Office building & warehouse	3.10.1991	15	8,013 sq metres	Leasehold	2045	1,352
Block G4 & G5, Lumut Industrial Park, Lumut	Factory	28.12.1995	< 12	80,937 sq metres	Leasehold	yet to be determined	6,053
Block G9, Lumut Industrial Park, Lumut	Leasehold land rented out	29.11.1996	-	60,662 sq metres	Leasehold	yet to be determined	4,270
Lot 950, Batu 9, Sg Limau, 34850 Trong	Layer farm & vacant agricultural land	25.10.1996	10	216 hectares	Freehold	-	42,120
STATE OF SELANGOR							
Lot 1-4, Section 6, Pulau Indah Industrial Park, Port Klang	Factory, warehouse & vacant industrial land	6.6.1995	7	208,170 sq metres	Leasehold	2097	116,229
Lot 2824-2827 & PT 45125 Mukim Sg Buloh, District of Kuala Lumpur	Warehouse cum office & vacant industrial land	19.10.1993 1.6.1994	< 12	243,419 sq metres	Freehold	-	57,760
1~17, Jln SS 22/19, Damansara Jaya, 47400 Petaling Jaya	Nine 4 storey shop-houses & offices leased out	16.4.1990	26	1,408 sq metres	Freehold	-	3,473
Lot No PT 10989 & PT 10991, Jln SS24/10 & 24/8, Taman Megah, 47301 Petaling Jaya	Land leased out	16.4.1990	-	13,631 sq metres	Freehold	-	2,554
Lot 58 to 61, Daerah Gombak, Mukim Batu, Kaw Perindustrian, Taman Bukit Rahman Putra	Warehouse	15.9.1993	14	35,336 sq metres	Freehold	-	15,189
Lot 844, Jln Subang 7, Taman Perindustrian Subang, 47500 Subang Jaya	Workshop & office building	15.6.1993	9	12,266 sq metres	Freehold	-	9,444
Lot 9, Jln Utas 15/7, 40000 Shah Alam	Office building	22.2.1993	38	33,946 sq metres	Leasehold	2069	6,268





Location	Description & existing use of properties	Date of acquisition /revaluation	Age of building in years		Tenure	Year of expiry	Net book value at 31.12.2008 RM'000
Lot 12, Persiaran Kemajuan 16/16, 40000 Shah Alam	Office building	22.2.1993	20	11,458 sq metres	Leasehold	2018	2,003
16/8A Jln Pahat 40700 Shah Alam	Office building	1.1.2004	29	3,837 sq metres	Leasehold	2067	710
WILAYAH PERSEKUTUAN							
2nd Floor, Sungei Wang Plaza Jln Bukit Bintang 55100 Kuala Lumpur	Shoplot leased out	16.4.1990	31	6,187 sq metres	Freehold	-	23,310
Lot 2883, Jln Cheras, Kuala Lumpur	Land for property development	9.3.1982	-	1,376 sq metres	Freehold	-	101
Lot 39727-39729, Jln Cheras, Kuala Lumpur	Land for property development	9.3.1982	-	3,582 sq metres	Leasehold	2077 & 2080	437
Cheras LeisureMall, Jln Manis 6, Taman Segar, Cheras, 56100 Kuala Lumpur	Shopping mall	9.3.1982	131/2	21,225 sq metres	Leasehold	2077 & 2080	54,515
Cheras Plaza No 11, Jln Manis 1, Taman Segar, Cheras, 56100 Kuala Lumpur	Eight storey building & carpark	9.3.1982	21	9,225 sq metres	Leasehold	2077 & 2080	14,840
LA 79200014, Layang Layang Town, Labuan STATE OF NEGERI SEMBILAN	Vacant commercial building	16.4.1990	-	9,941 sq metres	Leasehold	2092	1,103
Lot 765 & 2100, Mukim of Linggi, District of Port Dickson	Poultry breeder farm	12.3.1992	< 16	677,849 sq metres	Freehold	-	11,168
Lot 14720-14722, Senawang Industrial Park	Factory cum office building	30.6.1996	17	38,202 sq metres	Freehold	-	11,993
Lot 3978, Senawang Industrial Estate	Factory & office building	30.6.1996	12 to 37	27,033 sq metres	Leasehold	2067	17,348
GSC Cineplex 2nd Floor, Terminal One Shopping Complex, 20B Jln Lintang 70000 Seremban	Cineplex	26.2.1996	13	1,811 sq metres	Leasehold	2082 & 2094	4,631



Location	Description & existing use of properties	Date of acquisition /revaluation	Age of buildings in years	Land area	Tenure	Year of expiry	Net book value at 31.12.2008 RM'000
STATE OF MALACCA							
Lot 3.5, Cheng Industrial Estate	Office building & warehouse	12.9.1992	13	4,589 sq metres	Leasehold	2090	1,148
STATE OF JOHOR							
Lrg Pukal Dua, Kawasan Lembaga Pelabuhan, Pasir Gudang	Factory, warehouse & office building	7.1.1989	24 to 32	71,913 sq metres	Leasehold	2049	12,863
Plo 338 & 329, Jln Tembaga Dua, Kawasan Perindustrian, Pasir Gudang	Factory, warehouse & office building	10.10.1987 14.7.1988	12 & 20	121,406 sq metres	Leasehold	2049 & 2050	24,755
Cathay Muar No 38, Jln Sayang, 84000 Muar	Property leased out	16.4.1990	52	1,623 sq metres	Freehold	-	348
Lot 614 & 615, Bandar Maharani, Jln Ali, District of Muar	Land leased out	16.4.1990	-	345 sq metres	Freehold	-	
Cathay Batu Pahat 91A Jln Rahmat, 83000 Batu Pahat	Property leased out	16.4.1990	> 50	2,864 sq metres	Freehold	-	417
Odeon Batu Pahat 30 Jln Jenang, 83000 Batu Pahat	Property leased out	16.4.1990	> 50	1,752 sq metres	Freehold	-	575
Plaza I & II Cinema F-126, 1st Floor, Holiday Plaza, Jln Dato Suleiman, 80250 Johor Bahru	Shoplot leased out	31.7.1992 16.11.1992	19 & 20	2,929 sq metres	Freehold	-	8,769
Lot 973, Mukim of Tebrau, Johor Bahru	Warehouse & office building	15.7.1996	9	34,981 sq metres	Freehold	-	10,047
No 5, Jln Bakti, Kawasan Perindustrian Larkin 80350 Johor Bahru	Warehouse	30.8.2002	16 to 38	11,681 sq metres	Leasehold	2023	2,411





Location	Description & existing use of properties	Date of acquisition /revaluation	Age of buildings in years	Land area	Tenure	Year of expiry	Net book value at 31.12.2008 RM'000
STATE OF PAHANG							
B-1770, Taman Air Putih, Kuantan	Office building	23.12.1986	41	149 sq metres	Freehold	-	300
No 19, Jln IM 3/1, Bandar Indera Mahkota, 25200 Kuantan	Office building & warehouse	12.7.1997	10	7,810 sq metres	Leasehold	2061	2,072
STATE OF KELANTAN							
Lot No PT 4090, Mukim Panchor, Daerah Kemumin, Kota Bharu	Warehouse & office building	30.12.2001	-	14,166 sq metres	Leasehold	2063	3,316
STATE OF SARAWAK							
Lot 2231, Pending Industrial Estate, Kuching	Factory, warehouse & office building	13.11.1984 18.6.1987 15.3.1989	> 25	6,810 sq metres	Leasehold	2040	3,901
Lot 505 Block 8, Muara Tebas Land District, Kuching	Factory, warehouse & office building	6.12.1999	5	21,350 sq metres	Leasehold	2059	19,664
Lot 137 Block 5, Undup Land District Sri Aman	Vacant agricultura	al 9.3.1996	-	18,127 sq metres	Leasehold	2017	30
Lot 1149 Block 8, Muara Tebas Land District Kuching	Vacant industrial land & building	17.5.2004	-	10,518 sq metres	Leasehold	2064	4,089
Cathay Kuching Lot 31, Section 23, Khoo Hun Yeang Street, 93700 Kuching	Property leased out	16.4.1990	> 50	1,661 sq metres	Leasehold	2802	398
Cathay Sibu C.D.T, No 6 Raminway, 96007 Sibu	Property leased out	16.4.1990	49	1,486 sq metres	Leasehold	2016	262



Location	Description & existing use of properties	Date of acquisition /revaluation	Age of buildings in years	Land area	Tenure	Year of expiry	Net book value at 31.12.2008 RM'000
STATE OF SABAH							
51/ ₂ mile, Jln Tuaran Kolombong Industrial Estate, Kota Kinabalu	Factory & office building	10.10.1989	16	10,927 sq metres	Leasehold	2032	3,760
Lot No 6, Kota Kinabalu Industrial Park, Off Jln Sepangar, Kota Kinabalu	Factory & office building	19.10.2006	-	12,096 sq metres	Leasehold	2097	2,226
Lot 31, Industrial Zone 4, Kota Kinabalu	Warehouse & office building	24.7.2006	2	9,955 sq metres	Leasehold	2098	3,910
BFO Building, Jln Tunku Abd Rahman/Jln Laiman Diki, 88996 Kota Kinabalu	Office building	21.11.1995	28	8,741 sq metres	Leasehold	2074	11,927
CL 075149325, Karamunting, Sandakan	Land for expansion	10.8.1996	-	58,315 sq metres	Leasehold	2881	1,878
Cathay Sandakan Lot 2869, Third Street, 90007, Sandakan	Land leased out	16.4.1990	51	1,282 sq metres	Leasehold	2053	634
Lot 2777, TL 077508788, Lrg Gardenia & 60M North of KM 24, Jln Utara, Sandakan	Land for future development	16.4.1990	-	845 sq metres	Leasehold	2061	172
INDONESIA JI.S.Gunungjati,LK.Lijajar Rt.13/06, Kelurahan Tegalratu Kecamatan Ciwandan, Kota Cilegon	Land for factory under construction	26.1.2007 3.4.2007	-	31,723 sq metres	Leasehold	2037	3,717





STATEMENT OF SHAREHOLDINGS AS AT 18 MARCH 2009

Authorised Share Capital Issued and Fully-Paid Capital **Class of Shares Voting Rights**

RM2,000,000,000 RM1,185,499,882 Ordinary Shares of RM1.00 each One vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS				% of
Size of Holdings	No. of Holders	% of Holders	No. of Shares	Issued Capital
Less than 100	604	5.92	19,937	0.00
100 - 1,000	2,137	20.93	1,559,595	0.13
1,001 - 10,000	5,179	50.73	21,650,179	1.83
10,001 - 100,000	1,890	18.52	56,779,546	4.79
100,001 to less than 5% of issued shares	396	3.88	527,619,403	44.51
5% and above of issued shares	2	0.02	577,871,222	48.74
	10,208	100.00	1,185,499,882	100.00

DIRECTORS' INTERESTS IN SHARES	Direct	Direct Interest % of		Interest
	No. of Shares	lssued Capital	No. of Shares	% of Issued Capital
IN THE COMPANY				
Datuk Oh Siew Nam	120,666	0.01	1,204,498	0.10
Dato' Lim Chee Wah	100,000	0.01	40,000	*
Tan Gee Sooi	100	*	585,236	0.05
Datuk Rajasingam a/l Mayilvaganam	-	-	20,000	*
IN RELATED CORPORATIONS				
Tego Sdn Bhd - Subsidiary Company				
Datuk Oh Siew Nam	-	-	18,000	0.10
Tan Gee Sooi	37,500	0.21	-	-
Kuok Brothers Sdn Berhad - Holding Cor	npany			
Datuk Oh Siew Nam	-	-	4,966,667	0.99
Dato' Lim Chee Wah	-	-	4,634,000	0.93
Tan Gee Sooi	1,240,000	0.25	163,333	0.03
Cheang Kwan Chow	50,000	0.01	-	-
Coralbid (M) Sdn Bhd - Subsidiary of Hol	ding Company			
Datuk Oh Siew Nam	-	-	100,000	0.27
Dato' Lim Chee Wah	-	-	100,000	0.27

^{*} negligible

Other than as disclosed above, none of the Directors had any direct nor deemed interest in shares of any other related corporations of the Company.





AS AT 18 MARCH 2009

SUBSTANTIAL SHAREHOLDERS	Direct	Direct Interest		I Interest	Total		
Name of Substantial Shareholders	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital	
Kuok Brothers Sdn Berhad Employees Provident Fund Board	594,764,624 112,718,450	50.17 9.51	2,658,404	0.22	597,423,028 112,718,450	50.39 9.51	

THE THIRTY LARGEST SHAREHOLDERS (as per Record of Dep	positors)	٥/ مـ 4
Name of Shareholders	No. of Shares	% of Issued Capital
1. Kuok Brothers Sdn Berhad	472,711,372	39.87
2. Employees Provident Fund Board	105,159,850	8.87
3. Kuok Brothers Sdn Berhad	49,296,514	4.16
4. Nai Seng Sdn Berhad	40,826,500	3.44
5. Kuok Brothers Sdn Berhad	40,757,932	3.44
6. Valuecap Sdn Bhd	34,848,300	2.94
7. Cimsec Nominees (Tempatan) Sdn Bhd For Kuok Brothers Sdn Berhad	32,000,000	2.70
8. HSBC Nominees (Asing) Sdn Bhd BNP PAR LDN BR For Nexgen Capital Limited	21,700,900	1.83
9. Kuok Foundation Berhad	17,119,720	1.44
10. Key Development Sdn Berhad	14,938,000	1.26
11. Chinchoo Investment Sdn Berhad	12,868,000	1.09
 Cartaban Nominees (Asing) Sdn Bhd Government of Singapore Investment Corporation Pte Ltd For Government of Singapore (C) 	11,936,700	1.01
 Inter-Pacific Equity Nominees (Asing) Sdn Bhd Kim Eng Securities Pte Ltd For Sin Heng Chan (1960) Pte Ltd 	10,200,000	0.86
14. Citigroup Nominees (Asing) Sdn Bhd CBNY For DFA Emerging Markets Fund	6,759,566	0.57
15. Ophir Holdings Berhad	5,841,754	0.49
16. Shaw Brothers (Johore) Sdn Bhd	5,603,732	0.47





STATEMENT OF SHAREHOLDINGS

AS AT 18 MARCH 2009

[continued]

THE THIRTY LARGEST SHAREHOLDERS (as per Record of Depo	ositors)	0/ -£
Name of Shareholders	No. of Shares	% of Issued Capital
17. Keck Seng (Malaysia) Berhad	4,891,728	0.41
18. Amanah Raya Nominees (Tempatan) Sdn Bhd For Public Islamic Dividend Fund	4,828,400	0.41
19. Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN For Prudential Fund Management Berhad	4,389,200	0.37
20. Cartaban Nominees (Asing) Sdn Bhd Government of Singapore Investment Corporation Pte Ltd For Monetary Authority of Singapore (H)	4,233,500	0.36
21. HSBC Nominees (Asing) Sdn Bhd Exempt AN For JPMorgan Chase Bank, National Association (U.A.E.)	4,124,772	0.35
22. SBB Nominees (Tempatan) Sdn Bhd For Employees Provident Fund Board	4,092,300	0.35
23. Mayban Nominees (Tempatan) Sdn Bhd Mayban Trustees Berhad For Public Ittikal Fund	3,855,800	0.33
24. Gan Teng Siew Realty Sdn Berhad	3,621,998	0.31
25. HSBC Nominees (Asing) Sdn Bhd BBH and Co. Boston For Vanguard Emerging Markets Stock Index Fund	3,502,044	0.30
26. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Exempt AN For Deutsche Trustees Malaysia Berhad	3,324,800	0.28
27. Universiti Kebangsaan Malaysia	3,323,608	0.28
28. Ang Poon Tiak	3,250,000	0.27
29. Cartaban Nominees (Asing) Sdn Bhd State Street For Ishares, Inc.	3,240,066	0.27
30. Amanah Raya Nominees (Tempatan) Sdn Bhd For Amanah Saham Malaysia	3,099,600	0.26
	936,346,656	78.98





AMUSEMENT CENTRE OPERATIONS

Kerry Leisure Concepts Sdn Bhd

Main Office
Lot 2.37, Level 2
Cheras LeisureMall
Jalan Manis 2, Taman Segar, Cheras
56100 Kuala Lumpur
Tel: 03-91311663
Contact Person:
Mr Han Yew Kong (GM)

ANIMAL FEED MANUFACTURING

Johor Bahru Flour Mill Sdn Bhd

Main Office/Factory 2429 MK 1, Tingkat Perusahaan Dua Kawasan Perusahaan Prai, 13600 Prai Seberang Prai, Pulau Pinang Tel: 04-3999018 Contact Person: Mr Teoh Beng Tong (D)

FFM (Sabah) Sdn Bhd

Main Office/Factory 51/₂ Mile, Off Jalan Tuaran Kolombong Industrial Estate 88450 Kota Kinabalu, Sabah Tel: 088-426310 Contact Person: Mr Chia Ngun How (D/GM)

FFM Feedmills (Sarawak) Sdn Bhd Main Office/Factory

Lot 2231, Jalan Kilang Pending Industrial Estate 93450 Kuching, Sarawak Tel: 082-482751

Contact Person : Mr Lee Cho Fatt (D/GM)



CHEMICALS MANUFACTURING

Malayan Adhesives & Chemicals Sdn Bhd

Main Office/Factory
No. 9 Jalan Utas 15/7
40200 Shah Alam, Selangor
Tel: 03-55191801
Contact Person:
Mr Huen Foo Seng (D/GM)

CINEMA OPERATIONS

Golden Screen Cinemas Sdn Bhd Main Office

1 Jalan SS22/19, Damansara Jaya 47400 Petaling Jaya, Selangor Tel: 03-78068888 Contact Person: Mr Irving Chee (GM)

CONSUMER PRODUCTS DISTRIBUTION

FFM Marketing Sdn Bhd

Main Office PT 45125, Batu 151/₂, Sungai Pelong 47000 Sungai Buloh, Selangor Tel: 03-61565888 Contact Person:

Mr Ong Hung Hock (Exec. Chairman)

CONTRACT MANUFACTURING

Products Manufacturing Sdn Bhd

Main Office/Factory
Lot PT 31-A1, A2 & A3
Industrial Area
Mukim Batu 6.5 Miles, Jalan Kepong
52000 Kuala Lumpur
Tel: 03-62528298
Contact Person:

Mr Khor Siang Chew (Chairman/GM)



ENGINEERING SERVICES

Minsec Engineering Services Sdn Bhd

Main Office
Lot 844, Jalan Subang 7
Taman Perindustrian Subang
47500 Subang Jaya, Selangor
Tel: 03-80247650
Contact Person:
Mr Saw Kong Beng (Chairman/GM)



FOOD PROCESSING

Mantap Hijau Sdn Bhd

Main Office/Factory Lot 2, Seksyen 6, Pulau Indah Industrial Park k.s.13, 42090 Klang, Selangor Tel: 03-31011338 Contact Person: Dr Adrian Majanil (GM)

FLOUR MILLING

FFM Berhad

Main Office PT 45125, Batu 15¹/₂ Sungai Pelong, 47000 Sungai Buloh, Selangor Tel: 03-61572289 Contact Person: Mr Tan Chee Peng (MD)

Johor Bahru Flour Mill Sdn Bhd

Main Office/Factory Lorong Pukal Dua Kawasan Lembaga Pelabuhan Johor 81700 Pasir Gudang, Johor Tel: 07-2512211 Contact Person: Mr Tan Hock Yong (Exec. Chairman)

Vietnam Flour Mills Ltd Factory

My Xuan A Industrial Zone Tan Thanh Commune Ba Ria Vung Tau Province Vietnam Tel: 0084-64894883

Contact Person : Mr Patrick Wong (General Director)

FFM Flour Mills (Sarawak) Sdn Bhd

Main Office/Factory Lot 505, Block 8, MTLD Sejingkat Industrial Park Jalan Bako 93050 Kuching, Sarawak Tel: 082-439449 Contact Person:

Mr Terry Kho (Factory Manager)



GROUP CORPORATE DIRECTORY



LIVESTOCK FARMING

FFM Farms Sdn Bhd

Main Office PT 45125, Batu 151/2 Sungai Pelong, 47000 Sungai Buloh, Selangor Tel: 03-61572289 Contact Person: Dr Danny Soon (GM)



PLANTATIONS AND EDIBLE OILS

Wilmar International Limited

Main Office 56 Neil Road Singapore 088830 Tel: 65-62160244 Contact Person:

Mr Colin Tan Tiang Soon (CS)

POLYBAG MANUFACTURING

Tego Sdn Bhd Main Office/Factory Lot 5-8 Senawang Industrial Estate 70450 Seremban Negeri Sembilan Tel: 06-6773361 Contact Person: Mr Boo Yew Leng (MD)

Tego Multifil Sdn Bhd

Factory Lot 9, Lorong Bunga Tanjung 1/2 Senawang Industrial Park 70400 Seremban Negeri Sembilan Tel: 06-6778721 Contact Person: Mr Boo Yew Leng (D)

Tefel Packaging Industries Co. Ltd Main Office/Factory Plot No. 247-A/248 Muse Street Ward (23), Industrial Zone (1) South Dagon Township Yangon, Myanmar Tel: 0095-1-590643 Contact Person: Mr Cheng Kin Ming (D)

PROPERTY OWNERS/DEVELOPER

PPB Hartabina Sdn Bhd

Main Office 7th Floor, Cheras Plaza Jalan Manis 1 Taman Segar, Cheras 56100 Kuala Lumpur Tel: 03-91305088 Contact Person:

Mr Wong Kah Keen (Senior Manager) Cathay Screen Cinemas Sdn Bhd

Main Office 5B Jalan SS22/19 Damansara Jaya 47400 Petaling Jaya, Selangor Tel: 03-77299118 Contact Person: Ms Carol Au (M)

South Island Mining Co. Sdn Bhd

Main Office 330 Simco Bungalow, Sg Toh Pawang 08100 Bedong, Kedah Tel: 04-44581126 Contact Person: Mr Chong Seng Meng (GM)



SUGAR OPERATIONS

Malayan Sugar Manufacturing Co Berhad

Main Office 18th Floor, Wisma Jerneh 38 Jalan Sultan Ismail 50250 Kuala Lumpur Tel: 03-21484388 Contact Person: Mr Chua Say Sin (MD)

Kilang Gula Felda Perlis Sdn Bhd

Main Office/Factory Mukim Chuping 02500 Chuping, Perlis Tel: 04-9441301 Contact Person: En Mohamad Amri bin Sahari @ Khuzari(GM)

PPB Group Berhad (Cane Division)

Plantation KM 23, Jalan Kilang Gula, Chuping 02400 Beseri, Perlis Tel: 04-9441002 Contact Person: YM Tengku Shaharin (GM)



WASTE MANAGEMENT & ENVIRONMENTAL ENGINEERING

Chemical Waste Management Sdn Bhd

Main Office Lot 12, Persiaran Kemajuan Off Jalan Halba 16/16 40200 Shah Alam, Selangor Tel: 03-55107800 Contact Person: Mr Leong Yew Weng (CEO)

Beijing CQ Environmental Management Consultancy Services Co. Ltd

Main Office Unit 2308A Level 23 North Office Tower Beijing Kerry Centre 1 Guang Hua Road Chao Yang District Beijing 100020, China Tel: 00-8610-85298393 Contact Person: Mr Ethan Pang (Financial Controller)

Sitamas Environmental Systems Sdn Bhd

Main Office Lot 15 Jalan Pahat 16/8A 40702 Shah Alam, Selangor Tel: 03-55104008 Contact Person: Mr Lim Cheng Kaai (GM)

AWS Sales & Services Sdn Bhd

Main Office 2049 Jalan Perusahaan Prai Industrial Complex 13600 Prai, Seberang Prai Pulau Pinang Tel: 04-3988600 Contact Person: Mr Yap Eng Soon (GM)

LEGEND

CS - COMPANY SECRETARY
D - DIRECTOR
GM - GENERAL MANAGER M - MANAGER MD - MANAGING DIRECTOR



NOTICE OF **ANNUAL GENERAL MEETING**

Date/Time : Friday, 15 May 2009 at 9.30 a.m.

Venue : 19th Floor, Wisma Jerneh, 38 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia.

NOTICE IS HEREBY GIVEN that the 40th Annual General Meeting of PPB Group Berhad will be held at 19th Floor, Wisma Jerneh, 38 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Friday, 15 May 2009 at 9.30 a.m. for the following purposes:-

AS ORDINARY BUSINESS

- 1. To receive the audited Financial Statements for the year ended 31 December 2008 and the Reports of the Directors and Auditors thereon. (Resolution 1)
- 2. To approve the payment of a final single tier dividend of 18 sen per share in respect of the financial year ended 31 December 2008 as recommended by the Directors. (Resolution 2)
- 3. To approve the payment of Directors' fees of RM306,626 for the financial year ended 31 December 2008.

(Resolution 3)

- 4. To elect the following Directors who retire in accordance with Article 88 of the Articles of Association of the Company:
 - i) Mr Cheang Kwan Chow (Resolution 4)
 - ii) Mr Lim Soon Huat (Resolution 5)
- 5. To consider and if thought fit, to pass the following resolutions pursuant to Section 129(6) of the Companies Act 1965:
 - i) "That pursuant to Section 129(6) of the Companies Act 1965, Datuk Oh Siew Nam be hereby re-appointed a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company". (Resolution 6)
 - ii) "That pursuant to Section 129(6) of the Companies Act 1965, Dato Sri Liang Kim Bang be hereby re-appointed a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company". (Resolution 7)
 - iii) "That pursuant to Section 129(6) of the Companies Act 1965, YM Raja Dato' Seri Abdul Aziz bin Raja Salim be hereby re-appointed a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company". (Resolution 8)

(See Explanatory Note 1)

6. To appoint Messrs Mazars as Auditors of the Company and to authorise the Directors to fix their remuneration.

(See Explanatory Note 2) (Resolution 9)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following as Ordinary Resolutions, with or without modifications:-

7. Authority to issue shares pursuant to Section 132D of the Companies Act 1965

"THAT subject to the Companies Act 1965 and the Articles of Association of the Company, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad."

(See Explanatory Note 3) (Resolution 10)





NOTICE OF ANNUAL GENERAL MEETING

8. Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature The text of the resolution to approve the above together with details of the Proposed Shareholders' Mandate are set out in the Circular to Shareholders dated 23 April 2009. (See Explanatory Note 4)

(Resolution 11)

9. To transact any other business of which due notice shall have been given.

NOTICE OF BOOKS CLOSURE AND DATE OF DIVIDEND PAYMENT

NOTICE HAS BEEN GIVEN ON 27 FEBRUARY 2009 that subject to the approval of members at the Annual General Meeting to be held on Friday, 15 May 2009, a final single tier dividend of 18 sen per share in respect of the financial year ended 31 December 2008 will be paid on Friday, 5 June 2009 to members whose names appear in the Record of Depositors on Thursday, 21 May 2009.

A Depositor shall qualify for entitlement in respect of :-

- Shares transferred into the Depositor's securities account before 4.00 p.m. on Thursday, 21 May 2009 in respect of ordinary transfers; and
- ii) Shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

Kuala Lumpur 23 April 2009

By Order of the Board TAN TEONG BOON (LS 000326) MAH TECK KEONG (MAICSA 0820976) **Company Secretaries**

Appointment of Proxy

- A member of the Company entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
- ii) A member shall not be entitled to appoint more than two proxies to attend and vote at the same meeting. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- iii) The Proxy Form must be signed by the appointer or his/her attorney duly authorised in writing or in the case of a corporation, executed under its common seal or under the hand of an officer or attorney duly authorised.
- iv) The instrument appointing a proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting or any adjournment thereof.

EXPLANATORY NOTES

1) RE-APPOINTMENT OF DIRECTORS PURSUANT TO SECTION 129(6) OF THE COMPANIES ACT 1965

Pursuant to Section 129(6) of the Companies Act 1965, a person of or over the age of 70 years who is proposed for appointment as a Director of the Company, shall be appointed by a resolution passed by a majority of not less than three-fourths of the members of the Company present and voting in person or by proxy at a general meeting, and if so appointed, the Director shall hold office until the next annual general meeting of the Company.

The proposed Resolutions 6,7 and 8, if passed, will enable Datuk Oh Siew Nam, Dato Sri Liang Kim Bang and YM Raja Dato' Seri Abdul Aziz bin Raja Salim to hold office until the next Annual General Meeting of the Company.



NOTICE OF ANNUAL GENERAL MEETING

2) APPOINTMENT OF AUDITORS

On 12 February 2009, the Company announced that it had received a notice from Messrs Moores Rowland indicating their intention not to seek re-appointment at the forthcoming Annual General Meeting of the Company as Messrs Moores Rowland had merged their practice with the internationally integrated practice of Messrs Mazars on 1 September 2008. On 12 February 2009, the Company also received a notice of nomination from Kuok Brothers Sdn Berhad, a shareholder of the Company to nominate Messrs Mazars as Auditors of the Company in place of the retiring Auditors, Messrs Moores Rowland.

A copy of the notice of nomination is annexed on page 203 of the Annual Report.

3) AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT 1965

The Company is continually looking for opportunities to broaden the operating base and earnings potential of the Company. This may require the issue of new shares not exceeding ten per centum (10%) of the Company's issued share capital.

The proposed **Resolution 10** would enable the Directors to avoid delay and cost of convening further general meetings to approve the issue of such shares for such purposes. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

4) PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The proposed **Resolution 11** is to enable the Company and its subsidiaries to enter into recurrent related party transactions, which are necessary for PPB Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company. At the same time, this would eliminate the need to make regular announcements to Bursa Malaysia and convene separate general meetings to seek shareholders' approval as and when potential recurrent transactions with a related party arise, thereby reducing substantially administrative time and cost in convening such meetings.

Further information on the proposed Shareholders' Mandate is set out in the Circular to Shareholders dated 23 April 2009 despatched together with the Company's 2008 Annual Report.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

- 1. The Directors who are standing for election pursuant to Article 88 are as follows:
 - a. Mr Cheang Kwan Chow
 - b. Mr Lim Soon Huat
- 2. The Directors who are standing for re-appointment pursuant to Section 129(6) of the Companies Act 1965 are as follows:
 - a. Datuk Oh Siew Nam
 - b. Dato Sri Liang Kim Bang
 - c. YM Raja Dato' Seri Abdul Aziz bin Raja Salim

The details of the above Directors are set out in the Directors' Profiles on pages 14 to 17. Their interests in shares of the Company and its related corporations are disclosed in the Statement of Shareholdings on page 195.



NOTICE OF NOMINATION OF AUDITORS



12 February 2009

The Board of Directors PPB Group Berhad 17th Floor Wisma Jerneh 38 Jalan Sultan Ismail 500250 Kuala Lumpur

Dear Sirs

RE: NOTICE OF NOMINATION OF AUDITORS

In accordance with Section 172 (11) of the Companies Act, 1965, we hereby give you notice of our intention to nominate Messrs Mazars for appointment as the Auditors of **PPB Group Berhad** in place of the retiring Auditors, Messrs Moores Rowland who are not seeking reappointment at the forthcoming Annual General Meeting.

Yours faithfully for and on behalf of

KUOK BROTHERS SDN BERHAD

DATO' LIM CHEE WAH

Director



I/We			NRIC/Passport No.:				
of							
being a ı	member/members of PF	PB GROUP BERHAD	hereby appoint the Chairman of the	Meeting*			
or	NRIC/Passport No.:						
of							
or failing	g him/her		NRIC/Passport No.:				
of							
as my/o	ur proxy to vote for me	us and on my/our l	wish to appoint another person to be you		mpany to be held		
•	y, 15 May 2009 at 9.30 a proxy is to vote as indic		journment thereof.				
NO.	RESOLUTIONS			FOR	AGAINST		
1	To receive the audite	d Financial Statem Id the Reports of th	ents for the year ended ne Directors and Auditors thereon.				
2	To approve the paym	ent of a final single	e tier dividend.				
3	To approve the paym	ent of Directors' fe	es.				
4	To elect Mr Cheang K	wan Chow as Direct	tor.				
5	To elect Mr Lim Soon	Huat as Director.					
6	To re-appoint Datuk (Oh Siew Nam as Dir	ector.				
7	To re-appoint Dato Sr	i Liang Kim Bang as	s Director.				
8	To re-appoint YM Raja	a Dato' Seri Abdul A	Aziz bin Raja Salim as Director.				
9	To appoint Messrs Ma						
10	To authorise the Dire						
11	To approve sharehold transactions of a reve		ecurrent related party ure.				
	ndicate with an 'X' in the sp ing at his/her discretion.)	aces provided how yo	u wish your vote to be cast. If you do not	do so, the proxy	will vote or abstain		
The prop	portion(s) of my/our sha	areholding to be re	presented by my/our proxies is/are	as follows :-			
Fir	st Proxy	%					
Sec	cond Proxy	%					
Tot		100%					
No	. of Shares Held						
Signed t	his day of	2009.			Signature		

- i) A member of the Company entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
- A member shall not be entitled to appoint more than two proxies to attend and vote at the same meeting. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- The Proxy Form must be signed by the appointer or his/her attorney duly authorised in writing or in the case of a iii) corporation, executed under its common seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting or any adjournment thereof.

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affix stamp here

PPB GROUP BERHAD

17th Floor, Wisma Jerneh 38 Jalan Sultan Ismail 50250 Kuala Lumpur MALAYSIA

