

NOTES TO THE FINANCIAL STATEMENTS

6. NET PROFIT FROM INVESTING ACTIVITIES

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Gross dividends from unquoted subsidiaries in Malaysia	-	-	5,640,702	896,955
Gross dividends from associates				
- quoted outside Malaysia	-	-	212,991	73,008
- unquoted in Malaysia	-	-	4,000	10,700
Gross dividends from other investments				
- quoted in Malaysia	42,521	56,952	18,056	24,083
- quoted outside Malaysia	5,819	8,050	1,944	3,094
Interest income	6,999	10,007	6,735	6,300
Rental income from investment properties	3,925	3,804	542	431
Profit/(Loss) on disposal of				
- associates	1,023	372	-	-
- other investments	-	(82)	-	-
- land and buildings	-	4,766	-	-
- investment properties	-	405	-	-
Deficit arising from liquidation of a subsidiary (<i>see note 48</i>)	-	(30)	-	-
Deficit arising from liquidation of an associate	(278)	-	-	-
Investment property written off	-	(277)	-	-
Impairment of investment in an associate	(269)	(4,436)	-	-
Impairment of goodwill	(642)	-	-	-
Diminution in value of other investments	-	(22,455)	-	(141,510)
Diminution in value of other investments written back	-	722	-	-
Fair value gain on financial assets at fair value through profit or loss	9,491	-	-	-
Impairment of investment property	(297)	-	-	-
Allowance for doubtful debts in associates	-	(6,099)	-	(5,911)
Gain on derecognition of available-for-sale financial assets	1,285	-	-	-
Discount on acquisition written off	73	1	-	-
	69,650	51,700	5,884,970	867,150

NOTES TO THE FINANCIAL STATEMENTS

7. FINANCE COSTS

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
<i>Interest paid and payable on:</i>				
Banker's acceptance	1,559	1,932	-	-
Revolving credits	1,760	1,416	23	-
Advances from subsidiaries	-	-	3,083	5,773
Bank term loans	3,144	1,938	-	-
Bank overdrafts	14	17	-	-
Hire purchase	11	32	-	-
Others	62	63	-	-
	<u>6,550</u>	<u>5,398</u>	<u>3,106</u>	<u>5,773</u>

8. INCOME TAX EXPENSE

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
Malaysian taxation based on results for the year				
Current	38,186	60,900	24,930	135,001
Deferred	6,138	3,202	279	364
	<u>44,324</u>	<u>64,102</u>	<u>25,209</u>	<u>135,365</u>
Foreign taxation				
Current	1,509	1,488	-	-
Deferred	769	(2,117)	-	-
	<u>46,602</u>	<u>63,473</u>	<u>25,209</u>	<u>135,365</u>
Under/(Over)provision in prior year				
Malaysian taxation				
Current	4,993	(783)	(893)	65
Deferred	(3,939)	251	6	1,550
Foreign taxation				
Current	(1,474)	-	-	-
	<u>46,182</u>	<u>62,941</u>	<u>24,322</u>	<u>136,980</u>

NOTES TO THE FINANCIAL STATEMENTS

8. INCOME TAX EXPENSE (continued)

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
<u>Discontinued operations</u>				
Malaysian taxation based on results for the year				
Current	53,814	44,117	-	-
Deferred	4,401	1,290	-	-
	<u>58,215</u>	<u>45,407</u>	<u>-</u>	<u>-</u>
(Over)/Underprovision in prior year				
Malaysian taxation				
Current	(959)	77	-	-
Deferred	-	(1,207)	-	-
	<u>57,256</u>	<u>44,277</u>	<u>-</u>	<u>-</u>
Total income tax expense	<u>103,438</u>	<u>107,218</u>	<u>24,322</u>	<u>136,980</u>

The statutory tax rate applicable to the Company was reduced from 26% in 2008 to 25% in 2009.

The provision for taxation differs from the amount of taxation determined by applying the applicable statutory tax rate to the profit before tax excluding share of results of associates and jointly controlled entity analysed as follows:

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Accounting profit from:				
- continuing operations	214,643	300,324	5,867,453	845,846
- discontinued operations	284,768	160,801	271	(4,902)
	<u>499,411</u>	<u>461,125</u>	<u>5,867,724</u>	<u>840,944</u>
Taxation at applicable tax rate	127,120	118,375	1,466,931	218,645
<i>Tax effect arising from:</i>				
Non-taxable income				
- exempt dividend	(11,852)	(13,562)	(1,444,210)	(126,639)
- under Section 54A of Income Tax Act 1967	(214)	(10,248)	-	-
- profit on disposal of				
- associates	(256)	(97)	-	-
- land and buildings	-	(1,345)	-	-
- other investments	-	(21)	-	-
- diminution in value of other investments written back	-	(187)	-	-

NOTES TO THE FINANCIAL STATEMENTS

8. INCOME TAX EXPENSE (continued)

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
- fair value gain on financial assets at fair value through profit or loss	(2,373)	-	-	-
- unrealised fair value gain on derivative financial instruments	(1,523)	-	-	-
- gain on derecognition of available-for-sale financial assets	(321)	-	-	-
- others	(1,610)	(1,540)	(50)	(29)
Expenses eligible for double deduction	(467)	(491)	-	-
Non-deductible expenses				
- impairment of an investment property	74	-	-	-
- impairment of an associate	67	1,153	-	-
- impairment of goodwill	161	-	-	-
- diminution in value of other investments	-	5,838	-	36,793
- allowance for doubtful debts in associates	-	1,586	-	1,537
- others	7,232	6,335	338	243
Utilisation of reinvestment allowance	(12,636)	(3,190)	-	-
Deferred tax assets not recognised	1,415	5,979	2,200	4,629
Effect on reduction in future tax rate	-	295	-	186
(Over)/Underprovision in prior year	(1,379)	(1,662)	(887)	1,615
	<u>103,438</u>	<u>107,218</u>	<u>24,322</u>	<u>136,980</u>

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.

9. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 30 October 2009, the Company ("PPB") entered into separate conditional sale and purchase agreements with Felda Global Ventures Holdings Sdn Bhd ("FGVH") for the proposed disposal by PPB of the following:

- 36,360,000 ordinary shares of RM1 each in Malayan Sugar Manufacturing Company Berhad ("MSM"), representing 100% of the issued and paid up share capital of MSM for a cash consideration of RM1,221.16 million ("MSM Shares Disposal");
- 6,000,000 ordinary shares of RM1 each in Kilang Gula Felda Perlis Sdn Bhd ("KGFP"), representing 50% of the issued and paid up share capital of KGFP for a cash consideration of RM26.31 million ("KGFP Shares Disposal"); and

NOTES TO THE FINANCIAL STATEMENTS

9. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

- (c) certain parcels of land measuring a total of approximately 5,797 hectares located in Chuping, Perlis for a cash consideration of RM45.00 million ("Chuping Land Disposal").

On the same date, Grenfell Holdings Sdn Bhd ("Grenfell"), a 49% associate of PPB, entered into a conditional sale and purchase agreement with FGVH for the proposed disposal by Grenfell of 59,294,097 shares of RM1 each in Tradewinds (M) Berhad ("TWM") ("TWM Shares"), representing 20% of the issued and paid up share capital of TWM for a cash consideration of RM207.53 million ("TWM Shares Disposal").

The MSM Shares Disposal and TWM Shares Disposal were completed on 1 January 2010 and 6 January 2010 respectively while the Chuping Land Disposal and KGFP Shares Disposal were completed on 12 January 2010.

The results of MSM, KGFP, Chuping sugar cane plantation and TWM are disclosed under discontinued operations in the financial year ended 31 December 2009 and the comparative results have been restated accordingly.

The assets and liabilities of MSM, certain assets of Chuping sugar cane plantation, and investments in KGFP and TWM were classified as held for sale in the consolidated balance sheet as at 31 December 2009.

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

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Revenue	1,406,975	973,458	26,837	18,799
Cost of sales	(1,088,521)	(756,122)	(25,136)	(22,688)
Gross profit	318,454	217,336	1,701	(3,889)
Other operating income	25,135	498	73	479
Distribution costs	(40,799)	(40,746)	-	-
Administrative and general expenses	(18,923)	(19,304)	(1,674)	(1,681)
Other operating expenses	(160)	(313)	-	-
Profit from operations	283,707	157,471	100	(5,091)
Net profit from investing activities	2,353	6,474	171	189
Share of net profits less losses of associates	(7,681)	19,502	-	-
Finance costs	(1,292)	(3,144)	-	-
Profit before tax	277,087	180,303	271	(4,902)
Income tax expense	(57,256)	(44,277)	-	-
Profit after tax from discontinued operations	219,831	136,026	271	(4,902)

NOTES TO THE FINANCIAL STATEMENTS

9. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

(b) Profit/(Loss) from operations

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
<i>Profit/(Loss) from operations is stated after charging:</i>				
Amortisation of prepaid lease payments	325	325	255	255
Auditors' remuneration				
- current year	49	59	-	-
- underprovision in prior year	-	2	-	-
Bad and doubtful debts	-	159	-	-
Depreciation of property, plant and equipment	25,568	18,077	698	1,243
Directors' remuneration				
- Company directors' other emoluments	2,562	2,016	-	-
- Subsidiary's directors:				
~ fees	30	30	-	-
~ other emoluments	2,724	3,141	-	-
Realised foreign exchange loss	84	126	-	2
Loss on disposal of property, plant and equipment	21	7	21	-
Operating lease rental of premises	1,590	1,223	23	23
Property, plant and equipment written off	1	140	1	1
	<hr/>	<hr/>	<hr/>	<hr/>
<i>and crediting:</i>				
Profit on disposal of property, plant and equipment	54	49	-	31
Realised foreign exchange gain	-	60	-	60
Fair value gain on derivative financial instruments				
- realised	19,076	-	-	-
- unrealised	5,932	-	-	-
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NOTES TO THE FINANCIAL STATEMENTS

9. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

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

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Company's directors	21	33	-	-
Subsidiaries' directors	50	44	-	-

(c) Net profit from investing activities

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Interest income	2,182	6,285	-	-
Rental income	171	189	171	189
	<u>2,353</u>	<u>6,474</u>	<u>171</u>	<u>189</u>

(d) As at 31 December 2009, the assets and liabilities of the disposal group are as follows:

	Group	Company
	RM'000	RM'000
<u>Assets directly associated with disposal group classified as held for sale</u>		
Property, plant and equipment	184,871	3,748
Prepaid lease payments	14,733	13,742
Investments in associates	127,458	-
Inventories	266,313	3,038
Biological assets	13,753	13,753
Trade receivables	81,122	-
Other receivables, deposits and prepayments	62,747	-
Deposits	135,701	-
Cash and bank balances	7,711	-
Derivative financial assets	6,034	-
	<u>900,443</u>	<u>34,281</u>

NOTES TO THE FINANCIAL STATEMENTS

9. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

	Group RM'000	Company RM'000
<u>Liabilities directly associated with disposal group classified as held for sale</u>		
Deferred tax liabilities	12,243	-
Trade payables	2,647	-
Other payables and accruals	94,295	-
Short term borrowings	126,000	-
Current tax liabilities	31,064	-
	<u>266,249</u>	<u>-</u>

(e) Cash flows from discontinued operations

	Group	
	2009 RM'000	2008 RM'000
Cash flows from operating activities	247,815	60,674
Cash flows from investing activities	(57,325)	(37,622)
Cash flows from financing activities	(13,302)	134,861
Net cash generated from discontinued operations	<u>177,188</u>	<u>157,913</u>

10. 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	
	2009 RM'000	2008 RM'000
Attributable to shareholders of the Company		
- Profit from continuing operations	1,396,133	1,150,483
- Profit from discontinued operations	219,831	136,026
	<u>1,615,964</u>	<u>1,286,509</u>
Number of ordinary shares in issue ('000)	<u>1,185,500</u>	<u>1,185,500</u>
Basic earnings per share attributable to shareholders of the Company (sen)		
- Profit from continuing operations	117.8	97.0
- Profit from discontinued operations	18.5	11.5
	<u>136.3</u>	<u>108.5</u>

NOTES TO THE FINANCIAL STATEMENTS

11. PROPERTY, PLANT AND EQUIPMENT

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
Cost/Valuation								
At 1.1.2009								
- 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
Additions	247	722	14,608	27,971	4,333	7,112	109,598	164,591
Disposals - <i>cost</i>	(3)	(25)	(487)	(3,074)	(1,593)	(418)	-	(5,600)
Exchange differences - <i>cost</i>	-	-	438	2,100	(850)	(11)	5,358	7,035
Transfer to disposal group classified as held for sale - <i>cost</i>	(38,135)	(15,900)	(34,439)	(305,191)	(22,477)	(10,977)	(5,943)	(433,062)
- <i>valuation</i>	(87)	-	(6,267)	(14,329)	-	-	-	(20,683)
Transfer to non-current assets held for sale - <i>cost</i>	-	(2,282)	-	-	-	-	-	(2,282)
Transfer from inventories - <i>cost</i>	-	-	-	-	-	301	-	301
Transfer to land held for property development - <i>cost</i>	(3,962)	-	-	-	-	-	-	(3,962)
Write-offs - <i>cost</i>	(204)	(531)	(1,192)	(3,039)	(83)	(1,892)	-	(6,941)
- <i>valuation</i>	-	-	-	(1,534)	-	-	-	(1,534)
Reclassifications - <i>cost</i>	16,782	-	54,541	161,644	524	1,191	(234,045)	637
- <i>valuation</i>	-	-	(637)	-	-	-	-	(637)
At 31.12.2009	178,226	157,820	257,316	527,608	98,977	82,466	89,063	1,391,476
- cost	178,226	157,820	248,260	527,608	98,977	82,466	89,063	1,382,420
- valuation	-	-	9,056	-	-	-	-	9,056
	178,226	157,820	257,316	527,608	98,977	82,466	89,063	1,391,476

NOTES TO THE FINANCIAL STATEMENTS

11. 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
Accumulated depreciation								
At 1.1.2009								
- 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
Charge for the year - <i>cost</i>	4,498	4,652	14,058	42,474	6,506	7,245	-	79,433
Disposals - <i>cost</i>	-	(17)	(487)	(2,900)	(1,202)	(391)	-	(4,997)
Exchange differences - <i>cost</i>	-	-	(567)	(666)	(409)	(30)	-	(1,672)
Transfer to disposal group classified as held for sale - <i>cost</i>	(7,009)	(13,545)	(25,454)	(176,334)	(17,401)	(8,448)	-	(248,191)
- <i>valuation</i>	(87)	-	(6,267)	(14,329)	-	-	-	(20,683)
Transfer to non-current assets held for sale - <i>cost</i>	-	(422)	-	-	-	-	-	(422)
Write-offs - <i>cost</i>	(188)	(531)	(1,185)	(2,962)	(83)	(1,817)	-	(6,766)
- <i>valuation</i>	-	-	-	(1,534)	-	-	-	(1,534)
Reclassifications								
- <i>cost</i>	-	-	637	-	-	-	-	637
- <i>valuation</i>	-	-	(637)	-	-	-	-	(637)
At 31.12.2009	46,402	27,527	97,727	260,788	44,817	52,120	-	529,381
- cost	46,402	27,527	88,671	260,788	44,817	52,120	-	520,325
- valuation	-	-	9,056	-	-	-	-	9,056
	46,402	27,527	97,727	260,788	44,817	52,120	-	529,381
Accumulated impairment losses								
At 1.1.2009								
- cost	476	-	523	1	-	430	-	1,430
- valuation	-	-	-	-	-	-	-	-
	476	-	523	1	-	430	-	1,430
Disposals - <i>cost</i>	-	-	-	(1)	-	-	-	(1)
At 31.12.2009	476	-	523	-	-	430	-	1,429
- cost	476	-	523	-	-	430	-	1,429
- valuation	-	-	-	-	-	-	-	-
	476	-	523	-	-	430	-	1,429
Net book value								
at 31.12.2009	131,348	130,293	159,066	266,820	54,160	29,916	89,063	860,666
- cost	131,348	130,293	159,066	266,820	54,160	29,916	89,063	860,666
- valuation	-	-	-	-	-	-	-	-
	131,348	130,293	159,066	266,820	54,160	29,916	89,063	860,666

NOTES TO THE FINANCIAL STATEMENTS

11. 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								
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
<i>* Fair value adjustments made following the acquisition of additional equity interest in an existing subsidiary.</i>								
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 losses								
At 1.1.2008								
- cost	476	-	523	7,643	80	546	-	9,268
- valuation	-	-	-	-	-	-	-	-
	476	-	523	7,643	80	546	-	9,268
Disposal - 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
- valuation	-	-	-	-	-	-	-	-
	476	-	523	1	-	430	-	1,430
Net book value								
at 31.12.2008	153,924	138,446	112,599	246,020	61,717	31,169	214,095	957,970
- cost	153,924	138,446	112,599	246,020	61,717	31,169	214,095	957,970
- valuation	-	-	-	-	-	-	-	-
	153,924	138,446	112,599	246,020	61,717	31,169	214,095	957,970

NOTES TO THE FINANCIAL STATEMENTS

11. PROPERTY, PLANT AND EQUIPMENT (continued)

	Freehold land RM'000	Long leasehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Furniture, fittings, office and other equipment RM'000	Total RM'000
Company						
Cost						
At 1.1.2009	42	15,274	15,957	3,864	2,685	37,822
Additions	-	182	247	244	223	896
Disposals	-	(24)	(36)	(325)	(4)	(389)
Write-offs	-	(532)	(232)	-	(31)	(795)
Transfer to disposal group classified as held for sale	-	(14,900)	(15,816)	(2,973)	(1,105)	(34,794)
At 31.12.2009	42	-	120	810	1,768	2,740
Accumulated depreciation						
At 1.1.2009	-	13,818	13,823	3,367	2,397	33,405
Charge for the year	-	275	316	76	105	772
Disposals	-	(17)	(33)	(256)	(4)	(310)
Write-offs	-	(531)	(232)	-	(30)	(793)
Transfer to disposal group classified as held for sale	-	(13,545)	(13,874)	(2,584)	(1,043)	(31,046)
At 31.12.2009	-	-	-	603	1,425	2,028
Net book value at 31.12.2009	42	-	120	207	343	712
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

Included in the Group's additions to property, plant and equipment during the financial year is capitalised interest expense amounting to RM4.214 million.

Included in the Group's property, plant and equipment are motor vehicles acquired under unexpired hire purchase arrangements with net book value amounting to RM415,000 (2008: RM482,000).

Title deeds to certain of the Group's freehold land and buildings with net book value of RM3.253 million (2008: RM3.356 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 (2008: RM80.113 million) has been charged to secure the long term bank loan referred to in note 35 below.

The property, plant and equipment stated at valuation were revalued by the directors based on independent professional valuations carried out in 1974 and 1982 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.

NOTES TO THE FINANCIAL STATEMENTS

12. INVESTMENT PROPERTIES

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Cost/Valuation				
At 1 January				
- cost	231,818	242,198	6,983	6,983
- valuation	6,410	6,410	-	-
	<u>238,228</u>	<u>248,608</u>	<u>6,983</u>	<u>6,983</u>
Fair value adjustment*	-	7,667	-	-
Additions	3,951	1,333	16,806	-
Additions via dividend-in-specie	-	-	44,500	-
Disposals - <i>cost</i>	-	(18,255)	-	-
Write-offs - <i>cost</i>	(5)	(1,125)	-	-
Transfer to assets held for sale - <i>cost</i>	-	-	(2,282)	-
At 31 December	<u>242,174</u>	<u>238,228</u>	<u>66,007</u>	<u>6,983</u>
- cost	235,764	231,818	66,007	6,983
- valuation	6,410	6,410	-	-
	<u>242,174</u>	<u>238,228</u>	<u>66,007</u>	<u>6,983</u>
Accumulated depreciation				
At 1 January				
- cost	63,311	78,292	394	366
- valuation	102	102	-	-
	<u>63,413</u>	<u>78,394</u>	<u>394</u>	<u>366</u>
Charge for the year - <i>cost</i>	4,164	4,001	28	28
Disposals - <i>cost</i>	-	(18,134)	-	-
Write-offs - <i>cost</i>	(2)	(848)	-	-
Transfer to assets held for sale - <i>cost</i>	-	-	(422)	-
At 31 December	<u>67,575</u>	<u>63,413</u>	<u>-</u>	<u>394</u>
- cost	67,473	63,311	-	394
- valuation	102	102	-	-
	<u>67,575</u>	<u>63,413</u>	<u>-</u>	<u>394</u>

NOTES TO THE FINANCIAL STATEMENTS

12. INVESTMENT PROPERTIES (continued)

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Accumulated impairment losses				
At 1 January				
- cost	6,379	6,379	3,664	3,664
- valuation	-	-	-	-
	6,379	6,379	3,664	3,664
Charge for the year - cost	297	-	-	-
At 31 December	6,676	6,379	3,664	3,664
- cost	6,676	6,379	3,664	3,664
- valuation	-	-	-	-
	6,676	6,379	3,664	3,664
Net book value at 31 December	167,923	168,436	62,343	2,925
- cost	161,615	162,128	62,343	2,925
- valuation	6,308	6,308	-	-
	167,923	168,436	62,343	2,925
Fair value at 31 December	406,333	368,358	63,917	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 RM8.670 million (2008: RM8.990 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.

NOTES TO THE FINANCIAL STATEMENTS

13. BIOLOGICAL ASSETS

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Plantation Development Expenditure <i>(included under non-current assets)</i>				
Cost				
At 1 January	4,100	3,675	-	-
Additions	121	425	-	-
At 31 December	4,221	4,100	-	-
Accumulated depreciation				
At 1 January	1,157	994	-	-
Charge for the year	175	163	-	-
At 31 December	1,332	1,157	-	-
Net book value at 31 December	2,889	2,943	-	-
Biological assets <i>(included under current assets)</i>				
At cost				
Livestock	14,320	15,352	-	-
Unharvested cane crop	-	12,052	-	12,052
	14,320	27,404	-	12,052

14. LAND HELD FOR PROPERTY DEVELOPMENT

	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Group				
Cost				
At 1 January 2009	571	263	5,625	6,459
Additions	-	-	847	847
Transfer from property, plant and equipment	3,962	-	-	3,962
At 31 December 2009	4,533	263	6,472	11,268
At 1 January 2008	571	263	2,859	3,693
Additions	-	-	2,766	2,766
At 31 December 2008	571	263	5,625	6,459

NOTES TO THE FINANCIAL STATEMENTS

15. PREPAID LEASE PAYMENTS

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Cost/Valuation				
At 1 January				
- cost	143,096	141,507	14,400	14,400
- valuation	20,837	20,837	21,236	21,236
	<u>163,933</u>	<u>162,344</u>	<u>35,636</u>	<u>35,636</u>
Additions	2,257	4,840	20	-
Disposals - <i>cost</i>	-	(2,946)	-	-
Transfer to disposal group classified as held for sale - <i>cost</i>	(2,681)	-	(20)	-
- <i>valuation</i>	(20,123)	-	(21,236)	-
Transfer to asset held for sale - <i>cost</i>	(16,540)	-	(12,132)	-
Exchange differences - <i>cost</i>	298	(305)	-	-
At 31 December	<u>127,144</u>	<u>163,933</u>	<u>2,268</u>	<u>35,636</u>
- cost	126,430	143,096	2,268	14,400
- valuation	714	20,837	-	21,236
	<u>127,144</u>	<u>163,933</u>	<u>2,268</u>	<u>35,636</u>
Accumulated amortisation				
At 1 January				
- cost	23,595	22,994	2,125	1,971
- valuation	7,688	7,357	7,259	7,004
	<u>31,283</u>	<u>30,351</u>	<u>9,384</u>	<u>8,975</u>
Charge for the year - <i>cost</i>	2,024	2,068	155	154
- <i>valuation</i>	331	331	255	255
Disposals - <i>cost</i>	-	(1,467)	-	-
Transfer to disposal group classified as held for sale - <i>cost</i>	(557)	-	-	-
- <i>valuation</i>	(7,514)	-	(7,514)	-
Transfer to asset held for sale - <i>cost</i>	(2,429)	-	(2,245)	-
Exchange differences - <i>cost</i>	(47)	-	-	-
At 31 December	<u>23,091</u>	<u>31,283</u>	<u>35</u>	<u>9,384</u>
- cost	22,586	23,595	35	2,125
- valuation	505	7,688	-	7,259
	<u>23,091</u>	<u>31,283</u>	<u>35</u>	<u>9,384</u>

NOTES TO THE FINANCIAL STATEMENTS

15. PREPAID LEASE PAYMENTS (continued)

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Accumulated impairment losses				
At 1 January				
- cost	358	358	358	358
- valuation	-	-	-	-
	358	358	358	358
Charge for the year - cost	-	-	-	-
At 31 December	358	358	358	358
- cost	358	358	358	358
- valuation	-	-	-	-
	358	358	358	358
Net book value at 31 December	103,695	132,292	1,875	25,894
- cost	103,486	119,143	1,875	11,917
- valuation	209	13,149	-	13,977
	103,695	132,292	1,875	25,894
Analysed as:				
Long leasehold land	62,675	91,862	1,875	25,894
Short leasehold land	41,020	40,430	-	-
	103,695	132,292	1,875	25,894

Title deeds to certain of the Group's leasehold land with net book value of RM0.850 million (2008: RM9.923 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 and 1982 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.

NOTES TO THE FINANCIAL STATEMENTS

16. GOODWILL

	Group	
	2009	2008
	RM'000	RM'000
Cost		
At 1 January	73,086	73,033
Arising from the acquisition of additional shares in an existing subsidiary (see note 45)	-	60
Arising from the liquidation of a subsidiary	-	(7)
Impairment loss for the year	(642)	-
At 31 December	<u>72,444</u>	<u>73,086</u>

Impairment testing of goodwill

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

	Group	
	2009	2008
	RM'000	RM'000
Environmental engineering, waste management and utilities	3,338	3,338
Film exhibition and distribution	68,062	68,062
Chemicals trading and manufacturing	290	932
Other operations	754	754
	<u>72,444</u>	<u>73,086</u>

Film exhibition and distribution

The recoverable amount of the CGU of film exhibition and distribution are determined by value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by management. Cash flows beyond that five-year period have been extrapolated using a weighted average growth rate of 3.99% (2008: 4.00%), based on the long-term average growth rate of the industry. The pre-tax discount rate of 9.42% (2008: 9.97%) is applied to cash flow projections which also reflects the specific risks relating to the CGU.

Environmental engineering, waste management and utilities, chemicals trading and manufacturing and other operations

The recoverable amounts of the CGU of environmental engineering, waste management and utilities, 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. The cash flows beyond the five-year period are extrapolated using weighted average growth rates between 5.25% to 7.48% (2008: between 0.44% to 5.00%), based on the long-term average growth rate of the respective industries. The pre-tax discount rate between 4.28% to 13.70% (2008: between 3.69% to 17.82%) is applied to cash flow projections which also reflects the specific risks relating to the CGUs.

NOTES TO THE FINANCIAL STATEMENTS

16. GOODWILL (continued)

Sensitivity to changes in assumptions

All the above key assumptions are based on management knowledge in the respective industries and historical information. 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.

17. OTHER INTANGIBLE ASSETS

	Group	
	2009	2008
	RM'000	RM'000
Computer software		
<i>(included under non-current assets)</i>		
Cost		
At 1 January	7,009	6,354
Additions	622	670
Write-offs	(96)	(15)
Exchange differences	(1)	-
At 31 December	<u>7,534</u>	<u>7,009</u>
Accumulated amortisation		
At 1 January	4,490	3,377
Charge for the year	1,167	1,128
Write-offs	(91)	(15)
Exchange differences	(1)	-
At 31 December	<u>5,565</u>	<u>4,490</u>
Carrying amount		
At 31 December	<u>1,969</u>	<u>2,519</u>
Film rights		
<i>(included under current assets)</i>		
Cost		
At 1 January	29,963	29,190
Additions	8,059	3,362
Rights expired	(1,848)	(2,589)
At 31 December	<u>36,174</u>	<u>29,963</u>

NOTES TO THE FINANCIAL STATEMENTS

17. OTHER INTANGIBLE ASSETS (continued)

	Group	
	2009	2008
	RM'000	RM'000
Accumulated amortisation		
At 1 January	21,986	19,714
Charge for the year	9,702	4,861
Rights expired	(1,848)	(2,589)
At 31 December	<u>29,840</u>	<u>21,986</u>
Carrying amount		
At 31 December	<u>6,334</u>	<u>7,977</u>

18. INVESTMENTS IN SUBSIDIARIES

	Company	
	2009	2008
	RM'000	RM'000
Unquoted shares at cost	<u>1,381,567</u>	<u>1,350,350</u>

The subsidiaries are listed in note 59.

19. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Shares quoted outside Malaysia at cost	8,080,369	8,080,369	8,684,629	3,848,046
Unquoted shares at cost	<u>97,954</u>	<u>111,600</u>	<u>50,883</u>	<u>50,883</u>
	8,178,323	8,191,969	8,735,512	3,898,929
Capital contribution	4,135	-	-	-
Impairment loss on unquoted shares	(4,705)	(4,436)	(25)	(25)
Group's share of post-acquisition reserves and retained profits less losses	<u>2,450,677</u>	<u>1,512,133</u>	<u>-</u>	<u>-</u>
	<u>10,628,430</u>	<u>9,699,666</u>	<u>8,735,487</u>	<u>3,898,904</u>
Market value of quoted shares	<u>18,403,419</u>	<u>7,898,612</u>	<u>18,403,419</u>	<u>3,828,993</u>

NOTES TO THE FINANCIAL STATEMENTS

19. INVESTMENTS IN ASSOCIATES (continued)

The Group's share of the current year's losses and accumulated losses of an associate amounting to RM16.969 million and RM77.427 million (2008: RM7.635 million and RM60.458 million), respectively have not been recognised in the Group income statement as equity accounting had ceased when the Group's share of losses of this associate exceeded the carrying amount of its investment in the associate.

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

	2009 RM'000	2008 RM'000
<i>Assets and liabilities</i>		
Total assets	82,158,109	63,403,436
Total liabilities	41,043,335	28,119,095
<i>Results</i>		
Revenue	84,787,365	97,903,385
Profit for the year	6,707,320	5,195,044

The associates are listed in note 60.

20. INVESTMENT IN JOINTLY CONTROLLED ENTITY

	Group	
	2009 RM'000	2008 RM'000
Capital contribution, at cost	21,527	38,897
Group's share of retained profits less losses	7,991	6,952
	29,518	45,849

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	
	2009 RM'000	2008 RM'000
<i>Assets and liabilities</i>		
Non-current assets	28,662	31,598
Current assets	1,618	15,048
Total assets	30,280	46,646
Non-current liabilities	-	-
Current liabilities	762	797
Total liabilities	762	797

NOTES TO THE FINANCIAL STATEMENTS

20. INVESTMENT IN JOINTLY CONTROLLED ENTITY (continued)

	Group	
	2009	2008
	RM'000	RM'000
<i>Results</i>		
Revenue	8,485	7,567
Expenses	(7,341)	(5,992)
Profit for the year	<u>1,144</u>	<u>1,575</u>

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 61.

21. OTHER INVESTMENTS

	Group	Company
	RM'000	RM'000
At 31 December 2009		
<u>Classified as available-for-sale financial assets</u>		
Shares quoted in Malaysia at market value	466,651	451,060
Shares quoted outside Malaysia at market value	405,676	248,576
Unquoted shares at cost	427	266
	<u>872,754</u>	<u>699,902</u>
<u>Classified as financial assets at fair value through profit or loss</u>		
Shares quoted outside Malaysia at market value	13,686	-
	<u>886,440</u>	<u>699,902</u>

NOTES TO THE FINANCIAL STATEMENTS

21. OTHER INVESTMENTS (continued)

	Group RM'000	Company RM'000
At 31 December 2008		
Shares quoted in Malaysia at cost	183,257	278,090
Diminution in value	(3,685)	(134,146)
	179,572	143,944
Shares quoted outside Malaysia at cost	235,489	126,583
Diminution in value	(17,377)	(16,991)
	218,112	109,592
Unquoted shares at cost	464	266
Diminution in value	(37)	-
	427	266
	<u>398,111</u>	<u>253,802</u>
 Market value of		
- shares quoted in Malaysia	356,438	144,051
- shares quoted outside Malaysia	246,002	109,592
	<u>602,440</u>	<u>253,643</u>

22. DEFERRED TAX ASSETS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 January	3,315	1,431	-	-
Exchange translation differences	50	(233)	-	-
Originating during the year	2,114	2,117	-	-
At 31 December	<u>5,479</u>	<u>3,315</u>	<u>-</u>	<u>-</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

22. DEFERRED TAX ASSETS (continued)

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

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Tax effects of				
- Unabsorbed tax losses	5,621	3,315	-	-
- Unabsorbed capital allowances	32	-	-	-
- Excess of capital allowances over accumulated depreciation on property, plant and equipment	(174)	-	-	-
	<u>5,479</u>	<u>3,315</u>	<u>-</u>	<u>-</u>

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

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Unabsorbed tax losses	29,809	24,208	19,667	12,438
Unabsorbed capital allowances	8,780	10,094	7,649	6,078
Excess of capital allowances over accumulated depreciation on property, plant and equipment	(498)	(1,870)	-	-
	<u>38,091</u>	<u>32,432</u>	<u>27,316</u>	<u>18,516</u>

23. 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	
	2009	2008
	RM'000	RM'000
Bearing interest at 2.59% (2008: 4.19%) per annum (p.a)	59,583	113,690
Interest-free	-	8,938
	<u>59,583</u>	<u>122,628</u>

NOTES TO THE FINANCIAL STATEMENTS

23. AMOUNTS DUE FROM/TO SUBSIDIARIES (continued)

Amounts due from subsidiaries included under current assets

The amounts due from subsidiaries included under current assets represent unsecured advances which are repayable on demand except for a dividend receivable.

	Company	
	2009	2008
	RM'000	RM'000
Bearing interest at 2.59% (2008: nil) p.a	31,144	-
Interest-free	284	223
Dividend receivable	80,000	-
	<u>111,428</u>	<u>223</u>

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	
	2009	2008
	RM'000	RM'000
Bearing interest at nil (2008: 4.25%) p.a	-	140,203
Bearing interest at nil (2008: 4.15%) p.a	-	126,735
Interest-free	3	8,107
	<u>3</u>	<u>275,045</u>

24. INVENTORIES

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Raw materials	266,946	560,616	-	-
Work-in-progress	8,238	20,038	-	-
Finished goods	70,470	91,022	-	-
Completed development properties	18,202	7,878	-	-
Sundry stores and consumables	13,979	26,890	-	3,211
	<u>377,835</u>	<u>706,444</u>	<u>-</u>	<u>3,211</u>

NOTES TO THE FINANCIAL STATEMENTS

25. PROPERTY DEVELOPMENT COSTS

	Group	
	2009	2008
	RM'000	RM'000
Freehold land		
- at cost	3,927	4,035
- at valuation	748	748
Development and construction costs	33,622	27,093
Costs recognised as an expense in income statement in previous years	-	(3,192)
At 1 January	38,297	28,684
Development costs incurred during the year	7,223	12,591
Transferred to inventories	(14,727)	(2,978)
At 31 December	30,793	38,297

26. GROSS AMOUNTS DUE FROM/(TO) CUSTOMERS

	Group	
	2009	2008
	RM'000	RM'000
Aggregate contract expenditure incurred to-date	362,050	393,149
Attributable profit recognised to-date	23,967	26,692
	386,017	419,841
Progress billings to-date	(387,476)	(429,871)
	(1,459)	(10,030)
Gross amount due from customers	15,564	19,129
Gross amount due to customers	(17,023)	(29,159)
	(1,459)	(10,030)
Progress billings comprise:		
Progress billings		
- received	374,467	403,899
- receivable	7,450	18,141
Retention sums	5,559	7,831
	387,476	429,871

NOTES TO THE FINANCIAL STATEMENTS

27. TRADE RECEIVABLES

	Group	
	2009	2008
	RM'000	RM'000
Related parties other than associates	465	5,761
Others	254,697	347,752
	<u>255,162</u>	<u>353,513</u>
Allowance for doubtful debts	(12,674)	(14,034)
	<u>242,488</u>	<u>339,479</u>

The currency exposure profile of trade receivables is as follows:

	Group	
	2009	2008
	RM'000	RM'000
- RM	218,819	303,034
- United States Dollar ("USD")	4,663	19,587
- Singapore Dollar ("SGD")	2,893	4,398
- Euro ("EUR")	359	372
- Brunei Dollar ("BND")	71	82
- Japanese Yen ("JPY")	-	652
- Indonesian Rupiah ("IDR")	1,009	-
- Hong Kong Dollar ("HKD")	64	-
- Sterling Pound ("GBP")	101	-
- Vietnamese Dong ("VND")	14,509	11,354
	<u>242,488</u>	<u>339,479</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

28. 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		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Trade balances	10,972	2,248	9,516	1,297
Advances				
- bearing interest at 0.55% (2008: 2.05%) p.a	12,959	13,093	-	-
- bearing interest at 0.73% (2008: 2.41%) p.a	1,516	1,523	-	-
- bearing interest at 3.59% (2008: 5.19%) p.a	3,509	3,375	3,509	3,375
- interest-free	11,473	74,332	-	71,645
	40,429	94,571	13,025	76,317
Allowance for doubtful debts	(826)	(59,777)	-	(58,980)
	39,603	34,794	13,025	17,337

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	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
- RM	25,128	20,143	13,025	17,337
- USD	1,516	1,523	-	-
- HKD	12,959	13,128	-	-
	39,603	34,794	13,025	17,337

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	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Trade balances	21	38	-	-
Interest-free advances	6	147	7	27
	27	185	7	27

NOTES TO THE FINANCIAL STATEMENTS

28. AMOUNTS DUE FROM/TO ASSOCIATES (continued)

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

29. DERIVATIVE FINANCIAL ASSETS/LIABILITIES

	Group 2009 RM'000
Assets designated at fair value through profit or loss	
- Forward foreign currency contracts	<u>193</u>
Liabilities designated at fair value through profit or loss	
- Forward foreign currency contracts	<u>212</u>

30. DEPOSITS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Deposits with licensed banks				
- in Malaysia	476,070	286,384	290,835	114,290
- outside Malaysia	65,164	125,244	-	83,786
	<u>541,234</u>	<u>411,628</u>	<u>290,835</u>	<u>198,076</u>

The currency exposure profile of deposits is as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
- RM	471,819	283,677	290,835	114,290
- Australian Dollar ("AUD")	246	195	-	-
- USD	17,820	14,291	-	-
- SGD	241	84,023	-	83,786
- EUR	6,017	5,929	-	-
- IDR	9,514	3,241	-	-
- HKD	18,103	19,210	-	-
- Chinese Yuan Renminbi ("CNY")	522	509	-	-
- VND	16,952	553	-	-
	<u>541,234</u>	<u>411,628</u>	<u>290,835</u>	<u>198,076</u>

NOTES TO THE FINANCIAL STATEMENTS

30. DEPOSITS (continued)

Included in the Group's deposits with licensed banks is an amount of RM0.049 million (2008: RM0.070 million) pledged to a bank as security for banking facilities granted to subsidiaries.

The effective interest rates range from 0.08% to 3.70% (2008: 0.10% to 3.70%) p.a. All the deposits have maturities of less than one year.

31. CASH AND BANK BALANCES

Cash and bank balances of the Group include an amount of RM7.138 million (2008: RM10.697 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 1.0% (2008 2.0%) p.a.

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

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
- RM	37,173	65,480	2,479	935
- AUD	1	-	-	-
- USD	4,042	6,975	-	-
- SGD	597	3,005	47	2,083
- EUR	11	653	-	-
- IDR	310	103	-	-
- HKD	904	268	-	-
- VND	3,585	2,213	-	-
- CNY	1,145	831	-	-
- JPY	-	1	-	-
- Thai Baht ("THB")	1	1	-	-
- Swiss Franc ("CHF")	-	23	-	-
- Myanmar Kyats ("KYATS")	-	5	-	-
	47,769	79,558	2,526	3,018

32. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Property, plant and equipment amounting to RM1.860 million and prepaid lease payments amounting to RM9.887 million classified as held for sale was in relation to the Company which entered into a sale and purchase agreement to dispose of its property for a consideration of RM28.5 million. The disposal of this property has not been completed as at 31 December 2009.

Investment property amounting to RM9.009 million classified as held for sale 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. An injunction has been granted to preserve the status quo of the case and full trial hearing has been fixed on 17 May 2010 to 20 May 2010. Based on solicitors' advice, the subsidiary's directors are of the opinion that the subsidiary has a reasonable defence.

Prepaid lease payments amounting to RM4.224 million classified as held for sale was in relation to a subsidiary directors' resolution dated 31 December 2009, to dispose of its property for a consideration of RM10.4 million. The disposal of prepaid lease payments has not been completed as at 31 December 2009.

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 less costs to sell of the assets classified as held for sale are expected to exceed their net carrying amounts, no impairment loss is recognised.

The assets classified as held for sale are as follows:

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Assets classified as held for sale:				
Property, plant and equipment				
At cost	2,282	-	-	-
Accumulated depreciation	(422)	-	-	-
Net book value	1,860	-	-	-
Investment properties				
At cost	13,847	13,847	2,282	-
Accumulated depreciation	(4,838)	(4,838)	(422)	-
Net book value	9,009	9,009	1,860	-
Prepaid lease payments				
At cost	16,540	-	12,132	-
Accumulated amortisation	(2,429)	-	(2,245)	-
Net book value	14,111	-	9,887	-
Total non-current assets classified as held for sale	24,980	9,009	11,747	-

NOTES TO THE FINANCIAL STATEMENTS

33. SHARE CAPITAL

	< -----2009----- >		< -----2008----- >	
	Number of shares '000	RM'000	Number of shares '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

34. NON-DISTRIBUTABLE RESERVES

	Group	
	2009 RM'000	2008 RM'000
Revaluation reserve	60,230	60,675
Exchange translation reserve	20,818	172,631
Fair value reserve	484,454	-
Hedge reserve	96,648	-
Capital reserve	294,561	254,191
	<u>956,711</u>	<u>487,497</u>

Details of the capital reserve are as follows:

	Group	
	2009 RM'000	2008 RM'000
Share of capital reserves of associates	269,141	199,727
Share premium of subsidiaries arising from shares issued to minority shareholders	23,651	23,651
Transferred from retained earnings arising from:		
- bonus issue by subsidiaries	1,769	1,769
- gain on disposal of landed properties and investments	-	29,044
	<u>294,561</u>	<u>254,191</u>

NOTES TO THE FINANCIAL STATEMENTS

35. LONG TERM BANK BORROWINGS

	Group	
	2009	2008
	RM'000	RM'000
<i>Secured:</i>		
USD denominated loan bearing interest at 1.25% p.a above SIBOR (effective interest rate: 5.00% (2008: 4.60%) p.a) repayable by 20 quarterly instalments commencing 3 months after the commencement of production (<i>see note 11</i>)	53,141	51,570
<i>Unsecured:</i>		
CNY denominated loan bearing interest at 5.94% (2008: 7.38%) p.a, repayable in full by July 2014	14,119	17,158
Bank term loan bearing interest at 0.75% p.a above cost of funds (effective interest rate: 2.93% (2008: nil) p.a) repayable by 14 quarterly instalments commencing on the 21st month following the date of the first drawdown	4,468	-
Bank term loan bearing interest at 0.75% p.a above cost of funds (effective interest rate: 2.90% (2008: nil) p.a) repayable by 16 quarterly instalments commencing on the 15th month following the date of the first drawdown	26,742	-
	<u>98,470</u>	<u>68,728</u>
Repayments due within the next 12 months included under short term borrowings (<i>see note 40</i>)	(15,708)	(2,863)
Repayments due after 12 months	<u>82,762</u>	<u>65,865</u>
The bank term loans are repayable as follows:		
- within one year (<i>included under current liabilities</i>)	15,708	2,863
- later than one year but not later than five years	82,762	11,453
- later than five years	-	54,412
	<u>82,762</u>	<u>65,865</u>
	<u>98,470</u>	<u>68,728</u>

36. HIRE PURCHASE LIABILITIES

	Group	
	2009	2008
	RM'000	RM'000
Outstanding hire purchase instalments due:		
- within one year	86	203
- later than one year but not later than five years	55	129
- later than five years	-	12
	<u>141</u>	<u>344</u>
Unexpired term charges	(9)	(25)
Outstanding principal amount due	<u>132</u>	<u>319</u>

NOTES TO THE FINANCIAL STATEMENTS

36. HIRE PURCHASE LIABILITIES (continued)

	Group	
	2009 RM'000	2008 RM'000
Outstanding principal amount due as follows:		
- within one year (<i>included under current liabilities</i>)	81	189
- later than one year but not later than five years	51	118
- later than five years	-	12
	51	130
	132	319

The effective interest rates of the hire purchase liabilities are between 6.08% and 8.46% (2008: between 6.80% and 8.46%) p.a.

37. DEFERRED TAX LIABILITIES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 January	74,312	68,823	6,208	4,294
Fair value adjustments for the additional shares in an existing subsidiary	-	1,953	-	-
Transfer to liabilities directly associated with disposal group classified as held for sale	(12,243)	-	-	-
Recognised in income statement	9,483	3,536	285	1,914
At 31 December	71,552	74,312	6,493	6,208

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

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Tax effects of				
- Excess of capital allowances over accumulated depreciation on property, plant and equipment, biological assets and other intangible assets	51,871	56,578	443	539
- Surplus on revaluation of land and buildings	20,032	20,469	2,612	2,656
- Unabsorbed capital and agriculture allowances	(2,934)	(4,460)	-	-
- Unabsorbed tax losses	(683)	(731)	-	-
- Unharvested cane crop	3,438	3,013	3,438	3,013
- Other temporary differences	(172)	(557)	-	-
	71,552	74,312	6,493	6,208

NOTES TO THE FINANCIAL STATEMENTS

38. TRADE PAYABLES

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Related parties other than associates	-	2,780	-	-
Others	145,677	198,645	967	956
	<u>145,677</u>	<u>201,425</u>	<u>967</u>	<u>956</u>

The currency exposure profile of trade payables is as follows:

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
- RM	91,861	109,237	967	956
- USD	49,436	90,288	-	-
- SGD	285	1,023	-	-
- EUR	22	40	-	-
- CHF	160	-	-	-
- IDR	3,269	-	-	-
- JPY	7	7	-	-
- VND	637	682	-	-
- GBP	-	120	-	-
- THB	-	28	-	-
	<u>145,677</u>	<u>201,425</u>	<u>967</u>	<u>956</u>

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.

39. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Unpaid property, plant and equipment acquired	9,452	14,724	2	7
Interest accrued	295	838	-	-
Other payables	53,167	40,806	5,889	4,969
Deposits from sale of investments	64,624	-	64,624	-
Accruals	40,207	37,531	867	754
Tenants and other deposits	11,864	11,603	165	172
	<u>179,609</u>	<u>105,502</u>	<u>71,547</u>	<u>5,902</u>

NOTES TO THE FINANCIAL STATEMENTS

39. OTHER PAYABLES AND ACCRUALS (continued)

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

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
- RM	147,693	94,931	71,547	5,902
- USD	23,152	2,246	-	-
- SGD	512	941	-	-
- EUR	8	-	-	-
- CHF	119	-	-	-
- IDR	4,828	1,736	-	-
- HKD	1,243	3,723	-	-
- JPY	90	18	-	-
- VND	1,693	1,756	-	-
- CNY	271	151	-	-
	<u>179,609</u>	<u>105,502</u>	<u>71,547</u>	<u>5,902</u>

40. SHORT TERM BORROWINGS

	Group	
	2009	2008
	RM'000	RM'000
Bankers' acceptance	-	235,994
Trust receipt	554	-
Revolving credits	401	74,150
Bank term loans	19,554	-
Current portion of long term bank loans (see note 35)	15,708	2,863
	<u>36,217</u>	<u>313,007</u>

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

	Group	
	2009	2008
	RM'000	RM'000
- RM	3,882	313,007
- USD	28,953	-
- CNY	2,828	-
- SGD	554	-
	<u>36,217</u>	<u>313,007</u>

NOTES TO THE FINANCIAL STATEMENTS

40. SHORT TERM BORROWINGS (continued)

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 short term borrowings are as follows:

	Group	
	2009	2008
	% p.a	% p.a
Bankers' acceptance	-	3.45 - 4.15
Trust receipt	6.55	-
Revolving credits	2.65 - 5.00	3.98 - 5.13
Bank term loans	5.00	-

41. BANK OVERDRAFTS

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Unsecured bank overdraft	1,356	2,094	-	-

The bank overdrafts bear interest at commercial rates which vary according to the banks' base lending rates. The effective interest rates applicable are between 5.55% and 7.50% (2008: between 6.75% and 8.00%) p.a.

42. EFFECT OF CHANGES IN GROUP STRUCTURE

	Group	
	2009	2008
	RM'000	RM'000
Effect of issue of shares at a premium by an associate		
- Capital reserve	-	(238)
- Exchange translation reserve	-	(454)
- Retained earnings	-	13,275
Effect of dilution of equity interest in an associate		
- Retained earnings	542	-
	542	12,583

NOTES TO THE FINANCIAL STATEMENTS

43. TRANSFER OF RESERVES

Transfer of reserves mainly derived from the Group's share of associates' reserves in respect of transfer made pursuant to the laws of certain countries in which certain amount from the net profit must be allocated to the reserve fund.

44. DIVIDENDS

	2009 RM'000	2008 RM'000
<i>In respect of the year ended 31 December 2007</i>		
Final dividend of 25 sen per share less 26% income tax	-	219,318
<i>In respect of the year ended 31 December 2008</i>		
Special dividend of 62 sen per share less 26% income tax	-	543,907
Interim single-tier dividend of 5 sen per share	-	59,275
Final single-tier dividend of 18 sen per share	213,390	-
	213,390	603,182
<i>In respect of the year ended 31 December 2009</i>		
Interim single-tier dividend of 5 sen per share	59,275	-
	<u>272,665</u>	<u>822,500</u>

Subsequent to the financial year end, the Directors declared a special single-tier dividend of 50 sen per share amounting to RM592.750 million which was paid on 15 March 2010, and recommended a final single-tier dividend of 18 sen per share amounting to RM213.390 million subject to shareholders' approval at the forthcoming AGM.

45. ACQUISITION OF SHARES IN SUBSIDIARIES

(a) The subsidiary acquired during the year was Resolute Services Sdn Bhd.

There was no subsidiary acquired in 2008.

Name of subsidiary	Cash consideration RM'000	Group effective interest %	Effective acquisition date
Resolute Services Sdn Bhd	2	100.0	30 December 2009

NOTES TO THE FINANCIAL STATEMENTS

45. ACQUISITION OF SHARES IN SUBSIDIARIES (continued)

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

	Carrying/Fair value Group	
	2009 RM'000	2008 RM'000
Property, plant and equipment	-	-
Trade and other receivables	-	-
Cash and bank balances	2	-
Trade and other payables	-	-
Net assets acquired	2	-
Minority interests	-	-
Total purchase consideration	2	-
Less: Cash and cash equivalents acquired	(2)	-
Net cash outflow on acquisition	-	-

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

	Group	
	2009 RM'000	2008 RM'000
Revenue		
During the financial year	-	-
Pre-acquisition	-	-
Post-acquisition	-	-
Loss for the year		
During the financial year	(2)	-
Pre-acquisition	-	-
Post-acquisition	(2)	-

NOTES TO THE FINANCIAL STATEMENTS

45. ACQUISITION OF SHARES IN SUBSIDIARIES (continued)

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

	Group	
	2009	2008
	RM'000	RM'000
Non-current assets	-	-
Current assets	2	-
Current liabilities	(2)	-
Non-current liabilities	-	-
Minority interests	-	-
Group's share of net assets	-	-

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

Name of subsidiary	Cash consideration RM'000	Additional interest acquired %	Effective acquisition date
Malayan Adhesives & Chemicals Sdn Bhd	128	0.3	28 August 2009

The additional shares in an existing subsidiary acquired in 2008 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	
	2009	2008
	RM'000	RM'000
Minority interests acquired	176	59
Goodwill on acquisition (see note 16)	-	60
Discount on acquisition	(48)	-
Net cash outflow on acquisition	128	119

NOTES TO THE FINANCIAL STATEMENTS

45. ACQUISITION OF SHARES IN SUBSIDIARIES (continued)

(c) The details of acquisition of additional interest in an existing associate during the year were as follows:

Name of subsidiary	Cash consideration	Additional interest acquired %	Effective acquisition date
Cipta Quantum Sdn Bhd	RM1	70.0	6 January 2009

Prior to the acquisition, Chemquest Sdn Bhd owned 30% equity interest in Cipta Quantum Sdn Bhd. Subsequent to the acquisition, Cipta Quantum Sdn Bhd has become a wholly-owned subsidiary of Chemquest Sdn Bhd.

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

	Group	
	2009 RM'000	2008 RM'000
Current assets	351	-
Current liabilities	(313)	-
Discount on acquisition	(25)	-
Net assets previously held as investment in associate	(13)	-
Purchase consideration	*	-
Less : cash and cash equivalent	(351)	-
Net cash inflow on acquisition	(351)	-

* Represents RM1

46. DISPOSAL OF SHARES IN SUBSIDIARIES

There was no subsidiary disposed of during the year.

The subsidiary disposed of in 2008 was Sri Aman Feedmills Sdn Bhd.

NOTES TO THE FINANCIAL STATEMENTS

46. DISPOSAL OF SHARES IN SUBSIDIARIES (continued)

An analysis of the disposal is as follows:

	Group	
	2009 RM'000	2008 RM'000
Non-current assets	-	-
Current assets	-	*
Non-current liabilities	-	(10)
Current liabilities	-	-
Minority interests	-	-
Share of net liabilities disposed of	-	(10)
Profit on disposal of a subsidiary	-	-
Liability waived	-	10
Total sale consideration	-	*
Less: Cash and cash equivalents disposed of	-	-
Net cash inflow during the year	-	*

* Represents RM2

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

	Group	
	2009 RM'000	2008 RM'000
<i>Income statement</i>		
Revenue	-	-
Cost of sales	-	-
Gross loss	-	-
Other operating income	-	-
Administrative and general expenses	-	(1)
Loss from operations	-	(1)
Finance cost	-	-
Loss before tax	-	(1)
Income tax expense	-	-
Loss after tax	-	(1)
Minority interest	-	-
Decrease in Group's net profit	-	(1)

NOTES TO THE FINANCIAL STATEMENTS

46. DISPOSAL OF SHARES IN SUBSIDIARIES (continued)

	Group	
	2009	2008
	RM'000	RM'000
<i>Balance sheet</i>		
Non-current assets	-	-
Current assets	-	*
Non-current liabilities	-	-
Current liabilities	-	(10)
Minority interests	-	-
Group's share of net liabilities	-	(10)

* Represents RM2

47. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment (see note 11)	164,591	225,717	896	308
Interest expense capitalised	(4,214)	-	-	-
Deposits paid in prior year	(206)	(16,927)	-	-
Deposits paid in current year	699	206	-	-
Cash paid in respect of prior year acquisition	14,689	19,074	7	1,646
Unpaid balances included under other payables	(9,452)	(14,689)	(2)	(7)
Unpaid balances included under other payables of disposal group classified as held for sale	(9,534)	-	-	-
Cash paid during the financial year	156,573	213,381	901	1,947

48. LIQUIDATION OF SUBSIDIARIES

There was no subsidiary liquidated during the year.

The subsidiary liquidated in 2008 was Conwaste Disposal Services (P.Pinang) Sdn Bhd.

NOTES TO THE FINANCIAL STATEMENTS

48. LIQUIDATION OF SUBSIDIARIES (continued)

An analysis of the liquidation is as follows:

	Group	
	2009	2008
	RM'000	RM'000
Total surplus assets and capital receivable from company liquidated during the year	-	796
Less:		
Cost of investment	-	(360)
Post-acquisition profit previously consolidated	-	(466)
Deficit arising from liquidation	-	(30)

49. RELATED PARTY DISCLOSURES

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

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
<i>Transactions with ultimate holding company</i>				
Management fee paid	154	124	-	-
<i>Transactions with subsidiaries</i>				
Interest received and receivable	-	-	3,450	5,068
Interest paid and payable	-	-	3,083	5,771
Rental income	-	-	532	420
Registration fee paid and payable	-	-	51	71
Management fee received	-	-	612	793
<i>Transactions with associates</i>				
Sales of goods	26,900	18,920	26,837	18,799
Interest received and receivable	241	614	133	161
Management fee received	885	859	6	-
Rental of premises received	307	260	-	-
Rental of premises paid	120	120	-	-
Lease rental paid	67	67	-	-
Film rental received	1,164	617	-	-
Screen advertising and filmlets paid	480	685	-	-
Information technology services and sales of related products	82	82	-	-

NOTES TO THE FINANCIAL STATEMENTS

49. RELATED PARTY DISCLOSURES (continued)

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
<i>Transactions with subsidiaries of ultimate holding company</i>				
Sales of goods	63,035	66,332	-	-
<i>Transactions with subsidiaries of associates</i>				
Purchase of goods	137,883	164,260	-	-
Management fee received	169	276	-	-
Rental received	2,781	2,873	-	-
Elevation and other services received	296	189	-	-
Security and other services paid and payable	635	644	-	-
Engineering services rendered	1,944	6,456	-	-
<i>Transactions with associates of ultimate holding company</i>				
Insurance premium paid	8,001	8,529	348	355
Rental of premises paid	1,045	1,371	435	435
Insurance compensation received	-	732	-	-
Project management fees received	96	96	-	-
<i>Transactions with an associate of a company which is under common influence with the ultimate holding company</i>				
Sales of goods	5,791	12,789	-	-
Purchase of goods	37,725	-	-	-
<i>Transactions with an indirect subsidiary of a company which is under common influence with the ultimate holding company</i>				
Purchase of goods	94,327	403,827	-	-
<i>Transactions with companies in which a director has financial interests</i>				
Purchase of goods	-	131,744	-	-

NOTES TO THE FINANCIAL STATEMENTS

49. RELATED PARTY DISCLOSURES (continued)

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
<i>Transactions with companies in which directors of subsidiaries have financial interests</i>				
Purchase of goods	120	-	-	-
Agent fee receivable	-	113	-	-
<i>Transactions with minority shareholders of subsidiaries</i>				
Support fee paid	106	106	-	-

Significant outstanding balances with related parties were as follows:

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Amounts owing by:				
- Associates	10,972	2,248	9,516	1,297
- Other related parties	3,835	5,761	-	-
Amounts owing to:				
- Associates	21	38	-	-
- Other related parties	-	2,780	-	-

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	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
<i>Directors</i>				
Short term employee benefits	9,088	8,679	6,152	5,289
Post-employment benefits - EPF	1,181	1,198	836	792
Sub-total	10,269	9,877	6,988	6,081
<i>Other key management personnel</i>				
Short term employee benefits	21,767	22,628	1,129	1,355
Post-employment benefits - EPF	2,435	2,621	183	208
Sub-total	24,202	25,249	1,312	1,563
Total compensation	34,471	35,126	8,300	7,644

NOTES TO THE FINANCIAL STATEMENTS

50. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Employee benefits expense				
- Continuing operations	142,710	140,946	12,014	11,635
- Discontinued operations	37,261	36,445	6,594	7,135
	<u>179,971</u>	<u>177,391</u>	<u>18,608</u>	<u>18,770</u>
EPF				
- Continuing operations	13,148	13,200	1,507	1,529
- Discontinued operations	3,359	3,322	700	814
	<u>16,507</u>	<u>16,522</u>	<u>2,207</u>	<u>2,343</u>

51. CONTINGENT LIABILITIES

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Unsecured guarantees issued in consideration of credit facilities given to an associate	2,550	2,550	2,550	2,550

52. CAPITAL COMMITMENTS

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Authorised acquisition of property, plant and equipment not provided for in the financial statements				
- contracted	109,168	95,057	-	20
- not contracted	45,456	198,332	235	413
	<u>154,624</u>	<u>293,389</u>	<u>235</u>	<u>433</u>

NOTES TO THE FINANCIAL STATEMENTS

53. OPERATING LEASE COMMITMENTS

The Group as lessee

The Group leases premises from various parties under operating leases. These leases comprise 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	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
- within one year	18,879	20,460	-	-
- later than one year but not later than five years	13,413	21,577	-	-
	<u>32,292</u>	<u>42,037</u>	<u>-</u>	<u>-</u>

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. 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 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	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
- within one year	3,696	3,232	-	-
- later than one year but not later than five years	2,473	3,252	-	-
	<u>6,169</u>	<u>6,484</u>	<u>-</u>	<u>-</u>

54. SEGMENTAL REPORTING

(a) Primary reporting format - business segment

The Group's operations (excluding associates and jointly controlled entity) comprise the following business segments:

- | | |
|---|--|
| (i) Grains trading, flour and feed milling | - Wheat and maize trading, flour milling and manufacturing of animal feed |
| (ii) Film exhibition and distribution | - Exhibition and distribution of cinematograph films |
| (iii) Environmental engineering, waste management and utilities | - Construction works specialising in water and environmental industry and provision of waste management services |
| (iv) Chemicals trading and manufacturing | - Trading and manufacturing of chemical products |
| (v) Property investment and development | - Letting of commercial properties and development of residential and commercial properties |
| (vi) Livestock farming | - Production of day-old chicks, eggs and other related downstream activities |
| (vii) Other operations | - Consumer products, packaging, oil palm plantations, investment holding, engineering contracts, shipping and others |
| (viii) Sugar refining, trading and cane plantation | - Sugar cane cultivation, refining of sugar and trading |

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.

NOTES TO THE FINANCIAL STATEMENTS

54. SEGMENTAL REPORTING (continued)

	-----Continuing operations-----				
	Grains trading, flour & feed milling RM'000	Film exhibition & distribution RM'000	Environmental engineering, waste management & utilities RM'000	Chemicals trading & manufacturing RM'000	Property investment & development RM'000
2009					
REVENUE					
External sales	1,065,930	205,692	103,391	70,577	39,403
Inter-segment sales	86,445	-	765	582	1,371
Total revenue	<u>1,152,375</u>	<u>205,692</u>	<u>104,156</u>	<u>71,159</u>	<u>40,774</u>
RESULTS					
Segment operating results	93,210	28,505	4,393	3,635	12,486
Unallocated corporate expense					
Profit from operations					
Investing activities					
Share of associates' profits	870	1,216	4,961	-	21,239
Share of joint venture's profit	-	-	1,144	-	-
Finance costs					
Profit before tax					
Income tax expense					
Profit for the year					
OTHER INFORMATION					
Segment assets	975,766	205,130	48,689	44,862	178,695
Investments in associates	59,665	5,653	30,853	-	129,837
Investment in joint venture	-	-	29,518	-	-
Other investing assets					
Tax assets					
Unallocated corporate assets					
Consolidated total assets					
Segment liabilities	103,954	52,713	32,055	10,614	15,750
Borrowings					
Tax liabilities					
Unallocated corporate liabilities					
Consolidated total liabilities					
Capital expenditure	77,900	21,977	441	837	4,253
Unallocated corporate capital expenditure					
Amortisation and depreciation	22,146	26,954	1,832	1,816	4,557
Unallocated corporate amortisation and depreciation					
Non-cash expenses other than amortisation and depreciation	(13,851)	8	63	-	(121)
Impairment losses	-	-	-	642	297
Unallocated corporate non-cash expenses other than amortisation and depreciation					

NOTES TO THE FINANCIAL STATEMENTS

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Livestock farming RM'000	Other operations RM'000	Elimination RM'000	Total RM'000
72,795	447,641	-	2,005,429
17,868	41,186	(148,217)	-
<u>90,663</u>	<u>488,827</u>	<u>(148,217)</u>	<u>2,005,429</u>
3,503	21,413	616	167,761
			(16,218)
			151,543
			69,650
-	1,211,317	-	1,239,603
-	-	-	1,144
			(6,550)
			1,455,390
			(46,182)
			<u>1,409,208</u>
104,628	353,593	(3,292)	1,908,071
-	10,402,422	-	10,628,430
-	-	-	29,518
			1,572,842
			23,389
			4,267
			<u>14,166,517</u>
2,129	55,441	(643)	272,013
			120,472
			78,337
			70,530
			<u>541,352</u>
484	4,149	-	110,041
			18
			<u>110,059</u>
5,251	8,141	-	70,697
			406
			<u>71,103</u>
(54)	(333)	-	(14,288)
-	269	-	1,208
			143
			<u>(12,937)</u>

NOTES TO THE FINANCIAL STATEMENTS

54. SEGMENTAL REPORTING (continued)

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

NOTES TO THE FINANCIAL STATEMENTS

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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	71,412	515,118	-	2,488,566
1,379	16,041	23,760	(139,264)	-
<u>65,080</u>	<u>87,453</u>	<u>538,878</u>	<u>(139,264)</u>	<u>2,488,566</u>
20,504	(5,738)	58,331	460	273,725
				(19,703)
				<u>254,022</u>
				51,700
5,249	-	895,087	-	918,440
-	-	-	-	1,575
				(5,398)
				<u>1,220,339</u>
				(62,941)
				<u>1,157,398</u>
202,433	90,725	370,821	(599)	2,513,109
93,579	-	9,489,506	-	9,699,666
-	-	-	-	45,849
				932,944
				20,605
				4,072
				<u>13,216,245</u>
17,181	2,226	64,105	(1,531)	328,987
				381,433
				93,634
				19,312
				<u>823,366</u>
2,265	249	5,636	-	232,909
				76
				<u>232,985</u>
4,379	5,341	8,769	-	60,656
				464
				<u>61,120</u>
209	(77)	2,657	-	55,105
-	-	4,436	-	4,436
				299
				<u>59,840</u>

NOTES TO THE FINANCIAL STATEMENTS

54. SEGMENTAL REPORTING (continued)

	<-----Discontinued operations----->				
2009	Sugar refining, trading & cane plantation RM'000	Other operations RM'000	Elimination RM'000	Total RM'000	Total operations RM'000
REVENUE					
External sales	1,406,975	-	-	1,406,975	3,412,404
Inter-segment sales	-	-	-	-	-
Total revenue	<u>1,406,975</u>	<u>-</u>	<u>-</u>	<u>1,406,975</u>	<u>3,412,404</u>
RESULTS					
Segment operating results	282,842	61	804	283,707	451,468
Unallocated corporate expense				-	(16,218)
Profit from operations				283,707	435,250
Investing activities				2,353	72,003
Share of associates' profits	6,445	(14,126)	-	(7,681)	1,231,922
Share of joint venture's profit	-	-	-	-	1,144
Finance costs				(1,292)	(7,842)
Profit before tax				277,087	1,732,477
Income tax expense				(57,256)	(103,438)
Profit for the year				<u>219,831</u>	<u>1,629,039</u>
OTHER INFORMATION					
Segment assets	634,298	2,986	-	637,284	2,545,355
Investments in associates	27,306	100,152	-	127,458	10,755,888
Investment in joint venture	-	-	-	-	29,518
Other investing assets				135,701	1,708,543
Tax assets				-	23,389
Unallocated corporate assets				-	4,267
Consolidated total assets				<u>900,443</u>	<u>15,066,960</u>
Segment liabilities	98,900	195	(2,215)	96,880	368,893
Borrowings				126,000	246,472
Tax liabilities				43,307	121,644
Unallocated corporate liabilities				62	70,592
Consolidated total liabilities				<u>266,249</u>	<u>807,601</u>
Capital expenditure	60,553	930	-	61,483	171,524
Unallocated corporate capital expenditure				-	18
				<u>61,483</u>	<u>171,542</u>
Amortisation and depreciation	24,920	973	-	25,893	96,590
Unallocated corporate amortisation and depreciation				-	406
				<u>25,893</u>	<u>96,996</u>
Non-cash expenses other than amortisation and depreciation	(5,964)	-	-	(5,964)	(20,252)
Impairment losses	-	-	-	-	1,208
Unallocated corporate non-cash expenses other than amortisation and depreciation				-	143
				<u>(5,964)</u>	<u>(18,901)</u>

NOTES TO THE FINANCIAL STATEMENTS

54. SEGMENTAL REPORTING (continued)

	<-----Discontinued operations----->				
2008	Sugar refining, trading & cane plantation RM'000	Other operations RM'000	Elimination RM'000	Total RM'000	Total operations RM'000
REVENUE					
External sales	973,458	-	-	973,458	3,462,024
Inter-segment sales	-	-	-	-	-
Total revenue	<u>973,458</u>	<u>-</u>	<u>-</u>	<u>973,458</u>	<u>3,462,024</u>
RESULTS					
Segment operating results	156,917	(151)	705	157,471	431,196
Unallocated corporate expense				-	(19,703)
Profit from operations				<u>157,471</u>	<u>411,493</u>
Investing activities				6,474	58,174
Share of associates' profits	2,450	17,052	-	19,502	937,942
Share of joint venture's profit	-	-	-	-	1,575
Finance costs				<u>(3,144)</u>	<u>(8,542)</u>
Profit before tax				<u>180,303</u>	<u>1,400,642</u>
Income tax expense				<u>(44,277)</u>	<u>(107,218)</u>
Profit for the year				<u>136,026</u>	<u>1,293,424</u>
OTHER INFORMATION					
Amortisation and depreciation	17,565	837	-	18,402	79,058
Unallocated corporate amortisation and depreciation				-	464
				<u>18,402</u>	<u>79,522</u>
Non-cash expenses other than amortisation and depreciation	255	-	-	255	55,360
Impairment losses	-	-	-	-	4,436
Unallocated corporate non-cash expenses other than amortisation and depreciation				-	299
				<u>255</u>	<u>60,095</u>

NOTES TO THE FINANCIAL STATEMENTS

54. 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. Segment assets and capital expenditure are based on the geographical locations of the assets.

	<-----Revenue----->					
	Continuing operations		Discontinued operations		Total	
	2009	2008	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Malaysia	1,797,777	2,215,323	1,304,083	862,829	3,101,860	3,078,152
Indonesia	40,244	51,488	5,782	4,305	46,026	55,793
Singapore	51,127	99,662	57,240	71,996	108,367	171,658
Other Asean countries	99,562	105,985	828	4,499	100,390	110,484
East Asia	5,727	840	5,706	11,689	11,433	12,529
Other Asian countries	226	120	16,329	13,423	16,555	13,543
European countries	1,747	2,197	-	1,002	1,747	3,199
America and Asia Pacific countries and others	9,019	12,951	17,007	3,715	26,026	16,666
	<u>2,005,429</u>	<u>2,488,566</u>	<u>1,406,975</u>	<u>973,458</u>	<u>3,412,404</u>	<u>3,462,024</u>

	<-----Carrying amount of segment assets----->			
	<-----2009----->			2008
	Continuing operations	Discontinued operations	Total	Total
	RM'000	RM'000	RM'000	RM'000
Malaysia	1,659,687	637,284	2,296,971	2,331,162
Indonesia	158,905	-	158,905	86,263
Singapore	2,100	-	2,100	1,728
Other Asean countries	83,720	-	83,720	91,153
East Asia	3,659	-	3,659	2,803
	<u>1,908,071</u>	<u>637,284</u>	<u>2,545,355</u>	<u>2,513,109</u>

	<-----Capital expenditure----->			
	<-----2009----->			2008
	Continuing operations	Discontinued operations	Total	Total
	RM'000	RM'000	RM'000	RM'000
Malaysia	83,933	61,483	145,416	148,414
Indonesia	24,817	-	24,817	82,671
Singapore	30	-	30	40
Other Asean countries	1,279	-	1,279	1,860
	<u>110,059</u>	<u>61,483</u>	<u>171,542</u>	<u>232,985</u>

NOTES TO THE FINANCIAL STATEMENTS

55. FINANCIAL INSTRUMENTS

Certain comparative figures have not been presented as at 31 December 2008 by virtue of the exemption given in paragraph 44AA of *FRS 7*.

(a) Classification of financial instruments

2009 Group	Loans and receivables RM'000	Available- for-sale RM'000	At fair value through profit or loss RM'000	Total RM'000
Financial assets				
Other investments	-	872,754	13,686	886,440
Receivables	328,183	-	-	328,183
Derivative financial assets	-	-	193	193
Deposits, cash and bank balances	589,003	-	-	589,003
Total financial assets	<u>917,186</u>	<u>872,754</u>	<u>13,879</u>	<u>1,803,819</u>

2009 Group	At amortised cost RM'000	At fair value through profit or loss RM'000	Total RM'000
Financial liabilities			
Payables	342,336	-	342,336
Borrowings	120,467	-	120,467
Derivative financial liabilities	-	212	212
Total financial liabilities	<u>462,803</u>	<u>212</u>	<u>463,015</u>

2009 Company	Loans and receivables RM'000	Available- for-sale RM'000	Total RM'000
Financial assets			
Other investments	-	699,902	699,902
Receivables	185,531	-	185,531
Deposits, cash and bank balances	293,361	-	293,361
Total financial assets	<u>478,892</u>	<u>699,902</u>	<u>1,178,794</u>

2009 Company	At amortised cost RM'000
Financial liabilities	
Payables	<u>72,524</u>

NOTES TO THE FINANCIAL STATEMENTS

55. FINANCIAL INSTRUMENTS (continued)

(b) Fair value of financial instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

The carrying amounts of the financial instruments of the Group and of the Company at the balance sheet date approximated or were at their fair values.

It was not practical to estimate the fair value of the Group and of the Company's investments in unquoted shares due to the lack of comparable quoted market prices and the inability to estimate fair value without incurring excessive costs.

The following summarises the methods used in determining the fair value of financial instruments:

Other investments

Fair value of other investments has been determined by reference to their quoted closing bid price at the balance sheet date.

Derivatives

Fair value of forward currency contracts has been determined by reference to current forward exchange rates for contracts with similar maturity profiles.

Fair value of commodities futures has been determined by reference to current quoted market price for contracts with similar maturity profiles.

Other non-derivative financial instruments

Fair value of other non-derivatives is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at balance sheet date.

56. 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, price risk, credit risk and liquidity 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.

56. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

There have been no significant changes on the Group's exposure to financial risks from the previous year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

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

(a) 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 currency exposures are disclosed in the respective notes to the financial statements.

A sensitivity analysis has been performed on the outstanding foreign currency denominated monetary items of the Group as at 31 December 2009. If the USD were to strengthen or weaken by 5% against RM with all other variables held constant, the Group profit after tax would increase or decrease by RM3.601 million.

As other foreign currency denominated monetary items as at 31 December 2009 are not material, the sensitivity analysis has not been presented.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations. These net investments are not hedged, as currency positions in these foreign currencies are considered to be long term in nature.

(b) 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.

A sensitivity analysis has been performed based on the outstanding floating rate bank borrowings of the Group as at 31 December 2009. If interest rates increase or decrease by 50 basis points with all other variables held constant, the Group profit after tax would decrease or increase by RM0.452 million, as a result of lower or higher interest expense on these borrowings.

NOTES TO THE FINANCIAL STATEMENTS

56. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Price risk

The Group's exposure to price risk arises mainly from fluctuations in the prices of key raw materials. The Group manages this risk by using commodity futures to hedge its exposure.

The Group is also exposed to price risk arising from changes in value caused by movements in market price of its investments in quoted shares. 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 only after thorough analyses.

A sensitivity analysis has been performed based on the quoted market prices of the Group's equity investments in quoted shares as at 31 December 2009. If the quoted market prices increase or decrease by 5% with all other variables held constant, the Group's profit after tax and equity would increase or decrease by the amounts as shown below:

	Group		Company	
	Profit after tax RM'000	Equity RM'000	Profit after tax RM'000	Equity RM'000
Other investments	684	43,616	-	35,034

(d) 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.

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

NOTES TO THE FINANCIAL STATEMENTS

56. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The ageing analysis of receivables as at 31 December 2009 which are trade in nature is as follows:

	Group		Company	
	Gross RM'000	Impairment RM'000	Gross RM'000	Impairment RM'000
Not past due	166,548	-	9,516	-
Less than 30 days past due	41,527	-	-	-
Between 30 and 90 days past due	25,386	-	-	-
More than 90 days past due	32,673	(12,674)	-	-
	<u>266,134</u>	<u>(12,674)</u>	<u>9,516</u>	<u>-</u>
<u>Included under receivables</u>				
Trade receivables (note 27)	255,162	(12,674)	-	-
Amount due from associates (note 28)	10,972	-	9,516	-
	<u>266,134</u>	<u>(12,674)</u>	<u>9,516</u>	<u>-</u>

Movements in the allowance for doubtful debts of trade receivables are as follows:

	Group RM'000	Company RM'000
At 1 January 2009	14,034	-
Doubtful debts recognised	716	-
Doubtful debts written off	(586)	-
Doubtful debts written back	(1,490)	-
At 31 December 2009	<u>12,674</u>	<u>-</u>

(e) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations when they fall due. The Group's exposure to liquidity risk arises principally from its various payables and borrowings.

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.

NOTES TO THE FINANCIAL STATEMENTS

56. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

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

The table below summarises the maturity profile of the Group and the Company's financial liabilities at 31 December 2009 based on contractual undiscounted cash flows.

	Less than 1 year RM'000	1 to 5 years RM'000	Total RM'000
Group			
Payables	342,336	-	342,336
Borrowings	43,186	91,986	135,172
Derivative financial liabilities	212	-	212
	385,734	91,986	477,720
	Less than 1 year RM'000	1 to 5 years RM'000	Total RM'000
Company			
Payables	72,524	-	72,524

57. SIGNIFICANT CHANGES IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTION OF NEW FRSS

The adoption of *FRS 139* has resulted in several changes to accounting policies relating to recognition and measurement of financial instruments. Significant changes in accounting policies are as follows:

Other investments

Prior to 1 January 2009, other investments were stated at cost less any diminution in value of the investments. The diminution in value was charged to the income statement.

With the adoption of *FRS 139*, other investments held for trading are classified as financial assets at fair value through profit or loss, otherwise these assets are classified as available-for-sale financial assets. These investments are measured in accordance with the accounting policies set out in note 2.16 above.

NOTES TO THE FINANCIAL STATEMENTS

57. SIGNIFICANT CHANGES IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTION OF NEW FRSS (continued)

Derivative financial instruments

Prior to 1 January 2009, derivative financial instruments were not recognised in the balance sheet.

With the adoption of *FRS 139*, derivative financial instruments are recognised in the balance sheet and measured in accordance with the accounting policies set out in note 2.16 above.

Inter-company loans

Prior to 1 January 2009, inter-company loans were recorded at cost.

With the adoption of *FRS 139*, inter-company loans are measured in accordance with the accounting policies set out in note 2.16 above.

As these changes in accounting policies have been applied prospectively, there is no impact on amounts reported for 2008 or prior periods in the Group consolidated financial statements and the Company's separate financial statements.

The opening figures as at 1 January 2009 have been restated as follow:

	Group		Company	
	As	As	As	As
	restated	previously	restated	previously
	RM'000	stated	RM'000	stated
	RM'000	RM'000	RM'000	RM'000
Statement of changes in equity				
Fair value reserve	204,560	-	104	-
Hedge reserve	267,585	-	-	-
Retained earnings	10,603,820	10,553,079	4,404,692	4,418,266
Minority interests	160,225	160,088	-	-

58. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Directors on 2 April 2010.

NOTES TO THE FINANCIAL STATEMENTS

59. SUBSIDIARIES

The subsidiaries as at 31 December 2009 are as follows:

Companies	Group's equity interest		Country of incorporation	Principal activities
	2009 %	2008 %		
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
MSM Properties Sdn Bhd	100.0	100.0	Malaysia	Dormant
* 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
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
FFM Further Processing Sdn Bhd (formerly known as Mantap Hijau Sdn Bhd)	100.0	100.0	Malaysia	Manufacturing and processing of nuggets and sausages
Mantap Aman Sdn Bhd	100.0	100.0	Malaysia	Investment holding
* PT Pundi Kencana	51.0	51.0	Indonesia	Flour milling
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	Dormant
* Buxton Limited	100.0	100.0	Samoa	Investment holding

NOTES TO THE FINANCIAL STATEMENTS

59. SUBSIDIARIES (continued)

Companies	Group's equity interest		Country of incorporation	Principal activities
	2009 %	2008 %		
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	Provision of management services
FFM Farms Sdn Bhd	100.0	100.0	Malaysia	Livestock breeding
FFM Pulau Indah Sdn Bhd	100.0	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
* Resolute Services Sdn Bhd	100.0	-	Malaysia	Dormant
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

NOTES TO THE FINANCIAL STATEMENTS

59. SUBSIDIARIES (continued)

Companies	Group's equity interest		Country of incorporation	Principal activities
	2009 %	2008 %		
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
Golden Screen Cinemas Sdn Bhd	99.0	99.0	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
Penzance Properties Sdn Bhd (formerly known as Golden Screen Film Distribution Company Sdn Bhd)	100.0	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

NOTES TO THE FINANCIAL STATEMENTS

59. SUBSIDIARIES (continued)

Companies	Group's equity interest		Country of incorporation	Principal activities
	2009 %	2008 %		
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
* 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
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	Dormant
Malayan Adhesives & Chemicals Sdn Bhd	99.4	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	Dormant
* Kerry Utilities Ltd	50.0	50.0	Samoa	Investment holding

NOTES TO THE FINANCIAL STATEMENTS

59. SUBSIDIARIES (continued)

Companies	Group's equity interest		Country of incorporation	Principal activities
	2009	2008		
	%	%		
* Kerry Utilities Ltd	100.0	100.0	Hong Kong	Dormant
* Beijing Kerry Veolia Waste Water Treatment Co Ltd	51.0	51.0	The People's Republic of China	Investment holding
* Beijing CQ Environmental Management Consultancy Services Co Ltd	100.0	100.0	The People's Republic of China	Provision of consultancy services
# Cipta Quantum Sdn Bhd	100.0	-	Malaysia	Dormant

* Subsidiaries not audited by Mazars

Became a wholly-owned subsidiary on 6 January 2009

60. ASSOCIATES

The associates as at 31 December 2009 are as follows:

Companies	Group's equity interest		Country of incorporation	Principal activities
	2009	2008		
	%	%		
* Kilang Gula Felda Perlis Sdn Bhd	50.0	50.0	Malaysia	Cane milling and sugar refining
* Shaw Brothers (M) Sdn Bhd	34.0	34.0	Malaysia	Property investment, investment holding and provision of management services
* Vita Tenggara Fruit Industries Sdn 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
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	Singapore	Under member's voluntary liquidation

NOTES TO THE FINANCIAL STATEMENTS

60. ASSOCIATES (continued)

Companies	Group's equity interest		Country of incorporation	Principal activities
	2009 %	2008 %		
* 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	Malaysia	Dormant
* Worldwide Landfills Sdn Bhd	40.0	40.0	Malaysia	Management of environmental sanitary landfill and waste treatment
* Veolia Water Kerry Water Services 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
* Mobile Money International Sdn Bhd	-	22.6	Malaysia	Disposed in 2009
* Foodteller Sdn Bhd	35.0	35.0	Malaysia	Manufacturing and trading of pastry and related products
*# Wilmar International Limited	18.4	18.4	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
* Silvercrest Season Sdn Bhd	35.0	-	Malaysia	Export of pastry and related products

* Associates not audited by Mazars

The Group considers Wilmar International Limited ("Wilmar") as an associate by virtue of its ability to exercise significant influence over Wilmar's financial and operating policy decisions through board representation.

NOTES TO THE FINANCIAL STATEMENTS

60. ASSOCIATES (continued)

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

For the purpose of applying equity accounting, management financial statements of these associates are prepared to the same reporting date as the Group.

61. JOINTLY CONTROLLED ENTITY

The jointly controlled entity as at 31 December 2009 is as follows:

	Proportion of ownership interest		Country of operation	Principal activities
	2009	2008		
	%	%		
* Beijing Drainage Group Co Ltd	42.0	42.0	The People's Republic of China	Own, operate and maintain a waste water treatment plant
Veolia Kerry Wastewater Treatment Plant				

* Jointly controlled entity not audited by Mazars

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 59 to 170 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 2009 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 2010

STATUTORY DECLARATION

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

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 59 to 170 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, 2010

Before me,

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PPB GROUP BERHAD

Report on the Financial Statements

We have audited the financial statements of PPB Group Berhad, which comprise the balance sheets as at 31 December 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 59 to 170.

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.

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 2009 and of their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries 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 59 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.

MAZARS
No. AF: 1954
Chartered Accountants

TANG KIN KHEONG
No. 1501/9/11 (J/PH)
Partner

Kuala Lumpur
2 April 2010

care

in executing our
objectives

The Properties & Shareholdings

176 Properties Owned By PPB and Its Subsidiaries

183 Statement Of Shareholdings

186 Group Corporate Directory

188 Notice Of Annual General Meeting

Proxy Form





PROPERTIES OWNED BY PPB GROUP BERHAD AND ITS SUBSIDIARIES

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 31.12.2009 RM'000
STATE OF PERLIS							
PN 37, Kampung Baru, Chuping	Sugar cane plantation	1.11.1980	-	5,799 hectares	Leasehold	2061 & 2063	15,096
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 Jerneh, Chuping							
HS (D) 145, Chuping	Sugar cane experimental station	2.8.1982	41	13 hectares	Leasehold	2072	41
HS (D) 194, Rimba Mas-Mas, Chuping							
HS (D) 2587, Bilal Udoh, Chuping							
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	-	358
31 Jln Kampung Baru, 08000 Sg Petani	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	-	9,272
Lot PT 4841 - 4846, Mukim Semeling, Daerah Kuala Muda	Oil palm estate	13.4.1981	-	91 hectares	Freehold	-	
Lot 36-39, 50-51, 108, 3132-3135, Mukim of Ayer Puteh, Gurun	Poultry breeder farm & oil palm plantation	21.2.1995	13	103 hectares	Freehold	-	13,478

PROPERTIES OWNED BY PPB GROUP BERHAD AND ITS SUBSIDIARIES

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 31.12.2009 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	3	2 hectares	Freehold	-	20,717
798, Main Road, Prai, Province Wellesley	Sugar refinery factory	30.9.1976	45	8 hectares	Leasehold	2028 & 2054	25,122
Plot 352-355 & 362-364 Tingkat Perusahaan Tiga, Seberang Prai Tengah	Factory & office building leased out	28.4.1989	33	24,922 sq metres	Leasehold	2035 & 2043	1,810
Plot 99(1), MK1 Tingkat Perusahaan Dua, Seberang Prai Tengah	Factory & warehouse building	25.11.1982	27	21,092 sq metres	Leasehold	2042	5,534
Plot 100(1), MK1 Tingkat Perusahaan Dua, Seberang Prai Tengah	Factory & warehouse building	10.2.1989	27	13,491 sq metres	Leasehold	2049	22,753
Plot 571, MK13 Tingkat Perusahaan Dua, Seberang Prai Tengah	Industrial land	4.11.1990	-	1,305 sq metres	Leasehold	2050	123
Odeon Penang No 130, Penang Road, 10000 Penang	Property leased out	16.4.1990	63	1,084 sq metres	Freehold	-	434
		16.4.1990	-	281 sq metres	Leasehold	2038	101
Dalit Cinema Kompleks Tun Abdul Razak Lebuhraya, 10000 Penang	Shoptel leased out	16.4.1990	29	3,332 sq metres	Leasehold	2080	4,484
Cathay Bukit Mertajam No 14, Jln Aston, 14000 Bukit Mertajam	Property leased out	16.4.1990	54	1,092 sq metres	Freehold	-	356
		16.4.1990	-	282 sq metres	Freehold	-	105
		16.4.1990	-	166 sq metres	Leasehold	2054	
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	31.3.1981	> 50	2,526 sq metres	Freehold	-	9,032
No 2 & 4, Church Street, 10300 Penang	2 storey shophouses under refurbishment						

PROPERTIES OWNED BY PPB GROUP BERHAD AND ITS SUBSIDIARIES

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 31.12.2009 RM'000
STATE OF PERAK							
Cathay Ipoh No 60, Jln Dato' Onn Jaafar, 30300 Ipoh	Property leased out	16.4.1990	53	4,494 sq metres	Freehold	-	1,103
Plot 90, Kwsn Perusahaan Silibin, Lengkok Rishah 1, Ipoh	Office building & warehouse	3.10.1991	16	8,018 sq metres	Leasehold	2045	1,284
Block G4 & G5, Lumut Industrial Park, Lumut	Factory leased out	28.12.1995	< 13	80,940 sq metres	Leasehold	2105	5,983
Block G9, Lumut Industrial Park, Lumut	Leasehold land rented out	29.11.1996	-	60,662 sq metres	Leasehold	2105	4,224
Lot 950, Batu 9, Sg Limau 34850 Trong	Lager farm & oil palm plantation	25.10.1996	11	220 hectares	Freehold	-	40,998
STATE OF SELANGOR							
Lot 1-4, Section 6, Pulau Indah Industrial Park, Port Klang	Factory, warehouse & vacant industrial land	6.6.1995	< 9	208,156 sq metres	Leasehold	2097	113,893
Lot 2824-2827 & PT 45125 Mukim Sg Buloh, District of Kuala Lumpur	Warehouse, office & vacant industrial land	19.10.1993 1.6.1994	< 13	243,415 sq metres	Freehold	-	57,160
1-17, Jln SS 22/19, Damansara Jaya, 47400 Petaling Jaya	Nine 4 storey shop-houses & offices leased out	16.4.1990	27	1,408 sq metres	Freehold	-	3,376
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	15	35,336 sq metres	Freehold	-	14,742
Lot 844, Jln Subang 7, Taman Perindustrian Subang, 47500 Subang Jaya	Workshop & office building	15.6.1993	10	12,266 sq metres	Freehold	-	9,267
Lot 9, Jln Utas 15/7, 40000 Shah Alam	Office building	22.2.1993	39	33,946 sq metres	Leasehold	2069	6,026

PROPERTIES OWNED BY PPB GROUP BERHAD AND ITS SUBSIDIARIES

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 31.12.2009 RM'000
Lot 12, Persiaran Kemajuan 16/16, 40000 Shah Alam	Office building	22.2.1993	21	11,458 sq metres	Leasehold	2018	1,491
16/8A Jln Pahat, 40700 Shah Alam	Office building	1.1.2004	30	3,837 sq metres	Leasehold	2067	713
WILAYAH PERSEKUTUAN							
2nd Floor, Sungei Wang Plaza, Jln Bukit Bintang, 55100 Kuala Lumpur	Shoplot leased out	16.4.1990	32	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 & Lot 39729, Jln Cheras, Kuala Lumpur	Land for property development	9.3.1982	-	3,582 sq metres	Leasehold	2077 & 2080	437
Cheras Leisure Mall, Jln Manis 6, Taman Segar, Cheras, 56100 Kuala Lumpur	Shopping mall	9.3.1982	15	21,225 sq metres	Leasehold	2077 & 2080	54,619
Cheras Plaza No 11, Jln Manis 1, Taman Segar, Cheras, 56100 Kuala Lumpur	Eight storey building & carpark	9.3.1982	23	9,225 sq metres	Leasehold	2077 & 2080	14,630
LA 79200014, Layang Layang Town, Labuan	Vacant commercial building	16.4.1990	-	9,941 sq metres	Leasehold	2092	1,057
STATE OF NEGERI SEMBILAN							
Lot 765 & 2100, Mukim of Linggi, District of Port Dickson	Poultry breeder farm	12.3.1992	< 17	678,481 sq metres	Freehold	-	10,690
PT 1295, Senawang Industrial Estate, 70450 Seremban	Factory & office building	30.6.1996	18	38,209 sq metres	Freehold	-	11,815
Lot 3978, Senawang Industrial Estate, 70450 Seremban	Factory & office building	30.6.1996	13 to 38	27,066 sq metres	Leasehold	2067	16,937
GSC Cineplex 2nd Floor, Terminal One Shopping Complex, 20B Jln Lintang, 70000 Seremban	Cineplex	26.2.1996	14	1,811 sq metres	Leasehold	2082 & 2094	4,513

PROPERTIES OWNED BY PPB GROUP BERHAD AND ITS SUBSIDIARIES

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 31.12.2009 RM'000
STATE OF MALACCA							
Lot 3.5, Cheng Industrial Estate	Office building & warehouse	12.9.1992	14	4,940 sq metres	Leasehold	2090	1,079
STATE OF JOHOR							
PTD119742, Lrg Pukal Dua, Kawasan Lembaga Pelabuhan, Pasir Gudang	Factory, warehouse & office building	7.1.1989	25 to 33	36,891 sq metres	Leasehold	2049	12,103
Plo 338 & 329, Jln Tembaga Dua, Kawasan Perindustrian, Pasir Gudang	Factory, warehouse & office building leased out	10.10.1987 14.7.1988	13 & 21	121,490 sq metres	Leasehold	2049 & 2050	24,149
Cathay Muar No 38, Jln Sayang, 84000 Muar	Property leased out	16.4.1990	53	1,623 sq metres	Freehold	-	340
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	1,562 sq metres	Freehold	-	411
Odeon Batu Pahat 30 Jln Jenang, 83000 Batu Pahat	Property leased out	16.4.1990	> 50	1,752 sq metres	Freehold	-	568
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	20 & 21	2,929 sq metres	Freehold	-	8,520
Lot 973, Mukim of Tebrau, Johor Bahru	Warehouse & office building	15.7.1996	10	34,981 sq metres	Freehold	-	9,819
No 5, Jln Bakti, Kawasan Perindustrian Larkin, 80350 Johor Bahru	Warehouse	30.8.2002	17 to 39	11,681 sq metres	Leasehold	2023	2,238

PROPERTIES OWNED BY PPB GROUP BERHAD AND ITS SUBSIDIARIES

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 31.12.2009 RM'000
STATE OF PAHANG							
Lot 6861, B-1770, Taman Air Putih, Kuantan	Office building	23.12.1986	42	149 sq metres	Freehold	-	300
No 19, Jln IM 3/1, Bandar Indera Mahkota 25200 Kuantan	Office building & warehouse	12.7.1997	11	7,810 sq metres	Leasehold	2061	1,965
STATE OF KELANTAN							
Lot 5049 PT 4090, Mukim Panchor, Daerah Kemumin, Kota Bharu	Warehouse & office building	30.12.2001	3	14,157 sq metres	Leasehold	2063	3,149
STATE OF SARAWAK							
Lot 2231, Pending Industrial Estate, Kuching	Factory, warehouse & office building	13.11.1984 18.6.1987 15.3.1989	> 26	6,812 sq metres	Leasehold	2040	3,788
Lot 505 Block 8, Muara Tebas Land District, Kuching	Factory, warehouse & office building	6.12.1999	6	21,350 sq metres	Leasehold	2059	18,878
Lot 137 Block 5, Undup Land District Sri Aman	Vacant agricultural land	9.3.1996	-	18,130 sq metres	Leasehold	2017	26
Lot 1133 Block 8, Muara Tebas Land District Kuching	Warehouse & office building	17.5.2004	4	10,520 sq metres	Leasehold	2064	3,947
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	392
Cathay Sibu C.D.T, No 6 Raminway, 96007 Sibu	Property leased out	16.4.1990	50	1,486 sq metres	Leasehold	2016	229

PROPERTIES OWNED BY PPB GROUP BERHAD AND ITS SUBSIDIARIES

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 31.12.2009 RM'000
STATE OF SABAH							
5½ mile, Jln Tuaran Kolombong Industrial Estate, Kota Kinabalu	Factory & office building	10.10.1989	17	10,927 sq metres	Leasehold	2032	3,607
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	3	9,955 sq metres	Leasehold	2098	3,844
BFO Building, Jln Tunku Abd Rahman/Jln Laiman Diki, 88996 Kota Kinabalu	Office building	21.11.1995	29	8,741 sq metres	Leasehold	2074	11,746
CL 075149325, Karamunting, Sandakan	Land for expansion	10.8.1996	-	58,315 sq metres	Leasehold	2881	1,875
Cathay Sandakan Lot 2869, Third Street, 90007 Sandakan	Land leased out	16.4.1990	-	1,282 sq metres	Leasehold	2053	620
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	165
INDONESIA							
Jl.S.Gunungjati,LK.Lijajar Rt.13/06, Kelurahan Tegalratu Kecamatan Ciwandan, Kota Cilegon.	Factory & office building	26.1.2007 3.4.2007	1	31,723 sq metres	Leasehold	2037	46,413

STATEMENT OF SHAREHOLDINGS

AS AT 22 MARCH 2010

Authorised Share Capital	RM2,000,000,000
Issued and Fully-Paid Capital	RM1,185,499,882
Class of Shares	Ordinary Shares of RM1.00 each
Voting Rights	One vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Issued Capital
Less than 100	701	7.16	22,253	0.00
100 - 1,000	2,100	21.47	1,488,884	0.13
1,001 - 10,000	4,767	48.73	19,944,187	1.68
10,001 - 100,000	1,785	18.25	54,439,778	4.59
100,001 to less than 5% of issued shares	428	4.37	555,980,658	46.90
5% and above of issued shares	2	0.02	553,624,122	46.70
	9,783	100.00	1,185,499,882	100.00

DIRECTORS' INTERESTS IN SHARES

	Direct Interest		Deemed Interest	
	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital
IN THE COMPANY				
Datuk Oh Siew Nam	120,666	0.01	1,204,498	0.10
Tan Gee Sooi	-	-	585,236	0.05
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 COMPANY				
Datuk Oh Siew Nam	-	-	4,966,667	0.99
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 HOLDING COMPANY				
Datuk Oh Siew Nam	-	-	100,000	0.27

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.

STATEMENT OF SHAREHOLDINGS

AS AT 22 MARCH 2010

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct Interest		Deemed Interest		Total	
	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital
Kuok Brothers Sdn Berhad	594,764,624	50.17	7,950,904	0.67	602,715,528	50.84
Employees Provident Fund Board	94,063,950	7.93	-	-	94,063,950	7.93

THE THIRTY LARGEST SHAREHOLDERS

(as per Record of Depositors)

Name of Shareholders	No. of Shares	% of Issued Capital
1. Kuok Brothers Sdn Berhad	472,711,372	39.87
2. Employees Provident Fund Board	80,912,750	6.83
3. Kuok Brothers Sdn Berhad	49,296,514	4.16
4. Kuok Brothers Sdn Berhad	47,257,932	3.99
5. Nai Seng Sdn Berhad	40,826,500	3.44
6. Valuecap Sdn Bhd	27,802,200	2.35
7. Cimsec Nominees (Tempatan) Sdn Bhd <i>For Kuok Brothers Sdn Berhad</i>	25,500,000	2.15
8. UOBM Nominees (Asing) Sdn Bhd <i>Indosuez Singapore Nominees (Pte) Ltd For Faralon Holdings Limited</i>	22,200,900	1.87
9. Kuok Foundation Berhad	17,109,720	1.44
10. Key Development Sdn Berhad	14,938,000	1.26
11. Chinchoo Investment Sdn Berhad	12,868,000	1.09
12. Inter-Pacific Equity Nominees (Asing) Sdn Bhd <i>Kim Eng Securities Pte Ltd For Sin Heng Chan (1960) Pte Ltd</i>	10,100,000	0.85
13. Cartaban Nominees (Asing) Sdn Bhd <i>Government of Singapore Investment Corporation Pte Ltd For Government of Singapore (C)</i>	8,915,400	0.75
14. Citigroup Nominees (Tempatan) Sdn Bhd <i>Exempt AN For Prudential Fund Management Berhad</i>	8,549,800	0.72

STATEMENT OF SHAREHOLDINGS

AS AT 22 MARCH 2010

Name of Shareholders	No. of Shares	% of Issued Capital
15. Citigroup Nominees (Asing) Sdn Bhd <i>CBNY</i> <i>For Dimensional Emerging Markets Value Fund</i>	6,909,766	0.58
16. HSBC Nominees (Asing) Sdn Bhd <i>BBH and Co. Boston</i> <i>For Vanguard Emerging Markets Stock Index Fund</i>	6,062,244	0.51
17. Gaintique Sdn Bhd	5,933,300	0.50
18. Ophir Holdings Berhad	5,841,754	0.49
19. Mayban Nominees (Tempatan) Sdn Bhd <i>Mayban Trustees Berhad</i> <i>For Public Ittikal Fund</i>	5,334,500	0.45
20. Amanahraya Trustees Berhad <i>For Public Islamic Dividend Fund</i>	5,178,400	0.44
21. HSBC Nominees (Asing) Sdn Bhd <i>Exempt AN</i> <i>JPMorgan Chase Bank, National Association (U.A.E.)</i>	4,932,572	0.42
22. Keck Seng (Malaysia) Berhad	4,891,728	0.41
23. Amanahraya Trustees Berhad <i>For Amanah Saham Wawasan 2020</i>	4,199,000	0.35
24. Amanahraya Trustees Berhad <i>For Public Islamic Equity Fund</i>	4,059,300	0.34
25. HSBC Nominees (Tempatan) Sdn Bhd <i>Nomura Asset Mgmt Malaysia</i> <i>For Employees Provident Fund Board</i>	4,000,000	0.34
26. Gan Teng Siew Realty Sdn Berhad	3,621,998	0.31
27. Cartaban Nominees (Asing) Sdn Bhd <i>State Street</i> <i>For Ishares, Inc.</i>	3,479,066	0.29
28. Universiti Kebangsaan Malaysia	3,323,608	0.28
29. Ang Poon Tiak	3,250,000	0.27
30. Cartaban Nominees (Asing) Sdn Bhd <i>Government of Singapore Investment Corporation Pte Ltd</i> <i>For Monetary Authority of Singapore (H)</i>	3,191,100	0.27
	913,197,424	77.03

GROUP CORPORATE DIRECTORY

a

AMUSEMENT CENTRE OPERATIONS

Kerry Leisure Concepts Sdn Bhd

Main Office

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

ANIMAL FEED MANUFACTURING

FFM Berhad

Main Office

PT45125, Batu 15 1/2, Sungai Pelong
47000 Sungai Buloh, Selangor
Tel : 03-61572289
Contact Person :
Mr Tan Gee Sooi (Exec. Chairman)

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)

FFM (Sabah) Sdn Bhd

Main Office/Factory

5 1/2 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)

c

CHEMICALS MANUFACTURING

Malayan Adhesives & Chemicals Sdn Bhd

Main Office/Factory

No. 9 Jalan Utas 15/7
40200 Shah Alam, Selangor
Tel : 03-55661188
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 15 1/2, 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)

e

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)

f

FOOD PROCESSING

FFM Further Processing Sdn Bhd (formerly known as 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 15 1/2, Sungai Pelong
47000 Sungai Buloh, Selangor
Tel : 03-61572289
Contact Person :
Mr Tan Gee Sooi (Exec. Chairman)

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)

PT Pundi Kencana**Main Office**

Jl. Tanah Abang III No. 14
Jakarta Pusat, Jakarta 10160
Indonesia
Tel : 62-21 385 3624
Contact Person :
Mr Lim Soon Huat (President Director)

I

LIVESTOCK FARMING**FFM Farms Sdn Bhd****Main Office**

PT 45125, Batu 15 1/2, Sungai Pelong
47000 Sungai Buloh, Selangor
Tel : 03-61572289
Contact Person :
Dr Danny Soon (GM)

p

PLANTATIONS & EDIBLE OILS**Wilmar International Limited****Main Office**

56 Neil Road, Singapore 088830
Tel : 65-62160244
Contact Person :
Ms Eltricia Foong (Head of Investor Relations)

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 Group Berhad (Property Division)****Main Office**

17th Floor, Wisma Jerneh
38 Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 03-21170888
Contact Person :
Mr Eapen Thomas (GM)

PPB Hartabina Sdn Bhd**Main Office**

7th Floor, Cheras Plaza
No.11 Jalan Manis 1, Taman Segar, Cheras
56100 Kuala Lumpur
Tel : 03-91305088
Contact Person :
Mr Eapen Thomas (D)

Cathay Screen Cinemas Sdn Bhd**Main Office**

1 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 Clarence Tan (GM)

W

**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**

2447 Lorong Perusahaan 6A
Prai Industrial Estate
13600 Prai, Penang
Tel : 04-3988600
Contact Person :
Mr Yap Eng Soon (GM)

NOTICE OF ANNUAL GENERAL MEETING

Date/Time : Wednesday, 19 May 2010 at 9.30 a.m.

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

NOTICE IS HEREBY GIVEN that the 41st Annual General Meeting of PPB Group Berhad will be held at 19th Floor, Wisma Jerneh, 38 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Wednesday, 19 May 2010 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 2009 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 2009 as recommended by the Directors. (Resolution 2)
3. To approve the payment of Directors' fees of RM259,933 for the financial year ended 31 December 2009. (Resolution 3)
4. To elect Dato' Capt. Ahmad Sufian @ Qurnain bin Abdul Rashid who retires pursuant to Article 88 of the Articles of Association of the Company. (Resolution 4)
5. To re-elect Mr Tan Gee Sooi who retires pursuant to Article 107 of the Articles of Association of the Company. (Resolution 5)
6. 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)
7. To re-appoint Messrs Mazars as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 9)

AS SPECIAL BUSINESS

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

8. **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

NOTICE OF ANNUAL GENERAL MEETING

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 2*)

(Resolution 10)

9. Proposed Renewal of and Additional 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 27 April 2010.

(See *Explanatory Note 3*)

(Resolution 11)

10. 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 2 March 2010 that subject to the approval of shareholders at the Annual General Meeting to be held on Wednesday, 19 May 2010, a final single-tier dividend of 18 sen per share in respect of the financial year ended 31 December 2009 is payable on 8 June 2010 to members whose names appear in the Record of Depositors on 24 May 2010.

A Depositor shall qualify for entitlement in respect of :-

- i) Shares transferred into the Depositor's securities account before 4.00 p.m. on 24 May 2010 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
27 April 2010

By Order of the Board
Mah Teck Keong (MAICSA 0820976)
Company Secretary

Appointment of Proxy

- 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.
- 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, would 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) Authority to issue shares pursuant to Section 132D of the Companies Act 1965

The proposed **Resolution 10** is to seek a renewal of the general mandate for the issue of new ordinary shares in PPB pursuant to Section 132D of the Companies Act 1965 which was approved by shareholders at the Annual General Meeting ("AGM") held last year. The Company did not issue any new shares after the previous mandate was obtained at the last AGM.

The Company continuously looks for opportunities to broaden the operating base and earnings potential of the Group. 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**, if passed, would enable the Company to avoid delay and cost of convening further general meetings to approve the issue of shares for such purposes. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

At this juncture, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate has been obtained, the Company will make an announcement in respect of the purpose and/or utilisation of proceeds arising from such issue.

(3) Proposed Renewal of and Additional 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 Securities 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 27 April 2010 despatched together with the Company's 2009 Annual Report.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

1. The director who is standing for election pursuant to Article 88 is as follows :-
 - a. Dato' Capt. Ahmad Sufian @ Qurnain bin Abdul Rashid
2. The director who is standing for re-election pursuant to Article 107 is as follows :-
 - a. Mr Tan Gee Sooi
3. The directors who are standing for re-appointment under 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 17 to 19. Their interests in shares of the Company and its related corporations are disclosed in the Statement of Shareholdings on page 183.



I/We

NRIC/Passport No.

of

Telephone No.

being a member/members of PPB GROUP BERHAD hereby appoint the Chairman of the Meeting*

or

NRIC/Passport No.

of

or failing him/her

NRIC/Passport No.

of

* Delete the words "the Chairman of the Meeting" if you wish to appoint another person to be your proxy.

as my/our proxy to vote for me/us and on my/our behalf at the 41st Annual General Meeting of the Company to be held on Wednesday, 19 May 2010 at 9.30 a.m. and at any adjournment thereof.

My/Our proxy is to vote as indicated below :-

NO.	RESOLUTIONS	FOR	AGAINST
1	To receive the audited Financial Statements for the year ended 31 December 2009 and the Reports of the Directors and Auditors thereon.		
2	To approve the payment of a final single-tier dividend.		
3	To approve the payment of Directors' fees.		
4	To elect Dato' Capt. Ahmad Sufian @ Qurnain bin Abdul Rashid as Director.		
5	To re-elect Mr Tan Gee Sooi as Director.		
6	To re-appoint Datuk Oh Siew Nam as Director.		
7	To re-appoint Dato Sri Liang Kim Bang as Director.		
8	To re-appoint YM Raja Dato' Seri Abdul Aziz bin Raja Salim as Director.		
9	To re-appoint Messrs Mazars as Auditors of the Company.		
10	To authorise the Directors to allot and issue shares.		
11	To approve the renewal of and additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature.		

(Please indicate with an 'X' in the spaces provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.)

The proportion(s) of my/our holding to be represented by my/our proxies are as follows :-

First Proxy	%	Signed this	day of	2010.
Second Proxy	%			
Total	100%			
No. of Shares Held				Signature

NOTES :

- 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 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

