



Corporations of today are moving at a much faster pace in order to remain competitive. Relevant and accurate information on organizations are expected by its shareholders who are increasingly becoming more sophisticated and have a growing interest in the companies they invest in. They require continual updates of corporate information which will enable them to make informed decisions and continued investment in corporations of their choice.

In meeting the needs of shareholders and in keeping with PPB's tradition of practising good corporate governance, we are publishing our third Investor Handbook to provide sufficient updates on the Group's activities to our shareholders as well as to ensure continual support of PPB's growth by the investing public.

We are pleased with the positive feedback from shareholders on the first two editions of the Investor Handbook and in this third edition, we are providing relevant information to assist our shareholders in understanding the complex and diverse business environment in which PPB operates. Through this better understanding, both the corporate and its shareholders are able to continually work hand-in-hand to build and grow PPB to enable it to provide increasing returns to its shareholders.

Ong Ie Cheong
Executive Chairman



PPB Group Berhad at a glance

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

The Company has grown from its initial business of cane cultivation and sugar refining to become a major conglomerate engaged in diverse businesses. The Group's operations now include sugar refining; grain trading, flour and feed milling; edible oils processing; oil palm cultivation; environmental engineering, waste management and utilities; film exhibition and distribution; property ownership and development; and commodity trading.

Being one of the most diversified conglomerates in Asia, PPB's success over the years has shown that its strategic acquisitions and joint ventures were in the right direction.

Today, PPB ranks among the top companies listed on the Malaysia Securities Exchange Berhad by turnover and assets. Its total assets exceed RM5.8 billion and turnover for the last financial year ended 31 December 2003 amounted to RM9.3 billion. The Group currently employs more than 15,000 employees in its domestic and overseas operations.



Corporate History

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

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

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

PPB's investment in oil palm cultivation began in 1986 through the establishment of Saremas Sdn Bhd to develop an oil palm plantation in Sarawak and in the following year, PPB acquired 60% equity interest in Sapi Plantations Sdn Bhd to operate an oil palm project in Sabah. In 1995, PPB expanded its oil palm operations to Indonesia with the acquisition of 70% equity interest in PT Tidar Sungkai Sawi (PTTSS). In 1997, PPB's oil palm plantations in East Malaysia were merged under PPB Oil Palms Bhd (PPBOP) which was subsequently listed on the MSEL on 5 August 1997.

In 1987, PPB made a takeover offer for FFM Berhad (formerly known as Federal Flour Mills Berhad), enabling PPB to further diversify into flour and animal feed milling, edible oils processing and commodity trading.

In the same year, PPB finalized an agreement with Golden Harvest (International) Ltd of Hong Kong to establish Golden Screen Cinemas Sdn Bhd (formerly known as Golden Communications (M) Sdn Bhd). The cinema operations further expanded in 1990 when PPB acquired PPB Leisure Holdings Sdn Bhd (formerly known as Borneo Film Organisation (M) Sdn Bhd).



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

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

In 2003, PPB announced its intentions to acquire the remaining 45.77% equity interest in FFM not owned by PPB, effectively taking FFM private. The proposed privatisation is one of the Group's continuing effort to enhance shareholder value.

As PPB continues to expand its core businesses and improve on efficiency and productivity, it will be ready to capitalize on new opportunities to bring the Group to greater achievements.



Mission Statement



Striving continually to strengthen our position as a market leader in our core businesses and expand into other related activities to increase shareholders' value.



Corporate Objectives



Create wealth for shareholders

It has always been PPB's objective to reward its shareholders through attractive dividends or capital issues.

Good corporate governance

PPB is committed to observe the highest standard of transparency, accountability and integrity in all its business practices and corporate performance.

Focus on core business

PPB is focused on expanding its core businesses which include sugar refining; grain trading, flour and animal feed milling; edible oils refining; oil palm plantations and environmental engineering, waste management and utilities.

Market leader

PPB is a market leader in its core businesses and intends to further strengthen this lead. PPB is a major producer of sugar, flour and edible oils.

Sustainable growth

PPB remains earnings-driven and is committed to assuring sustainable growth in the NTA and earnings of the Group.

Utilization of synergies

The strong and committed management team from the various operations assures the integration of group activities to maximize synergy.

Expansion to overseas market

PPB is expanding its activities to China and other Asean countries to provide earnings growth.

Responsible corporate citizen

Our community relations program focuses on improving the quality of life of others through financial grant programs, corporate sponsorships and in-kind donations.

Committed to improving efficiency and productivity

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

Securing future growth

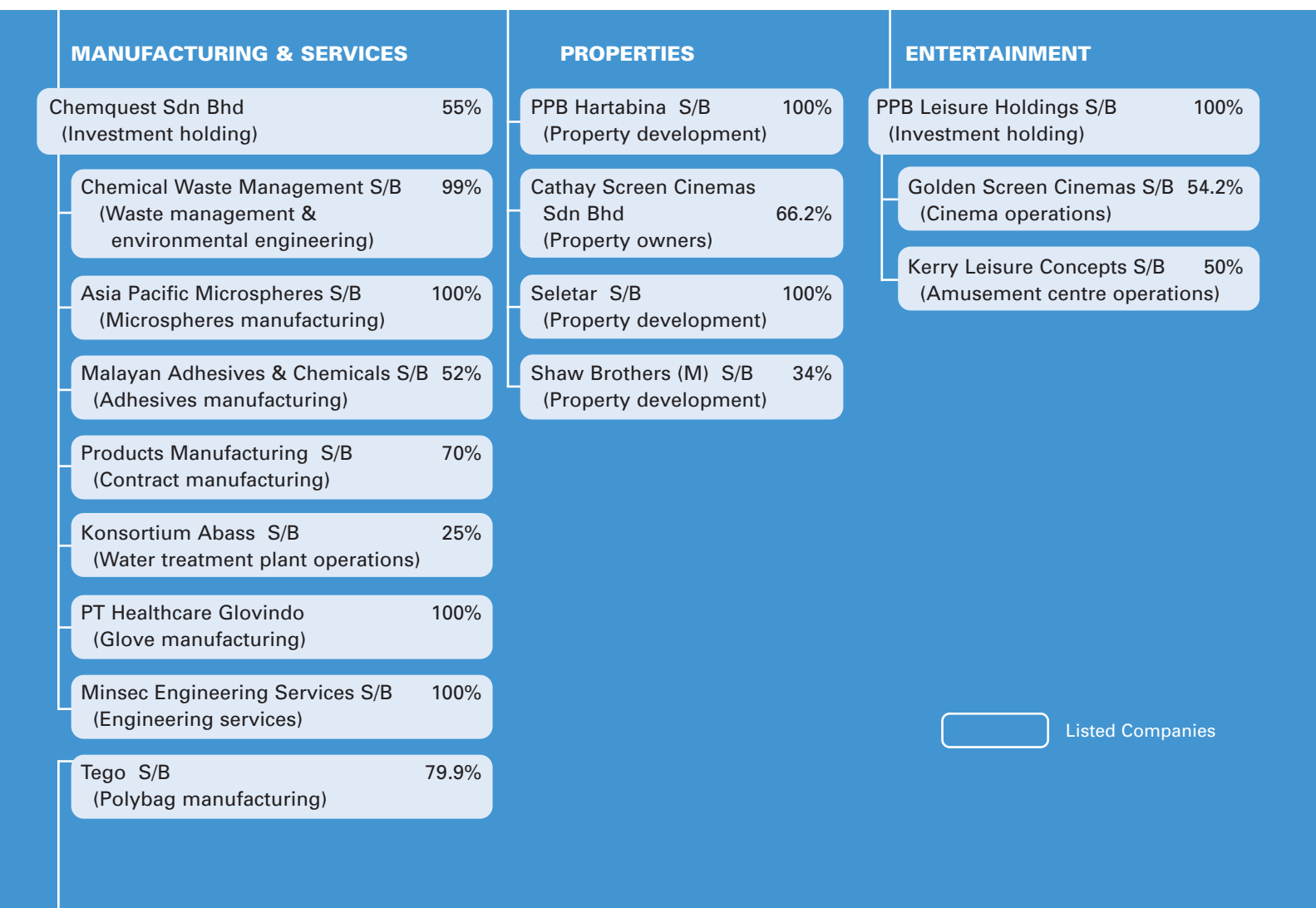
PPB will continue to seek and capitalize on investment opportunities as well as explore new market segments both domestically and regionally for business and revenue growth in the years ahead.



PPB GROUP BERHAD

FOODS	FOODS	PLANTATIONS
Malayan Sugar Manufacturing Co Bhd 100% (Sugar refining)	FFM Bhd 54.2% (Investment holding & flour milling)	PPB Oil Palms Berhad 55.6% (Investment holding)
Kilang Gula Felda Perlis Sdn Bhd 50% (Cane milling & Sugar refining)	Johor Bahru Flour Mill S/B 100% FFM Flour Mills (S'wak) S/B 100% Vietnam Flour Mills Ltd 52.5% (Flour milling)	Sapi Plantations S/B 100% Reka Halus S/B 70% Kiabau Plantations S/B 100% Sabahmas Plantations S/B 100% Sri Kamusan S/B 100% Ribubonus S/B 100% Aktif Kukuh S/B 100% Ceramilek S/B 89.8% Saremas S/B 100% Suai Plantations S/B 100% Segarmas Plantations S/B 100% Suburmas Plantations S/B 70% Sekar Imej S/B 100% Clonal Palms S/B 70% Kalimantan Palm Industries S/B 100% PT Tidar Sungkai Sawit 100% PT Mustika Sembuluh 90% PT Kerry Sawit Indonesia 90% (Oil palm cultivation)
	PGEO Group Sdn Bhd 100% (Investment holding)	
	PGEO Edible Oils S/B 100% Sandakan Edible Oils S/B 100% Bintulu Edible Oils S/B 100% Lahad Datu Edible Oils S/B 45% (Edible oils processing)	
	FFM Marketing S/B 100% (Consumer products distribution)	
	JBFBM Feedmill S/B 100% FFM Feedmills (Sabah) S/B 100% FFM Feedmills (Sarawak) S/B 75% (Animal feed milling)	
	FFM Farms S/B 100% (Livestock farming)	
	Kuok Oils & Grains Pte Ltd 28% (Commodity trading)	

Corporate Structure as at 31 Dec 2003





Board Of Directors

MR ONG IE CHEONG Executive Chairman

Ong Ie Cheong, 62, is the Executive Chairman of PPB Group Berhad. He was appointed to the Board on 18 September 1985 and was the Deputy Managing Director of PPB from 1993 before being appointed Chairman and Managing Director in 2000 and subsequently as Executive Chairman in 2001. He is a member of the Remuneration Committee of the Company. Mr Ong is also the Managing Director of Central Sugars Refinery Sdn Bhd since 1983. In addition, he holds directorships in PPB Oil Palms Berhad, Tradewinds (M) Bhd and Kuok Brothers Sdn Bhd. Mr Ong graduated from the University of Malaya with a Bachelor of Science degree.

DATUK OH SIEW NAM Deputy Chairman

Y. Bhg. Datuk Oh Siew Nam, 65, is the Deputy Chairman of PPB Group Berhad. He was appointed to the Board on 2 March 1988 and was the Managing Director of the Company from 1993 to 1999. Datuk Oh joined FFM Group in 1968 and is presently the Executive Chairman of FFM Berhad. He is also a Director of Kuok Brothers Sdn Bhd since 1998 and a Board Member of Bank Negara Malaysia since 1989. He served as a Member of the Capital Issues Committee from 1990 to 1993 and the National Economic Consultative Council II (MAPEN II). He was the Assistant Controller of Telecom Malaysia for five (5) years from 1963. He holds a Bachelor of Engineering (Honours) degree in Electrical Engineering from the University of Canterbury, New Zealand.

DATO' LIM CHEE WAH Executive Director

Y. Bhg. Dato' Lim Chee Wah, 64, is an Executive Director of PPB Group Berhad. He was appointed to the Board on 2 March 1988. Dato' Lim is the Executive Chairman of Malayan Sugar Manufacturing Company Berhad and Chairman of Jerneh Asia Berhad. He is also a Director of Malaysian Bulk Carriers Berhad and Kuok Brothers Sdn Bhd and a trustee of Kuok Foundation Berhad. He graduated from the University of Malaya with a Bachelor of Economics (Honours) degree.

DATO SRI LIANG KIM BANG Independent Non-Executive Director

Y. Bhg. Dato Sri Liang Kim Bang, 67, is the Chairman of the Audit Committee and Remuneration Committee and a member of the Nomination Committee of PPB Group Berhad. He was appointed to the Board on 4 January 1995. Dato' Sri Liang held various positions in the Sarawak Civil service and prior to his retirement in 1994, was the Sarawak State Financial Secretary. Presently, he is a Non-Executive Chairman of CMS Steel Berhad and an Independent Non-Executive Director of PPB Oil Palms Berhad, Malaysia International Shipping Corporation Berhad, Cahya Mata Sarawak Berhad, Rashid Hussain Berhad, CMS Trust Management Berhad and several other companies. Dato' Sri Liang graduated from the University of Malaya with Bachelor of Arts and Bachelor of Arts (Honours) degrees. He also undertook a post-graduate course in Public Administration at the University of Cambridge, England.



YM RAJA DATO' SERI ABDUL AZIZ BIN RAJA SALIM Independent Non-Executive Director

YM Raja Dato' Seri Abdul Aziz bin Raja Salim, 65, is a member of the Audit Committee and Nomination Committee of PPB Group Berhad. He was appointed to the Board on 12 May 2003. YM Raja Aziz was a former Director-General of Inland Revenue and a former Accountant-General of Malaysia. He is a Fellow Member of the Chartered Association of Certified Accountants and the Chartered Institute of Management Accountants of the United Kingdom, and a member of the Malaysian Institute of Accountants and Malaysian Institute of Taxation. He also serves on the Board of Amanah Saham Mara Berhad as well as several listed companies, namely, PPB Oil Palms Berhad, Jerneh Asia Berhad, K&N Kenanga Holdings Berhad, Camerlin Group Berhad, Tasek Corporation Berhad, Gamuda Berhad, Matsushita Electric Company (Malaysia) Berhad and Southern Steel Berhad.

MR ANG GUAN SENG Non-Independent Non-Executive Director

Ang Guan Seng, 65, is the Chairman of the Nomination Committee and also a member of the Audit Committee and Remuneration Committee of PPB Group Berhad. He was appointed to the Board on 8 July 1998. Mr Ang is the Managing Director of Petaling Garden Berhad and sits on the Boards of various public and private companies which include, amongst others, Malayan United Industries Berhad and Parkway Holdings Limited.

MR TAN YEW JIN Non-Independent Non-Executive Director

Tan Yew Jin, 63, was appointed to the Board on 12 May 2001 and is the Executive Chairman of PPB Oil Palms Berhad. He serves on the Boards of FFM Berhad, Jerneh Asia Berhad and Tradewinds (M) Berhad. Mr Tan is an Accountant by profession and a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants, CPA Australia and the Institute of Certified Public Accountants of Singapore.

MR MICHAEL OH AIK TEONG Alternate Director to Mr Ang Guan Seng

Michael Oh Aik Teong, 46, is an Alternate Director to Mr Ang Guan Seng. He was appointed to the Board of PPB Group Berhad as an Alternate Director on 16 May 2002. Mr Oh joined the Group in 1992 to help establish the utilities and environmental engineering division of the Group and is presently the Managing Director of Chemquest Group. He had previously worked for Exxon Chemicals Sdn Bhd for 10 years. Mr Oh also serves on the Board of Redtone International Berhad. He graduated from the University of Malaya with a Bachelor of Engineering (Honours) degree, majoring in chemicals.

MS KOH MEI LEE Alternate Director to Mr Tan Yew Jin

Koh Mei Lee, 39, was appointed to the Board as an Alternate Director to Mr Tan Yew Jin on 16 May 2002. Ms Koh joined the Company in 1990 as a Treasury Executive and over the years has risen from the ranks to her current position as Senior Manager, Corporate Affairs Department. She has been instrumental in the development of the Corporate Affairs Department and her responsibilities include fostering investor relations, corporate development and restructuring as well as mergers and acquisitions. She is also the Chief Executive of Golden Screen Cinemas Sdn Bhd. She graduated from the University of Montevallo, USA with a Bachelor of Business Administration degree (Summa Cum Laude).



Group Management Team

MR ONG IE CHEONG *(refer to page 12)*

MR TAN YEW JIN *(refer to page 13)*

MR TAN GEE SOOI

Tan Gee Sooi, 59, is the Managing Director of FFM Berhad. He serves on the boards of various FFM subsidiaries both in Malaysia and overseas. He holds a Bachelor of Engineering (Hons) degree in Electrical Engineering from the University of Malaya.

MR CHUA SAY SIN

Chua Say Sin, 57, is the Managing Director of Malayan Sugar Manufacturing Co. Berhad (MSM). He joined MSM in 1974 as an Instrument Engineer involving mainly in the implementation of automatic/computer control and mechanization of sugar refinery operations. He became a Factory Manager of MSM in 1988 before he was seconded to become the Managing Director of Chemquest Sdn Bhd from 1993 to 2002. He graduated as an Electrical Engineer from New South Wales University, Australia and holds a Master in Engineering Science from Sydney University. He is currently a registered Professional Engineer (PE) and member of the Institution of Engineers.

MR MICHAEL OH AIK TEONG *(refer to page 13)*

MS KOH MEI LEE *(refer to page 13)*

MR EAPEN THOMAS

Eapen Thomas, 56, is the Executive Director of PPB Hartabina Sdn Bhd, the property arm of PPB Group. He joined the Kuok Group in 1993 and is currently the General Manager of Hillcrest Garden Sdn Bhd. Mr Thomas is an Accountant by profession and a member of the Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants.

MR TAN TEONG BOON

Tan Teong Boon, 56, has been Company Secretary of PPB Group Berhad since 1969. He is also a Company Secretary of FFM Berhad and was a Company Secretary of PPB Oil Palms Berhad from 1996 to 2000. Besides secretarial matters, Mr Tan is also responsible for all general administrative functions of PPB Group. He holds a Bachelor of Economics (Hons) degree in Business Administration from the University of Malaya.

activities



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AMUSEMENT CENTRE OPERATIONS

BACKGROUND INFORMATION

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

KLC's "Fireworks Fun Centre" is one of the largest chains of family entertainment centres in Malaysia. It has a total of six centres, which are located in Klang Valley (2), Johor Bahru (3) and Sungei Petani (1) with sizes ranging from 4,500 sf to 10,000 sf.

KLC also operates two children playlands and forty-two kiddie rides located in supermarkets and hypermarkets in Klang Valley, Johor Bahru and Sungei Petani.

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

- Simulator games
- Dance/Music games
- Redemption games
- Carnival games
- Children interactive games
- Touch screen games
- Video simulator games
- Kiddie rides
- Ballpools and Playports
- Bumper cars



MAJOR ACTIVITIES IN 2003

KLC reconfigured the size of its centre at Sg. Petani to improve operational efficiency and minimise overhead expenses.

During the year, all the centres were upgraded with the latest and popular game machines at a total value of RM1.1 million.

EXPANSION / FUTURE PLANS

KLC plans to work with new hypermarket chains to setup playlands and expand its kiddie ride operations.

It is also looking into viable locations for new centers specifically in the northern region.



ANIMAL FEED MILLING

BACKGROUND INFORMATION

FFM Group in which PPB has 54.23% equity interest, ranks as one of the biggest feed millers in Malaysia and currently operates five feed mills in Peninsular and East Malaysia. The mills are strategically located in Prai, Port Klang, Pasir Gudang, Kota Kinabalu and Kuching with a combined production capacity of 125 mt per hour.

The Group manufactures over 300,000 mt animal feed annually which accounts for approximately 10% of the local market requirement.

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

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

FFM's subsidiaries which are involved in animal feed milling are as follows:-

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



MAJOR ACTIVITIES IN 2003

There were no major activities for the animal feed division in year 2003.

EXPANSION / FUTURE PLANS

FFM commenced construction of its new 50 tph feed mill at Pulau Indah in December 2003. This feed mill is expected to commence operations in the second quarter of 2005, replacing the existing feed mill in South Port.



CHEMICALS MANUFACTURING

BACKGROUND INFORMATION

The Group's chemicals manufacturing activities are undertaken by Asia Pacific Microspheres Sdn Bhd [APM] and Malayan Adhesives & Chemicals Sdn Bhd [MAC].

APM is the only producer of phenolic thermoset microspheres in the world. These products are used for specialty applications in the aerospace, automobile, marine, defense, electronic, coating and adhesive sectors. APM also produces contact adhesive resins which are sold domestically as well as exported to North America, South America, Europe and the Asia Pacific region.

MAC manufactures adhesives, resins, additives and formaldehyde, which are marketed to the local wood-based and paper industries.

The manufacturing plants of both APM and MAC are located in Shah Alam, Selangor.

APM and MAC are 100% and 51.9% subsidiaries of Chemquest Sdn Bhd respectively. Chemquest Sdn Bhd is a 55% subsidiary of PPB.



MAJOR ACTIVITIES IN 2003

During the year, APM developed and launched a new range of white thermoset microspheres specially targeted at applications that are unable to utilise dark coloured phenolic thermoset microspheres.

EXPANSION / FUTURE PLANS

APM is looking into developing a narrow-range of phenolic microspheres for the aerospace industry.

MAC is taking steps to improve productivity and plans to increase its resin production capacity by 20% with the installation of a new resin reactor.



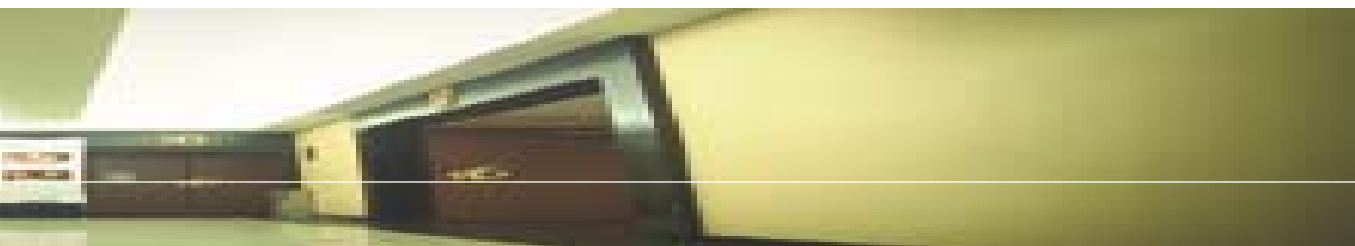
CINEMA OPERATIONS

BACKGROUND INFORMATION

The cinema operations are held by the Group's wholly-owned subsidiary, PPB Leisure Holdings Sdn Bhd [PPBL]. Golden Screen Cinemas [GSC], a 54.2% subsidiary of PPBL, currently operates the largest cinema chain in Malaysia with a total of 86 screens at 16 locations, all of which are located in prime sites in major cities nationwide.

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

	Locations	No. of Screens	No. of Seats
1.	Mid Valley Megamall, Kuala Lumpur	18	2,899
2.	Gurney Plaza, Penang	12	1,833
3.	The Summit, USJ	7	1,251
4.	Pelangi Leisuremall, Johor Bahru	5	2,361
5.	IOI Mall, Puchong	5	1,317
6.	Kuantan Megamall, Kuantan	5	948
7.	Terminal 1, Seremban	4	1,086
8.	Cheras Leisuremall, Kuala Lumpur	4	1,517
9.	Shaw Centrepoint, Klang	4	1,006
10.	Mahkota Parade, Malacca	4	809
11.	GSC, Kota Kinabalu	3	1,648
12.	Ipoh Parade, Ipoh	3	803
13.	Capitol Cinema, Selayang	3	750
14.	Plaza, Bukit Mertajam	3	707
15.	Central Square, Sungei Petani	3	666
16.	Summit Parade, Batu Pahat	3	678
	Total	86	20,279



MAJOR ACTIVITIES IN 2003

- GSC expanded its cinema operations to Penang with the establishment of GSC's 12-screen cineplex at Gurney Plaza at a total project cost of RM18.0 million which includes its first "Glitters" café.
- GSC launched its intelligent SMS (iSMS) service with Maxis, which allows Maxis subscribers to reserve tickets with ease. The interesting feature of iSMS is its ability to recommend the next available show time if the customer's requested show time is fully reserved.
- In October, GSC established a wholly-owned subsidiary, Glitters Café Sdn Bhd, for its restaurant and merchandising business.

EXPANSION / FUTURE PLANS

GSC will be opening a 9-screen cineplex at Berjaya Times Square by end-2004 and this will increase GSC's market share in the Klang Valley.



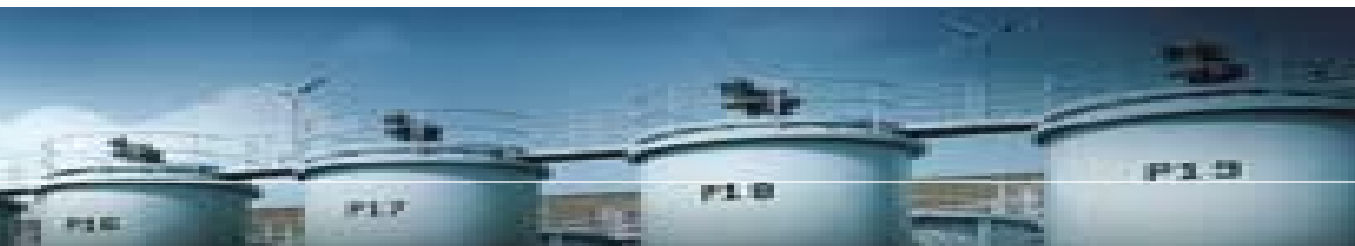
COMMODITY TRADING

BACKGROUND INFORMATION

Kuok Oils & Grains Pte Ltd (KOG), a 28% associate of PPB Group, is a commodity trading cum investment holding company which owns edible oils and grains processing plants in China, Vietnam, Indonesia and Bangladesh.

KOG's overseas subsidiaries are involved in the processing of crude edible oils and the distribution and marketing of these oils as bulk and consumer packed oil products.

Fedruns Sdn Bhd, a 100% subsidiary of FFM, is licensed to trade on the Malaysia Derivatives Exchange (MDEX) and the commodity traded is mainly the Group's CPO requirements.



MAJOR ACTIVITIES IN 2003

In 2003, KOG traded mainly in palm oil, soyabean oil, rapeseed oil, coconut and palm kernel oil as well as grains like soyabeans, canola and maize.

EXPANSION / FUTURE PLANS

KOG plans to further expand its investment activities in China, Vietnam and Europe.



CONSUMER PRODUCTS DISTRIBUTION

BACKGROUND INFORMATION

FFM Marketing Sdn Bhd (FMSB), a wholly-owned subsidiary of FFM Group, was set up in 1993 to market a wide range of fast-moving consumer products under its own brand names as well as other local and international brands.

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

FMSB owns eleven (11) warehouses which are located in Prai, Ipoh, Sg. Buloh, Melaka, Kuantan, Johor Baru, Kota Bharu, Kuching, Sibul, Kota Kinabalu and Sandakan.

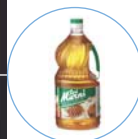
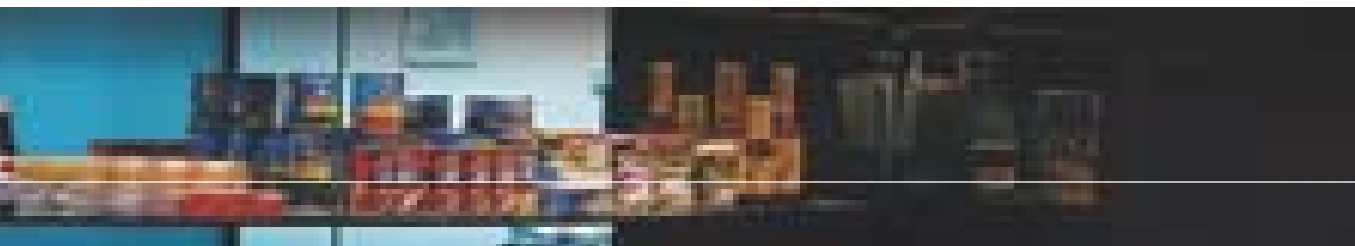
FFM Group's own brands/products are as follows:-

Fast-moving consumer goods (consumer packs)

- Neptune - blended cooking oil
- Seri Murni - double fractionated 100% palm based vegetable oil
- Krystal - 100% pure corn oil
- Blue Key - packaged flour
- Anchor - packaged flour
- Muhibah – packaged flour
- Marina - canned fish and vegetables
- Shamu - nata de coco and jelly cups
- Seri Murni - table eggs
- Marina - frozen food

Others

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



Agency products include the following :-

- Red Bull - energy drinks
- Star Brand - culinary essence and colourings
- Lingham - chilli sauces
- Clorox - liquid bleach and floor care
- Glads - wraps/bags
- Bluebell - household care and floor care
- Guard - shoe care
- Grandcell - rechargeable alkaline batteries/battery chargers
- Toshiba – alkaline and carbon zinc batteries
- Nektar – concentrated/ready to drink Kiwi Fruit Juice
- Spin - detergents
- Sure - condom
- Blacktop - household insecticides

MAJOR ACTIVITIES IN 2003

In March, FMSB ventured into the marketing of frozen and chilled food products. Its first products namely the chicken nuggets and fish fingers were launched under its own Marina brand.

EXPANSION / FUTURE PLANS

To raise the level of efficiency and timeliness in its operations, FMSB will be implementing a fully integrated Enterprise Resource Planning (ERP) Solution in mid-2004 to cater to FMSB's sales invoicing and accounting needs.

Besides securing new agency lines, FMSB will also actively seek principals of frozen and chilled products overseas as well as locally, to become a leading nationwide distributor of frozen and chilled products.

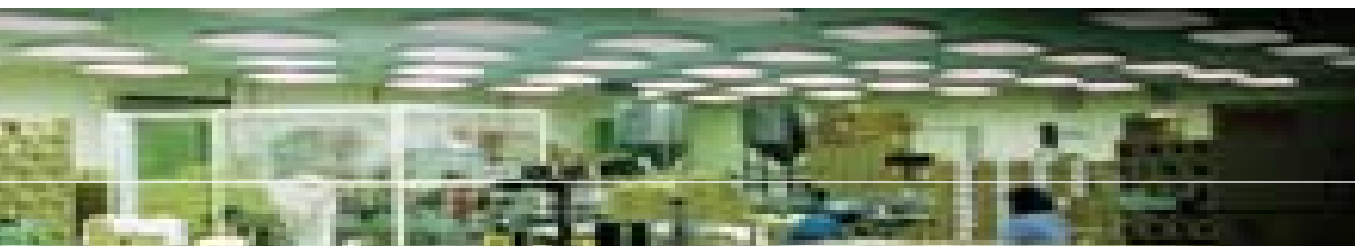


CONTRACT MANUFACTURING

BACKGROUND INFORMATION

Products Manufacturing Sdn Bhd (PM), a 70% indirect subsidiary of PPB was acquired by PPB Group in 1993 to provide contract manufacturing services for cosmetics, toiletries and household products industries.

PM's factory located at Jalan Kepong, Kuala Lumpur is equipped with high-tech machineries and a qualified workforce. PM produces a variety of products such as creams, cold and hot mix liquids, lotions, gels, powders and pastes for the hair care, skin care, baby care, body care, household and car care market.



MAJOR ACTIVITIES IN 2003

There were no major activities during the year.

EXPANSION / FUTURE PLANS

PM is constantly seeking business opportunities to expand its operations and venture into Asean markets.



EDIBLE OILS REFINING

BACKGROUND INFORMATION

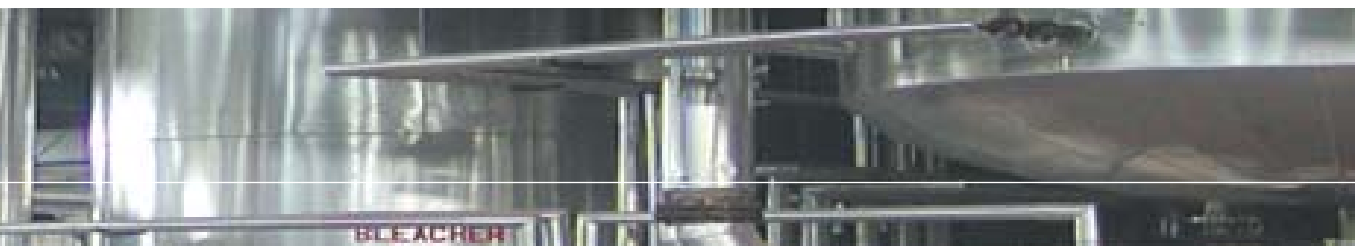
PGEO Group Sdn Bhd [PGSB] is a major edible oils refiner and exporter in Malaysia, processing over 3 million mt of edible oils per year.

PGSB operates six refineries with a combined production capacity of about 11,700 mt per day. About 90% of the Group's production is exported to India, China, Middle East, Pakistan, EU countries, USA and Russia whilst the balance is sold locally.

PGSB Group's activities are vertically integrated from the conversion of crude oils into refined oil products to production of shortening and hydrogenated products, cocoa butter replacers and other specialty fats which are marketed in bulk, drums and consumer packs.

PGSB's operations are set out below:-

- | | |
|-------------------------------|--|
| Edible oils refining | - 6 refineries located in Prai, Lumut, Pasir Gudang, Bintulu, Sandakan and Lahad Datu. |
| Dry fractionation | - 6 dry fractionation plants located in Prai, Lumut, Pasir Gudang, Bintulu, Sandakan and Lahad Datu. |
| Palm kernel crushing | - 3 palm kernel crushing plants located in Bintulu, Sandakan and Lahad Datu. |
| Hydrogenation | - 1 hydrogenation plant located in Pasir Gudang. |
| Texturising | - 2 texturising plants located in Pasir Gudang. |
| Palm kernel oil fractionation | - 1 palm kernel oil fractionation plant located in Pasir Gudang. |



PGSB's subsidiaries and associate involved in the processing and marketing of edible oils and the Group's equity interest in these companies are as follows :-

	Group's Equity Interest
• PGEO Edible Oils Sdn Bhd (PGEO)	100%
• Sandakan Edible Oils Sdn Bhd (SEO)	100%
• Bintulu Edible Oils Sdn Bhd (BEO)	100%
• Lahad Datu Edible Oils Sdn Bhd (LDEO)	45%

MAJOR ACTIVITIES IN 2003

- In February, SEO completed the construction of an additional fractionation plant in Sandakan at a total cost of RM7.4 million.
- In August, PGSB entered into a joint venture agreement with Volac Ltd, to manufacture calcium salts for feed ingredients using Palm Fatty Acid Distillate (PFAD).
- PGEO completed the construction of the 12,000 mt soya bean silos in October 2003 at a total cost of RM4.8 million.
- In December, PGEO completed the construction of additional capacity for the Physical Refinery Plant and Dry Fractionation Plant in Bintulu.

EXPANSION / FUTURE PLANS

In 2004, PGEO plans to construct an additional fractionation plant for the production of specialty fats at Pasir Gudang at a total cost of RM10.3 million.

The joint venture with Volac Limited has enabled PGSB to expand its business activities, in particular, diversifying the use of PFAD for the manufacture of value added products as well as to explore new markets and alternatives to remain competitive.



ENGINEERING SERVICES

BACKGROUND INFORMATION

Minsec Engineering Services Sdn Bhd (MES), a 100% subsidiary of Chemquest Group, provides services in engineering design, equipment fabrication, installation, plant operation, training and maintenance to clients in Malaysia and Asia Pacific.

MES is also involved in turnkey construction of palm oil and sugar mills, bulking and storage facilities, factory buildings and ethanol and formalin plants.

MES core business lies in the construction of palm oil mills. To date, MES has constructed two mills in Indonesia and eleven mills in East Malaysia with a total value of more than RM190 million.



MAJOR ACTIVITIES IN 2003

- MES successfully completed Heat Exchangers for Shell Refinery in Brunei and an oil flushing skid for 10 MW Kawasaki gas turbine for Putrajaya (total contract value : RM0.65 million).
- Expansion of CPO mill from 40 to 80 tph for Sabahmas Plantations Sdn Bhd in Lahad Datu, Sabah (total contract value : RM4.4 million).
- Construction of a new palm oil mill with a capacity of 40 tph expandable to 80 tph for Suburmas Palm Oil Mill Sdn Bhd in Sarawak (total contract value : RM16.6 million).
- Expansion of refining capacities for Sandakan Edible Oils and Bintulu Edible Oils plants in Bintulu, Sarawak (total contract value : RM3.4 million).

EXPANSION / FUTURE PLANS

MES aims to secure more oil & gas projects in the area of design and supply of skids and heat exchangers after having successfully completed the same at Shell Refinery in Brunei.

MES plans to undertake the supply of co-generation and composting of palm oil waste as organic fertilizers for palm oil estates.



FLOUR MILLING

BACKGROUND INFORMATION

FFM Berhad (FFM) commenced its wheat milling operations in 1966 with a single mill and a milling capacity of 150 mt of wheat per day. Today, FFM Group has grown to become the largest flour miller in Malaysia supplying more than 40% of the country's wheat flour requirements. Its milling complexes are strategically located in South Port, Port Klang; Pasir Gudang; Pulau Indah, Port Klang; Kuching, Sarawak and Vietnam with a total milling capacity of 2,430 mt per day.

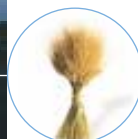
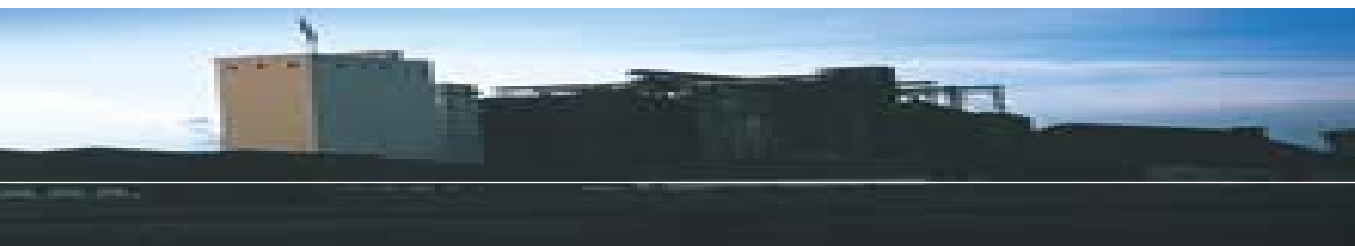
In 2001, FFM expanded its operations overseas to Vietnam through its 52.5% subsidiary, Vietnam Flour Mills Ltd, which operates a 400-mt flour mill in My Xuan, Vung Tau Province. The flour produced by the plant is presently marketed under the brand names of Red Key, Blue Key and Twin Globe.

Other products produced for the domestic market include:-

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

FFM's subsidiaries which are engaged in flour milling are as follows :-

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



MAJOR ACTIVITIES IN 2003

There was no major activity during the year.

EXPANSION / FUTURE PLANS

FFM's second flour mill at Pulau Indah commenced construction works in December 2003. This new flour mill with a daily wheat milling capacity of 500 mt will be located next to the existing flour mill in Pulau Indah and is expected to be commissioned in mid-2005. Together, both flour mills will takeover the existing production facility in South Port, Port Klang which is over 30 years old.



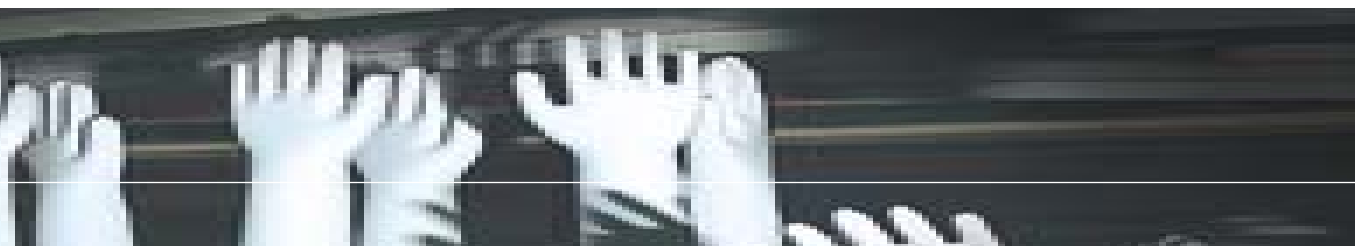
GLOVE MANUFACTURING

BACKGROUND INFORMATION

PT Healthcare Glovindo [Glovindo], a 100% subsidiary of Chemquest Group, operates a latex examination glove factory in Medan, Sumatra. The plant operates seventeen dipping lines with an annual production capacity of 900 million pieces. Glovindo produces pre-powdered and powder-free latex examination gloves for the medical and industrial use. All products are exported mainly to the United States, Europe and Latin America. Glovindo's own brand known as "MEDIQUEST" are sold to Portugal and Greece.

PRODUCTION RESULTS

	NO. OF GLOVES	
	2003	2002
Total Production	687 million	661 million



MAJOR ACTIVITIES IN 2003

In line with market demands, Glovindo invested a total of USD2.6 million to progressively upgrade 9 out of the 17 production lines to include facilities for on-line chlorination in place of the less efficient off-line chlorination facilities.

In July, Glovindo launched its nitrile gloves, increasing its product range to include non-latex products.

EXPANSION / FUTURE PLANS

For the past two years, Glovindo has undertaken many steps to rationalize its operations and to control costs to turn around the company. Going forward, cost control will remain a major focus and Glovindo plans to produce more on-line chlorinated PF gloves as well as nitrile gloves which provide better margins.



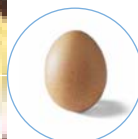
LIVESTOCK FARMING

BACKGROUND INFORMATION

FFM Farms Sdn Bhd (FFM Farms), a wholly-owned subsidiary of FFM Berhad, currently operates two breeder farms located at Sua Betong, Negeri Sembilan and Gurun, Kedah with a total production capacity of 3 million chicks per month. Together, both farms can rear up to 350,000 Parent Stock chickens through a combination of good farming practices, hatchery management and the usage of good breeds. FFM Farms currently supplies 6.7% of the local requirements of day-old-chicks.

Its layer farm is located on a 550-acre site at Trong, Perak and is capable of producing 20 million table eggs per month. Some of these premium table eggs are marketed under the "Seri Murni" label. FFM Farms supplies about 2.5% of the local egg consumption.

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



MAJOR ACTIVITIES IN 2003

During the year, FFM Farms focused on strengthening its human resource especially at management level for its breeder farms operations whilst the layer farm operations were consolidated in response to the weak market.

EXPANSION / FUTURE PLANS

Due to the recent outbreak of “Avian flu” in some neighbouring countries, FFM Farms is delaying its expansion plans.



OIL PALM PLANTATIONS

BACKGROUND INFORMATION

Oil Palm Plantations represent one of the core businesses of the Group and are held through its 55.6% subsidiary, PPB Oil Palms Bhd (PPBOP).

PPBOP's subsidiaries involved in oil palm plantations are:

SARAWAK

- Saremas Sdn Bhd (100%)
- Suai Plantations Sdn Bhd (100%)
- Segarmas Plantations Sdn Bhd (100%)
- Suburmas Plantations Sdn Bhd (70%)
- Clonal Palms Sdn Bhd (70%)
- Suburmas Palm Oil Mill Sdn Bhd (53%)

INDONESIA

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

SABAH

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

FFB produced from its plantations are processed by seven mills located in Sabah (4), Sarawak (2) and Indonesia (1) with a total milling capacity of 1.6 million mt per annum.

AREA STATEMENT

(All figures in ha)

	East Malaysia		Indonesia		Total	
	2003	2002	2003	2002	2003	2002
Total Area	80,017	76,995	61,929	25,727	141,946	102,722
Total Plantable Area	67,924	65,464	48,700	19,700	116,624	85,164
Mature	51,048	49,463	6,094	5,185	57,142	54,648
Immature	10,893	11,152	6,621	4,523	17,514	15,675

TOTAL PRODUCTION

	East Malaysia		Indonesia		Total	
	2003	2002	2003	2002	2003	2002
Estates						
FFB ('000 mt)	1,053.1	978.9	97.2	72.0	1,150.3	1,050.9
Yield per mature ha (mt)	20.6	19.8	16.0	13.9	20.1	19.2
Mills						
CPO ('000 mt)	267.0	263.4	22.5	16.1	289.5	279.6
OER (%)	21.9	22.3	21.7	21.7	21.9	22.2
KER (%)	4.6	4.7	4.1	4.4	4.6	4.7



AVERAGE SELLING PRICES

	Year 2003	Year 2002
Crude Palm Oil (RM/tonne) Nett	1,456	1,299
Palm Kernel (RM/tonne) Nett	675	608
Fresh Fruit Bunches (RM/tonne, ex-estate)	290	266

AGE PROFILE OF PALMS AS AT 31 DECEMBER 2003

	Age of Palms	East Malaysia	Indonesia	Total	
Immature -	Up to 3 years	10,893	6,621	17,514	23.5%
Young -	4 to 6 years	10,262	3,972	14,234	19.1%
Prime]	7 to 10 years	19,723	2,122	21,845	29.3%
]	11 to 14 years	15,272	0	15,272	20.5%
	15 years and above	5,790	0	5,790	7.8%
	Total	61,940	12,715	74,655	100.0%

MAJOR ACTIVITIES IN 2003

The Group completed the acquisition of 90% equity interest in PT Kerry Sawit Indonesia (KSI) and the entire issued capital of Jasa Karya Sdn Bhd (JKSB). KSI has a land bank of about 32,200 hectares of oil palm in Central Kalimantan, Indonesia while JKSB, through its wholly-owned subsidiary, owns 3,642 hectares of land in Beluran, Sabah. These acquisitions, which increased PPBOP's land bank to about 142,000 hectares is in line with its expansion plan to enhance efficiency through economies of scale.

Two new palm oil mills in East Malaysia with a capacity of 40tph each, are under construction. Commissioning of these mills is timed to receive crop diversion from its joint venture partners' plantations near Bintulu, Sarawak and its rising production in the Sugut area, Sabah.

EXPANSION / FUTURE PLANS

The Group will continue to develop its remaining land with oil palm and seek opportunities to further expand its land bank and operations in suitable locations to enhance and complement its current operations.

The two new palm oil mills will be commissioned during the current year, increasing the number of mills to nine, with a total combined throughput of 2.0 million tonnes of FFB per annum.

Barring any unforeseen negative developments in the weather, an increase in FFB production is anticipated during the current year. With more young palms reaching maturity each year and an increasing proportion of mature palms at prime age, crop production can be expected to continue its upward trend. Mill extraction rates are being maintained at favourable levels and CPO output is expected to improve further.



PACKAGING

BACKGROUND INFORMATION

CONSUMER PACKAGING

PGEO Edible Oils Sdn Bhd [PGEO] ventured into consumer packaging in 1986 with the packing of edible oils into tin cans and PVC bottles. Today, PGEO owns 14 units of filling lines to pack various sizes of bottles and containers ranging from 250 ml of PET bottles to 25 kg HDPE containers. The packed products are either exported to overseas markets or distributed locally under “Neptune” and “Seri Murni” brands.

Steel drum

PGEO manufactures 210-litre steel drums for export mainly to Singapore. It operates two drum assembly lines with a combined capacity of 800 drums per hour. The drums are internally unlined or coated with epoxy or atlaskote and externally sprayed with stoving paint.

PET Bottle

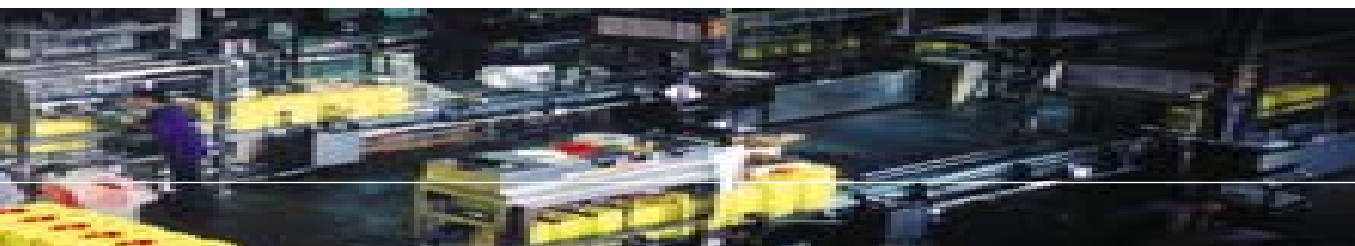
PGEO diversified into manufacturing PET bottles for edible oils packaging and owns two PET bottle-blowing machines to produce 5kg bottles.

HDPE Container

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

POLYBAG MANUFACTURING

Tego Sdn Bhd (Tego), a 79.9% subsidiary of FFM Bhd, is the leading producer of commercial polypropylene (PP) and polyethylene (PE) bags. Tego is able to produce up to 50 million pieces/metres of bags and fabrics a month.



Its manufacturing facilities occupy a total of 16 acres of industrial land in the Senawang Industrial Estate and Senawang Industrial Park in Negeri Sembilan. Its subsidiary, Tefel Packaging Industries Co Ltd is located on a 4 acre site in Yangon, Myanmar.

Its products include:

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

MAJOR ACTIVITIES IN 2003

Tego invested in a computerized Enterprise Resource Planning (ERP) system to improve its entire operations in Tego Sdn Bhd and Tego Multifil Sdn Bhd.

EXPANSION / FUTURE PLANS

- PGEO continues to invest in new facilities and upgrade its existing plants to meet market requirements and consumer needs.
- Tego plans to further develop new markets for higher margin products as well as diversify its product range and intensify its product development efforts.



PROPERTY DEVELOPMENT

BACKGROUND INFORMATION

The Group's property division is held through its wholly-owned subsidiary, PPB Hartabina Sdn Bhd (PPBH). PPBH is involved in residential and commercial development as well as property management.

Currently, PPBH is developing 52.6 acres of prime hill land in Taman Segar, Cheras and manages its own shopping complex "Cheras LeisureMall".

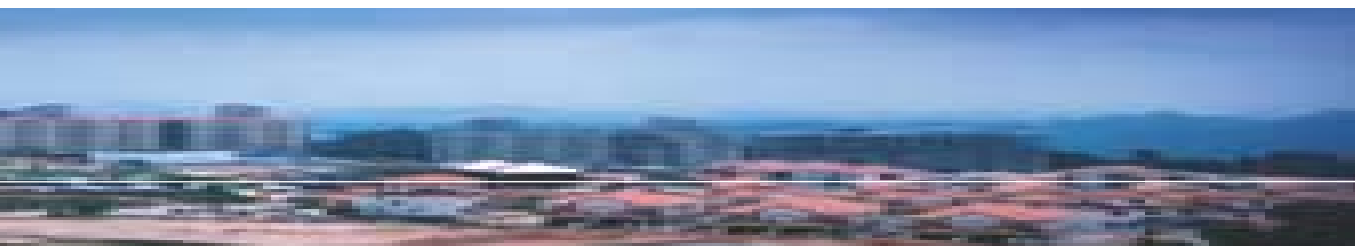
Other active property companies under PPB Group include Seletar Sdn Bhd (Seletar), Cathay Screen Cinemas Group (CSC) and Shaw Brothers Sdn Bhd (SBM) in which PPB has 100%, 66.2% and 34% equity interest respectively.

Seletar's first residential project at Taman Sri Mentari, Bedong, Kedah covers a total of 134 acres comprising 1111 units of single storey and semi-detached houses. The first phase of the development project is due to be completed in April 2004.

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

PPB Group's major commercial properties are as follows:

	Owners	Lettable Area (sf)	Average Monthly Rental (RM/sf)	Occupancy (%)
Cheras Leisuremall	PPBH	264,517	4.55	100
Cheras Plaza	PPBH	108,979	1.40	100
Shaw Centrepont	SBM	255,450	3.48	98
Shaw Parade	SBM	155,733	1.09	90



MAJOR ACTIVITIES IN 2003

The Phase II of Bukit Segar development, which comprises 121 units of semi-detached houses, bungalow units and bungalow lots, is scheduled for delivery to buyers in April 2004. At this time, PPBH will also be delivering to the homeowners 576 units of low cost houses in Taman Segar, Cheras.

PPBH has submitted plans for another high end residential project consisting of 38 units of exclusive bungalows, located on the remaining land bank in Bukit Segar. The project is expected to commence in the 3rd quarter of 2004.

PPBH has also obtained approval for the construction of 78 units of medium cost apartments in Taman Segar and expects to launch the sale in June 2004.

PPBH is planning to develop several commercial properties one of which is a retail and food and beverage related project (Penang World Park) situated on an approximately 5 acres of land in Penang. The project is expected to be launched by mid-2004.

PPBH has also embarked on the restoration of 12 units of pre-war shophouses in Penang held under its wholly-owned subsidiary, Kembang Developments Sdn Bhd. The properties will be upgraded and restored for rental purposes.

In 2002, Seletar launched 601 units of low cost and single storey houses of which 82% has been sold. The said units will be completed in early 2004 and certificate of fitness is expected by first half of 2004.

EXPANSION / FUTURE PLANS

PPBH acquired a 29-acre land in Bukit Tengah, Seberang Prai for the development of a high-end residential project comprising bungalows, semi detached houses and shophouses.

Besides actively sourcing for additional land banks for residential and commercial development, PPBH is looking at providing project management services to the Group for their development projects.



SUGAR REFINING

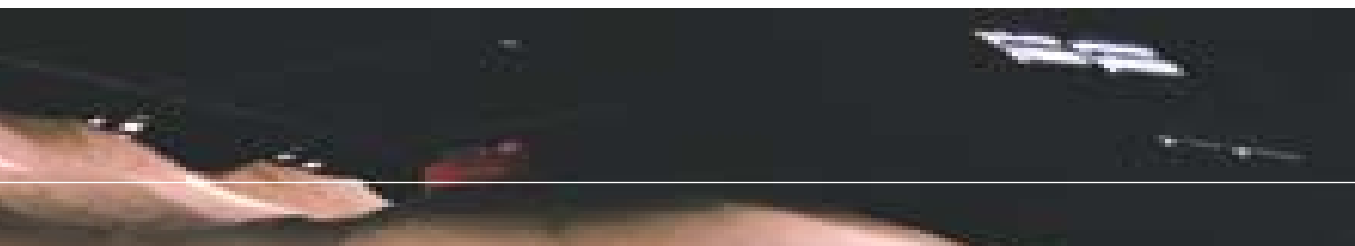
BACKGROUND INFORMATION

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

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

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

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



MAJOR ACTIVITIES IN 2003

MSM continuously upgrades its operations to increase production efficiency and in the year invested RM14.0 million which includes the installation of a 22mt/hr boiler to be completed by the first quarter of 2004. The new boiler will enable MSM to utilize natural gas as fuel in order to reduce energy costs and contribute positively towards the environment.

MSM has also installed retail packaging machines with one complete line of automatic parceling and palletizing equipment.

EXPANSION / FUTURE PLANS

In 2004, MSM plans to further upgrade its refinery and equip the existing boilers with gas firing devices to reduce energy costs.



UTILITIES & ENVIRONMENTAL ENGINEERING

BACKGROUND INFORMATION

Chemical Waste Management Sdn Bhd [CWM], a 99% subsidiary of Chemquest Group is a leading service provider for water resource engineering, wastewater/sewage treatment and solid waste management.

CWM provides the following services :-

- Build, commission and manage various water treatment facilities for household and industrial consumption.
- Construct wastewater treatment plants for various types of industries.
- Construct sewage treatment plants for municipal authorities.
- Infrastructure development.
- Collect and dispose industrial and residential solid waste on a large scale for various municipalities in Malaysia.

To-date, CWM has successfully commissioned more than 20 water projects throughout Malaysia and 50 wastewater treatment plants for various types of industries.



MAJOR ACTIVITIES IN 2003

On 24 April 2003, CWM and its 55% subsidiary, Cipta Wawasan Maju Engineering Sdn Bhd ("CWME") were awarded the ISO 9001-2000 certification for Quality Management. With this certification, CWM and CWME are recognized as having internationally accepted standards for quality systems in the area of water and wastewater related project management.

CWM is currently working on projects with total contract value in excess of RM100 million as follows :-

- Construction of a sludge treatment plant; upgrading and rehabilitation of the chemical plant; replacement and upgrading of transformers at the Sungai Semenyih Water Treatment Plant, Selangor. These projects are expected to be completed in 2004.
- Mechanical and electrical works for the Wangsa Maju booster pumping station in Selangor. This project is expected to be completed in 2004.
- Construction works for the Bukit Badong pumping station in Selangor. The project is expected to be completed in 2005.

EXPANSION / FUTURE PLANS

CWM is currently negotiating for a number of environmental and utility projects in Malaysia and overseas.



Group Financial Highlights

Quarter Financial period ended (All figures in RM'million)	1st 31.3.03	2nd 30.6.03	3rd 30.9.03	4th 31.12.03	12 months 31.12.03 31.12.02 *		Change
INCOME STATEMENT							
Revenue	2,121.768	2,130.314	2,498.478	2,569.208	9,319.768	7,857.980	18.6%
Profit from operations	135.086	152.178	150.594	116.714	554.572	377.813	46.8%
Profit before taxation	158.431	171.111	196.685	181.133	707.360	500.747	41.3%
Net profit for the year	82.981	85.700	102.848	99.724	371.253	242.996	52.8%
BALANCE SHEET							
Current assets							
Inventories	610.479	606.474	659.381	810.429	810.429	729.666	11.1%
Trade receivables	359.182	357.200	394.752	423.760	423.760	368.193	15.1%
Cash, bank balances and deposits	631.352	616.992	643.465	724.579	724.579	478.532	51.4%
Others	293.158	314.718	315.528	331.185	331.185	392.051	-15.5%
Total current assets	1,894.171	1,895.384	2,013.126	2,289.953	2,289.953	1,968.442	16.3%
Current liabilities							
Trade payables	216.458	203.052	275.638	296.295	296.295	266.600	11.1%
Short term bank borrowings	312.412	311.926	268.884	390.942	390.942	383.244	2.0%
Others	232.193	239.418	284.197	292.583	292.583	283.750	3.1%
Total current liabilities	761.063	754.396	828.719	979.820	979.820	933.594	5.0%
Non-current assets							
Property, plant and equipment	2,449.351	2,472.490	2,445.426	2,478.584	2,478.584	2,384.123	4.0%
Associates	697.060	707.046	744.173	535.668	535.668	687.849	-22.1%
Jointly controlled entities	0.315	0.315	0.315	27.547	27.547	0.314	>100%
Other investments	236.591	239.780	239.862	412.098	412.098	236.655	74.1%
Goodwill	36.568	36.018	37.512	34.779	34.779	37.093	-6.2%
Others	16.015	21.436	21.432	24.129	24.129	23.859	1.1%
Total non-current assets	3,435.900	3,477.085	3,488.720	3,512.805	3,512.805	3,369.893	4.2%
Non-current and deferred liabilities							
Long term bank borrowings	77.040	80.434	81.438	83.877	83.877	78.148	7.3%
Others	271.898	279.987	274.640	268.313	268.313	252.362	6.3%
Total non-current and deferred liabilities	348.938	360.421	356.078	352.190	352.190	330.510	6.6%
Minority interest	1,414.737	1,412.969	1,430.448	1,482.721	1,482.721	1,372.859	8.0%



Quarter Financial period ended (All figures in RM'million)	1st 31.3.03	2nd 30.6.03	3rd 30.9.03	4th 31.12.03	12 months 31.12.03 31.12.02 *		Change
Share capital	490.623	490.623	490.623	490.623	490.623	490.623	0.0%
Reserves	2,314.710	2,354.060	2,395.978	2,497.404	2,497.404	2,210.749	13.0%
Shareholders' funds	2,805.333	2,844.683	2,886.601	2,988.027	2,988.027	2,701.372	10.6%
RATIOS							
Return on net assets (%)	3.47	3.74	4.21	3.77	14.71	11.43	
Return on equity (%)	2.96	3.01	3.56	3.34	12.42	9.00	
Earnings per share (sen)	16.91	17.47	20.96	20.33	75.67	49.53	52.8%
Profit before tax over revenue (%)	7.47	8.03	7.87	7.05	7.59	6.37	
Interest coverage (times)	56.24	50.80	174.90	45.74	62.60	37.10	68.7%
Current ratio (times)	2.49	2.51	2.43	2.34	2.34	2.11	10.9%
Debt/Equity (%)	2.75	2.83	2.82	2.81	2.81	2.89	
Net tangible assets per share (RM)	5.64	5.72	5.81	6.02	6.02	5.43	10.9%
Net dividend per share (sen)	0.00	7.60	0.00	12.92	20.52	43.00	-52.3%
STOCK MARKET INFORMATION							
Share price (RM)	4.08	4.62	5.30	6.55	6.55	3.94	66.2%
Market capitalisation (RM'million)	2,001.74	2,266.68	2,600.30	3,213.58	3,213.58	1,933.05	66.2%
PE ratio (times)					8.66	7.95	

* Comparative figures for 2002 have been restated to comply with *MASB 25-Income Taxes* and the change in accounting policy on Plantation Development Expenditure.



5-Year Group Statistics

Year ended 31 December (All figures in RM'million)	1999	2000	2001	2002 *	2003
INCOME STATEMENT					
Revenue	6,729.250	5,240.288	5,629.093	7,857.980	9,319.768
Profit from operations	438.615	266.292	235.119	377.813	554.572
Profit before tax	369.484	408.855	321.566	500.747	707.360
Net profit for the year	192.889	244.482	170.302	242.996	371.253
BALANCE SHEET					
Current assets					
Inventories	600.736	537.656	590.229	729.666	810.429
Trade receivables	519.282	269.542	369.025	368.193	423.760
Cash, bank balances and deposits	363.593	480.756	492.913	478.532	724.579
Others	278.521	423.446	411.279	392.051	331.185
Total current assets	1,762.132	1,711.400	1,863.446	1,968.442	2,289.953
Current liabilities					
Trade payables	257.863	211.581	260.343	266.600	296.295
Short term bank borrowings	761.536	508.139	469.605	383.244	390.942
Others	177.782	225.716	272.550	283.750	292.583
Total current liabilities	1,197.181	945.436	1,002.498	933.594	979.820
Non-current assets					
Property, plant and equipment	2,159.644	2,215.946	2,375.236	2,384.123	2,478.584
Associates	681.554	675.223	675.320	687.849	535.668
Jointly controlled entities	-	0.663	0.671	0.314	27.547
Other investments	318.504	259.068	242.384	236.655	412.098
Goodwill	44.690	42.268	39.073	37.093	34.779
Others	30.336	54.227	15.153	23.859	24.129
Total non-current assets	3,234.728	3,247.395	3,347.837	3,369.893	3,512.805
Non-current and deferred liabilities					
Long term bank borrowings	4.582	11.190	32.824	78.148	83.877
Others	60.693	61.900	68.778	252.362	268.313
Total non-current and deferred liabilities	65.275	73.090	101.602	330.510	352.190
Minority interest	1,259.849	1,286.800	1,331.655	1,372.859	1,482.721
Share capital	367.967	367.967	490.623	490.623	490.623
Reserves	2,106.588	2,285.502	2,284.905	2,210.749	2,497.404
Shareholders' funds	2,474.555	2,653.469	2,775.528	2,701.372	2,988.027



Year ended 31 December
(All figures in RM'million)

CASH FLOWS POSITION

	1999	2000	2001	2002 *	2003
Operating	462.925	521.420	310.143	332.512	527.441
Investing	(125.091)	(7.544)	(192.439)	(80.867)	(137.036)
Financing	(236.018)	(388.298)	(100.506)	(270.227)	(140.809)
Net increase in cash and cash equivalents	101.816	125.578	17.198	(18.582)	249.596

RATIOS

Return on net assets	(%)	9.74	10.23	7.68	11.43	14.71
Return on equity	(%)	7.79	9.21	6.14	9.00	12.42
Earnings per share	(sen)	39.32	49.83	34.71	49.53	75.67
Profit before tax over revenue	(%)	5.49	7.80	5.71	6.37	7.59
Interest coverage	(times)	14.46	21.73	24.34	37.10	62.60
Current ratio	(times)	1.47	1.81	1.86	2.11	2.34
Debt/Equity	(%)	0.19	0.42	1.18	2.89	2.81
Net tangible assets per share	(RM)	4.95	5.32	5.58	5.43	6.02

STOCK MARKET INFORMATION

Share price	(RM)	3.45	2.64	3.32	3.94	6.55
Market capitalisation	(RM'million)	1,692.65	1,295.24	1,628.87	1,933.05	3,213.58
PE ratio	(times)	8.77	5.30	9.56	7.95	8.66

DIVIDEND

Gross dividend per share	(sen)	24.00	20.00	20.00	46.50	25.00
Net dividend per share	(sen)	17.28	15.80	15.80	43.00	20.52
Payout ratio of Company's earnings	(%)	67.92	49.64	49.09	97.57	72.27
Net dividend yield	(%)	5.01	5.98	4.76	10.91	3.13

* Comparative figures for 2002 have been restated to comply with *MASB 25-Income Taxes* and the change in accounting policy on Plantation Development Expenditure.

The comparative figures for the years preceding 2002 have not been restated due to impracticability within the constraints of time and cost.



Financial Performance

	Revenue		Profit Before Tax	
	2003 RM'000	2002 RM'000	2003 RM'000	2002 RM'000
PPB Group Berhad	9,319,768	7,857,980	707,360	500,747
Listed subsidiaries :-				
FFM Berhad	7,994,912	6,620,465	287,584	216,315
PPB Oil Palms Berhad	468,374	404,633	199,506	158,049
Non-listed subsidiaries :-				
MSM Group	710,539	690,987	201,121	79,953
Chemquest Group	272,217	260,222	1,523	14,781
PPB Leisure Group	91,967	78,963	13,505	8,643
PPB Hartabina Sdn Bhd	97,060	100,037	24,833	25,237



Net Profit

2003 RM'000	2002 RM'000
371,253	242,996
197,780	162,253
135,606	107,881
161,510	61,158
(7,670)	7,376
4,827	4,109
17,271	14,873

Earnings Per Share

2003 Sen	2002 Sen
75.67	49.53
88.64	72.72
30.49	24.75
444.20	168.20
(5.52)	5.65
9.88	8.41
24.67	21.25

Net Tangible Assets Per Share

2003 RM	2002 RM
6.02	5.43
7.54	6.95
2.43	2.23
19.07	15.92
1.08	1.10
1.54	1.57
1.44	1.27


Date of allotment	Consideration	No. of ordinary shares allotted	Total issued and paid-up share capital RM
01-11-1968	Cash subscription	2	2
31-12-1969	Cash subscription	900,000	900,002
17-01-1971	Cash subscription	1,650,000	2,550,002
31-03-1971	Cash subscription	5,950,000	8,500,002
01-12-1971	Cash subscription	1,500,000	10,000,002
23-03-1972	Cash subscription	750,000	10,750,002
31-03-1972	Cash subscription	1,249,998	12,000,000
22-05-1972	Cash – Public Issue	3,000,000	15,000,000
18-04-1974	1 for 3 Rights Issue at par	5,000,000	20,000,000
08-09-1976	Acquisition of 35,468,000 shares in Malayan Sugar Manufacturing Company Berhad (MSM)	53,202,000	73,202,000
20-09-1976	Acquisition of 640,000 shares in MSM	960,000	74,162,000
19-12-1979	Acquisition of 4,000,482 Mineral Securities Malaysia Bhd (now known as Minsec Properties Bhd [Minsec]) shares from Chinteik Brothers (Singapore) Co. Pte Ltd	8,000,964	82,162,964
09-02-1980	Acquisition of 1,061,878 Minsec shares pursuant to acceptances of Takeover Offer dated 12-12-1979	2,123,756	84,286,720
01-04-1980	Compulsory acquisition of remaining 45,640 Minsec shares pursuant to Section 180 of the Companies Act, 1965	91,280	84,378,000
07-05-1981	2 for 5 Bonus Issue	33,751,200	118,129,200
15-06-1981	1 for 10 Rights Issue at RM4.00 per share	8,437,800	126,567,000

Date of allotment	Consideration	No. of ordinary shares allotted	Total issued and paid-up share capital RM
08-11-1982	Special Issue to Bumiputeras at RM4.60 per share	1,200,000	127,767,000
07-05-1983	Special Issue to Bumiputeras at RM4.60 per share	1,200,000	128,967,000
11-06-1984	Acquisition of 34% interest in Shaw Brothers (M) Sdn Bhd in exchange for PPB shares	8,654,000	137,621,000
10-12-1987	Acquisition of 33,874,052 FFM Berhad shares pursuant to acceptances of Takeover Offer dated 22-10-1987	28,792,944	166,413,944
10-12-1987	Acquisition of 53,813,885 shares in Rasa Sayang Beach Hotels (Pg) Berhad (RSBH) (now known as Shangri-la Hotels (Malaysia) Berhad) pursuant to acceptances of Takeover Offer dated 22-10-1987	16,144,166	182,558,110
04-02-1988	Compulsory acquisition of remaining 4,751,875 RSBH shares pursuant to Section 180 of the Companies Act, 1965	1,425,562	183,983,672
08-09-1989	1 for 3 Bonus Issue	61,327,890	245,311,562
18-09-1992	1 for 5 Bonus Issue	49,062,312	294,373,874
24-07-1996	1 for 4 Bonus Issue	73,593,469	367,967,343
23-11-2001	1 for 3 Bonus Issue	122,655,781	490,623,124



Dividend Record

FYE 31 Dec	Issued Capital '000	Dividend payments		
		Gross dividend Sen	Net dividend Sen	Payout ratio of Company's earnings %
1994	294,374	16.0	11.0	41.8
1995	294,374	16.0	11.2	44.7
1996	367,967	16.0	11.2	91.2
1997	367,967	16.0	11.4	13.3
1998	367,967	16.0	11.5	93.7
1999	367,967	24.0	17.3	67.9
2000	367,967	20.0	15.8	49.6
2001	490,623	20.0	15.8	49.1
2002	490,623	46.5	43.0	97.6
2003	490,623	25.0	20.5	72.3



2004	Events
Feb	Press release on 4th Quarter Results
Mar	Publication of Investor Update Issue No. 8 Press Briefing
Apr	Publication of Annual Report 2003 and Investor Handbook Analyst Briefing to review financial year results
May	Annual General Meeting Press release on 1st Quarter Results
Jun	Publication of Investor Update Issue No. 9
Aug	Press release on 2nd Quarter Results Analyst Briefing to review half-yearly results
Sep	Publication of Investor Update Issue No. 10
Nov	Press release on 3rd Quarter Results
Dec	Publication of Investor Update Issue No. 11



PPB GROUP BERHAD

17th Floor, Wisma Jerneh,

38 Jalan Sultan Ismail,

50250 Kuala Lumpur, Malaysia

Tel: 603-2141 2077

Fax: 603-2141 8242

e-mail: corporateaffairs@ppb.com.my

website: www.ppbgroup.com

