PETALING TIN BERHAD (324-H)

INCORPORATED IN MALAYSIA

ANNUAL REPORT 2008

PETALING TIN BERHAD (324-H)

Annual Report 2008

First Floor, No. 118, Jalan Semangat, 46300 Petaling Jaya, Selangor Darul Ehsan
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Corporate information

Board of Directors

Datuk Haji Jaafar bin Abu Bakar
Chairman

Tan Sri Dr Chen Lip Keong

Datuk Wan Kassim bin Ahmed

Dato' Nik Kamaruddin bin Ismail

Mr Tiang Chong Seong

Mr Lim Mun Kee

Mr Chen Yiy Hwuan

Mr Chen Yiy Fon

Audit Committee

Datuk Haji Jaafar bin Abu Bakar
Chairman

Datuk Wan Kassim bin Ahmed

Mr Lim Mun Kee

Nomination Committee

Datuk Haji Jaafar bin Abu Bakar
Chairman

Datuk Wan Kassim bin Ahmed

Remuneration Committee

Datuk Haji Jaafar bin Abu Bakar
Chairman

Datuk Wan Kassim bin Ahmed

Mr Lim Mun Kee

Chief Executive Officer

Mr Leong Choong Wah

Company Secretaries

Mr Lam Hoi Khong MIA 18848

Ms Voon Yoon Mei MAICSA 0802554

Auditors

Moore Stephens
8A, Jalan Sri Semantan Satu
Damansara Heights
50490 Kuala Lumpur

Solicitors

Ben & Partners
Tan, Chua & Lawrence
Kadir, Khoo & Aminah

Principal Place of Business

1st Floor, No. 118, Jalan Semangat
46300 Petaling Jaya
Selangor Darul Ehsan
Telephone : 603 7968 1222
Facsimile : 603 7954 1155

Stock Exchange Listing

Main Board of Bursa Malaysia Securities Berhad

Registered Office

1st Floor, No. 118, Jalan Semangat
46300 Petaling Jaya
Selangor Darul Ehsan
Telephone : 603 7968 1222
Facsimile : 603 7954 1155

Share Registrar

Semangat Corporate Resources Sdn Bhd
Ground Floor, No. 118, Jalan Semangat
46300 Petaling Jaya
Selangor Darul Ehsan
Telephone : 603 7968 1001
Facsimile : 603 7958 8013

Corporate structure

PETALING TIN BERHAD

– PROPERTY DEVELOPMENT
– INVESTMENT HOLDING
– MANAGEMENT SERVICES

100%
GOLDEN DOMAIN DEVELOPMENT SDN BHD
Property Investment & Development
(Bandar Domain Project)

100%
GOLDEN DOMAIN HOLDINGS SDN BHD
Investment Holding

100%
LEMBAH LANGAT DEVELOPMENT SDN BHD
Property Investment & Development
(Ulu Kelang Project)

100%
MAGILDS PARK SDN BHD
Property Development
(Magilds Industrial Park & Desa Bukit Indah Projects)

100%
MAJURAMA DEVELOPMENTS SDN BHD
Property Development
(Senawang Town Centre Project)

40%
FANDISON RESOURCES MANAGEMENT LTD
Investment Holding

100%
PTB DEVELOPMENT SDN BHD
Property Development
(Ulu Yam Project)

100%
PTB CLAY PRODUCTS SDN BHD
Dormant

100%
PTB HORTICULTURE FARM SDN BHD
Property Investment & Development
(PJ Office Project)

100%
PETALING VENTURES SDN BHD
Property Investment & Development

100%
UKAYLAKE COUNTRY CLUB BHD
Dormant

Chairman / CEO's statement

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, we are pleased to present the Annual Report of Petaling Tin Berhad ("PTB") for the financial year ended 31 October 2008.

FINANCIAL REVIEW

The Group recorded lower turnover of RM18.1 million as compared with the previous financial year's revenue of RM21.2 million. The Group registered a loss before tax of RM10.3 million as compared to previous financial year's pre-tax profit of RM19.1 million. The current financial year's pre-tax loss was mainly due to the rescission of sale of a development property.

On the contrary, the higher pre-tax profit for the previous financial year was boosted mainly by the RM22.7 million surplus on fair value adjustment on PTB's Karambunai investment property in compliance with adoption of FRS140 accounting policy, which was non-operational in nature.

The Group's shareholders' funds have declined by 1.7% from RM378.6 million to RM372.3 million with a slight corresponding drop in net tangible assets backing per share from RM1.10 to RM1.08.

Key point to highlight is that PTB remains debt free with no bank borrowings.

OPERATIONAL REVIEW AND CORPORATE DEVELOPMENTS

The financial year under review has been challenging; we were faced with inflationary and extreme cost pressures in the early part of the financial year arising from high crude oil, building materials, food and commodity prices.

Chairman / CEO's statement

Although the crude oil and commodity prices stabilised somewhat towards the last quarter of the financial year, the fallout of the US subprime mortgage and credit crisis has resulted in global financial turmoil and stock markets meltdown. This again did not augur well with the overall Malaysian and the region consumers' sentiment, and has affected PTB's property business.

For the financial year under review, the Group's residential development at Desa Bukit Indah, Sungai Buloh, contributed revenue of RM15.8 million. The balance revenue was from sales of industrial lots and residential lot at Magilds Industrial Park and Taman Kelab Ukay respectively.

Towards end of the year, PTB's Taman Kelab Ukay developments were affected by the landslide tragedy in Bukit Antarabangsa. PTB will await the authorities' hill slope development policies and guidelines before launching its projects in Taman Kelab Ukay. Meanwhile as part of PTB's Corporate Responsibility programme, we are currently doing further studies on the Group's hill slope projects in Taman Kelab Ukay and future development programmes.

CORPORATE DEVELOPMENTS

The Group, via its subsidiary, PTB Horticulture Farm Sdn Bhd has on 11 August 2008, completed the acquisition of 8,202 square metres of leasehold land together with a four storey office building with annexed single storey warehouse and ancillary building in Petaling Jaya for RM12.0 million which houses PTB's corporate office.

The Group has on 29 September 2008 implemented an internal reorganisation exercise involving PTB holding company and several of its wholly-owned subsidiaries which entailed the transfer of investment in shares of subsidiaries internally within the Group. The internal reorganisation was taken to rationalise the group structure such that all the subsidiaries became direct wholly-owned subsidiaries of PTB holding company instead of indirectly through its subsidiaries. This would enhance the operational efficiency and management control of the Group.

DIVIDEND

No dividend was paid during the year and the Board does not recommend any dividend payment for the financial year under review.

FUTURE OUTLOOK

Moving forward, the Group expects to face tough and challenging operating conditions with the prospects of a global wide recession and economic slowdown hitting the domestic front.

The Government has projected a lower GDP growth of 3.9% and initiates various measures including Economic Stabilisation Plans to stimulate the Malaysian economy, promote domestic demand and to cushion the impact of the global financial turmoil.

The Group targets to launch new properties with gross development value of RM36.0 million during the financial year ending 31 October 2009 and continue its efforts to unlock the value of the Group's assets and land bank.

The Group will continue to strive forward and the Board and Management will remain vigilant and adopt a cautious approach in ensuring the Group's business operations are effective and efficient.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, we would like to thank our valued shareholders, customers, business associates and relevant authorities for their confidence, patience and continued support for the Group, and to our management and employees for their tireless and unwavering commitment, diligence and dedication towards bringing the Group to greater heights.

Datuk Haji Jaafar Bin Abu Bakar
Chairman

Leong Choong Wah
Chief Executive Officer

6 March 2009

Profile of Directors / CEO

DATUK HAJI JAAFAR BIN ABU BAKAR
Chairman, Independent Non-Executive Director

- Aged 62, Malaysian
- Appointed to the Board on 1 August 1997
- Appointed as Chairman on 26 September 2008
- Chairman of the Board, Audit, Nomination and Remuneration Committees
- Graduated with a Bachelor of Arts (Honours) from University of Malaya in 1969; obtained a Masters in Public Policy and Administration from University of Wisconsin, Madison, U.S.A. in 1980 and is a Fellow member of the Economic Development Institute of the World Bank, Washington D.C.
- Started his career as a Land Administrator in FELDA before joining the Malaysian civil service in 1970; has since served in various senior positions within the Government Departments which included State Development Officer in Penang, Pahang and Kelantan, Deputy General Manager of Central Terengganu Development Authority and South Kelantan Development Authority, Director of Kelantan Land Development Board, General Manager of Kelantan State Economic Development Corporation, Deputy Secretary General of the Ministry of Domestic Trade and Consumer Affairs and Council Member of Malaysian Industrial Development Authority; opted for early retirement from the civil service in 1991; joined Koperasi Usaha Bersatu as Group General Manager of KUB Holdings Berhad; subsequently took up a position as Executive Director of Damansara Realty Berhad and a year later, served as Managing Director; served as Executive Chairman of Cold Storage (Malaysia) Berhad from 1996 to 1998 and President / CEO of Uniphoenix Corp. Berhad until 2006

TAN SRI DR CHEN LIP KEONG
President, Non-Independent Executive Director

- Aged 61, Malaysian
- Appointed to the Board on 15 April 1997
- Appointed as President on 1 August 2007
- A major shareholder of Petaling Tin Berhad (“PTB”). His brother, Mr Chin Chee Kuang is deemed a major shareholder of PTB by virtue of his interest in Emden Investment Limited
- Graduated in medicine and surgery from University of Malaya in 1973 (M.B.B.S. Malaya)
- Has more than 30 years of corporate, managerial and business experience since 1976
- Currently, he is also the President and Executive Director of Karambunai Corp Berhad and Executive Director of FACB Industries Incorporated Berhad

DATUK WAN KASSIM BIN AHMED
Independent Non-Executive Director

- Aged 60, Malaysian
- Appointed to the Board on 2 July 2001
- A member of the Audit, Nomination and Remuneration Committees
- Graduated with a Bachelor of Economics (Honours) from University of Malaya in 1973
- Began his career with Messrs Kassim Chan, an audit firm in 1973 before joining Bank Bumiputra Malaysia Berhad; joined Shamelin Berhad for 10 years before starting his own management consultancy firm, United Kadila Sdn Bhd in 1984; served as a Councillor for the Petaling Jaya Town Council between 1987 and 1991; served as a Board member of the Malaysian Tourist Development Board from 1992 to 1996
- Currently, he is also an Independent and Non-Executive Director of Karambunai Corp Berhad, FACB Industries Incorporated Berhad and Octagon Consolidated Berhad

DATO’ NIK KAMARUDDIN BIN ISMAIL
Non-Independent Non-Executive Director

- Aged 55, Malaysian
- Appointed to the Board on 1 December 2004
- Graduated with a Bachelor of Science (Finance)
- Worked for a period of 14 years (1973-1987) in 3M Corporation. He served as a director of 3M Corporation from 1983 to 1987, being the first Malaysian appointed to its Board. He was also a director of TV3 from 1987 to 1991, an Executive Director of Karambunai Corp Bhd from November 1994 to November 2004 and a Non-Executive Director of Tebrau Teguh Berhad from December 2002 to November 2004
- Currently, he also serves on the board of trustee of Yayasan Pemadam

Profile of Directors / CEO

MR TIANG CHONG SEONG
Non-Independent Executive Director

- Aged 53, Malaysian
- Appointed to the Board on 28 October 2002
- Graduated with a Diploma in building technology from Tunku Abdul Rahman College in 1979
- Served as Managing Director of the Property Division of PTB from January 2000 to May 2007. Prior to joining PTB, he had a total of 13 years' experience in property development and another 6 years as a manager in charge of project management services in an international management consulting firm
- Currently, he serves as a Director for several subsidiaries of Petaling Tin Berhad Group

MR LIM MUN KEE
Independent Non-Executive Director

- Aged 42, Malaysian
- Appointed to the Board on 1 August 2007
- A member of the Audit and Remuneration Committees
- A member of the Malaysian Institute of Accountants and Certified Public Accountants and the Malaysian Institute of Chartered Accountants
- He started his career as an article student in KPMG Peat Marwick in 1989 and obtained his professional qualification in 1995. He has over 15 years of experience in auditing, finance and accountancy field where he worked in several listed companies as the Accountant, Financial Controller and Head of Internal Audit
- Currently, he is also an Independent and Non-Executive Director of FACB Industries Incorporated Berhad

MR CHEN YIY HWUAN
Non-Independent Executive Director

- Aged 29, Malaysian
- Appointed to the Board on 1 August 2007
- Graduated with a Bachelor of Arts (Hons) in Accounting with Business Economics from Middlesex University, United Kingdom
- He joined Petaling Tin Berhad in 2003 and subsequently moved to Alliance Merchant Bank in Kuala Lumpur in 2004 specialising in the areas of corporate finance. In 2004, he returned to Petaling Tin Berhad and has been involved in corporate finance and management of the company
- Currently, he serves as a Director for several subsidiaries of Petaling Tin Berhad Group. He is an Executive Director of FACB Industries Incorporated Berhad and Karambunai Corp Bhd

MR CHEN YIY FON
Non-Independent Executive Director

- Aged 28, Malaysian
- Appointed to the Board on 1 August 2007
- Graduated with a Bachelor of Arts (Hons) in Business Economics from University of Southern California, Los Angeles
- Previously worked in Morgan Stanley, Los Angeles, California as a Financial Advisor Assistant. Most recently, he was an Intern in Credit Suisse First Boston, Singapore
- Currently, he serves as Chief Operating Officer and Executive Director of Karambunai Corp Bhd, as an Executive Director of FACB Industries Incorporated Berhad and also as a Director for several subsidiaries of Petaling Tin Berhad Group

MR LEONG CHOONG WAH
Chief Executive Officer

- Aged 41, Malaysian
- Appointed as Chief Executive Officer on 1 August 2007
- A member of the Malaysian Institute of Certified Public Accountants, the Malaysian Institute of Accountants and the Australian Certifed Practising Accountants
- Started his career with Price Waterhouse (now known as Price WaterhouseCoopers). Has extensive experience in management, financial and corporate planning, having worked as Chief Financial Officer of FACB Industries Incorporated Berhad, Executive Director, Group Finance of FACB Resorts Berhad (now known as Karambunai Corp Bhd) and in several other companies listed on Bursa Malaysia. Prior to his appointment as Chief Executive Officer, he was the Chief Operating Officer of Petaling Tin Berhad
- Currently, he serves as a Director for the subsidiaries of Petaling Tin Berhad Group. He does not hold any directorship in public companies

OTHER INFORMATION

1. Mr Chen Yiy Hwuan and Mr Chen Yiy Fon are the sons of Tan Sri Dr Chen Lip Keong.
2. Except for the following directors, the Directors and Chief Executive Officer do not have any conflict of interest with the Group:
   - Tan Sri Dr Chen Lip Keong by virtue of his interests in privately owned companies and in Karambunai Corp Berhad, of which some of its subsidiaries are also involved in property development.
   - Datuk Haji Jaafar Bin Abu Bakar by virtue of his interests in privately owned companies, of which some are also involved in property development.

   However, the said companies are not in direct competition with the business of the Group.
3. Neither the Directors nor Chief Executive Officer have been convicted for any offences within the past 10 years other than traffic offences.

Corporate governance statement

PREAMBLE

This statement sets out the commitment of the Board to ensure good corporate governance principles within Petaling Tin Berhad, the recommendations of which are set out in the Malaysian Code on Corporate Governance ("the Code"). The Company has complied with the Best Practices in Corporate Governance embodied in Part 2 of the Code and the statement below narrates how the Company has throughout the financial year ended 31 October 2008, applied the principles set out in Part 1 of the Code.

DIRECTORS

THE BOARD

The Company is led and managed by an experienced Board with a wide range of expertise. The Board has the overall responsibility for corporate governance, charting strategic direction and overseeing the operations of the Group. During the financial year, the Board met three (3) times and the attendance record for each director is as follows:-

Directors	Attendance
Datuk Haji Jaafar bin Abu Bakar	3/3
Tan Sri Dr Chen Lip Keong	3/3
Datuk Wan Kassim bin Ahmed	3/3
Dato' Nik Kamaruddin bin Ismail	2/3
Mr Tiang Chong Seong	3/3
Mr Lim Mun Kee	3/3
Mr Chen Yiy Hwuan	3/3
Mr Chen Yiy Fon	2/3

BOARD BALANCE

The Board currently has eight (8) members comprising four (4) Executive Directors and four (4) Non-Executive Directors of whom three (3) are Independent. Hence, the Board's composition of Independent Directors meets the criteria set out in the Listing Requirements of Bursa Malaysia.

Executive Directors have direct responsibilities for business operations whilst non-executive directors have the necessary skill and experience to bring an independent judgement to bear on the issues relating to strategy, performance and resources. Collectively, the Board possesses a wide range of business, commercial and financial experience essential in the management and direction of the Group and the number of directors fairly reflects the investment of the shareholders in the Company. The profile of each Director is set out on pages 6 and 7 of the Annual Report.

The roles of the Chairman and the Chief Executive Officer are distinct and separate with their responsibilities clearly defined to ensure a balance of power and authority. The Chief Executive Officer is not a member of the Board.

Datuk Haji Jaafar bin Abu Bakar has been identified as the Senior Independent Non-Executive Director to whom any concerns may be conveyed.

DIRECTORS' TRAINING

The Board has continued to evaluate and determine its training needs to keep abreast with the latest developments in the industry.

During the financial year, the Directors attended an inhouse seminar on Changes to Regulatory Framework which was held during the financial year.

Corporate governance statement

SUPPLY OF INFORMATION

The directors have full and unrestricted access to all information pertaining to the Group's business and affairs, whether as a full Board or in their individual capacity, to enable them to discharge their duties. There are matters specially reserved for the Board's decision to ensure that the direction and control of the Group is firmly in its hands. Prior to the Board meetings, the directors are provided with the agenda together with Board papers containing reports and information relevant to the business of the meeting.

All directors have access to the advice and the services of the company secretaries and under appropriate circumstances may obtain independent professional advice at the Company's expense, in furtherance of their duties.

APPOINTMENTS TO THE BOARD

The Board had established a Nomination Committee which is responsible for the assessment of the mix of skills and experience possessed by the Board members and the review of the Board size and composition on an ongoing basis to ensure effectiveness of the Board and the contribution of each director. The Nomination Committee is also responsible for assessing the suitability of proposed candidates for directorships and making recommendations to the Board on new appointments including Board Committees.

The Nomination Committee consists wholly of non-executive and independent directors. The composition of the Committee is as follows:-

Chairman:
Datuk Haji Jaafar bin Abu Bakar

Member:
Datuk Wan Kassim bin Ahmed

The Committee shall meet at least once a year. Additional meetings are held as and when required. During the financial year, the Committee met one (1) time.

TERMS OF REFERENCE OF NOMINATION COMMITTEE

The terms of reference of the Nomination Committee are as follows:-

- To recommend to the Board, candidates for all directorships to be filled by shareholders or the Board. In making its recommendations, the Nomination Committee should consider the candidates' skills, knowledge, expertise and experience; professionalism; integrity and in the case of candidates for the position of Independent Non-Executive Directors, the Nomination Committee should evaluate the candidates' ability to discharge such responsibilities / functions as expected from Independent Non-Executive Directors.

- To consider, in making its recommendations, candidates for directorships proposed by the President and, within the bounds of practicability, by any other Senior Executive or any Director or Shareholder.

- To recommend to the Board, Directors to fill the seats on Board Committees.

- To assist the Board to implement a formal and transparent procedure for the appointment of new directors to the Board.

- To ensure that all Directors submit themselves for re-election at regular intervals and at least once every 3 years.

- To ensure that any director appointed during the year holds office until the next following Annual General Meeting and is eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation.

- To ensure that the election or appointment of two or more persons as directors shall not be effected by a single resolution at a general meeting unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.

- To assist the Board to implement a process to be carried out by the Nomination Committee annually for assessing the effectiveness of the Board as a whole, the Board committees and the contribution of each individual director, including Independent Non-Executive Directors and Chief Executive Officer. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions should be properly documented.

Corporate governance statement

RE-ELECTION

In accordance with the provisions of the Articles of Association of the Company, all directors are subject to retirement from office at least once in every three (3) years, but shall be eligible for re-election. The Articles also provide that any director appointed during the year is required to retire and seek re-election at the following Annual General Meeting immediately after such appointment.

DIRECTORS' REMUNERATION

THE LEVEL AND MAKE-UP OF REMUNERATION

The remuneration framework for executive directors has an underlying objective of attracting and retaining directors needed to run the Company successfully. Remuneration packages of Executive Directors are structured to commensurate with corporate and the individual's performance. In respect of non-executive directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the individual concerned.

PROCEDURE

The Board had established a Remuneration Committee to review and recommend to the Board the remuneration package of the executive directors and the determination of remuneration packages of non-executives is a matter for consideration by the Board as a whole. The individuals concerned are required to abstain from discussions pertaining to their own remuneration packages.

The Remuneration Committee consists wholly of non-executive directors. The composition of the Committee is as follows:-

Chairman:
Datuk Haji Jaafar bin Abu Bakar

Members:
Datuk Wan Kassim bin Ahmed
Mr Lim Mun Kee

The Remuneration Committee considers information available from surveys conducted by human resource consultants in reviewing the individual elements of remuneration packages and has also considered packages offered by comparable companies.

The Committee shall meet at least once a year. Additional meetings shall be scheduled if considered necessary by the Committee or Chairman. During the financial year, the Committee met once.

DISCLOSURE

Details of the directors' remuneration for the financial year are as follows:-

The aggregate remuneration of directors categorized into appropriate components

	Fees RM	Salaries RM	Others RM	Total RM
Executive	-	654,000	78,612	732,612
Non-Executive	276,000	-	-	276,000
	276,000	654,000	78,612	1,008,612

The number of directors whose total remuneration falls within the following bands.

Range of Remuneration (RM)	Executive	Non-Executive
0 - 50,000	1	1
50,001 - 100,000	-	2
101,000 - 150,000	1	1
151,000 - 200,000	-	-
201,000 - 250,000	-	-
251,000 - 300,000	1	-
301,000 - 350,000	1	-
351,000 - 400,000	-	-
	4	4

The above disclosure is in compliance with the Listing Requirements of Bursa Malaysia. Nevertheless, it represents a departure from the Principles of Corporate Governance of the Code which prescribes individual disclosure of directors' remuneration packages. The Board is of the view that the transparency and accountability aspects of corporate governance in respect of directors' remuneration have been appropriately served by the band disclosure made.

Corporate governance statement

SHAREHOLDERS

DIALOGUE BETWEEN COMPANY AND INVESTORS

The Company recognises the importance of keeping shareholders and investors informed of the Group's business and corporate developments. Such information is disseminated via annual reports, quarterly financial results, circulars to shareholders and the various announcements released from time to time.

THE ANNUAL GENERAL MEETING ("AGM")

The AGM serves as a principal forum for dialogues with shareholders where the Board presents the operations and performance of the Group. During the meeting, shareholders are given every opportunity to enquire and comment on matters relating to the Group's business and performance. The Chairman and members of the Board are available to respond to shareholders' queries during the AGM.

ACCOUNTABILITY AND AUDIT

FINANCIAL REPORTING

The Board is responsible for ensuring a balanced and understandable assessment of the Group's position and prospects through the annual financial statements and quarterly announcements to shareholders. The Audit Committee assists the Board by reviewing the disclosure information to ensure completeness, accuracy and validity. A full Directors' Responsibility Statement is set out on page 19 of the Annual Report.

INTERNAL CONTROL

The Statement on Internal Control set out on pages 13 and 14 of this Annual Report provides an overview of the Company's approach in maintaining a sound system of internal control to safeguard shareholders' investment and the Company's assets.

RELATIONSHIP WITH THE AUDITORS

The Board via the establishment of an Audit Committee, maintains a formal and transparent relationship with the Company's auditors. The roles of the Audit Committee in relation to the auditors are detailed on page 16 of the Audit Committee Report in this Annual Report.

This statement is made in accordance with a resolution of the Board passed on 25 March 2009.

Corporate social responsibility statement

INTRODUCTION

Petaling Tin Berhad is committed to carrying on its business and affairs to meet its stakeholders' expectations in a socially responsible, sustainable and meaningful way, taking into account ethics, the environment and society at large.

The Group currently focus its commitment and contributions along the lines of the following core themes and concept of Corporate Social Responsibility (CSR):

ENVIRONMENT

i) Promoting awareness to minimize environmental effects and utilize resources towards the development of a sustainable society that is in harmony with the environment.

ii) Working closely with its business partners to use resources effectively and reduce harmful emissions.

iii) Taking a proactive stance on greening the environment and supporting green products.

COMMUNITY

i) Adhering to national policies and objectives thereby contributing towards the progress of the nation.

ii) Encouraging employees to participate in community work.

iii) Recognise the environmental, social and economic needs of the community and promote social contribution activities as a good corporate citizen in order to realize a better society.

MARKETPLACE

i) Disclosing information transparently in order to maintain and develop a relationship of trust with its various stakeholders and act responsibly towards them through various means of communication.

ii) Generating fair return and creating value for our shareholders' investment.

iii) Providing courteous and efficient service and developing good quality products to its customers.

iv) Promoting fair and sound business practices among business partners by fostering common awareness of social responsibility.

WORKPLACE

i) Providing a safe, secure, healthy and conducive workplace for its employees.

ii) Providing fair and competitive remuneration, adequate training and progression opportunities for its employees.

iii) Providing a workplace free of discrimination based on colour, religion, sex, national origin, ancestry, age, disability or veteran status.

Statement on internal control

(Pursuant to paragraph 15.27(b) of Bursa Malaysia Securities Listing Requirements)

PREAMBLE

Pursuant to paragraph 15.27(b) of the Bursa Malaysia Securities Listing Requirements, the Board is required to include in its Annual Report, a statement on the state of internal control of the Group. In making this Statement on Internal Control, it is essential to specifically address the Principles and Best Practices in the Malaysian Code on Corporate Governance which relates to internal control.

RESPONSIBILITY

The Board has overall stewardship responsibility for the Company's system of internal control and for reviewing its adequacy and integrity to safeguard shareholder's investment and the Company's assets. However, it should be noted that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.The associated companies have not been dealt with as part of the Group for the purpose of this statement.

INTERNAL CONTROL SYSTEM

The embedded control system is designed to facilitate achievement of the Group's business objectives. It comprises the underlying control environment, control procedures, communication and monitoring processes which manifest as follows: -

- Organizational structure with well defined lines of responsibility, delegation of authority, segregation of duties and information flow. Besides the predominantly non-executive standing committees such as the Audit, Nomination and Remuneration Committees, the Board is supported operationally by Executive and Management Committees. These committees is entrusted with the implementation of the systems of internal control and convene periodically to meet its strategic business agenda thus ensuring that the Board, properly apprised, maintains effective supervision over the entire operations. The Board however,still maintains full control and directions over appropriate strategic, financial, organizational and compliance issues.

- Well documented policies, procedures and standards have been established, periodically reviewed and kept updated in accordance with changes in the operating environment.

- Comprehensive budgeting process for major operating units with periodical monitoring of performance so that major variances are followed up and management action taken.

- Functional limits of authority in respect of revenue and capital expenditure for all operating units. These commitment authority thresholds, working in tandem with budgeting and payment controls, serve to facilitate the approval process whilst keeping potential exposure in check.

- Detailed justification and approval process for major projects and acquisitions imposed, to ensure congruence with the Company's strategic objectives.

- Independent appraisals by internal auditors to ensure ongoing compliance with policies, procedures, standards and legislations whilst assessing the effectiveness of the Group's system of financial, compliance and operational controls.

Statement on internal control

RISK MANAGEMENT FRAMEWORK

Besides primary ownership over effectiveness of the Group's internal control systems, the Board recognises its responsibility over the principal risks of various aspects of the Group's business. For long term viability of the Group, it is crucial to achieve a critical balance between risks incurred and potential returns.

In response to the above challenge, the Group has established an in-house structured risk management framework, thereby laying the foundation for an ongoing process for identifying, evaluating, treating, reporting and monitoring the significant risks faced by the Group.

A Risk Advisory Committee (RAC) comprising senior management personnel responsible, inter alia, for internal policy communications, acquiring risk management skills, developing skills through education and training, and ensuring adequate scale of recognition, rewards and sanctions was set up on 26 March 2002.

During the financial year, the RAC convened quarterly to monitor the Group's significant risks and recommended appropriate treatments. The Audit Committee establishes the adequacy and effectiveness of the Group's Risk Management Framework by regularly reviewing the resultant RAC risk registers.

INTERNAL AUDIT

An in-house Internal Audit function supports the Audit Committee, and by extension, the Board, by providing reasonable independent assurance on the effectiveness of the Group's system of internal control.

In particular, Internal Audit appraise and contribute towards improving the Group's risk management and control system and reports to the Audit Committee on a quarterly basis. The internal audit work plan which reflects the risk profile of the Group's major business sectors is routinely reviewed and approved by the Audit Committee.

INTERNAL CONTROL ISSUES

Management maintains an ongoing commitment to strengthen the Group's control environment and processes. During the year, there were no material losses caused by breakdown in internal control.

This statement is made in accordance with a resolution of the Board of Directors dated 25 March 2009 and has been duly reviewed by the external auditors, pursuant to paragraph 15.24 of the Bursa Malaysia Securities Listing Requirements.

Audit committee report

PREAMBLE

Pursuant to paragraph 15.16 of the Bursa Malaysia Securities Listing Requirements, the Board is required to prepare an Audit Committee Report for inclusion in its Annual Report.

COMPOSITION

For the financial year, the members of the Audit Committee, their respective designations and directorships are as follows:-

- Datuk Haji Jaafar bin Abu Bakar
  Chairman, Independent Non-Executive Director
- Datuk Wan Kassim bin Ahmed
  Member, Independent Non-Executive Director
- Mr Lim Mun Kee
  Member, Independent Non-Executive Director

TERMS OF REFERENCE

Purpose

The primary objective of the Audit Committee (as a standing-committee of the Board) is to assist the Board in the effective discharge of its fiduciary responsibilities for corporate governance, financial reporting and internal control.

Chairman of the Audit Committee

The members of an Audit Committee shall elect a chairman from among their number who shall be an Independent Director.

Reporting Responsibilities

The Audit Committee will report to the Board on the nature and extent of the functions performed by it and may make such recommendations to the Board on any audit and financial reporting matters as it may think fit.

Attendance at Meetings

The Head of Finance, the Head of Internal Audit and a representative of the External Auditors should normally attend meetings. The Company Secretary shall be the secretary of the Committee. Other officers may be invited to brief the Committee on issues that are incorporated into the agenda. The Committee should meet with the external auditors, the internal auditors or both without executive board members and employees of the Group present, at least twice a year.

Frequency of Meetings

The Committee will meet as frequently as the Chairman shall decide, with due notice of issues to be discussed and should record its conclusions whilst discharging its duties and responsibilities. The Chairman of the Audit Committee should engage on a continuous basis with senior management, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Group.

Audit committee report

Quorum

The quorum for a meeting shall be two (2) members of whom a majority shall be Independent Directors.

Authority

The Audit Committee is authorised by the Board to investigate any activity within its terms of reference. The Committee shall have unrestricted access to both the internal and external auditors and to all employees of the Group.The Committee may, with the approval of the Board, consult legal or other professionals where they consider it necessary to discharge their duties.

Duties

The duties of the Audit Committee include the following:-

- To consider the appointment of the external auditor, the audit fee and any questions of resignation or dismissal;
- To discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;
- To review the quarterly and year-end financial statements of the company, focusing on:-
  - any changes in accounting policies and practices;
  - major judgmental areas;
  - significant adjustments arising from the audit;
  - the going concern assumption;
  - compliance with accounting standards and other legal requirements;
- To discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management, where necessary);
- To review the external auditor's management letter and management's response;
- To do the following, in relation to the internal audit function:-
  - review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
  - review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;
  - review any appraisal or assessment of the performance of members of the internal audit function;
  - approve any appointments or termination of senior staff members of the internal audit function; and
  - take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning;
- To consider any related party transactions and conflict of interest situation that may arise within the Group;
- To consider the major findings of internal investigations and management's response; and
- To consider other topics as defined by the Board.

Audit committee report

DETAILS OF MEETINGS

The Audit Committee met four times during the financial year and details of attendances are as follows :-

Datuk Haji Jaafar Bin Abu Bakar	4/4
Datuk Wan Kassim bin Ahmed	4/4
Mr Lim Mun Kee	4/4

During the financial year, relevant training attended by the above Directors are detailed in the Corporate Governance Statement of this Annual Report.

SUMMARY OF AUDIT COMMITTEE ACTIVITIES

In discharging its responsibilities for the financial year, the Audit Committee, in particular:-

- Reviewed the quarterly and year end financial statements and made recommendations to the Board.
- Deliberated over the internal audit and compliance reports, ensuring recommendations are carried out by the management.
- Reviewed and assisted in the development and implementation of sound and effective internal controls and business systems within the Group.
- Reviewed the Risk Advisory Committee report, ensuring adequacy and effectiveness of the Group's Risk Management Framework.
- Discussed and reviewed with the external auditors the results of their examination, their reports and management letters in relation to the audit and accounting issues arising from the audit.
- Reviewed the Group's compliance with regards to the Bursa Malaysia Securities Listing Requirements and compliance with accounting standards issued by the Malaysian Accounting Standards Board.

Audit committee report

SUMMARY OF INTERNAL AUDIT ACTIVITIES

The Audit Committee is supported by an Internal Audit Department which reports directly to the Committee and is independent of the activities they audit. During the financial year, the Internal Audit Department conducted, inter alia, the following activities:

- Formulated and agreed with the Audit Committee on the audit plan, strategy and scope of work.

- Reviewed compliance with internal policies, procedures and standards, relevant external rules and regulations, as well as assessing the adequacy and effectiveness of the Group's internal control system.

- Analysed and assessed key business processes, report findings and made recommendations to improve effectiveness and efficiency.

- Followed up on internal audit recommendations to ensure adequate implementation.

- Advised on the implementation of the Malaysian Code on Corporate Governance, Bursa Malaysia Securities Listing Requirements and other regulatory requirements.

- Performed investigations and special reviews as requested by the Board and Management.

- Facilitated and reviewed the Group's risk management framework for adequacy and effectiveness in tandem with the business environment.

This report is made in accordance with a resolution of the Board of Directors dated 25 March 2009.

Other compliance statements

1. STATEMENT OF DIRECTORS' RESPONSIBILITY

   This statement is made pursuant to paragraph 15.27 (a) of Chapter 15 of the Listing Requirements of Bursa Malaysia Securities Berhad.

   The provisions of the Companies Act, 1965 requires the directors to be responsible in preparing the financial statements for each financial year which gives a true and fair view of the state of affairs of the Group and the Company and of the results and cash flows of the Group and of the Company for the financial year ended 31 October 2008. In complying with these requirements, the Directors are responsible for ensuring that proper accounting records are maintained and suitable accounting policies are adopted and applied consistently. In cases whereby judgement and estimates were required, the directors have ensured that these were made prudently and reasonably.

   The Directors also ensured that all applicable accounting standards have been followed and confirmed that the financial statements have been prepared on a going concern basis.

   In addition, the Directors are also responsible for safeguarding the assets of the Company by taking reasonable steps to prevent and detect fraud and other irregularities.

2. UTILISATION OF PROCEED

   As at 31st October 2008, the Company did not raise funds from any corporate proposal during the financial year.

3. SHARE BUY-BACK

   During the financial year, no share buy-back was made by the Company.

   As at 31st October 2008, a total of 271,700 of the Company's shares were held as treasury shares. None of the treasury shares held were resold or cancelled during the financial year.

4. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

   During the financial year, the Company did not issue any option, warrant or convertible securities.

5. AMERICAN DEPOSITORY RECEIPT ("ADR") OR GLOBAL DEPOSITORY RECEIPT ("GDR")

   During the financial year, the Company did not sponsor any ADR or GDR programme.

6. SANCTIONS AND/OR PENALTIES

   There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies.

7. NON-AUDIT FEES

   Non-audit fees amounting to RM4,200.00 were paid to external auditors for the financial year ended 31 October 2008 in respect of their attendance in the Company's Audit Committee Meetings and review of the Statement on Internal Control.

8. VARIATION IN RESULTS

   There were no material variance between the results for the financial year and the unaudited results previously announced.

9. PROFIT GUARANTEE

   During the year, there was no profit guarantee given by the Company.

10. MATERIALS CONTRACTS INVOLVING DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

    On 7 December 2007, the Group had on even date entered into a Sale & Purchase Agreement with Karambunai Corp Bhd ("KCB") to acquire approximately 8,201.86 square metres of leasehold land in Petaling Jaya together with a four storey building with an annexed single storey warehouse and ancillary building free from all encumbrances for a cash consideration of RM12 million. The acquisition was deemed a related party transaction by virtue of Tan Sri Dr Chen Lip Keong, Datuk Wan Kassim Bin Ahmed, Chen Yiy Hwuan and Chen Yiy Fon being Directors and/or substantial shareholder in both the Company and KCB. The acquisition was subsequently completed on 11 August 2008.

11. REVALUATION POLICY

    The Company had not adopted a regular revaluation policy on landed properties.

12. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE NATURE

    There were no material recurrent related party transactions of a revenue nature during the year other than those disclosed in the financial statements.

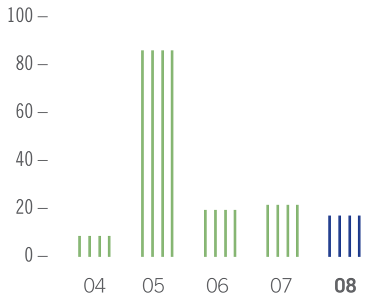
This statement is made in accordance with a resolution of the Board passed on 25 March 2009.

Five years' comparative results

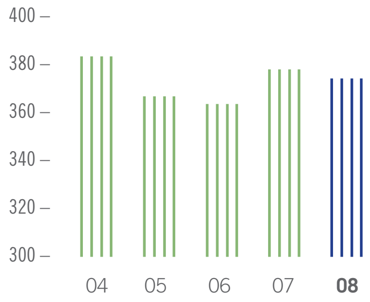
	FIVE YEARS COMPARATIVE RESULTS				
	2008	2007	2006	2005	2004
Operating revenue (RM'000)	18,111	21,175	20,120	86,607	3,701
(Loss) / Profit before taxation (RM'000)	(10,302)	19,132	(6,041)	(17,099)	(4,982)
(Loss) / Profit after taxation (RM'000)	(6,291)	16,568	(6,597)	(15,107)	(5,248)
Shareholders' fund (RM'000)	372,329	378,620	361,787	368,345	383,521
Total assets employed (RM'000)	456,563	462,982	446,180	453,171	469,038
Net tangible assets (RM'000)	372,329	378,620	361,787	366,102	380,997
Gearing ratio (times)*	**	**	**	**	**
Net tangible assets per share (RM)	1.08	1.10	1.05	1.06	1.11
(Loss) / Earnings per share (sen)					
Basic	(1.8)	4.8	(1.9)	(4.4)	(1.5)
Fully Diluted	-	-	-	-	-

* Calculated based on bank borrowings (excluding ICULS) over shareholders' funds
** Negligible

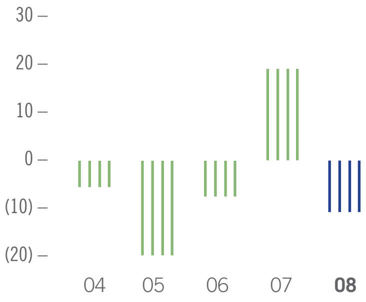
OPERATING REVENUE
(RM'000)



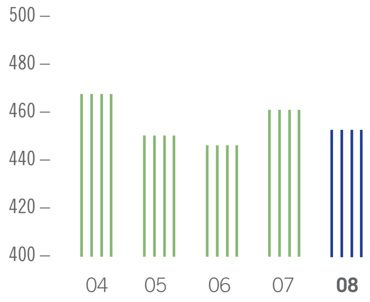
SHAREHOLDERS' FUND
(RM'000)



(LOSS) / PROFIT BEFORE TAX
(RM'000)



TOTAL ASSETS EMPLOYED
(RM'000)



PETALING TIN BERHAD
annual report 2008

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Directors' report

The Directors hereby present their report to the members together with the audited financial statements of the Group and of the Company for the year ended 31 October 2008.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of property development, investment holding and providing management services.

The principal activities of the subsidiaries are disclosed in Note 11 to the financial statements.

There has been no significant change in the nature of these activities during the year.

RESULTS

	Group RM	Company RM
(Loss)/Profit for the year attributable to equity holders of the Company	(6,290,811)	13,756,005

DIVIDENDS

No dividend has been paid or declared by the Company since the end of previous financial year and the Directors do not recommend any dividend payment for the current financial year.

ISSUE OF SHARES

During the year, no new issue of shares was made by the Company.

IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS 2000/2010 ("ICULS")

There were no ICULS converted into new ordinary shares of the Company during the financial year.

The terms of issue of the ICULS are as disclosed in Note 23 to the financial statements.

DETACHABLE WARRANTS 2000/2010 ("WARRANTS")

The Detachable Warrants 2000/2010 of the Company were issued on 2 February 2000 and are constituted by a Deed Poll dated 18 January 2000 executed by the Company. The salient features of the Warrants are as follows:-

(a) each Warrant will entitle its registered holder to subscribe for one new ordinary share of RM1/- each in the Company at the exercise price of RM1.16 per new ordinary share by payment in cash during the exercise period;

(b) exercise of the Warrants will be allowed at any time up to the expiry of 10 years following the date of issue; and

DETACHABLE WARRANTS 2000/2010 ("WARRANTS") (CONT'D)

(c) the new ordinary shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank pari passu in all respect with the existing ordinary shares in the Company except that they shall not be entitled to any rights allotment or other distribution declared or distributed, the record date of which is on or before the date of exercise of the Warrants. In addition, these new shares shall not be entitled to any dividends declared in respect of a prior financial year or interim dividends the record date of which is on or before the date of exercise of the Warrants. For the purpose hereof, record date means the date as at the close of business on which shareholders must be registered as members of the Company in order to participate in any dividends, rights, allotments or any other distributions.

As at financial year end, the number of unexercised detachable warrants 2000/2010 of the Company were 40,334,824 (2007 : 40,334,824). There were no warrants exercised during the financial year.

DIRECTORS OF THE COMPANY

The Directors in office since the date of the last report and at the date of this report are:-

DATUK HAJI JAAFAR BIN ABU BAKAR
TAN SRI DR. CHEN LIP KEONG
DATUK WAN KASSIM BIN AHMED
DATO' NIK KAMARUDDIN BIN ISMAIL
TIANG CHONG SEONG
LIM MUN KEE
CHEN YIY HWUAN
CHEN YIY FON

DIRECTORS' INTEREST IN SHARES AND WARRANTS

Particulars of Directors' interest in the shares and Warrants of the Company during the financial year according to the registers required to be kept under Section 134 of the Companies Act, 1965 are as follows:-

	Number of Ordinary Shares of RM1/- Each			
	At 1.11.07	**Acquired**	**Disposed**	**At 31.10.08**
Direct Interest				
Tan Sri Dr. Chen Lip Keong	91,777,443	-	-	91,777,443
Datuk Haji Jaafar Bin Abu Bakar	5,000	-	-	5,000
Indirect Interest Held Through Persons Connected to Directors and Corporations In Which The Directors Have Interests				
Tan Sri Dr. Chen Lip Keong	26,082,179	-	-	26,082,179
Chen Yiy Hwuan *	117,859,622	-	-	117,859,622
Chen Yiy Fon *	117,859,622	-	-	117,859,622

Directors' Report

DIRECTORS' INTEREST IN SHARES AND WARRANTS (CONT'D)

	Number of Warrants			
	At 1.11.07	Acquired	Disposed	At 31.10.08
Direct Interest				
Tan Sri Dr. Chen Lip Keong	10,217,048	-	-	10,217,048
Datuk Haji Jaafar Bin Abu Bakar	2,000	-	-	2,000
Indirect Interest				
Chen Yiy Hwuan *	10,217,048	-	-	10,217,048
Chen Yiy Fon *	10,217,048	-	-	10,217,048

* Deemed interest by virtue of shares and warrants held by their father, Tan Sri Dr. Chen Lip Keong.

The Directors who have substantial interests in the shares of the Company are also deemed to have interest in the shares of the subsidiaries to the extent that the Company has an interest.

None of the other directors in office at the end of the financial year had any interest in shares and warrants of the Company or its related corporations during the year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than the Directors' remuneration disclosed in Note 6 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangements whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the year other than those mentioned in the financial statements.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

Directors' Report

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONT'D)

At the date of this report, the Directors are not aware of any circumstances:

(i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group or of the Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

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

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

(i) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

In addition to the significant events disclosed elsewhere in this report, other significant events are disclosed in Note 32 to the financial statements.

AUDITORS

The auditors, Messrs. Moore Stephens, were involved in a merger on 1 January 2008. The merged firm is now practicing under the name of Moore Stephens AC. In view of this merger, Moore Stephens retires and does not seek reappointment. A resolution to appoint Messrs. Moore Stephens AC will be proposed at the forthcoming Annual General Meeting.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 12 February 2009.

DATUK HAJI JAAFAR BIN ABU BAKAR **TIANG CHONG SEONG**

Statement by directors

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

We, Datuk Haji Jaafar Bin Abu Bakar and Tiang Chong Seong, being two of the Directors of the Company, do hereby state that in the opinion of the Directors, the accompanying financial statements as set out on pages 29 to 72, are drawn up in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 October 2008 and of the results and cash flows of the Group and of the Company for the year ended on that date.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 12 February 2009.

DATUK HAJI JAAFAR BIN ABU BAKAR **TIANG CHONG SEONG**

Statutory declaration

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

I, Leong Choong Wah, being the officer primarily responsible for the financial management of PETALING TIN BERHAD, do solemnly and sincerely declare that the financial statements as set out on pages 29 to 72 are, in my opinion, 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.

Subscribed and solemnly declared at
Kuala Lumpur in the Federal Territory
on 12 February 2009

LEONG CHOONG WAH
Before me

ZULKIFLA MOHD DAHLIM (W 541)
Commissioner for Oaths

Independent auditors' report

TO THE MEMBERS OF PETALING TIN BERHAD
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Petaling Tin Berhad, which comprise the balance sheets as at 31 October 2008 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 29 to 72.

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 October 2008 and of their financial performance and cash flows for the year then ended.

Independent Auditors' Report
To The Members Of Petaling Tin Berhad
(Incorporated in Malaysia)

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 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 purpose of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(c) The auditors' 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.

MOORE STEPHENS
(AF.0282)
Chartered Accountants

AU TAI WEE
1551/01/11 (J)
Partner

Kuala Lumpur
12 February 2009

Income statements

FOR THE YEAR ENDED 31 OCTOBER 2008

		Group		Company	
		2008	2007	2008	2007
	Note	RM	RM	RM	RM
Operating revenue	3	18,110,603	21,174,778	3,206,724	3,364,431
Direct costs	4	(14,944,200)	(14,453,476)	-	-
Gross profit		3,166,403	6,721,302	3,206,724	3,364,431
Other operating revenue		911,959	23,912,840	15,201,321	787,261
Distribution costs		(45,739)	(337,889)	-	-
Administrative costs		(5,111,250)	(7,257,618)	(4,320,736)	(4,911,592)
Other operating costs		(9,198,414)	(3,889,485)	(317,628)	(330,518)
		(14,355,403)	(11,484,992)	(4,638,364)	(5,242,110)
(Loss)/Profit from operations		(10,277,041)	19,149,150	13,769,681	(1,090,418)
Finance costs		(25,293)	(17,505)	(13,676)	(17,505)
(Loss)/Profit before taxation	5	(10,302,334)	19,131,645	13,756,005	(1,107,923)
Tax expense	7	4,011,523	(2,563,249)	-	(16)
(Loss)/Profit for the year		(6,290,811)	16,568,396	13,756,005	(1,107,939)
Basic (Loss)/Earnings Per Share (Sen)	8	(1.83)	4.82		
Diluted Earnings Per Share (Sen)	8	-	-		

The accompanying notes form an integral part of the financial statements

Balance sheets

AS AT 31 OCTOBER 2008

	Note	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Assets					
Non-current assets					
Property, plant and equipment	9	3,069,597	3,255,621	377,633	570,356
Prepaid land lease payments	10	2	2	2	2
Investments in subsidiaries	11	-	-	465,095,005	186,555,003
Investments in associates	12	-	-	-	-
Investment properties	13	138,597,638	126,182,135	-	-
Land held for property development	14	233,076,362	181,647,266	38,363,473	-
Total non-current assets		374,743,599	311,085,024	503,836,113	187,125,361
Property development costs	15	34,884,910	75,550,655	-	38,363,473
Inventories	16	6,277,765	7,318,102	-	-
Short term investments	17	2,121,039	13,008,340	2,121,039	13,008,340
Receivables	18	30,371,372	50,881,863	86,526,106	99,457,745
Tax assets	19	3,863,356	13,832	3,863,356	13,832
Cash and bank balances	20	4,301,335	5,123,741	500,288	476,631
Total current assets		81,819,777	151,896,533	93,010,789	151,320,021
Total assets		456,563,376	462,981,557	596,846,902	338,445,382
Equity and liabilities					
Share capital	21	344,292,335	344,292,335	344,292,335	344,292,335
Reserves	22	25,936,368	32,227,179	179,772	(13,576,233)
Irredeemable Convertible Unsecured Loan Stocks	23	2,100,000	2,100,000	2,100,000	2,100,000
Total equity		372,328,703	378,619,514	346,572,107	332,816,102
Liabilities					
Finance lease liabilities	24	344,618	340,315	174,383	218,924
Deferred taxation	25	32,747,743	32,932,344	-	-
Total non-current liabilities		33,092,361	33,272,659	174,383	218,924
Payables	26	10,423,902	10,099,992	250,055,871	5,368,164
Provisions	27	4,789,546	5,626,744	-	-
Finance lease liabilities	24	95,755	69,301	44,541	42,192
Taxation		35,833,109	35,293,347	-	-
Total current liabilities		51,142,312	51,089,384	250,100,412	5,410,356
Total Liabilities		84,234,673	84,362,043	250,274,795	5,629,280
Total equity and liabilities		456,563,376	462,981,557	596,846,902	338,445,382

The accompanying notes form an integral part of the financial statements

Consolidated statement of changes in equity

FOR THE YEAR ENDED 31 OCTOBER 2008

	Share Capital RM	Share Premium RM	Reserves RM	ICULS- Equity Instrument RM	Accumulated Losses RM	Treasury Shares RM	Total Equity RM
Group							
At 1.11.06	344,292,335	43,664,342	8,668,165	2,100,000	(36,869,488)	(68,236)	361,787,118
Effect of adopting FRS 3	-	-	(212,472)	-	212,472	-	-
Realisation of revaluation surplus on sales of development properties	-	-	(3,623,243)	-	3,623,243	-	-
(Expenses)/Income recognised directly in equity	-	-	(3,835,715)	-	3,835,715	-	-
Transfer from deferred taxation due to changes in tax rate	-	-	264,000	-	-	-	264,000
Profit for the year	-	-	-	-	16,568,396	-	16,568,396
Total (expenses)/income recognised for the year	-	-	(3,571,715)	-	20,404,111	-	16,832,396
At 31.10.07	344,292,335	43,664,342	5,096,450	2,100,000	(16,465,377)	(68,236)	378,619,514
At 1.11.07	344,292,335	43,664,342	5,096,450	2,100,000	(16,465,377)	(68,236)	378,619,514
Realisation of revaluation deficit on sales of development properties	-	-	1,333,071	-	(1,333,071)	-	-
Income/(Expenses) recognised directly in equity	-	-	1,333,071	-	(1,333,071)	-	-
Loss for the year	-	-	-	-	(6,290,811)	-	(6,290,811)
Total income/(expenses) recognised for the year	-	-	1,333,071	-	(7,623,882)	-	(6,290,811)
At 31.10.08	344,292,335	43,664,342	6,429,521	2,100,000	(24,089,259)	(68,236)	372,328,703

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statement of changes in equity

FOR THE YEAR ENDED 31 OCTOBER 2008

	Share Capital RM	Share Premium RM	Reserves RM	ICULS - Equity Instrument RM	Accumulated Losses RM	Treasury Shares RM	Total Equity RM
Company							
At 1.11.06	344,292,335	43,664,342	4,519,264	2,100,000	(60,583,664)	(68,236)	333,924,041
Loss for the year	-	-	-	-	(1,107,939)	-	(1,107,939)
At 31.10.07	344,292,335	43,664,342	4,519,264	2,100,000	(61,691,603)	(68,236)	332,816,102
Profit for the year	-	-	-	-	13,756,005	-	13,756,005
At 31.10.08	344,292,335	43,664,342	4,519,264	2,100,000	(47,935,598)	(68,236)	346,572,107

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Cash flow statements

FOR THE YEAR ENDED 31 OCTOBER 2008

		Group		Company	
		2008	2007	2008	2007
	Note	RM	RM	RM	RM
Cash Flows from Operating Activities					
(Loss)/Profit before taxation		(10,302,334)	19,131,645	13,756,005	(1,107,923)
Adjustments for:-					
Depreciation of property, plant and equipment		344,054	1,068,200	222,260	265,346
Effect of rescission of sale of development property		7,468,375	664,478	-	-
Loss on disposal of investment in quoted shares		93,080	-	93,080	-
Property development costs written off		158,083	453,816	-	-
Write down of short term investments		94,101	-	94,101	-
Reinstatement of loss from disposal of development property		-	2,546,712	-	-
Waiver of debt		-	600,000	-	-
Dividend income		(7,588)	(8,632)	(14,854,464)	(8,632)
Fair value adjustment on investment properties		-	(22,655,654)	-	-
Gain on disposal of property, plant and equipment		-	(500,000)	-	(500,000)
Gain on disposal of short term investments		-	(235,461)	-	(235,461)
Interest expenses		22,357	14,193	11,844	14,193
Interest income		(382,217)	(252,738)	(214,692)	(35,233)
Operating (loss)/profit before working capital changes		(2,512,089)	826,559	(891,866)	(1,607,710)
Increase in land and development expenditure		(18,389,809)	(38,030,233)	-	(35,192)
Decrease/(increase) in receivables		20,510,491	50,151,772	1,248,173	(203,830)
(Decrease)/Increase in payables		(513,288)	(1,398,178)	226,232	278,326
Decrease in inventories		1,040,337	1,723,025	-	-
Cash generated from/(used in) operations		135,642	13,272,945	582,539	(1,568,406)
Interest paid		(22,357)	(14,193)	(11,844)	(14,193)
Interest received		382,217	252,738	214,692	35,233
Tax refund		517,160	13,316	11,814	13,315
Taxes paid		-	(1,040,387)	-	-
Net cash generated from/(used in) operating activities carried down		1,012,662	12,484,419	797,201	(1,534,051)

Cash Flow Statements

	Note	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Net cash generated from/(used in) operating activities brought down		1,012,662	12,484,419	797,201	(1,534,051)
Cash Flows from Investing Activities					
Acquisitions of subsidiaries		-	-	(278,540,002)	-
Acquisition of investment property		(12,415,503)	-	-	-
Placement of fixed deposits		(51,488)	(5,559)	-	-
Proceeds from disposal of property, plant and equipment		-	500,000	-	500,000
Proceeds from disposal of short term investments		12,089,827	1,964,486	12,089,827	1,964,486
Dividend received		7,588	7,354	10,993,126	7,354
Repayments from subsidiaries		-	-	11,683,466	11,885,132
Purchase of short term investments		(1,389,707)	(13,252,539)	(1,389,707)	(13,252,539)
Purchase of property, plant and equipment		(38,030)	(133,183)	(29,537)	(116,590)
Net cash (used in)/generated from investing activities		(1,797,313)	(10,919,441)	(245,192,827)	987,843
Cash Flows from Financing Activities					
Advances from subsidiaries		-	-	244,461,475	969,382
Payments to finance lease liabilities		(89,243)	(39,843)	(42,192)	(39,843)
Net cash (used in)/generated from financing activities		(89,243)	(39,843)	244,419,283	929,539
Net (decrease)/increase in cash and cash equivalents		(873,894)	1,525,135	23,657	383,331
Cash and cash equivalents at beginning of the year		3,794,305	2,269,170	426,631	43,300
Cash and cash equivalents at end of the year	20	2,920,411	3,794,305	450,288	426,631

The accompanying notes form an integral part of the financial statements

Notes to the financial statements

31 OCTOBER 2008

Corporate Information and Principal Activities

Petaling Tin Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Board of the Bursa Malaysia Securities Berhad. The addresses of its registered office and principal place of business are as follows:

Registered office and principal place of business:

1st Floor, No. 118,
Jalan Semangat,
46300 Petaling Jaya,
Selangor Darul Ehsan,
Malaysia.

The Company is principally engaged in the business of property development, investment holding and providing management services. The principal activities of the subsidiaries are disclosed in Note 11. There has been no significant change in the nature of these activities during the year.

The financial statements were approved and authorised for issue by the Board of Directors on 12 February 2009.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company comply with the provisions of the Companies Act, 1965 and Financial Reporting Standards ("FRSs") issued by the Malaysian Accounting Standards Board ("MASB"), accounting principles generally accepted in Malaysia and complied with the provisions of the Companies Act 1965.

New and revised FRSs, Amendment to FRS and Issues Committee ('IC') Interpretations adopted
The MASB has issued a number of new and revised FRSs, Amendment to FRS and Issues Committee ('IC') Interpretations that are effective for accounting periods beginning on or after 1 January 2007 or 1 July 2007. On 1 October 2007, the Company adopted the following FRSs and ICs mandatory for the financial periods beginning on or after 1 January 2007 or 1 July 2007:

Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates - Net Investment in Foreign Operation
FRS 6	Exploration for and Evaluation of Mineral Resources
FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 119	Employee Benefits – Actuarial Gains and Losses, Group Plans And Disclosure
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 126	Accounting and Reporting by Retirement Benefit Plans
FRS 129	Financial Reporting in Hyperinflationary Economies
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

Notes To The Financial Statements
31 October 2008

1. Basis of preparation (cont'd)

(a) Statement of compliance (cont'd)

The adoption of FRS 107, 112, 118, 119, 134, 137 and Amendment to FRS 121 does not have any significant financial impact on the results and the financial position of the Group and of the Company.

IC Interpretation 1, 2, 5, 6, 7, 8 and FRS 6, 111, 120, 126 and 129 are not relevant to the Group and the Company's operations.

New FRSs and Interpretations not adopted
The MASB has also issued the following new FRSs and IC Interpretations that have not been adopted in preparing these financial statements.

		For financial periods beginning on or after
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments : Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010

The adoption of FRS 7 and 8 and IC interpretation 10 is not expected to have any significant financial impact on the Group and on the Company when the standards become effective.

FRS 4 and IC Interpretation 9 are not relevant to the Group and the Company's operations.

By virtue of the exemption in paragraph 103AB of FRS 139, the impact of applying FRS 139 on these financial statements upon first adoption of this standard as required by paragraph 30(b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* is not disclosed.

(b) Basis of measurement

The financial statements have been prepared on the historical cost convention except as disclosed in the respective accounting policy notes.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malayisa ('RM'), which is the Company's functional currency. All financial information presented in RM has been rounded to the nearest RM, unless otherwise stated.

(d) Significant accounting estimates and judgements

The preparation of financial statements of the Group and of the Company requires management to make assumptions, estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Assumptions and estimates are reviewed on an ongoing basis and are recognised in the period in which the assumption or estimate is revised.

1. Basis of preparation (cont'd)

(d) Significant accounting estimates and judgements (cont'd)

Significant areas of estimation, uncertainty and critical judgements used in applying accounting principles that have significant effect on the amount recognised in the financial statements are as follows:-

(i) Depreciation of property, plant and equipment – The cost of property, plant and equipment is depreciated on a straight line method over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 50 years. These are common life expectancies applied generally. Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future depreciation changes could be revised.

(ii) Property development – significant judgement is used in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue and contract costs, as well as the recoverability of the contracts. Total contract revenue also includes an estimation of the recoverable variation works that are recoverable from the customers. In making the judgement, the Group and the Company relied on past experience and work of specialists.

(iii) Revenue recognition – The percentage-of-completion method requires the Group to estimate the proportion of property development costs incurred for work performed to-date bears to the estimated total development costs.

(iv) Valuation of investment properties – the measurement of the fair value for investment properties performed by management is determined with reference to current prices in an active market for similar properties in the same location and condition and subject to similar lease and other contracts.

(v) Deferred taxation and tax expense – deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the tax losses can be utilised. The management has recognised an amount of RM7,468,375 arising from the rescission of sale of development property as a tax deductible expense based on the advice of tax consultant. The deductibility of this amount is subject to the approval of Inland Revenue Board.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group, unless otherwise stated.

(a) Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the existence and effect of potential voting rights that currently exercisable are taken into account.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the subsidiaries are prepared for the same reporting date of the Company.

Investments in subsidiaries are stated in the Company's balance sheet at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale). On disposal of such investments, the difference between net disposal proceeds and their carrying amount is included in income statement.

Notes To The Financial Statements
31 October 2008

2. Significant accounting policies (cont'd)

(a) Basis of Consolidation (cont'd)

(ii) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not in control, over the financial and operating policies.

Associates are accounted for in the consolidated financial statements using the equity method unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The consolidated financial statements include the Group's share of the income and expenses of the associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that the Group has an obligation or has made payments on behalf of the investee.

When the Group`s share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investment) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. Should the associate subsequently reports profits, the Group will only resume to recognise its share of profits after its share of profits equals to the share of losses previously not recognised.

Where the audited financial statements of the associates are not co-terminous with those of the Group, the share of results is based on a limited review on the financial statements performed by auditors of the associate made up to the financial year end of the Group.

Investments in associates are stated in the Company's balance sheet at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(iii) Changes in Group composition

Where a subsidiary issues new equity shares to minority interest for cash consideration and the issue price has been established at fair value, the reduction in the Group's interest in the subsidiary is accounted for as a disposal of equity interest with the corresponding gain or loss recognised in the income statement.

When the Group acquires a subsidiary's shares from the minority for cash and the consideration has been established at fair value, the accretion of the Group's interests in the subsidiary is accounted for as a purchase of equity interest for which the purchase accounting method is applied. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

The Group treats all other changes in the group composition as equity transaction between the Group and the minority. Any difference between the Group's shares of net assets before and after the change, and any consideration received and paid, is adjusted against Group reserves.

(iv) Transactions eliminated on consolidation

Intra-group balances and unrealised gains and losses arising from intra-group transactions are eliminated in full. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent the Group has interests. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

2. Significant accounting policies (cont'd)

(b) Foreign currencies

Transactions in currencies other than the entity's functional currency ('foreign currencies') are translated into the respective functional currencies of the Group at exchange rates prevailing at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currencies at the exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at the fair value are retranslated to the functional currencies at the exchange rate prevailing at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the income statements. Non-monetary items that are measured at the historical cost in a foreign currency are not retranslated.

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds.

(ii) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, it is remeasured to fair value and reclassified as investment property. Any gain arising on remeasurement is recognised in equity. Any loss is recognised in the income statements.

The fair value of property, plant and equipment recognised in a business combination is based on market value. The market value is the estimate amount for which a property could be exchange on the date of valuation between a willing seller and a willing buyer in an arm's length transaction. The market value of items of plant and equipment, fixtures and fittings is based on the quoted market prices for similar items.

(iii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The cost of the day-to-day servicing of the property, plant and equipment are recognised in the income statements as incurred.

(iv) Depreciation

Depreciation is recognised in the income statements on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until these assets are ready for its intended use.

Notes To The Financial Statements

31 October 2008

2. Significant accounting policies (cont'd)

(c) Property, plant and equipment (cont'd)

(iv) Depreciation (cont'd)

The principal annual rates for the current and comparative years are as follows:-

Buildings	2%
Plant and equipment	10% - 33%
Motor vehicles	20%
Renovation	20%

The depreciable amount is determined after deducting the residual value.

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(d) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance lease. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and, except for leasehold land classified as an investment property, the leased assets are not recognised on the Group's balance sheet. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property.

Leasehold land that normally has an indefinite life and title is not expected to pass to the lease by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as prepaid lease payment that are amortised over the lease period in accordance with the pattern of benefits provided except for leasehold land classified as investment property.

(e) Investment properties

Investment properties are properties which are owned or held to earn rental income or for capital appreciation or for both. These include land held for a currently undetermined future use. Properties that are occupied by the companies within the Group are accounted for as owner occupied rather than as investment properties.

All investment properties are measured initially and subsequently at fair value with any change therein recognised in the income statement.

When an item of inventory or property development is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to the transfer and its fair value is recognised in the income statement.

An external, independent valuer, having appropriate professional qualifications and experience, values the Group's investment property portfolio. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows that is applied to the net annual cash flows to arrive at the property valuation.

Valuations reflect, where appropriate: the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the Group and the lessee; and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

2. Significant accounting policies (cont'd)

f) Land held for property development

Land held for property development which consists of land is carried at cost less accumulated impairment losses, if any, and classified as non-current assets where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle.

In certain subsidiaries, the revalued amount of land in land held for property development is retained as its surrogate cost as allowed under the transitional provisions of FRS 201.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(g) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities. Costs consist of land, construction costs and other development costs including related overheads and capitalised borrowing costs.

In certain subsidiaries, the revalued amount of land in property development cost is retained as its surrogate cost as allowed under the transitional provisions of FRS 201.

When the financial outcome of a development activity can be reliably estimated, property development revenue and costs are recognised in the income statement by reference to the stage of completion of development activities at the balance sheet date.

When the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defect liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

Accrued billings within receivables represent the excess of revenue recognised in the income statement over billings to purchasers. Progress billings within payables represent the excess of billings to purchasers over revenue recognised in the income statement.

(h) Inventories

Inventories of unsold completed properties are stated at the lower of cost and net realisable value. Cost of unsold completed properties is determined on specific identification basis and comprises attributable land and development expenditure incurred up to completion of the properties.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes To The Financial Statements
31 October 2008

2. Significant accounting policies (cont'd)

(i) Impairment of assets

The carrying amounts of assets except for inventories, property development costs, investment property that is measured at fair value and financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount unless the asset is carried at a revalued amount, in which case the impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets.

Impairment losses recognised in prior year are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised, unless it reverses an impairment loss on a revalued asset, in which case it is credited directly to revaluation surplus. Where an impairment loss on the same revalued asset was previously recognised in the income statement, a reversal of that impairment loss is also recognised in the income statement.

(j) Provisions

A provision is recognised if, as a result of a past event, the Group has present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

(k) Employee benefits

(i) Short term employee benefits
Short-term employee benefit obligation in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined Contribution Plans
The Group's contributions to the Employee's Provident Fund are charged to the income statements in the year to which they relate. Once the contributions have been paid, the Group has no further payments obligations.

2. Significant accounting policies (cont'd)

(l) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

(i) Development properties
Revenue from development properties sold is recognised on the percentage of completion method when the outcome of the property development projects can be reliably estimated. The stage of completion is measured by reference to the certified work done to-date or by the proportion that development costs incurred for work performed to-date bear to the estimated total development costs for units sold. Where foreseeable losses on development properties are anticipated, full allowance of those losses is made in the financial statements.

Revenue from the sale of completed development properties is measured at fair value of the consideration received or receivable net of trade discounts and volume rebates.

(ii) Revenue from sale of developed land and completed landed properties
Revenue from sale of developed land and completed landed properties is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risk and reward of ownership have been transferred to the buyer.

(iii) Dividend revenue
Dividend revenue is recognised when the right to receive payment is established.

(iv) Interest revenue
Interest revenue is recognised on time proportion basis that reflects the effective yield of the asset.

(v) Rental and management revenue
Revenue from rental and management fee are recognised on accrual basis.

(m) Lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of lease when the lease adjustment is confirmed.

Leasehold land and mines' development costs are amortised on a straight line basis over the expected working lives of the mines. Since the cessation of the mining operations in 1997, the leasehold land has been fully amortised, depreciated or written off to income statement.

(n) Tax expense

Tax expense comprises current and deferred tax. Tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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2. Significant accounting policies (cont'd)

(n) Tax expense (cont'd)

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or tax loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

(o) Earnings per share ("EPS")

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise warrants and ICULS.

(p) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

(q) Financial instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, losses and gains relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Cash and cash equivalents
Cash and cash equivalents consist of cash on hand, balances and deposits with banks which have an insignificant risk of changes in value, net of pledged deposits.

(ii) Receivables
Receivables are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established.

Subsequent to initial recognition, receivables are stated at cost less allowance for doubtful debts.

(iii) Payables
Payables are measured initially and subsequently at cost. Payable are recognised when there is a contractual obligation to deliver cash or financial assets to another entity.

2. Significant accounting policies (cont'd)

(q) Financial instruments (cont'd)

(iv) Share capital

(i) Ordinary share capital

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(ii) Shares issues expenses

Incremental costs directly attributable to issue of share options classified as equity are recognised as a deduction from equity.

(iii) Treasury shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled as treasury shares and are presented as a deduction from total equity. No gain or loss is recognised in the income statements on the sale, re-issuance or cancellation of treasury shares. When treasury shares are re-issued by resale, the difference between the sales consideration and the carrying amount of the treasury share is shown as a movement in equity.

(v) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

As permitted under the transitional provisions of FRS 132, the Irredeemable Convertible Unsecured Loan Stocks ("ICULS") are classified as equity instruments in accordance with the substance of the contractual arrangement.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instruments is measured at amortised cost using the effective interest method. The equity component of a compound financial instruments is not premeasured subsequent to initial recognition.

(vi) Short term investments

Investments in unquoted equity securities are recognised initially at fair value plus attributable transaction costs. Quoted investments are carried at the lower of cost and market value, determined on an aggregate basis. Increases or decreases in the carrying amount of short term investments are recognised in income statement.

All investments in short term investments are accounted for using settlement date accounting. Settlement date accounting refers to:

a) the recognition of an asset on the day it is received by the entity, and
b) the derecognition of an asset and recognition of any gain or loss on disposal on the date it is delivered.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in income statement.

Notes To The Financial Statements
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3. Revenue

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Attributable property development	15,553,246	6,516,368	-	-
Sales of development properties	2,494,135	14,658,410	-	-
Rental income from investment property	63,222	-	-	-
Management fees received and receivable	-	-	3,206,724	3,364,431
	18,110,603	21,174,778	3,206,724	3,364,431

4. Direct costs

	Group	
	2008 RM	2007 RM
Attributable property development costs	14,408,147	5,173,746
Cost of development properties	536,053	9,279,730
	14,944,200	14,453,476

5. (Loss) / Profit before taxation

(Loss) / Profit before taxation is arrived at after charging/(crediting):

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Auditors' remuneration	55,700	48,500	21,500	20,000
Depreciation of property, plant and equipment	344,054	1,068,200	222,260	265,346
Effect of rescission of sale of development property	7,468,375	664,478	-	-
Finance lease interest	22,357	14,193	11,844	14,193
Loss on disposal of investment in quoted shares	93,080	-	93,080	-
Property development costs written off	158,083	453,816	-	-
Write down of short term investments	94,101	-	94,101	-
Reinstatement of loss from disposal of development property *	-	2,546,712	-	-
Rental of office equipment	9,580	25,180	9,580	25,180
Rental of premises	225,000	300,000	225,000	300,000
Staff costs (Note 5(a))	2,463,035	2,597,300	2,432,531	2,567,108
Waiver of debt	-	600,000	-	-
Fair value adjustment on investment properties	-	(22,655,654)	-	-
Gain on disposal of short term investments	-	(235,461)	-	(235,461)
Gain on disposal of property, plant and equipment	-	(500,000)	-	(500,000)
Dividend income	(7,588)	(8,632)	(14,854,464)	(8,632)
Interest income	(382,217)	(252,738)	(214,692)	(35,233)
Rental income	(399,947)	(247,385)	(6,405)	(7,935)

5. **(Loss) / Profit before taxation (cont'd)**

* The loss from sale of the development property was reversed to income statement in the previous financial year upon the Group serving a notice of rescission for the sale and purchase agreement relating to the said development property in view of the expiry of the terms of the agreement. However in previous financial year, a supplementary agreement was entered into with the same purchaser to extend the terms of the sale and purchase agreement and hence the profit from sale of the development property was re-instated.

(a) Included in staff costs are:

	Group		Company	
	2008 RM	**2007 RM**	**2008 RM**	**2007 RM**
Staff costs	2,463,035	2,597,300	2,432,531	2,567,108
Included in staff costs are:				
Contributions to defined contribution plan	197,401	231,443	194,643	228,755
Social security contribution	23,956	19,199	23,550	18,811
	221,357	250,642	218,193	247,566

6. **Directors' remuneration**

	Group/Company	
	2008 RM	**2007 RM**
Directors of the Company		
Executive Directors		
- Other emoluments	798,716	550,511
Directors of the Company		
Non-Executive Directors		
- Fees	276,000	285,000

The Executive Directors are as follows:
2008/2007
- Tan Sri Dr. Chen Lip Keong
- Tiang Chong Seong
- Chen Yiy Hwuan
- Chen Yiy Fon

The Non-Executive Directors are as follows:
2008/2007
- Datuk Haji Jaafar Bin Abu Bakar
- Dato' Nik Kamaruddin Bin Ismail
- Datuk Wan Kassim Bin Ahmed
- Lim Mun Kee

Notes To The Financial Statements
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6. Directors' remuneration (cont'd)

Key management personnel compensation

The key management personnel compensation is as follows:

	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Directors				
- Fees	276,000	285,000	276,000	285,000
- Remuneration	654,000	432,000	654,000	432,000
- Other short term employee benefits (including estimated monetary value of benefitsin-kind)	144,716	118,511	144,716	118,511
Total short-term employees benefits	1,074,716	835,511	1,074,716	835,511
Other key management personnel				
- Remuneration	465,284	438,741	465,284	438,741
- Short term employee benefits	6,333	-	6,333	-
	1,546,333	1,274,252	1,546,333	1,274,252

Other key management personnel comprises persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities, either directly or indirectly.

7. Tax expense

Recognised in the income statement

	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Income tax expense				
- Current year	18,600	765,300	-	-
- Under/(Over) provision in prior year	16,165	(1,395)	-	16
	34,765	763,905	-	16
Tax credit on dividend	(3,861,687)	-	-	-
Deferred tax expense (note 25)				
Origination and reversal of temporary differences	(136,501)	1,791,344	-	-
(Over)/Under provision in prior year	(48,100)	8,000	-	-
	(184,601)	1,799,344	-	-
Tax expense	(4,011,523)	2,563,249	-	16

7. Tax expense (cont'd)

Reconciliation of effective tax expense

	Group		Company	
	2008 RM	**2007 RM**	**2008 RM**	**2007 RM**
(Loss)/Profit before taxation	(10,302,334)	19,131,645	13,756,005	(1,107,923)
Tax at the Malaysian statutory income tax rate of 26% (2007 : 27%)	(2,678,600)	5,165,500	3,576,600	(299,000)
Effect of lower tax rate for subsidiary company with issued and paid-up share capital of RM2.5 million and below	(600)	(42,242)	-	-
Tax effect of non-deductible expenses	2,251,812	790,260	140,500	382,600
Tax effect of non-taxable revenue	(6,700)	(2,224,588)	(800)	(63,600)
Utilisation of deferred tax assets not recognised	(3,479,800)	(16,200)	(3,573,400)	(20,000)
Deferred tax recognised at different tax rate	(65,700)	(400,286)	(142,900)	-
Adjustments to opening deferred tax resulting from reduction in tax rate	-	(715,800)	-	-
(Over)/Under provision in prior years				
- taxation	16,165	(1,395)	-	16
- deferred taxation	(48,100)	8,000	-	-
	(4,011,523)	2,563,249	-	16

(i) The Company has estimated tax credit of RM6,611,000 (2007: RM6,611,000) under Section 108 of the Income Tax Act, 1967, available to frank future payment of dividends up to approximately RM19,833,000 (2007 : RM18,816,000).

(ii) The Company has approximately RM109,000 (2007 : RM109,000) tax exempt income available for distribution by way of tax exempt dividend. The tax exempt income is in respect of chargeable income for the year ended 31 October 1999 of which income tax had been waived.

The Malaysian Budget 2008 introduced a single tier company income tax system with effect from year of assessment 2008. As such, the Section 108 tax credit as at 31 December 2007 will be available to the Company until such time the credit is fully utilised or upon expiry of the six-year transitional period on 31 December 2013, whichever is earlier.

8. Earnings per share

Basic (loss)/earnings per share
The basic (loss)/earnings per share is calculated by dividing the Group (loss)/earnings attributable to equity shareholders of RM6,290,811 (2007 : RM16,568,396) by the weighted average number of shares of 344,020,635 (2007 : 344,020,635) ordinary shares of RM1 each in issue during the year.

Diluted earnings per share
The diluted earnings per share for the current financial year are not presented as the assumed conversion of the ICULS and exercise of Warrants are anti-dilutive.

Notes To The Financial Statements
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9. Property, plant and equipment

	Buildings RM	Plant & Equipment RM	Motor Vehicles RM	Renovation RM	Total RM
Group					
Cost					
At 1.11.07	6,016,192	17,720,281	718,991	419,383	24,874,847
Additions	-	29,537	128,493	-	158,030
At 31.10.08	6,016,192	17,749,818	847,484	419,383	25,032,877
Accumulated Depreciation					
At 1.11.07	1,574,287	13,142,705	276,425	238,809	15,232,226
Charge for the year	63,072	56,372	140,733	83,877	344,054
At 31.10.08	1,637,359	13,199,077	417,158	322,686	15,576,280
Accumulated Impairment Losses					
At 31.10.08	1,919,000	4,468,000	-	-	6,387,000
Net Carrying Amount	2,459,833	82,741	430,326	96,697	3,069,597
Cost					
At 1.11.06	6,016,192	17,621,794	553,898	402,679	24,594,563
Additions	-	99,886	165,093	16,704	281,683
Written off	-	(1,399)	-	-	(1,399)
At 31.10.07	6,016,192	17,720,281	718,991	419,383	24,874,847
Accumulated Depreciation					
At 1.11.06	1,511,211	12,305,157	191,657	157,400	14,165,425
Charge for the year	63,076	838,947	84,768	81,409	1,068,200
Written off	-	(1,399)	-	-	(1,399)
At 31.10.07	1,574,287	13,142,705	276,425	238,809	15,232,226
Accumulated Impairment Losses					
At 31.10.07	1,919,000	4,468,000	-	-	6,387,000
Net Carrying Amount	2,522,905	109,576	442,566	180,574	3,255,621

Notes To The Financial Statements
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9. Property, plant and equipment (cont'd)

	Buildings RM	Plant & Equipment RM	Motor Vehicles RM	Renovation RM	Total RM
Company					
Cost					
At 1.11.07	730,344	1,900,924	410,081	419,383	3,460,732
Additions	-	29,537	-	-	29,537
At 31.10.08	730,344	1,930,461	410,081	419,383	3,490,269
Accumulated Depreciation					
At 1.11.07	730,341	1,791,368	129,858	238,809	2,890,376
Charge for the year	-	56,367	82,016	83,877	222,260
At 31.10.08	730,341	1,847,735	211,874	322,686	3,112,636
Net Carrying Amount					
At 31.10.08	3	82,726	198,207	96,697	377,633
Cost					
At 1.11.06	730,344	1,802,437	410,081	402,679	3,345,541
Additions	-	99,886	-	16,704	116,590
Written off	-	(1,399)	-	-	(1,399)
At 31.10.07	730,344	1,900,924	410,081	419,383	3,460,732
Accumulated Depreciation					
At 1.11.06	730,341	1,690,846	47,842	157,400	2,626,429
Charge for the year	-	101,921	82,016	81,409	265,346
Written off	-	(1,399)	-	-	(1,399)
At 31.10.07	730,341	1,791,368	129,858	238,809	2,890,376
Net Carrying Amount					
At 31.10.07	3	109,556	280,223	180,574	570,356

Notes To The Financial Statements
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9. Property, plant and equipment (cont'd)

Included in the above property, plant and equipment is:

(a) Motor vehicles under finance lease arrangements as follows:

	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Cost	703,667	575,174	410,081	410,081
Net carrying amount	430,324	442,564	198,207	280,223

(b) During the year, the Group and the Company acquired property, plant and equipment with aggregate cost of RM158,030 (2007 : RM281,683) and RM29,537 (2007 : RM116,590) respectively, which were satisfied as follows:-

	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Hire purchase financing	120,000	148,500	-	-
Cash payments	38,030	133,183	29,537	116,590
	158,030	281,683	29,537	116,590

10. Prepaid land lease payments

	Group/Company 2008 RM	Group/Company 2007 RM
Long term leasehold land	2	2

Long term lease refers to lease period with unexpired periods of fifty years or more.

11. Investments in subsidiaries

	Company 2008 RM	Company 2007 RM
Unquoted shares, at cost		
At beginning of the year	188,555,002	188,555,002
Acquisition during the year	278,540,002	-
At end of the year	467,095,004	188,555,002
Less: Accumulated impairment losses on investment in PTB Clay Products Sdn. Bhd.	(1,999,999)	(1,999,999)
	465,095,005	186,555,003

11. Investments in subsidiaries (cont'd)

The particulars of the subsidiaries are as follows:

Name of Company	Country of Incorporation	Effective Equity Interest 2008	2007	Principal Activities
PTB Clay Products Sdn. Bhd.	Malaysia	100%	100%	Dormant
Ukaylake Country Club Bhd.	Malaysia	100%	100%	Dormant
Golden Domain Holdings Sdn. Bhd.	Malaysia	100%	100%	Investment holding
Petaling Ventures Sdn. Bhd.	Malaysia	100%	100%	Property investment and development
Lembah Langat Development Sdn. Bhd.	Malaysia	100%	-	Property investment and development
PTB Development Sdn. Bhd.	Malaysia	100%	-	Property development
PTB Horticulture Farm Sdn. Bhd.	Malaysia	100%	-	Property investment and development
Golden Domain Development Sdn. Bhd.	Malaysia	100%	-	Investment holding, property investment and development
Majurama Developments Sdn. Bhd.	Malaysia	100%	-	Property development
Magilds Park Sdn. Bhd.	Malaysia	100%	-	Property development
Interest Held Through Golden Domain Holdings Sdn. Bhd.				
Lembah Langat Development Sdn. Bhd.	Malaysia	-	100%	Property investment and development
PTB Development Sdn. Bhd.	Malaysia	-	100%	Property development
PTB Horticulture Farm Sdn. Bhd.	Malaysia	-	100%	Property investment and development
Golden Domain Development Sdn. Bhd.	Malaysia	-	100%	Investment holding, property investment and development
Interest Held Through Golden Domain Development Sdn. Bhd.				
Majurama Developments Sdn. Bhd.	Malaysia	-	100%	Property development
Magilds Park Sdn. Bhd.	Malaysia	-	100%	Property development

The acquisitions and disposals of the subsidiaries were undertaken pursuant to the Group's internal reorganisation exercise as disclosed in Note 32. These acquisitions and disposals had no impact to the consolidated financial statements.

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12. Investments in associates

	Group/Company 2008 RM	2007 RM
Unquoted shares, at cost	114	114
Less: Impairment losses	(114)	(114)
	-	-

	Group 2008 RM	2007 RM
Represented by:-		
Share of net liabilities of associates	4,937,008	3,166,249
Share of cumulative losses not recognised	(4,251,020)	(2,538,437)
Share of exchange fluctuation reserve not recognised	(685,988)	(627,812)
	-	-

The Group's share of cumulative losses and exchange losses in the associates of RM4,937,008 (2007 : RM3,166,249) is not recognised as the share of post-acquisition losses in the associates is limited to the carrying amount of the investments.

The particulars of the associates are as follows:-

Name of Company	Country of Incorporation	Effective Equity Interest 2008	2007	Principal Activities
Fandison Resources Management Limited	Hong Kong	40%	40%	Investment holding
Subsidiary of Fandison Resources Management Limited				
Hainan Wansing Mineral Development Limited *	People's Republic of China	34%	34%	Production of mineral sand products

* Fandison Resources Management Limited owns 85% equity interest in Hainan Wansing Mineral Development Limited.

The share of net liabilities and share of results in associates not recognised are based on unaudited management financial statements.

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13. Investment properties

	Group	
	2008 RM	2007 RM
Long term leased land, at fair value/valuation		
At beginning of the year	116,041,154	93,385,500
Acquisition	12,415,503	-
Fair value adjustment	-	22,655,654
At end of the year	128,456,657	116,041,154
Land and building, at fair value/cost	10,140,981	10,140,981
	138,597,638	126,182,135

The long term leased land has an unexpired lease period of more than 50 years.

The fair value adjustment represents the increase in fair value of the investment properties located at Karambunai, Sabah based on market value determined by an independent professional valuer, following the adoption of the fair value model in accordance with the FRS 140.

14. Land held for property development

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Long term leasehold land, at cost				
At beginning of the year	51,102,592	15,500,000	-	-
Additions	-	35,602,592	-	-
Transfer from property development cost (Note 15)	38,363,473	-	38,363,473	-
At end of the year	89,466,065	51,102,592	38,363,473	-
Long term leased land, at group cost				
At beginning of the year	70,961,300	70,961,300	-	-
Rescission of sale	8,104,080	-	-	-
At end of the year	79,065,380	70,961,300	-	-
Long term leasehold land, at group cost				
At beginning of the year	42,885,268	56,021,689	-	-
Additions	1,754,620	-	-	-
Transfer to property development costs (Note 15)	-	(78,412)	-	-
Disposals	-	(13,058,009)	-	-
At end of the year	44,639,888	42,885,268	-	-
Total land costs carried down	213,171,333	164,949,160	38,363,473	-

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14. Land held for property development (cont'd)

	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Total land costs brought down	213,171,333	164,949,160	38,363,473	-
Development costs, at cost				
At beginning of the year	16,698,106	20,277,042	-	-
Additions	1,371,596	213,050	-	-
Transfer to property development costs (Note 15)	1,884,265	-	-	-
Written off	(158,083)	(453,816)	-	-
Rescission of sale	109,145	-	-	-
Disposals	-	(3,338,170)	-	-
At end of the year	19,905,029	16,698,106	-	-
Total land and development costs	233,076,362	181,647,266	38,363,473	-

(a) The long term leased and leasehold land have unexpired lease period of more than 50 years.

(b) The leased and leasehold land carried at the Group Cost are based on independent valuation on open market value basis carried out in 1999.

15. Property development costs

	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Freehold land, at cost				
At beginning of the year	28,063,739	15,888,247	-	-
Rescission of sale	-	922,897	-	-
Additions	1,138,865	19,014,348	-	-
Disposals	(249,195)	(7,761,753)	-	-
At end of the year	28,953,409	28,063,739	-	-
Long term leasehold land, at cost				
At beginning of the year	42,363,473	38,328,281	38,363,473	38,328,281
Additions	-	4,035,192	-	35,192
Transfer to land held for property development (Note 14)	(38,363,473)	-	(38,363,473)	-
At end of the year	4,000,000	42,363,473	-	38,363,473
Long term leasehold land, at group cost	3,435,945	3,435,945	-	-
Total land costs carried down	36,389,354	73,863,157	-	38,363,473

15. Property development costs (cont'd)

	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Total land brought down	36,389,354	73,863,157	-	38,363,473
Development costs, at cost				
At beginning of the year	28,455,771	24,014,717	-	-
Additions	13,100,470	4,890,860	-	-
Transfer from land held for property development (Note 14)	(1,884,265)	78,412	-	-
Disposals	-	(528,218)	-	-
At end of the year	39,671,976	28,455,771	-	-
Total land and development costs	76,061,330	102,318,928	-	38,363,473
Less: Cost recognised as an expense in income statement				
At beginning of the year	26,768,273	21,594,527	-	-
Current year	14,408,147	5,173,746	-	-
At end of the year	(41,176,420)	(26,768,273)	-	-
	34,884,910	75,550,655	-	38,363,473

The leasehold land carried at the Group Cost are based on independent valuation on open market value basis carried out in 1999.

(a) The long term leasehold lands have unexpired lease period of more than 50 years.

(b) The title to the leasehold land acquired by the Company during the year has not been transferred to the Company pending subdivision of land title.

16. Inventories

	Group 2008 RM	Group 2007 RM
Unsold completed properties		
At cost	6,025,867	7,066,204
At net realisable value	251,898	251,898
	6,277,765	7,318,102

Notes To The Financial Statements
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17. Short term investments

	Group/Company 2008 RM	Group/Company 2007 RM
Quoted investments in Malaysia		
At cost	189,492	548,836
Less: Write down	(94,101)	-
	95,391	548,836
Short-term funds (unquoted)	2,025,648	12,459,504
Total short term investments	2,121,039	13,008,340
At market value	2,121,039	13,073,509

Short-term funds represents placements in fixed income trust fund. The short-term funds bear interest at rates ranging from 2.39% to 2.46% (2007 : 3.29% to 3.50%) per annum and have an average maturity ranging from 1 to 365 days.

18. Receivables

		Group		Company	
	Note	2008 RM	2007 RM	2008 RM	2007 RM
Trade					
Trade receivables	a	24,819,331	37,601,763	-	-
Non-trade					
Other receivables	b	1,369,794	5,916,110	854,625	889,656
Deposits		4,165,775	4,559,029	153,780	153,780
Prepayments		16,472	2,804,961	16,472	1,229,614
Amount due by subsidiaries	c	-	-	85,501,229	97,184,695
Amount due by an associate	d	-	-	-	-
		5,552,041	13,280,100	86,526,106	99,457,745
		30,371,372	50,881,863	86,526,106	99,457,745

Note a
Trade receivables

	Group 2008 RM	Group 2007 RM
Balance outstanding	24,822,481	37,604,913
Less: Allowance for doubtful debts	(3,150)	(3,150)
	24,819,331	37,601,763

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18. Receivables (cont'd)

Included in trade receivables of the Group are:

(a) accrued billings in respect of property development cost of RM7,284,051 (2007 : RM737,719);

(b) trade debtors on the sales of development land pending the subdivision of land titles of Nil (2007 : RM14,113,439). During the year, the reduction in the trade receivable was due to the mutually agreed rescission of sale of development property; and

(c) retention sum held by stakeholders of RM894,527 (2007 : RM1,045,648).

The Group's normal trade credit term ranges from 14 to 90 days or according to payment terms as stated in the sale and purchase agreement. Other credit terms are assessed and approved on a case-by-case basis.

Note b
Other receivables
In previous year, included in other receivables of the Group is an amount of RM4,073,076 being advances to a contractor on development contracts awarded.

Note c
Amount due by subsidiaries

	Group	
	2008 RM	**2007 RM**
Amount due by subsidiaries	90,501,229	102,184,695
Less: Allowance for doubtful debts	(5,000,000)	(5,000,000)
	85,501,229	97,184,695

Included in the amount due by subsidiaries are amounts of RM141,370,287 (2007 : RM141,370,287) being balance of total purchase consideration of RM152,735,000 paid by the Company on behalf of its subsidiaries, for the acquisition of the Ulu Kelang Project, Ulu Yam Project and Bukit Ceylon Project. The purchase consideration was satisfied by the Company via the issuance of ICULS and proceeds from a right issue of RM99,500,000 and RM53,235,000 respectively.

These amounts are non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash.

Note d
Amount due by an associate

	Group/Company	
	2008 RM	**2007 RM**
Balance outstanding	8,004,752	8,004,752
Less: Allowance for doubtful debts	(8,004,752)	(8,004,752)
	-	-

This amount is non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash.

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19. Tax assets

This is in respect of tax recoverable from the Inland Revenue Board.

20. Cash and bank balances

		Group		Company	
	Note	2008 RM	2007 RM	2008 RM	2007 RM
Fixed deposits with licensed banks	a	1,380,924	1,329,436	50,000	50,000
Cash and bank balances		1,069,855	1,066,148	450,288	426,631
Cash held under housing development accounts	b	1,850,556	2,728,157	-	-
		4,301,335	5,123,741	500,288	476,631
Less: Fixed deposits held as security		(1,380,924)	(1,329,436)	(50,000)	(50,000)
Cash and cash equivalents		2,920,411	3,794,305	450,288	426,631

Note a
These fixed deposits are pledged as securities for bank guarantee facilities granted to the Group and the Company.

The fixed deposits of the Group and of the Company bear effective interest at rates ranging from 2.16% to 3.70% (2007: 2.16% to 4.00%) and 2.16% to 3.15% (2007 : 2.16% to 3.15%) per annum respectively.

Note b
The cash held under housing development accounts maintained pursuant to the requirements of the Housing Developers (Housing Development Account) Regulations, 1991 are not freely available for the Group's use.

21. Share capital

	Group/Company	
	2008 RM	2007 RM
Authorised:		
500,000,000 ordinary shares of RM1/- each	500,000,000	500,000,000
Issued and fully paid:		
344,292,335 ordinary shares of RM1/- each	344,292,335	344,292,335

21. Share capital (cont'd)

The number of issued and fully paid ordinary shares with voting rights as at the financial year end are as follows:-

	Group/Company	
	2008	**2007**
	RM	**RM**
Issued and fully paid ordinary shares of RM1/- each		
Total number of issued and fully paid ordinary shares	344,292,335	344,292,335
Less: Ordinary shares held as treasury shares	(271,700)	(271,700)
	344,020,635	344,020,635

As at financial year end, the number of unexercised detachable warrants 2000/2010 of the Company were 40,334,824 (2007 : 40,334,824). These warrants entitle its registered holders to subscribe for one new ordinary share of RM1 each in the Company at the exercise price of RM1.16 per new ordinary share.

22. Reserves

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM	**RM**	**RM**	**RM**
Non-distributable				
Revaluation reserve	1,569,936	1,569,936	-	-
Share premium	43,664,342	43,664,342	43,664,342	43,664,342
	45,234,278	45,234,278	43,664,342	43,664,342
Distributable				
Accumulated losses	(24,089,259)	(16,465,377)	(47,935,598)	(61,691,603)
Retained profits on sales of properties held under property, plant and equipment	4,859,585	3,526,514	4,519,264	4,519,264
	(19,229,674)	(12,938,863)	(43,416,334)	(57,172,339)
Treasury shares	(68,236)	(68,236)	(68,236)	(68,236)
	25,936,368	32,227,179	179,772	(13,576,233)

Revaluation reserve
The revaluation reserve relates to the revaluation of property, plant and equipment.

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22. Reserves (cont'd)

Treasury Shares

	Group/ Company			
	2008		2007	
	Number of shares of RM1 each	RM	Number of shares of RM1 each	RM
Shares repurchased and held as treasury shares	271,700	68,236	271,700	68,236

There were no resale, cancellation or distribution of treasury shares during the financial year.

23. Irredeemable convertible unsecured loan stocks

	Group/Company	
	2008 RM	2007 RM
Equity Instrument		
Irredeemable convertible unsecured loan stocks	2,100,000	2,100,000

The Irredeemable Convertible Unsecured Loan Stocks 2000/2010 ("ICULS") at nominal value of RM1 each were issued on 2 February 2000 and are constituted by a Trust Deed dated 28 January 2000 made between the Company and the trustee for the holders of the ICULS. The main features of the ICULS are as follows:

(a) the ICULS may be convertible at a conversion price of RM1.16 nominal value of ICULS for each new ordinary share of RM1 each in the Company on the following staggered conversion period:

Year Of ICULS In Issue	Percentage Convertible
First	Up to maximum of 30% of their holding
Second	Up to maximum of 30% of their holding
Third	Up to maximum of 40% of their holding

(b) the remaining ICULS shall be converted into fully paid ordinary shares of RM1 each in the Company on the maturity date of ten years from the date of issue of the ICULS at the rate of RM1.16 nominal value of the ICULS; and

(c) upon conversion of the ICULS into new ordinary shares, such shares should rank pari passu in all respect with the existing ordinary shares of the Company in issue at the time of conversion except that they would not be entitled to any rights allotment, dividends or other distributions declared in respect of a financial year on or before the financial year in which the ICULS are converted or any interim dividend declared on or before the date of conversion of the ICULS.

There were no ICULS converted into new ordinary share of the Company during the financial year.

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24. Finance lease liabilities

	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
Gross instalment payments	484,550	462,170	243,150	297,186
Less: Future finance charges	(44,177)	(52,554)	(24,226)	(36,070)
Present value of finance lease liabilities	440,373	409,616	218,924	261,116
Payable within 1 year				
Gross instalment payments	113,831	87,036	54,036	54,036
Less: Future finance charges	(18,076)	(17,735)	(9,495)	(11,844)
Present value of finance lease liabilities	95,755	69,301	44,541	42,192
Payable after 1 year but not later than 5 years				
Gross instalment payments	370,719	348,128	189,114	216,144
Less: Future finance charges	(26,101)	(34,476)	(14,731)	(23,883)
Present value of finance lease liabilities	344,618	313,652	174,383	192,261
Payable after 5 years				
Gross instalment payments	-	27,006	-	27,006
Less: Future finance charges	-	(343)	-	(343)
Present value of finance lease liabilities	-	26,663	-	26,663
	440,373	409,616	218,924	261,116
Present value of finance lease liabilities				
- Within 1 year	95,755	69,301	44,541	42,192
- More than 1 year	344,618	340,315	174,383	218,924
	440,373	409,616	218,924	261,116

Notes To The Financial Statements
31 October 2008

24. Finance lease liabilities (cont'd)

The maturity profile of the finance lease liabilities are as follows:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Payable within 1 year	95,755	69,301	44,541	42,192
Payable after 1 year but not later than 2 years	100,503	72,947	46,891	44,541
Payable after 2 years but not later than 3 years	105,249	76,595	49,240	46,891
Payable after 3 years but not later than 4 years	109,978	80,240	51,589	49,240
Payable after 4 years but not later than 5 years	28,888	83,870	26,663	51,589
Payable after 5 years	-	26,663	-	26,663
	440,373	409,616	218,924	261,116

The finance lease liabilities bear interest at rates ranging from 4.23% to 5.57% (2007 : 4.23% to 5.57%) per annum.

25. Deferred taxation

	Group	
	2008 RM	2007 RM
Deferred tax liabilities		
At beginning of the year	32,932,344	31,397,000
Recognised in income statement (note 7)	(184,601)	1,799,344
Recognised in equity	-	(264,000)
At end of the year	32,747,743	32,932,344

The above deferred tax liabilities/(assets) are in respect of:

	Group	
	2008 RM	2007 RM
Fair value adjustment on investment properties in a subsidiary	10,157,254	10,157,254
Revaluation surplus on revaluation of development properties in the subsidiaries to group cost	25,367,989	23,712,690
Others	(481,800)	(680,900)
Unabsorbed capital allowances	(900)	(9,400)
Unrelieved tax losses	(2,294,800)	(247,300)
	32,747,743	32,932,344

Notes To The Financial Statements
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25. Deferred taxation (cont'd)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2008 RM	**2007 RM**	**2008 RM**	**2007 RM**
Unrelieved tax losses	17,602,000	26,542,400	8,352,400	22,823,800
Unabsorbed capital allowance	4,646,600	9,629,600	1,101,900	1,025,000
Impairment loss on property, plant and equipment	6,387,000	6,387,000	-	-
Others	247,900	243,600	108,800	7,800
	28,883,500	42,802,600	9,563,100	23,856,600

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group and the Company can utilise the benefits there from.

26. Payables

		Group		Company	
	Note	**2008 RM**	**2007 RM**	**2008 RM**	**2007 RM**
Trade					
Trade payables	a	4,279,786	2,948,224	5,009	5,009
Non-trade					
Amount due to subsidiaries	b	-	-	246,417,935	1,956,460
Other payables	c	5,159,721	5,902,739	3,117,162	3,101,845
Deposits received		311,990	747,112	91,600	91,600
Accruals	c	672,405	501,917	424,165	213,250
		6,144,116	7,151,768	250,050,862	5,363,155
		10,423,902	10,099,992	250,055,871	5,368,164

Note a
The normal trade credit term granted to the Group and the Company is 30 to 90 days.

Included in trade payables are:
(a) retention sums held from contractors of RM73,686 (2007 : RM73,686).
(b) in previous year, progress billings in respect of property development costs amounting to RM357,379.

Note b
These amounts are non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash.

Notes To The Financial Statements
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26. Payables (cont'd)

Note c
Included in the other payables and accruals are related party balances as follows:

	Group		Company	
	2008 RM	**2007 RM**	**2008 RM**	**2007 RM**
Amount due to companies in which directors have substantial direct and indirect financial interest	129,046	128,663	129,046	128,663

The above amounts are unsecured, interest free, repayable on demand and expected to be settled in cash.

27. Provisions

	Group	
	2008 RM	**2007 RM**
Current		
Provision for Infrastructure and Development Costs		
At beginning of the year	5,626,744	5,626,744
Utilised	(837,198)	-
At end of the year	4,789,546	5,626,744

The provision for infrastructure and development costs is made based on the Management's best estimates in respect of development properties sold by certain subsidiaries of which these subsidiary companies have either constructive or contractual obligation to incur the said expenses. These expenses are expected to be incurred within the normal operating cycles of the relevant development.

28. Segment reporting

Segment information is presented in respect of the Group's business segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets, liabilities and expenses.

Segment assets and liabilities do not include income tax assets and tax liabilities respectively. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one accounting period.

Inter-segment transactions have been entered into in the normal course of business under terms mutually agreed upon between the parties concerned.

Notes To The Financial Statements
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28. Segment reporting (cont'd)

Business Segments
The Group comprises the following two major business segments:

(i) Property development - property development.
(ii) Other operations - investment holding, provision of management and secretarial services and others.

Geographical Segments
As the Group operates within one geographical segment, geographical segment analysis is not applicable.

Major Business Segments

	Property Development RM	Other Operations RM	Eliminations RM	Consolidated RM
2008				
Revenue				
External revenue	18,110,603	-	-	18,110,603
Inter-segment revenue	-	3,206,724	(3,206,724)	-
Total revenue	18,110,603	3,206,724	(3,206,724)	18,110,603
Results				
Segment result	(6,038,904)	(4,630,878)	-	(10,669,782)
Dividend revenue				7,588
Interest revenue				382,217
Interest expenses				(22,357)
Taxation				4,011,523
Loss for the year				(6,290,811)
Other Information				
Segment assets	450,248,479	380,178,940	(381,229,362)	449,198,057
Unallocated corporate assets				3,501,963
Tax assets				3,863,356
Consolidated total assets				456,563,376
Segment liabilities	108,548,156	292,894,657	(386,229,365)	15,213,448
Unallocated corporate liabilities				440,373
Taxation				35,833,109
Deferred taxation				32,747,743
Consolidated total liabilities				84,234,673
Capital expenditure	128,493	29,537	-	158,030
Depreciation of property, plant and equipment	58,722	285,332	-	344,054

Notes To The Financial Statements
31 October 2008

28. Segment reporting (cont'd)

Major Business Segments (cont'd)

	Property Development RM	Other Operations RM	Eliminations RM	Consolidated RM
2007				
Revenue				
External revenue	21,174,778	-	-	21,174,778
Inter-segment revenue	-	3,364,431	(3,364,431)	-
Total revenue	21,174,778	3,364,431	(3,364,431)	21,174,778
Results				
Segment result	24,273,169	(5,388,701)	-	18,884,468
Dividend revenue				8,632
Interest revenue				252,738
Interest expenses				(14,193)
Taxation				(2,563,249)
Profit for the year				16,568,396
2007				
Other Information				
Segment assets	443,408,306	154,983,331	(149,761,688)	448,629,949
Unallocated corporate assets				14,337,776
Tax assets				13,832
Consolidated total assets				462,981,557
Segment liabilities	119,770,636	50,717,790	(154,761,690)	15,726,736
Unallocated corporate liabilities	148,500	261,116	-	409,616
Taxation	35,293,347	-	-	35,293,347
Deferred taxation	32,932,344	-	-	32,932,344
Consolidated total liabilities				84,362,043
Capital expenditure	165,093	116,590	-	281,683
Depreciation of property, plant and equipment	2,839	1,065,361	-	1,068,200
Waiver of debt	600,000	-	-	600,000

29. Financial instruments

(a) Financial Risk Management Policies

The Group is exposed to a variety of risks in the normal cause of business. The Group's risk management seeks to minimise the potential adverse effects from these exposures.

The main risks and corresponding management policies arising from the Group and the Company's normal course of business are as follows:

i. Interest Rate Risk
The Group's exposure to interest rate risk relates to interest bearing financial liabilities and financial assets. Interest bearing liability relates to finance lease liabilities which is minimal as this financial liability is to finance the acquisition of property, plant and equipment. Interest bearing financial assets include deposits which are short term in nature and are placed to satisfy conditions for bank facilities granted to the Group and for better yield returns than cash at banks.

ii. Market Risk
The Group's principal exposure to market risk arises from the quoted investments held for short term purposes. As the amount held is short term in nature, exposure to market risk is negligible.

iii. Credit Risk
The Group's exposure to credit risk arises from its receivables and the maximum risk associated with recognised financial assets is the carrying amounts as presented in the balance sheet.

The Group has a credit policy in place and the exposure to credit risk is managed through the application of credit assessments, approvals, credit limits and monitoring procedures.

The Group does not have any significant exposure to any individual customer.

iv. Liquidity and Cash Flow Risks
The Group actively manages its operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position.

(b) Fair Values

The methods and assumptions used to estimate the fair value of the following classes of financial assets and liabilities are as follows:-

i. Cash and Cash Equivalents, Receivables and Payables
The carrying amounts approximate fair values due to the relatively short term maturities of these financial assets and liabilities.

ii. Short Term Investments
The fair values of quoted investments are determined by reference to quoted market value.

iii. Borrowings
The fair value of finance lease liabilities is estimated using discounted cash flow analysis, based on current lending rates for similar types of borrowing arrangements.

Notes To The Financial Statements
31 October 2008

29. Financial instruments (cont'd)

(b) Fair Values (cont'd)

The carrying amounts of financial assets and liabilities recognised in the balance sheet approximate their fair values except for the following:

	Group		Company	
	Carrying Amount RM	Fair Value RM	Carrying Amount RM	Fair Value RM
2008				
Financial Asset				
Short term investments	2,121,039	2,121,039	2,121,039	2,121,039
Financial Liability				
Finance lease liabilities	440,373	426,650	218,924	214,629
2007				
Financial Asset				
Short term investments	13,008,340	13,073,509	13,008,340	13,073,509
Financial Liability				
Finance lease liabilities	409,616	396,816	261,116	255,790

The notional amounts and fair values of financial liabilities not recognised in the balance sheets are as follows:

	Notional Amount RM	Fair Value RM
Group		
2008		
Contingent liability in respect of legal claims	267,253	*-
2007		
Contingent liability in respect of legal claims	374,000	*-

* It is not practical to estimate the fair value of the contingent liabilities reliably due to uncertainties of timing, costs and eventual outcome.

30. Contingencies

Group

Certain purchasers have instituted legal proceedings against the subsidiary, Magilds Park Sdn. Bhd., for the recovery of progressive payments paid to the subsidiary amounting to RM314,503 (2007 : RM314,503) and liquidated ascertained damages of RM92,395 (2007 : RM92,395) of which RM406,898 (2007 : RM300,151) has been accrued for in the financial statements.

No additional provision has been made as the legal proceedings are still pending.

A sub-contractor has instituted legal action against the subsidiary, Magilds Park Sdn. Bhd., for the recovery of debts amounting to RM467,253 (2007 : RM467,253) of which RM200,000 (2007 : RM200,000) has been accrued in the financial statements.

The balance of claim amounting to RM267,253 (2007 : RM267,253) has not been accrued in the financial statements as the outcome of this litigation is still pending.

31. Related parties

(i) Identity of related parties

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

(ii) Related party transactions of the Company are as follows:

	Company	
	2008 RM	**2007 RM**
Paid and payable by subsidiaries		
Management fees	(3,206,724)	(3,364,431)
Dividend paid by subsidiary companies	(10,986,687)	-
Paid and payable to a company in which a director of the company has substantial direct and indirect financial interest		
Office rental	225,000	300,000
Acquisition of subsidiary companies from subsidiary companies	278,540,002	-

Notes To The Financial Statements
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31. Related parties (cont'd)

(iii) Related party transactions of the Group are as follows:

	Group	
	2008 RM	**2007 RM**
Paid and payable to a company in which a director of the company has substantial direct and indirect financial interest		
Office rental	225,000	300,000
Acquisition of leasehold land and building	12,000,000	-
Paid and payable by a company in which a director of the company has substantial direct and indirect financial interest		
Office rental	(57,306)	-

(iv) Key management personnel compensation

Key management personnel compensation is disclosed in Note 6.

32. Significant events

a) On 7 December 2007, the Group had on even date entered into a Sale & Purchase Agreement with Karambunai Corp Bhd ("KCB") to acquire approximately 8,201.86 square metres of leasehold land in Petaling Jaya together with a four storey building with an annexed single storey warehouse and ancillary building free from all encumbrances for a cash consideration of RM12 million. The acquisition was deemed a related party transaction by virtue of Tan Sri Dr. Chen Lip Keong, Datuk Wan Kassim Bin Ahmed, Chen Yiy Hwuan and Chen Yiy Fon being directors and/or substantial shareholder in both the Company and KCB. The acquisition was subsequently completed on 11 August 2008.

b) On 29 September 2008, the Company implemented an internal reorganisation exercise involving Petaling Tin Berhad and several of its wholly-owned subsidiaries.

   i) The following subsidiaries were acquired from Golden Domain Development Sdn. Bhd. for a total consideration of RM60,810,000:
      - Majurama Developments Sdn. Bhd.
      - Magilds Park Sdn. Bhd.

   ii) The following subsidiaries were acquired from Golden Domain Holdings Sdn. Bhd. for a total consideration of RM217,730,002:
      - Golden Domain Development Sdn. Bhd.
      - PTB Horticulture Farm Sdn. Bhd.
      - PTB Development Sdn. Bhd.
      - Lembah Langat Development Sdn. Bhd.

List of group properties

As At 31 October 2008

	Location	Description	Year of Expiry	Area (Hectares)	Age of Building	Existing Use	Net Book Value (RM'000)
1	H.S. (M) Title No. 2375, 2376 & 2377 Lot P.T. 546, 547 & 548 Mukim of Tanjong Dua Belas District of Kuala Langat Selangor Darul Ehsan	Leasehold land and building	2076	4.5	12	Factory premises	2,460
2	H.S. (D) Title No. 39909 Lot P.T. 19694, Mukim of Batu District of Gombak Selangor Darul Ehsan	Leasehold land	2064	12.6	-	Under development	44,608
3	H.S. (D) Title No. 63477 to 63670, 63734, 63737, 63742 & 63746 Lot Nos. P.T. 9835 to 10028, 10092, 10095, 10100 & 10104 Mukim of Ampangan, District of Seremban Negeri Sembilan Darul Khusus	Leasehold land	2088	5.5	-	Under development	18,604
4	Part of Master Title No. Country Lease 045091174 Mukim of Menggatal District of Tuaran, Kota Kinabalu Sabah	Leasehold land	2093	550.4	-	Development land	203,520
5	Parcel 28, being approved subdivision parcel of Master Title No. Country Lease 045091174, Mukim of Menggatal District of Tuaran, Kota Kinabalu Sabah	Leasehold land	2093	25.1	-	Development land	38,363
6	Part of Parent Lot No. 171, 202, 377, 411 & 412 Mukim of Hulu Klang, District of Gombak Selangor Darul Ehsan	Freehold land	-	4.2	-	Under development	27,656
7	Part of Parent Lot No. 377 & 411 Mukim of Hulu Klang, District of Gombak Selangor Darul Ehsan	Freehold land and building	-	1.1	9	Clubhouse	10,141
8	Lot P.T. 697, 698, 699, 700 & 701 Mukim of Ulu Yam, District of Ulu Selangor Selangor Darul Ehsan	Leasehold land	2083	47.0	-	Development land	15,648
9	H.S. (D) Lot No. PT 2180 & 2181 Mukim of Dengkil, District of Sepang Selangor Darul Ehsan	Leasehold land	2087	15.7	-	Development land	35,603
10	Lot No. 4, Section 36 Town of Petaling Jaya Selangor Darul Ehsan	Leasehold land and building	2060	0.8	10	Four storey office/ showroom building and annexed factory	12,416
							409,019

Shareholdings statistics
AS AT 29 FEBRUARY 2009

ANALYSIS OF SHAREHOLDINGS

Authorised Share Capital	:	RM500,000,000
Issued and Paid-up Share Capital	:	RM344,292,335
Class of securities	:	Ordinary Shares of RM1.00 each
Voting Rights	:	Every member present in person or by proxy has one (1) vote on a show of hands and on a poll, every member present in person or by proxy has one (1) vote for each share he holds.

Holdings	No. of Holders	Total Holdings*	%*
Less than 100	36	949	**
100 to 1,000	1,165	1,133,861	0.33
1,001 to 10,000	3,122	15,209,179	4.42
10,001 to 100,000	883	27,813,097	8.08
100,001 to less than 5% of issued shares	126	106,584,454	30.95
5% and above of issued shares	3	193,550,795	56.22
Total	**5,335**	**344,292,335**	**100.00**

* Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 25 February 2009

** Negligible

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Names	No. of Shares Held	%*
1.	CIMB Group Nominees (Asing) Sdn Bhd *Pledged securities account for Emden Investment Ltd*	107,146,552	31.12
2.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Tan Sri Dr Chen Lip Keong*	46,804,243	13.60
3.	HSBC Nominees (Tempatan) Sdn Bhd *Exempt an for JPMorgan Chase Bank*	39,600,000	11.50
4.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for The K.L. Regency Sdn Bhd*	15,517,241	4.51
5.	CIMB Group Nominees (Asing) Sdn Bhd *Pledged securities account for Fastrack Investments Limited*	10,344,828	3.00
6.	CIMB Group Nominees (Asing) Sdn Bhd *Pledged securities account for Profitline Worldwide Ltd*	10,344,828	3.00
7.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Quantum Symbol Sdn Bhd*	7,388,000	2.15
8.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Importex Sdn Bhd*	5,913,793	1.72
9.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Star Combination Sdn Bhd*	5,581,033	1.62

Shareholdings Statistics

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Names	No. of Shares Held	%*
10.	HDM Nominees (Tempatan) Sdn Bhd *Pledged securities account for Win Radiant Sdn Bhd*	5,000,000	1.45
11.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Asali Developments Sdn Bhd*	4,008,621	1.16
12.	Quantum Symbol Sdn Bhd	3,358,500	0.98
13.	HSBC Nominees (Asing) Sdn Bhd *Exempt an for JPMorgan Chase Bank*	2,738,000	0.79
14.	CIMSEC Nominees (Asing) Sdn Bhd *Exempt an for CIMB-GK Securities Pte Ltd*	2,197,200	0.64
15.	Lim Kim Hock	2,012,900	0.58
16.	Tan She Hoo	1,000,000	0.29
17.	HDM Nominees (Asing) Sdn Bhd *DBS Vickers Secs (S) Pte Ltd for Ong Hock Siong @ Benny Ong Hock Siong*	1,000,000	0.29
18.	HSBC Nominees (Asing) Sdn Bhd *HSBC-FS for Asian Emerging Countries Fund*	992,700	0.29
19.	Ng Chee Peng	979,900	0.28
20.	Ong Hock Siong @ Benny Ong Hock Siong	822,000	0.24
21.	HDM Nominees (Asing) Sdn Bhd *Phillip Sec Pte Ltd for Lee Yong Heok*	804,000	0.23
22.	HDM Nominees (Tempatan) Sdn Bhd *DBS Vickers Secs (S) Pte Ltd for Wee Cheow Beng*	800,000	0.23
23.	Citigroup Nominees (Asing) Sdn Bhd *Exempt an for OCBC Securities Pte Ltd*	754,480	0.22
24.	Tan Sri Dr Chen Lip Keong	749,700	0.22
25.	RHB Capital Nominees (Tempatan) Sdn Bhd *Pledged securities account for Phoa Boon Ting*	730,000	0.21
26.	Khor Kar Hor	662,900	0.19
27.	Anchor Peak Sdn Bhd	652,524	0.19
28.	Rainbow Fortune Sdn Bhd	543,103	0.16
29.	Dato' Teo Soo Cheng	500,000	0.15
30.	Pek Kem Hua @ Pek Kim Cheng	500,000	0.15
	Total	**279,447,046**	**81.16**

* Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 25 February 2009

Shareholdings Statistics

ANALYSIS OF WARRANT HOLDINGS

No. of Warrants Issued	:	40,336,824
No. of Warrants Exercised to date	:	2,000 *(No Warrant was exercised during the year)*
No. of Warrants Outstanding	:	40,334,824
Class of Securities	:	Warrants 2000/2010
Voting Rights	:	Every Warrant holder present in person or by proxy shall be entitled on a show of hands to one (1) vote and every Warrant holder present in person or by proxy shall be entitled on a poll to one (1) vote for each share to which such holder would be entitled at the exercise price on the exercise in full of the subscription rights represented by such holder's Warrant.

Holdings	No. of Holders	Total Holdings	%
Less than 100	22	1,008	**
100 to 1,000	402	362,521	0.90
1,001 to 10,000	1,791	7,332,304	18.18
10,001 to 100,000	367	11,928,791	29.58
100,001 to less than 5% of outstanding warrants	40	7,016,200	17.39
5% and above of outstanding warrants	2	13,694,000	33.95
Total	**2,624**	**40,334,824**	**100.00**

** Negligible

LIST OF THIRTY (30) LARGEST WARRANT HOLDERS

No.	Names	No. of Warrants Held	%
1.	HSBC Nominees (Tempatan) Sdn Bhd *Exempt an for JPMorgan Chase Bank*	10,000,000	24.79
2.	Quantum Symbol Sdn Bhd	3,694,000	9.16
3.	CitiGroup Nominees (Asing) Sdn Bhd *Exempt an for OCBC Securities Pte Ltd*	529,800	1.31
4.	Ding Leh Chek @ Ting Lay Chik	457,000	1.13
5.	Tan Boon Pi @ Tan Hoy	313,200	0.78
6.	Anwar Ali Bin Saleh Mohamed	278,200	0.69
7.	Tan Sri Dr Chen Lip Keong	215,048	0.53
8.	HDM Nominees (Asing) Sdn Bhd *Philip Securities Pte Ltd for Ng Kate Jeah*	200,000	0.50
9.	Lee Yoon Sang	200,000	0.50
10.	Chua Chin Yap	190,000	0.47

Shareholdings Statistics

LIST OF THIRTY (30) LARGEST WARRANT HOLDERS (CONT'D)

No.	Names	No. of Warrants Held	%
11.	A. A. Anthony Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lee Leong Chu*	186,000	0.46
12.	Yio Kim Sim	185,000	0.46
13.	Wong Teik Poh	180,000	0.45
14.	Lee Mee Kuen	180,000	0.45
15.	Lee Kam Fook	180,000	0.45
16.	Wong Yin	171,300	0.42
17.	Yow Swee Pin	170,000	0.42
18.	Cheah Boon Kiat	167,000	0.41
19.	Koh Cheng Kiat	165,000	0.41
20.	Koay Mooi Choon	160,000	0.40
21.	EB Nomimees (Asing) Sdn Bhd *Pledged Securities account for Walter Wurtz*	160,000	0.40
22.	Hussain Bin Taib	160,000	0.40
23.	Syarikat Senky Dredging Sdn Bhd	150,952	0.37
24.	Tan Yang Ya	150,000	0.37
25.	Phang Wai Kit	150,000	0.37
26.	Lim Siak Kuang	145,000	0.36
27.	Yap Siow Kim	142,000	0.35
28.	Chong Yu Song	142,000	0.35
29.	Sow Chi Ken	140,000	0.35
30.	Tan Say Cheng	138,500	0.34
Total		**19,300,000**	**47.85**

Shareholdings Statistics

ANALYSIS OF ICULS HOLDINGS

No. of ICULS Issued	: 284,500,000
No. of ICULS Converted	: 282,400,000
No. of ICULS Outstanding	: 2,100,000
Class of Securities	: Zero Coupon Irredeemable Convertible Unsecured Loan Stocks 2000/2010 ("ICULS").The ICULS are not listed on Bursa Malaysia Securities Berhad.
Voting Rights	: Every ICULS holder who (being an individual) is present in person or by proxy or (being a corporation) is present by its duly authorised representative or by its proxy shall have one (1) vote on a show of hands and on a poll, every ICULS holder present in person or by proxy shall have one (1) vote for every RM1.00 nominal amount of ICULS of which he is the holder.

Holdings	No. of Holders	Total Holdings	%
Less than 100	-	-	-
100 to 1,000	-	-	-
1,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 to less than 5% of outstanding ICULS	-	-	-
5% and above of outstanding ICULS	2	2,100,000	100.00
Total	**2**	**2,100,000**	**100.00**

LIST OF ICULS HOLDERS

No.	Names	No. of ICULS Held	%
1.	Chan Peng Leong	1,470,000	70.00
2.	Dato' Dr Abdul Razak bin Abdul	630,000	30.00
	Total	**2,100,000**	**100.00**

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Number of Ordinary Shares of RM1.00 Each Held					
Name	Direct Interest	%*	Deemed Interest	%*	Total Interest	%*
Tan Sri Dr Chen Lip Keong	91,777,443 (a)	26.68	26,082,179 (b)	7.58	117,859,622	34.26
Emden Investment Limited	107,146,552 (c)	31.15	-	-	107,146,552	31.15
Chin Chee Kuang	-		107,146,552 (d)	31.15	107,146,552	31.15

Notes

(a) Held as registered holder and through HSBC Nominees (Tempatan) Sdn Bhd and CIMB Group Nominees (Tempatan) Sdn Bhd.
(b) Deemed interested by virtue of his interest in Asali Developments Sdn Bhd, Importex Sdn Bhd and The K.L. Regency Sdn Bhd and his deemed interest in Anchor Peak Sdn Bhd.
(c) Held through CIMB Group Nominees (Asing) Sdn Bhd.
(d) Deemed interested by virtue of his interest in Emden Investment Limited.
* Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 25 February 2009.

Shareholdings Statistics

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S INTERESTS IN THE COMPANY AND RELATED CORPORATIONS

In Petaling Tin Berhad

	Number of Ordinary Shares of RM1.00 Each Held					
Name	Direct Interest	%*	Deemed Interest	%*	Total Interest	%*
Tan Sri Dr Chen Lip Keong	91,777,443 [(a)]	26.68	26,082,179 [(b)]	7.58	117,859,622	34.26
Datuk Haji Jaafar bin Abu Bakar	5,000	**	-	-	5,000	**
Datuk Wan Kassim bin Ahmed	-	-	-	-	-	-
Dato' Nik Kamaruddin bin Ismail	-	-	-	-	-	-
Tiang Chong Seong	-	-	-	-	-	-
Lim Mun Kee	-	-	-	-	-	-
Chen Yiy Hwuan	-	-	-	-	-	-
Chen Yiy Fon	-	-	-	-	-	-
Leong Choong Wah	-	-	-	-	-	-

* Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 25 February 2009.

In Petaling Tin Berhad

	Number of Warrants Held					
	Direct Interest	%	Deemed Interest	%	Total Interest	%
Tan Sri Dr Chen Lip Keong	10,217,048	25.33	-	-	10,217,048	25.33
Datuk Haji Jaafar bin Abu Bakar	2,000	**	-	-	2,000	**
Datuk Wan Kassim bin Ahmed	-	-	-	-	-	-
Dato' Nik Kamaruddin bin Ismail	-	-	-	-	-	-
Tiang Chong Seong	-	-	-	-	-	-
Lim Mun Kee	-	-	-	-	-	-
Chen Yiy Hwuan	-	-	-	-	-	-
Chen Yiy Fon	-	-	-	-	-	-
Leong Choong Wah	-	-	-	-	-	-

Notes

(a) Held as registered holder and through HSBC Nominees (Tempatan) Sdn Bhd and CIMB Group Nominees (Tempatan) Sdn Bhd.
(b) Deemed interested by virtue of his interest in Asali Developments Sdn Bhd, Importex Sdn Bhd and The K.L. Regency Sdn Bhd and his deemed interest in Anchor Peak Sdn Bhd.
(c) By virtue of his substantial interests in the Company, Tan Sri Dr Chen Lip Keong is deemed to have an interest in all shares held by the Company in its related corporations.
(d) Save as disclosed, none of the directors have any interests in the shares, warrants and ICULS of the Company or its related corporations as at 25 February 2009.
** Negligible

Notice of annual general meeting

NOTICE IS HEREBY GIVEN that the Eighty - Third Annual General Meeting of Petaling Tin Berhad will be held at Dewan Perdana, 1st Floor, Sports Complex, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 28 April 2009 at 10.30 a.m. for the following purposes:-

AGENDA

As Ordinary Business

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 October 2008 together with the Reports of Directors and Auditors thereon.
   Ordinary Resolution 1

2. To approve the payment of Directors' fees of RM276,000.00 for the financial year ended 31 October 2008.
   Ordinary Resolution 2

3. To re-elect the following Directors who are retiring pursuant to Article 80 of the Company's Articles of Association, and being eligible, offer themselves for re-election:-

   (a) Tan Sri Dr Chen Lip Keong
   Ordinary Resolution 3

   (b) Tiang Chong Seong
   Ordinary Resolution 4

4. To appoint Auditors and to authorise the Directors to fix their remuneration.

   Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965 (a copy of which is annexed and marked "Annexure A" as in the Annual Report 2008) has been received by the Company for the nomination of Messrs. Moore Stephens AC who have given their consent to act, for appointment as Auditors of the Company and to propose the following Ordinary Resolution:-

   "**THAT** the retirement of Messrs. Moore Stephens as Auditors of the Company be and is hereby accepted and in place thereof, Messrs. Moore Stephens AC having consented to act, be and are hereby appointed Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and authority be and is hereby given for the Directors to determine their remuneration."
   Ordinary Resolution 5

As Special Business

5. To consider and, if thought fit, to pass the following Ordinary Resolutions:-

   (a) Authority to Allot and Issue Shares pursuant to Section 132D of the Companies Act, 1965

   "**THAT** the Directors of the Company be and are hereby authorised, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company at any time subject to Section 132D(3) and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued capital of the Company for the time being."
   Ordinary Resolution 6

   (b) Proposed Renewal of Authority for Share Buy-Back ("Proposal")

   (The text of the above resolution together with the details of the Proposal are set out in the Statement to Shareholders dated 3 April 2009 which is enclosed together with the Annual Report.)
   Ordinary Resolution 7

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

By Order of the Board

LAM HOI KHONG (MIA 18848)
VOON YOON MEI (MAICSA 0802554)
Company Secretaries

Petaling Jaya
3 April 2009

Notice Of Annual General Meeting

Notes:-

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote, in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

3. The instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if such appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised.

4. The instrument appointing a proxy and the power of attorney or other authority (if any) under which the instrument is signed or a notarily certified copy of that power or authority, shall be deposited at the Share Registrar of the Company at Ground Floor, No.118, Jalan Semangat, 46300 Petaling Jaya at least forty-eight (48) hours before the time for holding the meeting or adjourned meeting.

5. The 2008 Annual Report is in CD-ROM format. Printed copies of the Annual Report shall be provided to the shareholders upon request. Shareholders who wish to receive a printed copy of the Annual Report and who require assistance with viewing the CD-ROM, kindly contact Goh Chin Khoon at Tel : 603-79681001 & Fax : 603-79588013 or Voon Yoon Mei at Tel : 603-79681222 & Fax : 603-79541155 or e-mail to comsec@ptb.com.my

Explanatory Notes on Special Business:-

1. Ordinary Resolution 6 is proposed pursuant to Section 132D of the Companies Act, 1965 and if passed, will empower the Directors to issue shares up to 10% of the issued capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the next Annual General Meeting of the Company.

2. Ordinary Resolution 7, if passed, is to give authority to the Directors to purchase the Company's own shares. This authority will expire at the next Annual General Meeting of the Company unless earlier revoked or varied by an ordinary resolution of the Company at a general meeting. Further information is set out in the Statement to Shareholders which is despatched together with the Annual Report 2008.

Statement Accompanying Notice of Annual General Meeting

1. Name of the Directors who are standing for re-election

   (a) Tan Sri Dr Chen Lip Keong
   (b) Tiang Chong Seong

2. Details of attendance of Directors at Board Meetings

   The details are set out on page 8 of the Annual Report.

3. Date, Time and Venue of the Annual General Meeting

   Tuesday, 28 April 2009 at 10.30 a.m.

   Dewan Perdana, 1st Floor, Sports Complex, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur

4. Further details of Directors who are standing for re-election

   The further details of the Directors who are standing for reelection are disclosed under Profile of Directors/CEO on pages 6 to 7 of this Annual Report. The shareholdings of these Directors in the Company are disclosed under Analysis of Shareholdings on page 79 of this Annual Report.

Annexure A

3 March 2009

Datuk Haji Jaafar Bin Abu Bakar
No. 5 Jalan 4/3, 43650 Bandar Baru
Bangi, Selangor Darul Ehsan.

The Board of Directors
Petaling Tin Berhad
No. 118 Jalan Semangat
46300 Petaling Jaya.

Dear Sirs,

NOTICE OF NOMINATION OF MESSRS MOORE STEPHENS AC

I, Datuk Haji Jaafar Bin Abu Bakar, a member of Petaling Tin Berhad, hereby give notice, pursuant to Section 172(11) of the Companies Act, 1965 of my nomination of Messrs Moore Stephens AC as auditors of the Company in place of the retiring auditors, Messrs Moore Stephens.

Yours faithfully,

DATUK HAJI JAAFAR BIN ABU BAKAR

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Request form

PETALING TIN BERHAD (324-H)
Incorporated in Malaysia

Dear Shareholders,

Please complete your particulars below and return this form through mail or fax to 603 7954 1155 or 603 7958 8013 should you wish to receive a hardcopy of the Annual Report 2008 of Petaling Tin Berhad. You may also contact Mr Goh Chin Khoon at Tel No. 603 7968 1001 or Ms Voon Yoon Mei at Tel No. 603 7968 1222 or email your request to comsec@ptb.com.my

The hardcopy of the Annual Report will be posted to you within four (4) market days from the date of receipt of your verbal or written request.

Particulars of Shareholders

Name of shareholder	
I/C No./Passport No. or Company No.	
CDS Account No.	
Correspondence Address	
Telephone Number	

Dated this________________day of________________, 2009

____
Signature

Affix Stamp

The Share Registrar of Petaling Tin Berhad **(324-H)**
Semangat Corporate Resources Sdn Bhd
Ground Floor, No. 118, Jalan Semangat
46300 Petaling Jaya, Selangor Darul Ehsan
Malaysia

Proxy form

PETALING TIN BERHAD (324-H)
Incorporated in Malaysia

No. of shares : ______________ CDS Account No. : ______________

I/We ______________________________
(Full Name of Shareholder)

of ______________________________
(Full Address of Shareholder)

being a member of Petaling Tin Berhad, hereby appoint ______________________________
(Full Name of Proxy)

of ______________________________
(Full Address of Proxy)

or failing him/her, ______________________________
(Full Name of Proxy)

of ______________________________
(Full Address of Proxy)

or failing him, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Eight-Third Annual General Meeting of the Company to be held at Dewan Perdana, 1st Floor, Sports Complex, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 28 April 2009 at 10:30 a.m. and at any adjournment thereof.

No.	Ordinary Resolutions	For	Against
1	Adoption of audited financial statements and reports.		
2	Approval of the payment of directors' fees.		
3	Re-election of Tan Sri Dr Chen Lip Keong.		
4	Re-election of Tiang Chong Seong.		
5	Retirement of Messrs Moore Stephens and appointment of Messrs Moore Stephens AC as auditors.		
6	Authority pursuant to Section 132D of the Companies Act, 1965.		
7	Proposed Renewal of Authority for Share Buy-Back		

(Please indicate with an "x" in the appropriate box how you wish your vote to be cast. If this Proxy Form is returned without any indication as how the proxy shall vote, the proxy will vote or abstain from voting as he thinks fit.)

Signed this ______________ day of ______________, 2009

Signature/Seal of Shareholder : ______________ Telephone No. (during office hours) : ______________

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote, in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

3. The instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if such appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised.

4. The instrument appointing a proxy and the power of attorney or other authority (if any) under which the instrument is signed or a notarily certified copy of that power or authority, shall be deposited at the Share Registrar of the Company at Ground Floor, No.118, Jalan Semangat, 46300 Petaling Jaya at least forty-eight (48) hours before the time for holding the meeting or adjourned meeting.

Affix Stamp

The Share Registrar of Petaling Tin Berhad **(324-H)**
Semangat Corporate Resources Sdn Bhd
Ground Floor, No. 118, Jalan Semangat
46300 Petaling Jaya, Selangor Darul Ehsan
Malaysia