



CCK CONSOLIDATED HOLDINGS BERHAD

396692-T



ANNUAL REPORT
2012



Vision

The Food People
of Choice

Mission

We are committed to provide quality food through our dedicated team of people to our customers thereby enhancing the economic well-being and quality of life of stakeholders

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Tiong Su Kouk
Non-Independent Non-Executive Chairman

Chong Shaw Fui
Executive Vice Chairman

Tiong Chiong Hiiung
Group Managing Director

Tiong Chiong Soon
Executive Director

Lau Liong Kii
Executive Director

Ling Ting Leong @ Ling Chong Seng
Executive Director

Kueh Chung Peng
Executive Director

Wong See Khong
Non-Independent Non-Executive Director

Pemanca Janggu anak Banyang
Independent Director

Douglas Jerukan @ Jarukan ak Kanyan
Independent Director

Datu Haji Putit bin Matzen
Independent Director

Bong Wei Leong
Independent Director

REGISTERED OFFICE

Lot 999, Section 66, Jalan Keluli
Bintawa Industrial Estate
93450 Kuching, Sarawak, Malaysia

Tel: 082-336520
Fax: 082-331479

SHARE REGISTRAR

Symphony Share Registrars Sdn. Bhd.
Level 6, Symphony House
Block D13, Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Tel: 03-7841 8000
Fax: 03-7841 8008

COMPANY SECRETARIES

Ling Ting Leong @
Ling Chong Seng
(MACS 00754)

Voon Jan Moi
(MAICSA 7021367)

AUDITORS

Crowe Horwath
Chartered Accountants
2nd Floor, No.1
Lorong Pahlawan 7A2
Jalan Pahlawan
96000 Sibu
Sarawak, Malaysia

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad
RHB Bank Berhad
Hong Leong Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa
Malaysia Securities Berhad

Stock Name : CCK

Stock Code : 7035

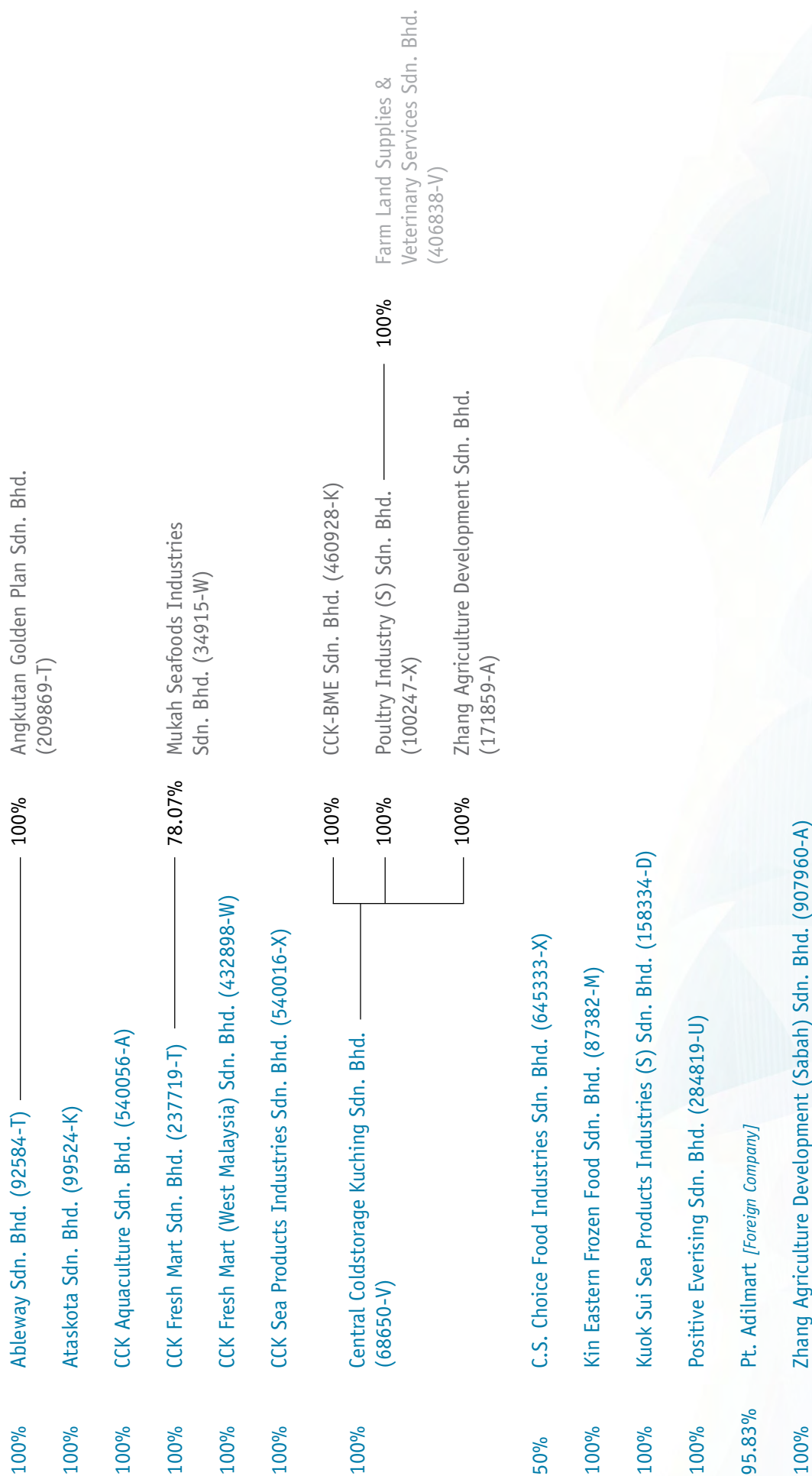
WEBSITE

www.cck.com.my



CCK CONSOLIDATED HOLDINGS BERHAD (396692-T)

CORPORATE STRUCTURE



CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Audited Financial Statements of CCK Consolidated Holdings Berhad and its Group of Companies for the financial year ended 30 June 2012.

*Datuk Tiong Su Kouk
Chairman*



FINANCIAL AND OPERATIONS REVIEW

The financial year under review was very challenging with significant increases in chicken feed costs as the global prices of soyabean and corn surged. With the price of raw materials increasing, production costs would inevitably rise. The Malaysian economic growth was largely domestic driven due to uncertainties in the global economy.

The highest grain prices combined with a dip in world economic growth will reduce the world growth in chicken production to 2.0% in 2012. Growth is expected to pick up in late 2013. This should bid well for Malaysian poultry companies as Malaysia is the third largest producer of poultry meat in the Asia Pacific Region.

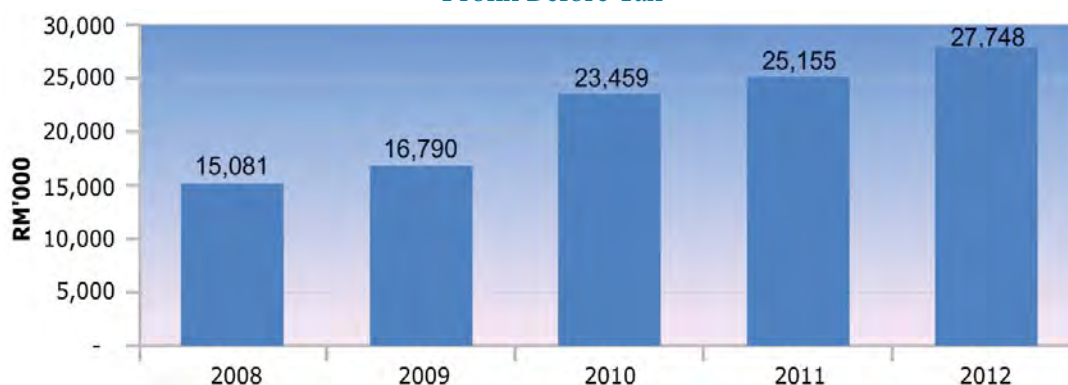
Despite the difficult and challenging economic environment, we are proud of our excellent performance as shown below:

- The Group's revenue increased by 9.2% from RM376.6 million in 2011 to RM411.3 million in 2012;
- Pretax profit increased by 10.31% from RM25.15 million in 2011 to RM27.74 million in 2012;
- Shareholders' funds improved by a commendable 9.57% to RM142.4 million from RM130 million as at 30 June 2011;
- Earnings per share rose from 11.76 sen in 2011 to 13.12 sen for the financial year ended 30 June 2012.

Revenue



Profit Before Tax



CHAIRMAN'S STATEMENT (CONT'D)

Despite the challenging economic environment of higher costs, our retail sector, with strong support from our poultry sector, surged ahead with our expansion programme by opening five (5) new stores during the financial year under review. The encouraging contributions these the new stores coupled with those opened in the previous financial year, provided the impetus for the increase in the retail segment results.

DIVIDEND

The Board has recommended a final single tier dividend of 4 sen per share in respect of the financial year ended 30 June 2012, for the approval of the shareholders at the forthcoming Annual General Meeting.

CORPORATE SOCIAL RESPONSIBILITY

The Group aims to conduct its business in a socially responsible manner, to contribute to the communities in which it operates and to respect the needs of employees, investors, customers, suppliers, regulators and other stakeholders.

CCK Group aims to be a responsible employer and adopt values and standards designed to help and guide our staff in their conduct and business relationships. We recognize that our employees are an essential asset to the Group. As such, the occupational safety and health of all our employees is paramount. Hence, the Group strives to comply with all the standards on health and safety of the Department of Safety and Health Malaysia ("DOSH") and the Ministry of Health.

CCK Group complies with relevant environmental laws and we implement best environmental practice in all our activities. We are aware that our activities have an impact on our earth. In this regard, we continuously monitor and maintain our waste water treatment system to ensure that the discharged water from the Group's processing plants comply with the requirements of the Environmental Quality Act 1974.

CCK Group is committed to supporting our local communities and making an impact on the lives of the needy. One of our programs this year involved donating ten (10) computers to Sekolah Menengah Kebangsaan Kampung Nangka in contribution towards the government's move in encouraging computer literacy amongst Malaysians.



CHAIRMAN'S STATEMENT (CONT'D)

PROSPECTS

With increasing inflation in the food and beverage category of the Consumer Price Index (CPI), the coming financial year will be a challenging one for the average consumer. The strategic initiatives of the 2013 Budget focuses on improving the rakyat's quality of life by ensuring sustainable economic growth, prudent spending and reducing the fiscal deficit. The Malaysian government has announced several measures, including reducing the imports of foodstuff from overseas, to address the issues of inflation as a result of increasing food prices.

Although business conditions are expected to remain bullish, our retail and poultry segments will continue to spearhead CCK's expansion in Sabah, Sarawak and Indonesia.

APPRECIATION

I would like to record my sincere appreciation to my fellow Directors on the Board for their continue support. I would also like to convey my gratitude to the management team and employees for their unwavering loyalty, dedication, hard work and commitment in making this another successful year for the Group.

Finally, our gratitude is also extended to our customers, suppliers, bankers, advisors and various government authorities and business partners for their continued support and confidence in our Group.

DATUK TIONG SU KOUK

Chairman

DIRECTOR'S PROFILE

Datuk Tiong Su Kouk

Non-Independent Non-Executive Chairman

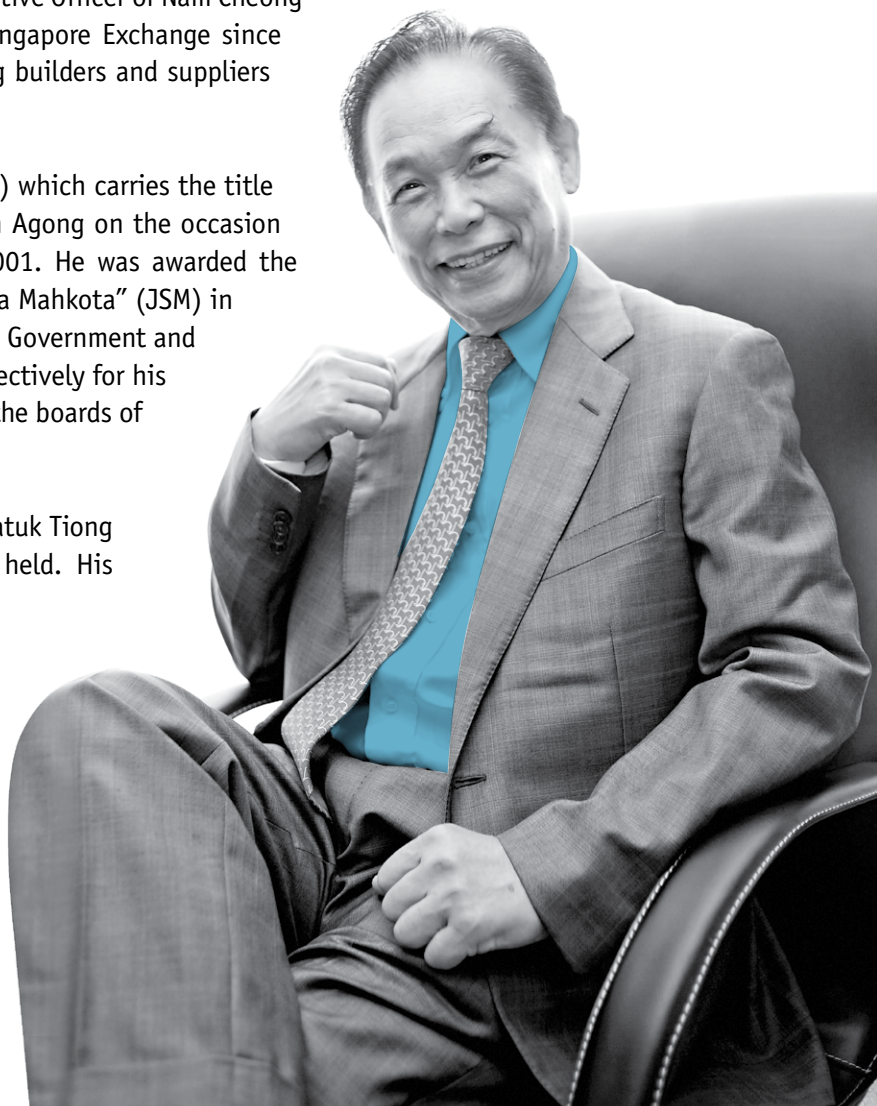
Datuk Tiong Su Kouk, a Malaysian aged 70, is a businessman. He is the founder of CCK Consolidated Holdings Berhad ("CCK") and its subsidiaries ("CCK Group" or "the Group"). He was appointed as Executive Chairman to the Board of CCK on 15 July 1997 and re-designated as Non-Independent Non-Executive Chairman on 20 March 2002. He is also a member of the Audit Committee of CCK and Chairman of the Nomination and Remuneration Committees of CCK. He also acts as Chairman of the other companies within the CCK Group. Under his stewardship, the CCK Group has progressed from a small family-run business to one of Sarawak's largest integrated poultry producers and producers of frozen seafood.

Datuk Tiong began his career as a seafood trader at the age of 14. He also involved in poultry industries for the past twenty seven years. He is a well-respected member of the industry in Sarawak and brings to the Group his wealth of experience gained in the past. Additionally, Datuk Tiong also sits on various school boards and is actively involved in the Foochow and Tiong Associations in Malaysia. He is the Life Honorary President of the Sibu Chinese Chamber of Commerce and Industry and the Honorary President of The Associated Chinese Chambers of Commerce and Industry Of Sarawak. He was appointed as the Honorary Life President of World Federation of Foochow Association in 2004 and the Honorary Life Chairman and Founder of the World Zhang Clan Association in 2011.

He is also the Executive Chairman and Chief Executive Officer of Nam Cheong Limited ("NCL"), a public company listed on Singapore Exchange since April 2011. The NCL Group is one of the leading builders and suppliers of Offshore Support Vessels in Malaysia.

He was conferred the Panglima Jasa Negara (PJN) which carries the title "Datuk" by Seri Paduka Baginda Yang Di-Pertuan Agong on the occasion of His Excellency's 75th Birthday on 2 June 2001. He was awarded the "Pingat Bintang Sarawak" (PBS) and "Johan Setia Mahkota" (JSM) in 1987 and 2000 respectively by the Sarawak State Government and Seri Paduka Baginda Yang Di-Pertuan Agong respectively for his contributions to the community. He also sits on the boards of other private limited companies.

During the financial year ended 30 June 2012, Datuk Tiong has attended all the five (5) Board meetings held. His shareholdings in CCK as at 19 October 2012 are disclosed on page 116 of this annual report.



DIRECTOR'S PROFILE (CONT'D)



Chong Shaw Fui

Executive Vice Chairman

Mr. Chong Shaw Fui, a Malaysian aged 67. He was appointed as Executive Vice Chairman to the Board of CCK on 15 July 1997. He is responsible for the management of the poultry business unit, which ranges from the breeding, hatchery to the production line accordingly.

Mr. Chong brings to the CCK Group a vast and invaluable experience of over thirty seven years in the poultry industry. He commenced his poultry breeding experience in Singapore in 1972 and he was the founder of the Sarawak Breeding Farm specialising in the production of day-old chicks. He developed this business into a company, namely Zhang Agriculture Development Sdn. Bhd., which is now a wholly-owned subsidiary of CCK. In 1983, Mr. Chong incorporated another company, Poultry Industry (S) Sdn. Bhd., another wholly-owned subsidiary of CCK, with the aim of producing broilers as well as the contract farming of broilers to supply the CCK abattoir.

During the financial year ended 30 June 2012, Mr. Chong has attended all the five (5) Board meetings held. His shareholdings in CCK as at 19 October 2012 are disclosed on page 116 of this annual report.



Tiong Chiong Hiiung

Group Managing Director

Mr. Tiong Chiong Hiiung, a Malaysian aged 45, is a dynamic entrepreneur with sound business judgement and acumen beyond his years. He was appointed to the Board of CCK on 15 July 1997 and is a member of the Remuneration Committee. He is also the Group Managing Director of CCK.

Mr. Tiong graduated with a Bachelor of Economics from Monash University in Australia in 1989 and joined the Group as a Director of a subsidiary company. In 1994, he was appointed as Managing Director of Central Coldstorage Kuching Sdn. Bhd., and subsequently was responsible for the overall management and operations of the CCK Group. He has been actively involved in virtually every aspect of the Group's operations, including breeding operations, broiler farming, and processing of seafood. Mr Tiong was instrumental in transforming the Group's operations into one of the most modern in the state. He also sits on the boards of various private limited companies. He is recognised as a licensed Company Secretary by the Companies Commission of Malaysia.

He is a Non-Executive Director of NCL, and also a member of the Audit Committee, Nominating Committee and Remuneration Committee of NCL since April 2011.

During the financial year ended 30 June 2012, Mr. Tiong has attended all the five (5) Board meetings held. His shareholdings in CCK as at 19 October 2012 are disclosed on page 116 of this annual report.



DIRECTOR'S PROFILE (CONT'D)

Tiong Chiong Soon

Executive Director

Mr. Tiong Chiong Soon, a Malaysian aged 42, is a businessman and was appointed as Executive Director of CCK on 15 July 1997. He graduated from the University of Oklahoma, USA with a Bachelor of Business in 1994. He joined the Group after his graduation, and is principally responsible for the purchasing function and the retail division of the Group. He has an excellent rapport with the suppliers thus ensuring timely delivery of products of the highest quality for the Group. He also sits on the boards of various private limited companies.

During the financial year ended 30 June 2012, Mr. Tiong has attended four (4) out of five (5) Board meetings held. His shareholdings in CCK as at 19 October 2012 are disclosed on page 116 of this annual report.



Lau Liong Kii

Executive Director

Mr. Lau Liong Kii, a Malaysian aged 61. He was appointed as Executive Director to the Board of CCK on 15 July 1997. He is also a member of the Remuneration Committee of CCK. He is principally responsible for the operations of Ableway Sdn. Bhd., and the production and marketing functions of the prawn division. He joined the Group in 1982 and as the Managing Director of Ableway Sdn. Bhd., has accumulated vast experience in the domestic food market and the international aspects of the food industry. He brings to the Group an in-depth understanding of the various and specialist trends of the food industry.

He was appointed as Non-Executive Director of NCL on April 2011 and was re-designated to Independent Director on February 2012.

During the financial year ended 30 June 2012, Mr. Lau has attended all the five (5) Board meetings held. His shareholdings in CCK as at 19 October 2012 are disclosed on page 116 of this annual report.

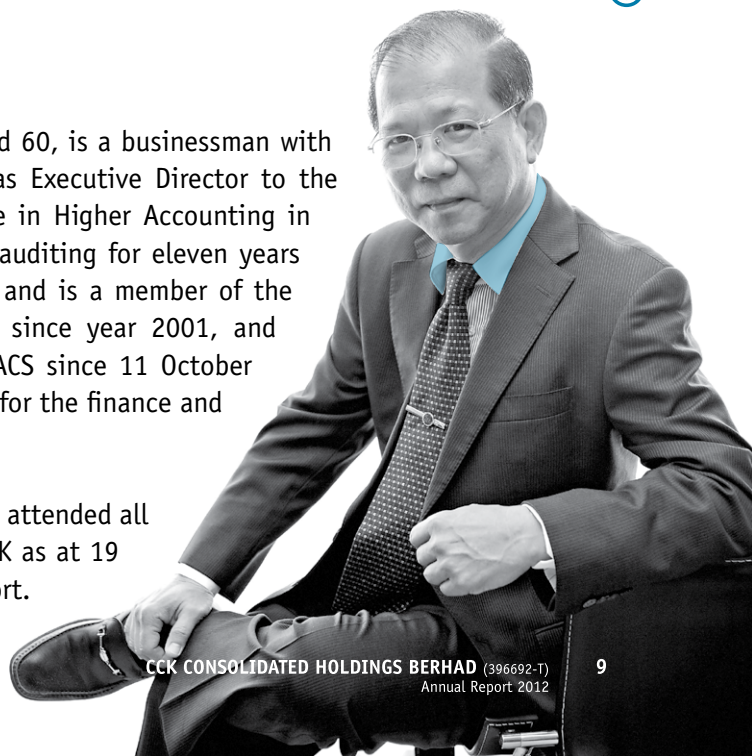


Ling Ting Leong @ Ling Chong Seng

Executive Director

Mr. Ling Ting Leong @ Ling Chong Seng, a Malaysian aged 60, is a businessman with a wealth of experience behind him. He was appointed as Executive Director to the Board of CCK on 15 July 1997. He obtained a Certificate in Higher Accounting in 1971 and has gained vast experience in accounting and auditing for eleven years from 1971 to 1982. He is a Certified Company Secretary and is a member of the Malaysian Association of Company Secretaries ("MACS") since year 2001, and he was appointed as Sarawak Liaison Co-Chairman of MACS since 11 October 2011. He joined the CCK Group in 1983 and is responsible for the finance and corporate secretarial matters of the CCK Group.

During the financial year ended 30 June 2012, Mr. Ling has attended all the five (5) Board meetings held. His shareholdings in CCK as at 19 October 2012 are disclosed on page 116 of this annual report.



DIRECTOR'S PROFILE (CONT'D)

Wong See Khong

Non-Independent Non-Executive Director

Mr. Wong See Khong, a Malaysian aged 56. He was appointed as Executive Director of the Board of CCK on 15 July 1997. He first joined the Group in 1985 as Director to one of the subsidiaries and is one of the pioneers of the Group, having served as Managing Director of Central Coldstorage Kuching Sdn. Bhd. since its incorporation to 1986. He was redesignated as Non-Independent Non-Executive Director on 19 November 2009.

During the financial year ended 30 June 2012, Mr. Wong has attended three (3) out of five (5) Board meetings held. His shareholdings in CCK as at 19 October 2012 are disclosed on page 116 of this annual report.



Kueh Chung Peng

Executive Director

Mr. Kueh Chung Peng, a Malaysian aged 58. He was appointed as Executive Director to the Board of CCK on 15 July 1997. He joined Kin Eastern Frozen Food Sdn. Bhd. in 1982 as its Managing Director and is also responsible for the aquaculture farming division of the CCK Group. He was appointed as a Director to CCK Fresh Mart Sdn. Bhd., a wholly-owned subsidiary of CCK in 1993 and has over thirty years experience in the prawn and coldstorage products industry.

During the financial year ended 30 June 2012, Mr. Kueh has attended all the five (5) Board meetings held. His shareholdings in CCK as at 19 October 2012 are disclosed on page 116 of this annual report.



Pemanca Janggu anak Banyang

Independent Director

Pemanca Janggu anak Banyang, a Malaysian aged 65. He was appointed to the Board of CCK as an Independent Director on 15 July 1997. He is also the Chairman of the Audit Committee as well as a member of CCK's Nomination and Remuneration Committees. After completing his formal education, he worked for various companies and subsequently held directorship in these companies, which are principally involved in the activities of supply of rations, property development and timber contractor. He is also involved in Agro-base Nursery.

During the financial year ended 30 June 2012, Pemanca Janggu has attended four (4) out of five (5) Board meetings held. His shareholdings in CCK as at 19 October 2012 are disclosed on page 116 of this annual report.

