



Annual Report 2010



CCK CONSOLIDATED HOLDINGS BERHAD

396692-T

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

Value Statement

- Quality
- Teamwork
- Finance
- Innovation
- Human Resources
- Customer Satisfaction
- Social & Environment Responsibility
- Integrity

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Tiong Su Kouk	- <i>Non-Independent Non-Executive Chairman</i>
Chong Shaw Fui	- <i>Executive Vice Chairman</i>
Tiong Chiong Hiiung	- <i>Group Managing Director</i>
Tiong Chiong Soon	- <i>Executive Director</i>
Lau Liong Kii	- <i>Executive Director</i>
Ling Ting Leong @ Ling Chong Seng	- <i>Executive Director</i>
Kueh Chung Peng	- <i>Executive Director</i>
Wong See Khong	- <i>Non-Independent Non-Executive Director</i>
Dato' Fuziah @ Fauziah binti Dato' Ismail	- <i>Non-Independent Non-Executive Director</i>
Pernanca Janggu anak Banyang	- <i>Independent Director</i>
Douglas Jerukan @ Jarukan ak Kanyan	- <i>Independent Director</i>
Datu Haji Putit bin Matzen	- <i>Independent Director</i>
Bong Wei Leong	- <i>Independent Director</i>

COMPANY SECRETARIES

Ling Ting Leong @ Ling Chong Seng
(MACS 00754)

Voon Jan Moi
(MAICSA 7021367)

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

AUDITORS

Hii & Lee
Chartered Accountants
2nd Floor, No.1
Lorong Pahlawan 7A2
Jalan Pahlawan
96000 Sibul
Sarawak, Malaysia

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad
RHB Bank Berhad
EON Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Name	Stock Code
CCK	7035

WEBSITE

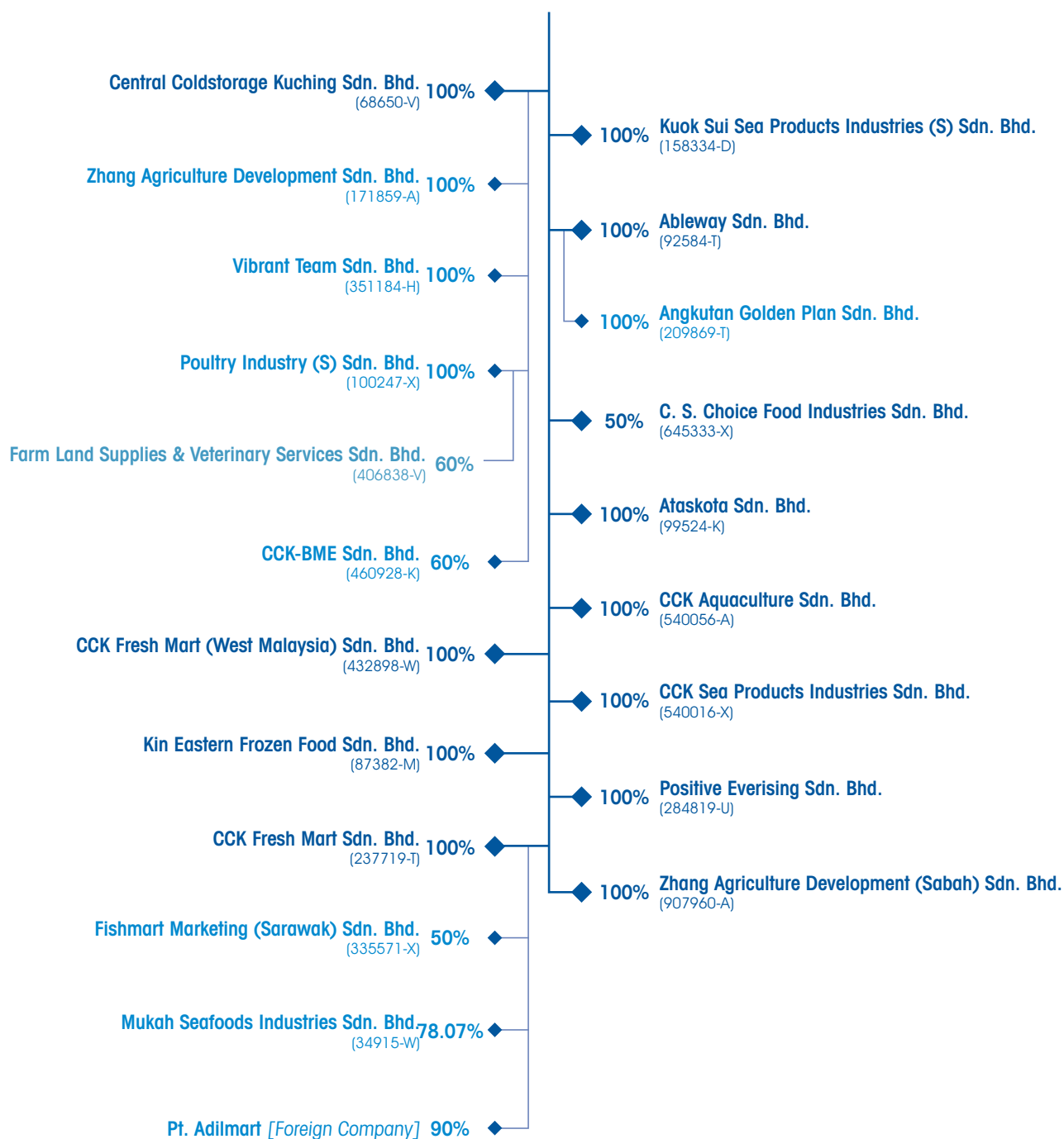
www.cck.com.my

CORPORATE STRUCTURE



CCK CONSOLIDATED HOLDINGS BERHAD

(396692-T)

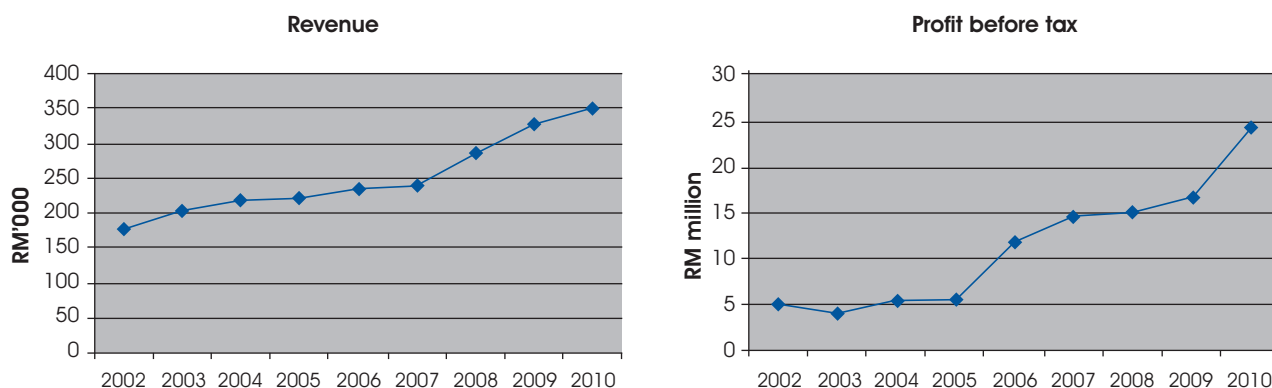


CHAIRMAN'S STATEMENT

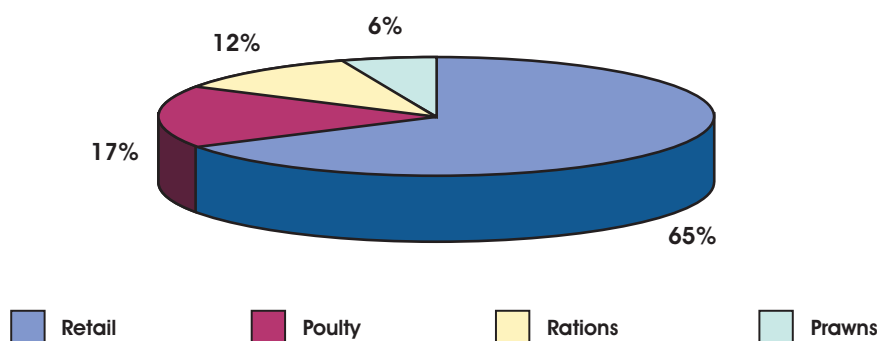
On behalf of the Board of Directors, I am pleased to report that, notwithstanding a challenging operating environment, CCK Consolidated Holdings Berhad and its Group of Companies turned in a better performance for the financial year ended 30 June 2010 as compared to the previous financial year.

FINANCIAL AND OPERATIONS REVIEW

Despite the difficult trading conditions, we are pleased to report that the Group's turnover recorded an increase of 8.26% from RM328.57 million in 2009 to RM355.72 million in 2010. Pre-tax profit for the Group was RM23.46 million which was 39.73% higher when compared to RM16.79 million in 2009. Net earning per share rose to 9.57 sen for the year under review as compared to only 7.31 sen in the previous financial year.



The Group's balance sheet remains at a healthy level giving us flexibility to undertake expansion programs. As at 30 June 2010, total borrowings stood at RM9.71 million, an undemanding level when compared to the shareholders' funds of RM155.10 million and cash equivalents of RM28.68 million.



Looking at our sector performance, the retail and poultry sectors were once again the major contributors to the Group's results. During the year under review, two (2) new stores were opened in Kuching and Pontianak, respectively. Despite not being able to access the European markets, the prawn sector has been able to minimise losses with strategic measures which include stricter cost control.

We are indeed very pleased with our financial performance in the year under review, and are optimistic in maintaining this uptrend, given the recovering consumer sentiment as well as the Group's growth plans in place.

CHAIRMAN'S STATEMENT (cont'd)

DIVIDEND

The Board has recommended a final single-tier dividend of 3 sen per share in respect of the financial year ended 30 June 2010, for the approval of the shareholders at the forthcoming Annual General Meeting.

CORPORATE SOCIAL RESPONSIBILITY

The Group recognises that it is our corporate social responsibility to ensure that we conduct our business in a professional, ethical and socially responsible manner. We also recognise our responsibility to our employees, business associates and community within which we conduct our business as well as the environment we operate in.

Our employees are an important asset of the Group and we have always endeavored to ensure their well being and welfare are taken care of. Various Occupational Safety and Health Programs have been established to provide a safe and healthy working environment for the employees. Employees are also provided and equipped with the necessary training by both internal and external parties on an ongoing basis to further enhance their knowledge and skills.

In recognition of its corporate social responsibility, the Group has also from time to time donated cash and sponsored company products to various organisations and schools for their community welfare activities.

PROSPECTS

In line with the continuous improvements seen in the economy, we are optimistic about our prospects going forward. We will strive to maintain our market share by expansions in our retail and poultry sectors. With the completion of the chicken hatchery and chicken breeder houses in Sabah, we expect contributions towards our Group's revenue from this expansion in the next financial year. The prawn sector is expected to break even in the coming financial year with continuous prudent measures.

APPRECIATION

I would like to thank my fellow Directors, the management and all the employees who have provided valuable guidance, dedication and commitment to the Group during the year under review.

My gratitude goes to our customers, suppliers, advisors, business associates and shareholders for their continued trust and confidence in the Group.

DATUK TIONG SU KOUK

Chairman

BOARD OF DIRECTORS' PROFILE



Datuk Tiong Su Kouk

- Non-Independent Non-Executive Chairman (Malaysian, aged 68)

Datuk Tiong Su Kouk 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 appointed as 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 producer and producers of frozen seafood.

Datuk Tiong began his career as a seafood trader and has been involved in the seafood and poultry industries for the past thirty and ten years respectively. 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 Sibu.

He was conferred the Panglima Jasa Negara (PJN) which carried 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 contribution to the community. He also sits on the boards of other private limited companies.

During the financial year ended 30 June 2010, Datuk Tiong has attended four (4) out of five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.



Chong Shaw Fui

- Executive Vice Chairman (Malaysian, aged 65)

Mr. Chong Shaw Fui 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 twenty 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, named Zhang Agriculture Development Sdn. Bhd., which is now a wholly-owned subsidiary of CCK. In 1983, Mr. Chong also formed another company known as Poultry Industry (S) Sdn. Bhd., a wholly-owned subsidiary of CCK, with the intention of broiler production as well as the contract farming of broiler, in order to supply the CCK abattoir.

During the financial year ended 30 June 2010, Mr. Chong attended all the five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.

BOARD OF DIRECTORS' PROFILE (cont'd)



Tiong Chiong Hiiung

• Group Managing Director (Malaysian, aged 43)

Mr. Tiong Chiong Hiiung 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 Degree 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 operation of the CCK Group. Although he has been actively involved in virtually every aspect of the Group's operations, including breeding operations, broiler farming, and processing of seafood, he was instrumental in transforming the Group's operations into one of the most modern in the state. As a result of his foresight, the Group has also embarked aggressively into various expansion programmes resulting in a fully integrated operation for the Group. He also sits on the boards of various private limited companies.

During the financial year ended 30 June 2010, Mr. Tiong has attended all the five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.



Tiong Chiong Soon

• Executive Director (Malaysian, aged 40)

Mr. Tiong Chiong Soon 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 Degree in 1994. He joined the Group since 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 2010, Mr. Tiong has attended four (4) out of five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.



Lau Liong Kii

• Executive Director (Malaysian, aged 59)

Mr. Lau Liong Kii 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., he has accumulated vast experience in the domestic food market and the international aspects of the food industry. He brings to the Group in-depth understanding of the various and specialist trends of the food industry.

During the financial year ended 30 June 2010, Mr. Lau has attended all the five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.

BOARD OF DIRECTORS' PROFILE (cont'd)



Ling Ting Leong @ Ling Chong Seng

• Executive Director (Malaysian, aged 58)

Mr. Ling Ting Leong @ Ling Chong Seng 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 since year 2001. 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 2010, Mr. Ling has attended all the five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.



Wong See Khong

• Non-Independent Non-Executive Director (Malaysian, aged 54)

Mr. Wong See Khong 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 re-designated as Non-Independent Non-Executive Director on 19 November 2009.

During the financial year ended 30 June 2010, Mr. Wong has attended all the five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.



Kueh Chung Peng

• Executive Director (Malaysian, aged 56)

Mr. Kueh Chung Peng 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 twenty-five years experience in the prawn and coldstorage products industry.

During the financial year ended 30 June 2010, Mr. Kueh has attended all the five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.

BOARD OF DIRECTORS' PROFILE (cont'd)



Pemanca Janggu anak Banyang

• Independent Director (Malaysian, aged 63)

Pemanca Janggu anak Banyang 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 involves in Agro-base Nursery.

During the financial year ended 30 June 2010, Pemanca Janggu has attended all the five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.



Douglas Jerukan @ Jarukan ak Kanyan

• Independent Director (Malaysian, aged 71)

Mr. Douglas Jerukan @ Jarukan ak Kanyan was appointed as an Independent Director on 20 March 2002. He is also a member of the Audit, Nomination and Remuneration Committees of CCK. He went on further study on Colombo Plan Scholarship (1958-1961) and graduated as a Trade Instructor from Christchurch Technical Institute and Canterbury Teachers College, Canterbury, New Zealand. He joined the Sarawak Education Service from 1962 to 1994 and rose from a teacher to Principal, District Education Officer and Group Supervisor of Schools Gd. 2, Divisional Education Office, Sibul. Currently, he is a Board member of Rejang Port Authority, Sibul. Besides this, he holds directorship for various private limited companies.

During the financial year ended 30 June 2010, Mr. Douglas has attended all the five (5) Board meetings held. His shareholdings in CCK as at 22 October 2010 are disclosed on page 85 of this annual report.



Datu Haji Putit bin Matzen

• Independent Director (Malaysian, aged 65)

Datu Haji Putit bin Matzen was appointed as an Independent Director on 20 March 2002. He is also a member of the Nomination and Remuneration Committees of CCK. He holds a Bachelor of Science Degree and obtained a professional post-graduate Diploma in Teaching. He started his career with the Sarawak Education Service in 1972 and has held various senior positions including Director of Education, in the State Education Department and the Ministry of Education in Kuala Lumpur. While in service, he pursued other professional courses, notably in educational management and administration, development, innovation, testing and examinations and crisis management. Currently, he is the Vice-President of Systematic Education Group International Berhad, a public listed company, an Non-Independent Non-Executive Director of SEG International Berhad, a public listed company, the Vice-Chairman of the Sarawak Branch of the Malaysian Red Crescent Society, President of Malaysian Historical Society (Sarawak Branch), a Member of the Lembaga Amanah Kebajikan Masjid Negeri Sarawak, and the President of Sarawak Islamic Council.

During the financial year ended 30 June 2010, Datu Haji Putit has attended four (4) out of five (5) Board meetings held. He holds no share in CCK.

BOARD OF DIRECTORS' PROFILE (cont'd)



Dato' Fuziah @ Fauziah binti Dato' Ismail

• Non-Independent Non-Executive Director (Malaysian, aged 68)

Dato' Fuziah @ Fauziah binti Dato' Ismail was appointed as a Non-Independent Non-Executive Director on 26 May 2004 as a nominee of Permodalan Nasional Berhad. Dato' Fauziah holds a Bachelor of Arts (Honours) from University of Malaya, a postgraduate Diploma in Development Administration from the London School of Economics and a Masters in Public Administration from the University of Houston, USA. She also attended a certificate course at Harvard Institute of International Development (HIID) of Harvard University, USA in Public Enterprise Management and Privatisation.

Dato' Fauziah served in the Malaysian Administration and Diplomatic Services, from 1966 to her retirement in 1997, in various positions and capacities. She served, amongst others, in the Public Services Department, the Prime Minister's Department, Ministry of Agriculture and the Ministry of Rural Development. While in the public service, Dato' Fauziah also served as Board member on several government companies and bodies including Rubber Industries Smallholders Development Authority (RISDA) as well as serving as Deputy Chairman of Penang Regional Development Authority (PERDA) and Jengka Regional Development Authority, Pahang. She has extensive experience in rural sector and agro industries.

She is currently also a director of SapuraCrest Petroleum Berhad, KAF-Seagroatt & Campbell Berhad and Sapura Resources Berhad.

During the financial year ended 30 June 2010, Dato' Fauziah has attended four (4) out of five (5) Board meetings held. She holds no share in CCK.



Bong Wei Leong

• Independent Director (Malaysian, aged 43)

Mr. Bong Wei Leong is a businessman and was appointed as Independent Director to the Board of CCK on 30 September 2009. He is also a member of the Audit Committee of CCK. He graduated with a Bachelor of Business (Accountancy) and Bachelor of Law from Queensland University of Technology, Australia in 1993. Mr. Bong was a partner of a public accountants firm prior to starting his own practice in 2004. He has more than sixteen years of experience in providing auditing, accounting and taxation services to various clients. He is a member of the Malaysian Institute of Accountants and the CPA Australia. Currently, he is the Senior Independent Director of Rimbunan Sawit Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad.

As Mr. Bong was appointed to the Board on 30 September 2009, he attended four (4) Board meetings held during the financial year ended 30 June 2010. He holds no share in CCK.

Additional information:

- The Directors have no family relationship with each other or the major shareholders of CCK, except for Mr. Tiong Chiong Hiiung and Mr. Tiong Chiong Soon who are the sons of Datuk Tiong Su Kouk.
- None of the Directors have been convicted of any offences within the past ten (10) years.
- None of the Directors hold any directorship in public companies, except for Datu Haji Putit bin Matzen, Dato' Fuziah @ Fauziah binti Dato' Ismail and Mr. Bong Wei Leong.
- None of the Directors have any conflict of interest with the Company.

STATEMENT ON CORPORATE GOVERNANCE

INTRODUCTION

The Board is committed to manage the affairs of the Group in accordance with the appropriate standards for good corporate governance and supports the implementation of the highest standards of corporate governance throughout the CCK Group as a fundamental part of discharging its fiduciary responsibilities to protect and enhance shareholders' value and the financial performance of the Group.

The Board subscribes to the principles and best practices prescribed in the Malaysian Code on Corporate Governance ("the Code") in their operations towards achieving optimal governance framework.

Below is a statement on how the Company has applied the principles and the extent to which it has complied with the best practices as set out in the Code.

BOARD COMPOSITION, SIZE AND BALANCE

The CCK Group is led and managed by an experienced Board comprising thirteen (13) members. The Non-Independent Non-Executive Chairman, the Executive Vice Chairman, the Group Managing Director, the Non-Independent Non-Executive Director, five (5) Executive Directors and four (4) Independent Directors have a wide range of expertise and experience. The right mix of expertise, experience and skills is vital to the success of CCK Group given its nature of business and customer base.

The profiles of each Director are presented on pages 6 to 10 of this Annual Report.

There is a clear division of role and responsibility between the Chairman and the Group Managing Director to ensure a balance of power and authority. The Chairman is primarily responsible for corporate affairs and development and ensuring Board effectiveness, while the Group Managing Director is the overall in charge of operation, organizational effectiveness, implementation of Board policies and executive decisions making.

The Independent Directors provides an effective independent views, advice and judgment onto the Board to ensure independence judgment is exercised in deliberations of the Board, taking into account the long term interest of the Group and also of the shareholders, employees, customers, suppliers and many communities in which the Group conducts its business. Pemanca Janggu anak Banyang is the appointed Senior Independent Director to whom concerns or queries concerning the CCK Group may be conveyed to.

RESPONSIBILITY OF THE BOARD

The Board has overall responsibility for the proper conduct of business and good corporate governance, including the setting of the CCK Group's overall strategic direction, overseeing the conduct of the businesses, identifying principal risks, ensuring that systems are in place to manage these risks, implementation of succession planning programme for Senior Management, implementation of an investors relations programme and reviewing the adequacy of the CCK Group's system of internal controls.

BOARD MEETINGS

The Board holds at least four (4) regularly scheduled meetings annually, with additional meetings for particular matters convened as and when necessary. Informal meetings and consultations are frequently and freely held to share expertise and experiences.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

During the financial year ended 30 June 2010, five (5) Board meetings were held to deliberate variety of matters, including financial results, financial and capital budgets, performance review, annual operation and investment decisions. The Directors' attendance is outlined below:

Name of Directors	No. of Meetings Attended
Datuk Tiong Su Kouk	4 out of 5
Chong Shaw Fui	5 out of 5
Tiong Chiong Hiiung	5 out of 5
Tiong Chiong Soon	4 out of 5
Lau Liong Kii	5 out of 5
Ling Ting Leong @ Ling Chong Seng	5 out of 5
Wong See Khong	5 out of 5
Kueh Chung Peng	5 out of 5
Pernanca Janggu anak Banyang	5 out of 5
Bong Wei Leong	4 out of 4*
Douglas Jerukan @ Jarukan ak Kanyan	5 out of 5
Datu Haji Putit bin Matzen	4 out of 5
Dato' Fuziah @ Fauziah binti Dato' Ismail	4 out of 5

*: Mr. Bong Wei Leong was appointed to the Board on 30 September 2009.

All Board meetings were attended by one (1) or both of the Joint Company Secretaries. All proceedings and deliberations in terms of the issues discussed, and the resolutions of the Board meetings are recorded in the minutes by the Company Secretary. Upon invitation, management representatives and advisers were present at the Board meetings to provide view and explanation on certain agenda items and to provide additional insight into matters to be discussed during the Board meetings.

SUPPLY OF AND ACCESS TO INFORMATION

Every Director has ready and unrestricted access to the information pertaining to the CCK Group's business and affairs to enable them in discharging their duties and responsibilities.

Notice of meetings, setting out the agenda and accompanied by the relevant Board papers are given to the Directors in a timely manner to enable the Directors to peruse, seek further information/clarification on the matters to be deliberated so as to enable them to participate effectively in the Board deliberations and decision making.

Directors have unrestricted access to all information and records of the Company and the advice and services of the Company Secretaries, independent external professional advisors, and internal/external auditors in the furtherance of their duties, at the Company's expense, to enable them to discharge their duties and responsibilities.

COMMITTEES OF THE BOARD

Various Board Committees have been established to assist the Board in discharging its duties. All Board Committees do not have executive powers but have authority to examine issues at hand and report back to the Board by the respective committee's Chairman on all matters considered and their recommendations thereon. Such reports are recorded in the minutes of the Board meetings. The terms of reference of each Committee, in compliance with the recommendations of the Code, have been approved by the Board.

(a) Audit Committee

The Audit Committee was formed on 12 July 1997, the function of the Committee include reviews accounting policy and audit findings, deliberation on financial statements, presentation for external

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

financial reporting, monitors the work of the in-house internal auditors, ensures that an objective and professional relationship is maintained with the external auditors, and that conflicts of interest are avoided.

The Report of the Audit Committee is set out on pages 19 to 23 of this annual report.

(b) Nomination Committee

The Board has on 27 February 2002 set up a Nomination Committee, which is mainly responsible for the identification and recommendation of new nominees to the Board, for the annual review of the required mix of skills and experience of the Board and for the annual assessment of the effectiveness of the Board Committees, the Board as a whole and the contribution of each Director. All assessments and evaluations carried out by the Nomination Committee are properly documented. During the financial year ended 30 June 2010, the Nomination Committee has met once.

The members of the Nomination Committee, all of whom are non-executive Directors and a majority of whom are independent, are as follows :

- Chairman:** Datuk Tiong Su Kouk
(Non-Independent Non-Executive Director)
- Members:** Pemanca Janggu anak Banyang
(Independent Director)
- Datu Haji Putit bin Matzen
(Independent Director)
- Douglas Jerukan @ Jarukan ak Kanyan
(Independent Director)

(c) Remuneration Committee

The Remuneration Committee was established on 27 February 2002 and is principally responsible for setting the policy framework and for making recommendations to the Board on remuneration packages and benefits extended to the Executive Directors. During the financial year ended 30 June 2010, the Remuneration Committee met twice.

The Remuneration Committee has six (6) members, of whom the majority composition is made up of non-executive, are as follows:

- Chairman :** Datuk Tiong Su Kouk
(Non-Independent Non-Executive Director)
- Members :** Tiong Chiong Hiiung
(Group Managing Director)
- Lau Liong Kii
(Executive Director)
- Pemanca Janggu anak Banyang
(Independent Director)
- Datu Haji Putit bin Matzen
(Independent Director)
- Douglas Jerukan @ Jarukan ak Kanyan
(Independent Director)

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

APPOINTMENTS TO THE BOARD

The Nomination Committee is empowered by the Board to identify and recommend to the Board suitable nominees for appointment to the Board and Board Committees.

The Nomination Committee has reviewed the professional qualifications and experience of the Directors and was satisfied that the Board composition in terms of size, the composition between executive, non-executive and independent Directors and mix of skills is adequate.

The new Directors undergo a familiarisation programme, which includes visits to the CCK Group's operating units and meetings with Senior Management, to facilitate the new Directors' understanding of the CCK Group.

RE-APPOINTMENT AND RE-ELECTION OF DIRECTORS

In accordance with the Company's Articles of Association, all Directors who are appointed by the Board are subject to election by shareholders at the ensuing annual general meeting after their appointment.

In addition, in accordance with the CCK's Articles of Association and in compliance with the Listing Requirements, one-third (1/3) of the Directors, including the Managing Director are subject to re-election at each annual general meeting, and that all Directors are subject to re-election at least once every three (3) years.

Directors over seventy (70) years shall retire at every annual general meeting and may offer themselves for re-appointment to hold office until the next annual general meeting in accordance with Section 129(6) of the Companies Act, 1965.

DIRECTORS' TRAINING

All Directors have attended the Mandatory Accreditation Programme as required by Bursa Securities.

During the financial year ended 30 June 2010, the Directors attended the following trainings/seminars. Directors will continue to attend trainings to equip themselves to discharge their duties more effectively.

<u>Training / Seminar</u>	<u>No. of days</u>
• Dividend and Single Tiers Rules and Practical issue faced by Company Secretaries	1
• Provisions of Companies Act and Listing Requirements	1/2
• Seminar on Recent Changes to Financial Reporting Standards (FRS)	1
• Comprehensive workshop on FRS 139 (Financial Instrument: Recognition, Measurement, Hedge Accounting & Disclosures, FRS 139, FRS 7, Amendments & FRS 9)	2
• The Grass is not always Green: The risks and pitfalls of Overseas Expansion	1

The Directors are regularly updated and advised by the Company Secretaries on new statutory and regulatory requirements governing the Directors and the Group.

DIRECTORS' REMUNERATION

The remuneration package is to attract and retain the Directors with right caliber for the Company. The remuneration package is determined in accordance to fair and equitable criteria based on the responsibility and job function of the Directors, individual and corporate performance and the remuneration packages of comparable companies in the same industry.

The fees for Non-Executive Directors are recommended by the Remuneration Committee and determined by the Board as a whole. Each Director abstains from discussion and decision making on his own remuneration.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

The Board is of the view that matters pertaining to Directors' remuneration are of a personal nature. However, in compliance with the Listing Requirements, the fees and remuneration paid to Directors of the Company during the financial year ended 30 June 2010, in aggregate and analysed into bands of RM50,000, were as follows:

	Executive Directors (RM)	Non-Executive Directors (RM)
Fee	71,780	284,520
Salary	841,960	-
Bonus	894,858	-
Allowances	12,000	-
Benefits-in-kind	-	-
Commissions	296,770	-
Total:	2,117,368	284,520

Range of Directors' Annual Remuneration (RM)	No. of Directors	
	Executive Directors	Non-Executive Directors
550,001 - 600,000	1	-
500,001 - 550,000	1	-
450,001 - 500,000	-	-
350,001 - 400,000	-	-
200,001 - 250,000	3	-
150,001 - 200,000	-	1
100,000 - 150,000	2	-
50,000 and below	-	5

SHAREHOLDERS COMMUNICATION

The Group acknowledges the importance of timely and equal dissemination of material information to the shareholders, investors and public at large.

CCK maintains a corporate website at www.cck.com.my which contains vital information about the Group, containing quarterly results, annual reports, announcements, which is updated on a regular basis. Shareholders are able to convey their concerns or queries to the Company through the website.

CCK Annual General Meeting remains the principal forum for dialogue with shareholders. Shareholders are encouraged to participate in the proceedings and questions and answer session. Shareholders who are unable to attend the general meetings are allowed to appoint proxies to attend the meeting and vote on their behalf. Members of the Board, Auditors, Company Secretaries and senior management staff are present to answer questions raised at the meeting. Notice of general meeting is issued on a timely manner to all shareholders and in the case of special business, a statement explaining the effect of the proposed resolutions is accompanied for information of the shareholders.

ACCOUNTABILITY AND AUDIT

(i) Financial Reporting

The Board aims to ensure that the quarterly reports, annual financial statements and the annual review of operations in the annual report are presented in a manner which provides a balanced and understandable assessment of the CCK Group's performance and prospect.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

These financial statements are drawn-up in accordance with the provisions of the Companies Act, 1965 and the Malaysian Accounting Standards Board ("MASB") approved accounting standards for entities other than private entities in Malaysia and which give a true and fair view of the state of affairs, the results and cash flow of the Group and of the Company at the end of the financial year. The financial statements are reviewed by the Audit Committee prior to approval by the Board and are audited by an independent external auditor.

A statement by the Board of its responsibilities for preparing the financial statements is set out on page 24 of this Annual Report.

(ii) Internal Control

The Board is responsible for the Group's system of internal control and risk management and for reviewing its adequacy and integrity.

The Internal Audit Department of CCK, based on the plan approved by the Company's Audit Committee, assists the Board in maintaining a sound system of internal control for the purposes of safeguarding shareholders' investment and the Group's assets.

Detailed information on internal control is set out in the Statement on Internal Control on pages 17 to 18 of this Annual Report.

(iii) Relationship with the Auditors

The Company, through the Audit Committee, has established an appropriate and transparent relationship with the Company's external auditors to discuss their audit plans, audit findings and financial statements. The Audit Committee and the Board are given professional advice of the auditors to ensure compliance with the accounting standards.

The Audit Committee meets with the external auditors without the presence of the other Directors and employees at least twice a year. The external auditors attend the Annual General Meeting to enable shareholders to seek clarification on the Group's financial statements.

STATEMENT ON INTERNAL CONTROL

BOARD'S RESPONSIBILITIES

In relation to the internal control pursuant to the requirements under the Malaysian Code on Corporate Governance for companies listed on Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors ("the Board") acknowledges their responsibilities in line/under the Bursa Malaysia Listing Requirements to:

- Identify principal risks and ensure implementation of appropriate control measures to manage the risks.
- Review the adequacy and integrity of the CCK Group's internal controls system, management information systems, systems for compliance with applicable laws, regulations, rules, directives and guidelines, and risk management practices covering all aspects of the Group's operations.

The system of internal control is designed to manage risks rather than eliminate them. Accordingly, it can only provide reasonable but not absolute assurance against material misstatements, fraud or loss.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board has established key policies on the Group's risk management and internal control framework which encompasses the following:

a) Identify principal risks faced by the CCK Group

The Board together with the Senior Management regularly undertake risk assessment exercises to identify the principal risks faced by the CCK Group and to ensure that there are adequate risk management, financial and operational policies, procedures and rules relating to the delegation and segregation of duties.

Senior Managements of respective business units of the CCK Group are responsible for monitoring and updating their risk profiles as well as evaluating emerging new risks on an annual basis for review and approval by the Board to ensure that risk management is functioning effectively. Key risks and operational performance indicators are continuously monitored and reported to the Board.

b) Identify internal controls to manage these principal risks

The internal controls framework of various business cycles, including Sales, Payments and Inventories, were set up to ascertain their adequacy in administering and diminishing the impacts of various risks identified. Actions plans and revised internal controls were drawn up in bridging the gaps, having regard to cost/benefit, materiality and likelihood or crystallisation of risks.

c) Implement internal controls within the information and communication processes

These revised internal controls were then built into the processes of the CCK Group. Accountabilities are placed on the Heads of each Operating Unit for the effective implementation thereon.

d) Monitoring and reporting process to continuously review the adequacy and integrity of internal control

The Board, via the Audit Committee, monitors the system of internal control through quarterly reviews, which is normally undertaken by the in-house Internal Auditors.

STATEMENT ON INTERNAL CONTROL (cont'd)

The specific areas of focus covered by the Internal Audit department are as follows:

- Giving balanced assessment and assurance with regard to effectiveness of the Internal Control System.
- Assessment of the operational efficiency of the Company.
- Assessing the reliability of system and reporting information.
- Ensuring compliance with the Company standards/guidelines and legislation.
- Where any significant weakness has been identified, the Internal Auditor together with input from Management would recommend measures to improve the internal controls accordingly. Follow-up audits are also undertaken to assess the status of implementation thereof by Management.

Further details on the scope of activities of the Internal Audit are set out in the Report of the Audit Committee, which is available on pages 22 to 23 of this Annual Report.

OTHER INTERNAL CONTROL PROCESS

Apart from risk management and internal audit, the Board has put in place an organizational structure with defined lines of responsibilities and accountability and delegation of authority for management at various levels of operation and administration, including the following key elements:

- Regular review and improve the documented internal policies, both financial and operational;
- Regular review of operational reports, including key performance indicators, by the Executive Directors of the CCK Group;
- Regular review of financial reporting by the Audit Committee and the Board;
- Detailed budgeting process by both the Operating Units and Head Office, which are approved by the Board;
- Regular monitoring and reviewing of actual results against budgets, with major variances analysed for effective management and actions thereafter;
- Regular inspection visits by directors, in particular executive directors, to operating units to have a first-hand account of the efficiency and effectiveness of the Group's strategy, mode of operation and control;
- Reporting of significant weaknesses, if any, identified by Internal Audit Department during the reviews and recommendation of appropriate measures for implementation by management to rectify those weaknesses found; and
- Conducting follow-up audits by Internal Audit Department, which ensure proper and approved remedial actions have been implemented.

The Group is also committed to the integrity of staff at all levels, through comprehensive recruitment, appraisal and reward programmes. The Group's values and employee code of conduct and discipline have been communicated to all employees through Employment handbook and/or letters of appointment.

BOARD'S COMMITMENT

There was no material loss incurred during the current financial year as a result of weaknesses in internal control. The Board remains committed towards maintaining a sound system of internal control and risk management process by continuously identifying, evaluating and manage the significant risks of the Group to achieve the Group's business objectives and operational efficiency.

The external auditors have reviewed this statement for inclusion in the Annual Report of the Group for the financial year ended 30 June 2010 and reported to the Board that nothing has come to their attention that causes them to believe that this statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

REPORT OF THE AUDIT COMMITTEE

MEMBERS OF THE AUDIT COMMITTEE

The Audit Committee was established on 12 July 1997 to serve as a Committee of the Board. All members of the Audit Committee are financially literate.

Chairman: Pemanca Janggu anak Banyang (*Independent Director*)

Members: Datuk Tiong Su Kouk (*Non-Independent Non-Executive Director*)
 Bong Wei Leong (*Independent Director*)
 Douglas Jerukan @ Jarukan ak Kanyan (*Independent Director*)

TERMS OF REFERENCE

The terms of reference of the Audit Committee are as follows:

(1) Objectives

The Audit Committee will give assurance to the Company's shareholders that compliance with specified financial standards and disclosure policies developed and administered by Bursa Malaysia Securities Berhad ("Bursa Securities") are being adhered to. In addition, the Audit Committee will assure that certain standard of corporate responsibility, integrity and accountability to the Company's shareholders are being inculcated in the duties and responsibility of the Board of Directors of the Company.

(2) Membership

The Audit Committee shall be appointed by the Board from amongst its members. The Audit Committee shall consist of not less than three (3) members. All the members must be non-executive directors, with a majority of them being independent directors and free from any relationship, which might in the opinion of the Board of Directors, interfere with the exercise of independent judgement in carrying out the functions of the Audit Committee.

No alternate director can be a member of the Audit Committee. The members of the Audit Committee shall elect a chairman from among their number who is a non-executive and independent director.

At least one (1) member of the Audit Committee:

- i) must be a member of the Malaysian Institute of Accountants ("MIA"); or
- ii) if he is not a member of the MIA, he must have at least three (3) years' working experience and:
 - a) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - b) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- iii) fulfils such other requirements as prescribed or approved by Bursa Securities.

The Board shall, within three (3) months of a vacancy occurring in the Audit Committee which results in the number of members reduced to below three (3), appoint such number of new members as may be required to make up the minimum number of three (3) members.

(3) Quorum, Meetings and Minutes

A quorum shall be two (2) members and a majority of members present must be independent directors. A representative of external auditors shall attend as and when required. The Company Secretary shall be the secretary of the Audit Committee. Minutes of each meeting shall be kept and distributed to each member of the Audit Committee.

The Audit Committee shall meet with the external auditors, excluding the attendance of other Directors and employees of the Group, at least twice a year or whenever deemed necessary.

REPORT OF THE AUDIT COMMITTEE (cont'd)

The Audit Committee may also meet with the internal auditors, excluding the attendance of other Directors and employees of the Group, whenever deemed necessary.

A resolution in writing signed by all Audit Committee members shall be deemed to have been passed at a meeting held on the date on which it was signed by the last member.

(4) Frequency of Meetings

The Audit Committee shall meet as and when the need arises provided that it shall meet at least four (4) times a year. The external auditors may request for a meeting if they consider that one is necessary.

(5) Authority

The Audit Committee is authorised by the Board on the following:

- i) investigate any activity within its terms of reference and shall have unrestricted access to all employees of the Group;
- ii) have the resources which are required to perform its duties as set out in its terms of reference;
- iii) seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Audit Committee;
- iv) have direct communication channels with the external auditors and internal auditors;
- v) obtain external legal or other independent professional advice and to secure the attendance of external advisers with relevant experience and expertise, if it considers this is necessary;
- vi) convene meetings of the Audit Committee with external auditors, excluding the attendance of other Directors and employees of the Group, at least twice a year or whenever deemed necessary and to consider any matter the external auditor believes should be brought to the attention of the Board of Directors or shareholders; and
- vii) convene meetings with the internal auditors, excluding the attendance of other Directors and employees of the Group.

Where the Audit Committee is of the view that a matter reported to the Board of Directors has not been satisfactorily resolved resulting in a breach of Bursa Malaysia Securities Listing Requirements, the Audit Committee has the responsibility to promptly report such matter to Bursa Securities.

Notwithstanding anything to the contrary hereinbefore stated, the Audit Committee does not have executive powers. The Chairman of the Audit Committee shall be reporting to the full Board from time to time its recommendations for consideration and implementation and the actual decision shall be the responsibility of the Board of Directors after considering the recommendation of the Audit Committee.

(6) Functions and Duties:

- a) to review with the external auditors the audit plan, their audit report, major findings and management's responses thereof and to ensure co-ordination where more than one (1) audit firm is involved;
- b) to review the external auditors' evaluation of the systems of internal controls;
- c) to review the assistance given by the Group's employees to both the internal and external auditors;
- d) to 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;

REPORT OF THE AUDIT COMMITTEE (cont'd)

- e) to consider the nomination, appointment (and re-appointment), resignation and dismissal of the external auditors and their audit fees;
- f) to consider whether there is reason (supported by grounds) to believe that the external auditors of the Group are not suitable for re-appointment;
- g) to review the quarterly and annual financial statements of the Group, focusing on the matters set out below, and thereafter to submit them to the Board :
 - any changes in or implementation of accounting policies and practices;
 - significant adjustments arising from the audit;
 - significant and unusual events;
 - the going concern assumption; and
 - compliance with accounting standards and other regulatory requirements;
- h) to review any related party transactions and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- i) to consider the internal audit reports, major findings and management's responses thereto on any internal investigations carried out by the internal auditors and ensure that appropriate action is taken by management in respect of the audit observations and the Audit Committee's recommendations;
- j) to review the appraisal or assessment of the performance of the staff in the internal audit department;
- k) to approve the appointment or termination of senior executives in the internal audit department. Be informed of any resignation of executives in the internal audit department and to provide the resigning executive an opportunity to submit his or her reason for resigning; and
- l) to review any other functions as may be agreed to by the Audit Committee and the Board as may be required or empowered by statutory legislation or guidelines prepared by other relevant governing authorities.

(7) Review of the composition of the Audit Committee

The term of office and performance of the Audit Committee and each of the members shall be reviewed by the Board of Directors at least once every three (3) years to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.

MEETINGS AND ATTENDANCE

The Audit Committee held five (5) meetings during the financial year ended 30 June 2010 with the following attendance:

<u>Members</u>	<u>No. of Meetings Attended</u>
Pernanca Janggu anak Banyang	5 out of 5
Datuk Tiong Su Kouk	4 out of 5
Bong Wei Leong	4 out of 4*
Douglas Jerukan @ Jarukan ak Kanyan	5 out of 5

*: Mr. Bong Wei Leong was appointed as a member of Audit Committee on 30 September 2009.

The Head of Internal Audit, the Finance Manager, the Executive Director (Finance) and representative of External Auditors are normally invited to attend the meetings.

REPORT OF THE AUDIT COMMITTEE (cont'd)

All Audit Committee meetings were attended by one (1) or both of the Joint Company Secretaries. All proceedings and deliberations in terms of the issues discussed, and the resolutions of the Audit Committee meetings are recorded in the minutes by the Company Secretary.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

In line with the terms of reference, the main activities carried out by the Audit Committee in discharge of its functions and duties during the year ended 30 June 2010 are as follows:

- a) reviewed and approved the audit plans of the CCK Group with the internal and external auditors;
- b) reviewed and deliberated the audit reports for the CCK Group, the major findings and recommendations by the internal and external auditors, and Management's responses thereof;
- c) reviewed of related party transactions to be entered into by the Company and the CCK Group and conflict of interest situation that may arise within the Group, including any transaction, procedure or course of conduct that raises questions of management integrity, prior to the Board of Directors' consideration and approval;
- d) reviewed and deliberated the quarterly and annual financial results of the Company and the CCK Group prior to Board of Directors' consideration and approval;
- e) reviewed adequacy of the disclosure on related party transactions entered into by the Company and the CCK Group in the quarterly and annual reports of the Company;
- f) met with the external auditors and internal auditors without the presence of the other Directors and employees twice;
- g) considered and recommended the re-appointment of external auditors and their fees;
- h) reviewed the Statement on Internal Control, Report of the Audit Committee and relevant statements prior to the Board of Directors' consideration and approval;
- i) reviewed and deliberated the report on comparison of actual against budgeted results on a quarterly basis;
- j) reviewed the adequacy of the scope, functions, competency and resources of the internal audit function; and
- k) reviewed the performance of the CCK Group and made recommendation for appropriate corrective measures to the Board of Directors.

INTERNAL AUDIT FUNCTION

The internal audit function is performed by the in-house Internal Audit Department, which was established since incorporation of CCK, responsible for the independent assessment of the adequacy, effectiveness and efficiency of the internal control systems.

During the financial year, the internal audit department carried out planned audits, conducted evaluations of the internal controls systems encompassing the CCK Group's governance, operations, and information systems of major areas of its operation, and provided regular reports on compliance with internal financial policies and operational procedures to the Audit Committee.

The Head of internal audit functions reports directly to the Audit Committee and is responsible for the regular review and/or appraisal of the effective of the risk management, internal control and governance process within the Company. The internal audit reports were deliberated by the Audit Committee and recommendations were duly acted upon by the Management.

REPORT OF THE AUDIT COMMITTEE (cont'd)

During the year ended 30 June 2010, the internal auditors carried out the following main activities:

- a) reviewing and appraising the soundness, adequacy and application of accounting, financial and other controls of the CCK Group over inventory management, treasury and receivable process, and the production process flow;
- b) ascertaining the extent to which the CCK Group's assets are accounted for and safeguarded from losses of all kinds;
- c) identifying ways and opportunities to improve the effectiveness and efficiency of the operations of and processes within the CCK Group, in particular over financial reporting of key indicators for Management's information;
- d) carrying out audit work in liaison with external auditors to maximise the use of resources and for effective coverage of relevant risks; and
- e) conducting of the following review:
 - performance
 - stock
 - production
 - capital expenditure
 - petty cash
 - debtors/creditors
 - investment
 - general
 - potential risk
 - overall

The total costs incurred for the internal audit function in respect of the financial year ended 30 June 2010 was RM108,465.75.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN THE PREPARATION OF FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 1965 ("the Act") to prepare financial statements for each financial year in accordance with approved accounting standards so as to give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year, and of the results and cash flow of the Company and the Group for the financial year.

In the preparation of the financial statements, the Directors have considered the following:

- (a) adoption of suitable accounting policies and its consistent application;
- (b) prudence and reasonableness in judgment and estimates;
- (c) adherence to approved accounting standards in Malaysia; and
- (d) appropriateness in the preparation of financial statements on a going concern basis.

The Directors are responsible for ensuring that the Company and its subsidiaries maintain proper accounting records which disclose with reasonable accuracy the financial positions and performance of the Company and the Group in compliance with the provisions of the Act and approved accounting standards in Malaysia.

In addition, the Directors have overall responsibilities for taking such steps as are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.



Financial Statements

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2010.

PRINCIPAL ACTIVITIES

The principal activities of the Company cover investment holding and provision of management services to its related companies. The principal activities of the subsidiaries are disclosed in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Net profit for the financial year	15,271,815	17,186,835
Attributable to:		
Equity holders of the Company	15,082,265	17,186,835
Minority interests	189,550	-
	15,271,815	17,186,835

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

During the financial year, the Company:-

- (i) paid a first and final single-tier dividend of 2.25 sen per share amounting to RM3,526,497.85 in respect of the previous financial year ended 30 June 2009 on 15 January 2010;
- (ii) paid an interim dividend of 7.0 sen per share less tax at 25% amounting to RM7,987,580.94 in respect of the financial year ended 30 June 2010 on 15 October 2009; and
- (iii) on 15 October 2009, distributed a share dividend on the basis of one (1) treasury share for every thirty (30) ordinary shares of RM0.50 each held in the Company.

The directors recommend the payment of a final single-tier dividend of 3.00 sen per share in respect of the financial year ended 30 June 2010 which, if approved at the forthcoming Annual General Meeting of the Company, will be paid on 24 January 2011 to Depositors whose names appear in the Record of Depositors on 31 December 2010.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- (i) Shares transferred into the Depositor's securities account before 4:00 p.m. on 31 December 2010, in respect of transfers; and
- (ii) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

DIRECTORS' REPORT (cont'd)

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year except as disclosed in the financial statements.

TREASURY SHARES

During the financial year, the Company repurchased 1,162,100 of its issued ordinary shares of RM0.50 each from the open market at an average price of RM0.67 per share. The total consideration paid for the repurchases including transaction costs amounted to RM780,629. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

The Company distributed 5,071,340 treasury shares as shares dividend to shareholders on the basis of one (1) treasury share for every thirty (30) ordinary shares of RM0.50 each held as at 25 September 2009.

As at 30 June 2010, the Company held as treasury shares a total of 1,356,060 out of its 157,679,700 issued ordinary shares of RM0.50 each. Such treasury shares are held at a carrying amount of RM926,498 and further relevant details are disclosed in Note 16 to the financial statements.

EMPLOYEES' SHARE OPTIONS SCHEME ("ESOS")

The Company's ESOS is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 20 December 2000. The ESOS was implemented on 23 March 2001 and is to be in force for a period of 10 years from the date of implementation.

The salient features of the ESOS are as follows:-

- (a) The maximum number of shares to be offered under the ESOS shall not exceed in aggregate 10% of the issued and paid-up share capital of the Company at any point of time during the existence of the ESOS.
- (b) The ESOS is for eligible persons who are full-time executive directors and confirmed employees of the Group with at least twelve months of continuous service.
- (c) The options granted are exercisable only by the eligible person during his/her life time and within the option period whilst he/she is employed by the Group.
- (d) The option price for each RM0.50 share shall be the higher of the following:-
 - (i) A discount of not more than 10% from the five-market-day weighted average market price of the Company's shares at the date of offer, or
 - (ii) The par value of the shares.
- (e) The options are non-assignable.
- (f) The shares to be allotted under the ESOS shall rank pari passu in all respects with the then existing shares of the Company.

The outstanding offered options to take up unissued ordinary shares of RM0.50 each and the option price are as follows:-

Date of offer	Option price (RM)	Options over ordinary shares of RM0.50 each		
		At 1.7.2009	Exercised	At 30.6.2010
6.4.2001	0.60	1,894,000	-	1,894,000

DIRECTORS' REPORT (cont'd)

DIRECTORS OF THE COMPANY

The directors who served since the date of the last report are:-

Datuk Tiong Su Kouk
 Chong Shaw Fui
 Tiong Chiong Hiiung
 Tiong Chiong Soon
 Lau Liong Kii
 Ling Ting Leong @ Ling Chong Seng
 Wong See Khong
 Kueh Chung Peng
 Pemanca Janggu anak Banyang
 Douglas Jerukan @ Jarukan ak Kanyan
 Datu Haji Putit bin Matzen
 Dato' Fuziah @ Fauziah binti Dato' Ismail
 Bong Wei Leong

In accordance with Article 81 of the Company's Articles of Association, Datuk Tiong Su Kouk, Tiong Chiong Hiiung, Wong See Khong, Pemanca Janggu anak Banyang and Dato' Fuziah @ Fauziah binti Dato' Ismail retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Douglas Jerukan @ Jarukan ak Kanyan retires pursuant to Section 129 of the Companies Act, 1965 and separate resolution will be proposed for his re-appointment as director under the Provision of Section 129(6) of the said Act to hold office until the next annual general meeting of the Company.

DIRECTORS' SHAREHOLDINGS

The following directors who held office at the end of the financial year had, according to the Register of Directors' Shareholdings required to be kept under Section 134 of the Companies Act 1965, an interest in the shares of the Company as stated below:-

Shares in the Company	1.7.2009	Bought/ (sold)	30.6.2010
Datuk Tiong Su Kouk			
- Direct	2,305,848	76,861	2,382,709
- Indirect	52,753,744	1,758,457	54,512,201
Chong Shaw Fui			
- Indirect	10,291,272	343,042	10,634,314
Tiong Chiong Hiiung			
- Direct	385,500	12,850	398,350
- Indirect	52,120,744	1,737,357	53,858,101
Tiong Chiong Soon			
- Direct	243,000	8,100	251,100
- Indirect	52,129,744	1,737,657	53,867,401
Lau Liong Kii			
- Direct	3,836,400	127,880	3,964,280
- Indirect	3,857,442	128,581	3,986,023
Ling Ting Leong @ Ling Chong Seng			
- Direct	269,100	8,970	278,070
- Indirect	1,301,540	(242,333)	1,059,207
Wong See Khong			
- Direct	1,838,166	61,272	1,899,438
- Indirect	6,600	220	6,820
Kueh Chung Peng			
- Direct	3,067,296	102,243	3,169,539
Douglas Jerukan @ Jarukan Ak Kanyan			
- Direct	1,138,500	37,950	1,176,450
Pemanca Janggu Anak Banyang			
- Direct	45,000	1,500	46,500

DIRECTORS' REPORT (cont'd)

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with object or objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than the benefits disclosed as directors' remuneration in Note 23 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 he is a member, or with a company in which he has a substantial financial interest, except for any benefits arising from transactions as disclosed in Note 34 to the financial statements.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

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

- (a) to ascertain that actions 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
- (b) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected to realise.

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

- (a) 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
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing methods 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 substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

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

- (a) 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
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

OTHER STATUTORY INFORMATION

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

In the opinion of the directors,

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

DIRECTORS' REPORT (cont'd)

OTHER STATUTORY INFORMATION (cont'd)

- (b) 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.

AUDITORS

The auditors, **Hii & Lee**, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors.

DATUK TIONG SU KOUK

Chairman

TIONG CHIONG HIIUNG

Managing Director

21 October 2010

Sibu, Sarawak.

STATEMENT BY DIRECTORS

We, **DATUK TIONG SU KOUK** and **TIONG CHIONG HIIUNG**, being two of the directors of **CCK CONSOLIDATED HOLDINGS BERHAD**, stated that, in the opinion of the directors, the financial statements set out on pages 34 to 81 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2010 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with the Financial Reporting Standards in Malaysia and the provisions of the Companies Act 1965.

Signed on behalf of the Board in accordance with a resolution of the Directors.

DATUK TIONG SU KOUK
Chairman

TIONG CHIONG HIIUNG
Managing Director
21 October 2010
Sibu, Sarawak.

STATUTORY DECLARATION

I, **TIONG CHIONG HIIUNG** (I/C No. 670208-13-6277), being the managing director primarily responsible for the financial management of **CCK CONSOLIDATED HOLDINGS BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 34 to 81 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed **TIONG CHIONG HIIUNG** at **SIBU** on 21st day of October, 2010.

TIONG CHIONG HIIUNG

Before me

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CCK CONSOLIDATED HOLDINGS BERHAD (396692-T)



Hii & Lee (AF 0123)
Chartered Accountants

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2nd Floor, No. 1, Lorong Pahlawan 7A2
Jalan Pahlawan
P. O. Box 505
96007 Sibu, Sarawak.

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REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of **CCK Consolidated Holdings Berhad**, which comprise the balance sheet as at 30 June 2010 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 34 to 81.

Director's 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 30 June 2010 and of their financial performance and cash flows for the year then ended.

INDEPENDENT AUDITORS' REPORT (cont'd)

TO THE MEMBERS OF CCK CONSOLIDATED HOLDINGS BERHAD (396692-T)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- b) We have considered the accounts and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 8 to the financial statements.
- c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- d) The audit reports on the accounts 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.

HII & LEE

NO.AF0123

Chartered Accountants

MORRIS HII SU ONG

1682/4/11(J)

Chartered Accountant

21 October 2010

Sibu, Sarawak.

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2010

ASSETS	Note	2010 RM	2009 RM
Non-current assets			
Property, plant and equipment	6	44,184,028	46,758,433
Prepaid land lease payments	7	7,853,926	8,209,022
Investment in associated companies	9	870,143	1,086,471
Other investments	10	50,000	50,000
Deferred tax assets	20	-	175,683
		<u>52,958,097</u>	<u>56,279,609</u>
Current assets			
Inventories	12	33,049,208	35,495,701
Trade receivables	13	30,764,979	32,071,758
Other receivables, deposits and prepayment		7,043,422	4,502,953
Tax refundable		416,664	440,330
Amount due from associated companies	15	1,404,384	51,861
Fixed deposits with licensed banks		3,000,000	6,005,000
Cash and bank balances		26,468,477	18,223,214
		<u>102,147,134</u>	<u>96,790,817</u>
TOTAL ASSETS		<u>155,105,231</u>	<u>153,070,426</u>
Equity and Liabilities			
Equity attributable to equity holders of the Company			
Share capital	16	78,839,850	78,839,850
Share premium	16	157,800	157,800
Treasury shares	16	(926,498)	(3,959,794)
Exchange translation reserve	17	17,975	22,417
Retained profits		44,090,443	44,336,182
		<u>122,179,570</u>	<u>119,396,455</u>
Minority interests		1,088,804	1,052,118
Total equity		<u>123,268,374</u>	<u>120,448,573</u>
Non-current liabilities			
Bank borrowings	19	53,898	261,867
Deferred tax liabilities	20	2,704,081	2,732,403
		<u>2,757,979</u>	<u>2,994,270</u>
Current liabilities			
Trade payables		10,381,265	9,603,887
Other payables, deposits and accruals		5,775,755	6,969,438
Amount due to associated companies	15	182,072	59,460
Bank borrowings - Bank overdraft	19	785,177	1,940,523
- Other borrowings	19	8,926,611	9,928,588
Tax payable		3,027,998	1,125,687
		<u>29,078,878</u>	<u>29,627,583</u>
Total liabilities		<u>31,836,857</u>	<u>32,621,853</u>
TOTAL EQUITY AND LIABILITIES		<u>155,105,231</u>	<u>153,070,426</u>

The notes on pages 43 to 81 form an integral part of these financial statements.

BALANCE SHEET AS AT 30 JUNE 2010

ASSETS	Note	2010 RM	2009 RM
Non-current assets			
Property, plant and equipment	6	681	1,361
Prepaid land lease payments	7	403,815	559,502
Investment in subsidiary companies	8	41,749,149	41,749,149
Investment in associated companies	9	450,000	875,000
		<u>42,603,645</u>	<u>43,185,012</u>
CURRENT ASSETS			
Other receivables and prepayments		282,537	309,955
Tax refundable		209,689	142,807
Amount due from subsidiary companies	14	38,237,898	30,209,476
Amount due from associated companies	15	75	51,861
Fixed deposits with licensed bank		3,000,000	6,000,000
Bank balances		322,034	700,232
		<u>42,052,233</u>	<u>37,414,331</u>
TOTAL ASSETS		<u>84,655,878</u>	<u>80,599,343</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	16	78,839,850	78,839,850
Share premium	16	157,800	157,800
Treasury shares	16	(926,498)	(3,959,794)
Retained profits	18	6,402,601	4,543,770
Total equity		<u>84,473,753</u>	<u>79,581,626</u>
Non-current liabilities			
Deferred tax liabilities	20	-	340
Current liabilities			
Other payables and accruals		182,125	167,395
Amount due to subsidiary companies	14	-	790,522
Amount due to associated companies	15	-	59,460
		<u>182,125</u>	<u>1,017,377</u>
Total liabilities		<u>182,125</u>	<u>1,017,717</u>
TOTAL EQUITY AND LIABILITIES		<u>84,655,878</u>	<u>80,599,343</u>

The notes on pages 43 to 81 form an integral part of these financial statements.

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The notes on pages 43 to 81 form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

		<----- Attributable to Equity Holders of the Company ----->				
		<--- Non-distributable --->			Distributable	
	Note	Share Capital RM	Share Premium RM	Treasury Shares RM	Retained Profits RM	Total Equity RM
2010						
At 1 July		78,839,850	157,800	(3,959,794)	4,543,770	79,581,626
Net profit for the financial year		-	-	-	17,186,835	17,186,835
Purchase of treasury shares	16	-	-	(774,834)	-	(774,834)
Transaction costs	16	-	-	(5,795)	-	(5,795)
Dividends	30	-	-	3,813,925	(15,328,004)	(11,514,079)
At 30 June		78,839,850	157,800	(926,498)	6,402,601	84,473,753
2009						
At 1 July		78,839,850	157,800	(3,145,802)	1,876,570	77,728,418
Net profit for the financial year		-	-	-	5,486,866	5,486,866
Purchase of treasury shares	16	-	-	(807,993)	-	(807,993)
Transaction costs	16	-	-	(5,999)	-	(5,999)
Dividends	30	-	-	-	(2,819,666)	(2,819,666)
At 30 June		78,839,850	157,800	(3,959,794)	4,543,770	79,581,626

The notes on pages 43 to 81 form an integral part of these financial statements.

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	2010 RM	2009 RM
REVENUE	21	355,725,336	328,573,325
Cost of sales		(301,510,947)	(281,654,007)
GROSS PROFIT		54,214,389	46,919,318
Other operating income	22	2,325,068	1,665,767
Operating expenses	23	(32,858,990)	(31,483,711)
Finance costs	24	(282,221)	(503,508)
Share of results in associated companies		61,612	192,610
PROFIT BEFORE TAXATION		23,459,858	16,790,476
Taxation	25	(8,188,043)	(5,100,210)
NET PROFIT FOR THE FINANCIAL YEAR		15,271,815	11,690,266
ATTRIBUTABLE TO:			
Equity holders of the Company		15,082,265	11,527,535
Minority interests		189,550	162,731
		15,271,815	11,690,266
Earnings per share attributable to equity holders of the Company		Sen	Sen
- Basic, for profit for the year	26	9.57	7.31
- Diluted, for profit for the year	26	9.57	7.32
Net dividends per ordinary share	30		
Cash dividend (sen)			
- Interim dividend		5.25	-
- Final dividend		2.25	1.85
Share dividend (no. of shares)		1 for 30	-

The notes on pages 43 to 81 form an integral part of these financial statements.

INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	2010 RM	2009 RM
REVENUE	21	20,084,465	7,491,950
Other operating income	22	69,270	107,332
Operating expenses	23	(1,666,724)	(1,184,919)
PROFIT BEFORE TAXATION		18,487,011	6,414,363
Taxation	25	(1,300,176)	(927,497)
NET PROFIT FOR THE FINANCIAL YEAR		17,186,835	5,486,866
Net dividends per ordinary share	30	Sen	Sen
Cash dividend (sen)			
- Interim dividend		5.25	-
- Final dividend		2.25	1.85
Share dividend (no. of shares)		1 for 30	-

The notes on pages 43 to 81 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	2010 RM	2009 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		23,459,858	16,790,476
Adjustments for:-			
Allowance for doubtful debts		529,476	234,931
Allowance for doubtful debts no longer required		(35,300)	(59,635)
Amortisation of prepaid land lease payments		355,096	401,542
Amount waived by payables		-	(14,101)
Bad debts written off		185,670	34,369
Depreciation		4,888,645	5,646,977
Impairment of goodwill	11	-	62,093
Interest expenses		282,221	503,508
Interest income		(243,277)	(264,545)
Inventories written off		48,634	2,397
Loss on disposal of investment in associated companies		139,730	-
Loss on disposal of property, plant and equipment		14,576	240,119
Negative goodwill on consolidation		(7,570)	-
Profit on disposals of property, plant and equipment		(425,813)	(45,597)
Property, plant and equipment written off		19,998	43,535
Share of results in associated companies		(61,612)	(192,610)
Unrealised exchange gain		(8,115)	(14,048)
Operating profit before working capital changes		29,142,217	23,369,411
Decrease in inventories		2,397,859	1,058,489
Decrease in trade receivables		635,048	3,022,889
Increase in other receivables, deposits and prepayments		(2,493,162)	(970,709)
Decrease in trade payables		777,378	(4,505,345)
Increase in other payables, deposits and accruals		(1,193,683)	2,278,258
Cash generated from operations		29,265,657	24,252,993
Dividend received from associated company		-	45,000
Interest paid		(282,221)	(503,508)
Interest received		243,277	264,545
Tax refunded		203,719	242,390
Tax paid		(6,365,645)	(5,259,581)
Net cash provided by operating activities		23,064,787	19,041,839
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of minority interests share		(43,200)	-
Proceeds from disposal of property, plant and equipment		2,381,035	467,183
Increase in investment in an associated company		-	(100,000)
Proceeds from disposal of investment in associated companies		138,210	-
Purchase of prepaid land lease payments		-	(1,649,133)
Purchase of property, plant and equipment	27	(4,309,821)	(6,021,026)
Net cash used in investing activities		(1,833,776)	(7,302,976)

The notes on pages 43 to 81 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	2010 RM	2009 RM
CASH FLOWS FROM FINANCING ACTIVITIES			
Acquisition of treasury shares		(780,629)	(813,992)
Decrease in net amount due from associated companies		(1,229,911)	(34,343)
Dividend paid to minority shareholders of a subsidiary company		(101,600)	(101,600)
Dividend paid		(11,514,079)	(2,819,666)
Drawdown from term loans and other facilities obtained		15,587,000	19,422,000
Repayment of hire purchase liabilities		-	(1,934)
Repayment of term loans and other facilities		(16,796,946)	(20,359,282)
Net cash used in financing activities		(14,836,165)	(4,708,817)
Net increase in cash and cash equivalents		6,394,846	7,030,046
Cash and cash equivalents brought forward		22,287,691	15,229,687
Effects of exchange rate changes		763	27,958
Cash and cash equivalents carried forward	28	28,683,300	22,287,691

The notes on pages 43 to 81 form an integral part of these financial statements.

CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	2010 RM	2009 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		18,487,011	6,414,363
Adjustments for:-			
Amortisation of prepaid land lease payments		155,687	155,687
Depreciation		680	2,062
Dividend income		(19,642,165)	(7,045,000)
Interest income		(69,270)	(107,332)
Loss on disposal of investment in associated companies		286,790	-
Operating loss before working capital changes		(781,267)	(580,220)
Decrease in other receivables and prepayments		27,418	612,767
Increase/(decrease) in other payables and accruals		14,730	(35,115)
Cash absorbed by operations		(739,119)	(2,568)
Dividends received		18,204,665	6,045,000
Interest received		69,270	107,332
Tax refunded		70,102	222,248
Net cash provided by operating activities		17,604,918	6,372,012
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of investment in associated companies		138,210	-
Increase in investment in associated companies		-	(100,000)
Net cash provided by/(used in) investing activities		138,210	(100,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Increase)/decrease in net amount due from subsidiary companies		(8,818,944)	237,440
Increase in net amount due to associated companies		(7,674)	(34,343)
Acquisition of treasury shares		(780,629)	(813,992)
Dividend paid		(11,514,079)	(2,819,666)
Net cash used in financing activities		(21,121,326)	(3,430,561)
Net (decrease)/increase in cash and cash equivalents		(3,378,198)	2,841,451
Cash and cash equivalents brought forward		6,700,232	3,858,781
Cash and cash equivalents carried forward	28	3,322,034	6,700,232

The notes on pages 43 to 81 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of the Bursa Malaysia Securities Berhad.

The principal activities of the Company are investment holding and providing management services. The principal activities of the subsidiary companies are disclosed in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The address of the registered office of the Company is Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, 93450 Kuching, Sarawak.

The addresses of the principal places of business of the Company are as follows:-

- (a) Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, 93450 Kuching, Sarawak; and
- (b) Lot 3790, Block 9, Seduan Land District, Lanang Barat Road, 96000 Sibul, Sarawak.

The number of employees including executive directors in the Group and in the Company at the end of the financial year were 924 (2009: 966) and 7 (2009: 7) respectively.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 21 October 2010.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention other than as stated below and comply with Financial Reporting Standards ("FRSs"), the MASB Approved Accounting Standards in Malaysia for Entities other than Private Entities and the provisions of the Companies Act, 1965.

The preparation of financial statements in conformity with the provisions of the Companies Act 1965 and the FRSs, the MASB Approved Accounting Standards in Malaysia for Entities other than Private Entities requires the use of certain critical accounting estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Directors are also required to exercise their judgements in the process of applying the Company's accounting policies. Although these estimates and judgements are based on the directors' best knowledge of current events and actions, actual results could differ from those estimates.

3. CHANGE IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTING OF NEW AND REVISED FRSs

(a) Standards, amendments to published standards and interpretations to existing standards that are applicable effective for the current financial year

The accounting policies applied by the Group and the Company are consistent with those adopted in the previous financial year except that the Group and the Company had adopted FRS 8 Operating Segment which is mandatory for annual financial period beginning on or after 1 July 2009.

As this is a disclosure standard, there will be no impact on the financial position or results of the Group. The effect arising from the adoption of FRS 8 on the financial statements of the Group as discussed below

FRS 8 Operating Segments

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

3. CHANGE IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTING OF NEW AND REVISED FRSS (cont'd)

(a) Standards, amendments to published standards and interpretations to existing standards that are applicable effective for the current financial year (cont'd)

segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114. The Group has adopted FRS 8 retrospectively. These revised disclosures, including the related revised comparative information, are shown in Note 31.

(b) Standards, amendments and interpretations that have been issued but are not yet effective and have not been early adopted by the Company

The following standards, amendments and interpretations have been issued and are mandatory for the Company's financial periods beginning on or after 1 July 2010 or later periods, but the Company has not early adopted them:-

FRSS / IC Interpretations		Effective for financial periods beginning on or after
FRS 1 (Revised)	First-time Adoption of Financial Reporting Standards (Revised 2010)	1 July 2010
FRS 3 (Revised)	Business Combinations (Revised 2010)	1 July 2010
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101 (Revised)	Presentation of Financial Statements (Revised 2009)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 127 (Revised)	Consolidated and Separate Financial Statements (Revised 2010)	1 July 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate		1 January 2010
Amendment to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters		1 January 2011
Amendments to FRS 1 Additional Exemptions for First-time Adopters		1 January 2011
Amendments to FRS 2 Share-based Payment – Vesting Conditions and Cancellations		1 January 2010
Amendments to FRS 2 Share-based Payment		1 July 2010
Amendments to FRS 2 Group Cash-settled Share-based Payment Transactions		1 January 2011
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations		1 July 2010
Amendments to FRS 7 Improving Disclosures about Financial Instruments		1 January 2011
Amendments to FRS 132 Financial Instruments: Presentation		1 January 2010
Amendments to FRS 132 Financial Instruments: Presentation – Classification of Rights Issues		1 January 2010 / 1 March 2010
Amendments to FRS 138 Intangible Assets		1 July 2010
Amendments to FRS 139 Financial Instruments: Recognition and Measurement		1 January 2010
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives		1 January 2010

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

3. CHANGE IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTING OF NEW AND REVISED FRSS (cont'd)

(b) Standards, amendments and interpretations that have been issued but are not yet effective and have not been early adopted by the Company (cont'd)

FRSs / IC Interpretations		Effective for financial periods beginning on or after
IC Interpretation 4	Determining whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18	Transfers of Assets from Customers	1 January 2011
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives		1 July 2010
Improvements to FRSS (2009)		1 January 2010

- (i) FRS 7 replaces the disclosure requirements of the existing FRS 132 *Financial Instruments: Disclosure and Presentation*.

FRS 7 requires expanded disclosures about the significance of the financial instruments and the nature and extent of risks arising from those financial instruments. The Company will apply the standard from the financial period beginning 1 July 2010. The impact of applying this standard on the Company's financial statements upon its initial application is not disclosed by virtue of the exemption given in the standard.

- (ii) FRS 101 (Revised) introduces the titles "statement of financial position" and "statement of cash flows" to replace the current titles "balance sheet" and "cash flow statement" respectively. A new statement known as "statement of comprehensive income" is also introduced in the standard whereby all non-owner changes in equity are required to be presented in either one statement of comprehensive income or in two statements (i.e. a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity. Where comparative information is restated or reclassified, a statement of financial position is required to be presented as at the beginning of the earliest comparative period.

Additionally, the standard requires the disclosure of reclassification adjustments and income tax relating to each component of other comprehensive income, and the presentation of dividends recognised as distributions to owners and the related amounts per share in the statement of changes in equity or in the notes to the financial statements.

The standard also introduces new disclosure requirements to provide information on the objectives, policies and processes for managing capital.

The Company will apply the standard from the financial period beginning 1 July 2010. Apart from the new presentation and disclosure requirements as described above, the adoption of this standard will have no impact on the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

3. CHANGE IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTING OF NEW AND REVISED FRSS (cont'd)

(b) Standards, amendments and interpretations that have been issued but are not yet effective and have not been early adopted by the Company (cont'd)

- (iii) FRS 139 establishes the principles for the recognition and measurement of financial assets and financial liabilities, including circumstances under which the hedge accounting is permitted. The Company will apply the standard from the financial period beginning 1 July 2010. The impact of applying this standard on the Company's financial statements upon its initial application is not disclosed by virtue of the exemption given in the standard.
- (iv) Amendments to FRS 7 require enhanced disclosures of fair values of financial instruments based on the fair value hierarchy, including the disclosure of significant transfers between Level 1 and Level 2 of the fair value hierarchy, as well as the reconciliations for fair value measurements in Level 3 of the fair value hierarchy. The Company will apply the amendments from the financial period beginning 1 July 2011. The impact of applying these amendments on the Company's financial statements upon its initial application is not disclosed by virtue of the exemption given in the standard.
- (v) Amendments to FRS 139, FRS 7 and IC Interpretation 9 permit reclassifications of non-derivative financial assets (other than those designated at fair value through profit or loss upon initial recognition) out of the fair value through profit or loss category in rare circumstances. These reclassifications shall be subjected to subsequent reassessments of embedded derivatives. Reclassifications of financial assets from the available-for-sale category to the loans and receivables category are also permitted provided there is intention and ability to hold those financial assets for the foreseeable future.

The Company will apply the amendments from the financial period beginning 1 July 2010. The impact of applying the amendments to FRS 139 and FRS 7 on the Company's financial statements upon its initial application is not disclosed by virtue of the exemption given in those standards. However, amendments to IC Interpretation 9 are not relevant to the Company's operations.

- (vi) Amendment to FRS 117 Leases contained in the document "Improvements to FRSS (2009)" removes the specific guidance regarding classification of leases of land, so as to eliminate inconsistency with the general guidance on lease classification. Accordingly, leases of land shall be classified as either finance or operating leases using the general principles of the standard. As at 30 June 2010, the Company has carrying amount of prepaid lease rentals of RM355,096 (Note 7).
- (vii) The rest of the standards, amendments and interpretations are either not relevant to the Company's operations or the adoption of which are not expected to have any significant impact on the financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Subsidiaries and basis of consolidation

(i) Subsidiary companies

Subsidiary companies are those companies in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity. The subsidiary companies are disclosed in Note 8 to the financial statements. Investment in unquoted shares of the subsidiary companies, which is eliminated on consolidation, is stated at cost less impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Subsidiaries and basis of consolidation (cont'd)

(i) Subsidiary companies (cont'd)

Investments are written down where there is an impairment loss that is other than temporary in value of investments.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged/credited to the income statement.

(ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealized gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. 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.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill.

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in income statement.

Minority interests represent the portion of income statement and net assets in subsidiaries not attributable to the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

(b) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated income statement. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes. In applying the equity method, unrealized gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Associates (Cont'd)

Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's income statement in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interest that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

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

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in income statement.

(c) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(d) Property, plant and equipment and depreciation

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

Freehold land is not depreciated. Other property, plant and equipment are depreciated on a straight line basis to write off the cost of the assets to their residual values over their estimated useful lives. The principal annual depreciation rates are as follows:-

Buildings	2% - 5%
Furniture, fittings and equipment	10% - 20%
Coldroom, plant and machinery	10% - 20%
Motor vehicles	20%
Renovation	10% - 20%

No depreciation is provided for assets under construction. Depreciation of such assets will only be provided when construction is completed and in use.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(e) Provisions

A provision is recognised when the Company or Group has a present obligation as a result of a past event where it is probable that the obligation will result in an outflow of economic benefits that can be reasonably estimated.

(f) Impairment of assets

The carrying amounts of all assets, other than financial assets, are reviewed at balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the assets' recoverable amounts are estimated. An impairment loss is recognised whenever the carrying amount of an item of the assets exceeds its recoverable amount. An impairment loss is charged to the income statement.

The recoverable amount is the higher of net selling price and value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the assets belong.

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 assets' 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. The reversal is recognised in the income statement unless it reverses an impairment loss on a revalued asset, in which case it is taken to equity.

(g) Inventories

Inventories consisting of trading inventories, raw materials, work-in-progress, consumable stores and aquaculture products are stated at the lower of cost and net realisable value.

Cost of trading inventories is determined on a first-in-first-out (FIFO) basis.

Cost of raw materials and work-in-progress, and consumable stores is determined on a FIFO or weighted average basis. Cost of aquaculture products is determined on a specific identification basis. Cost of raw materials comprises the original cost of purchases plus the cost of bringing the inventories to their present locations and conditions. Cost of work-in-progress includes the cost of raw materials, direct labour and a proportion of overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

(h) Financial instruments

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses 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 charged directly to equity.

(i) Cash and cash equivalents

Cash and cash equivalents consists of cash and bank balances, demand deposits, bank overdrafts and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(h) Financial instruments (cont'd)

(ii) Other investment

Other investment in unquoted shares held for long term is stated at cost less allowance for diminution in value, if any. When an indication of diminution exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged/credited to the income statement.

(iii) Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(iv) Payables

Payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

(v) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(vi) Equity instruments

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

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

The consideration paid, including attributable transaction costs on repurchased ordinary shares of the Company that have not been cancelled, are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

(vii) Derivative financial instruments

Derivative financial instruments are not recognised in the financial statements.

(i) Assets acquired under hire purchase and term loan arrangements

Assets financed by hire purchase and term loan arrangements which transfer substantially all the risks and rewards of ownership to the Group are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. Assets acquired by way of hire purchase or finance lease are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practical to determine; otherwise, the company's incremental borrowing rate is used.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) Assets acquired under hire purchase and term loan arrangements (cont'd)

Finance charges are allocated to the income statements over the period of the arrangements to give a constant periodic rate of charge on the remaining hire purchase and term loan liabilities.

(j) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method, in principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

(k) Foreign currencies

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(ii) Foreign currency transactions

Foreign currency transactions are converted into Ringgit Malaysia at the rates of exchange ruling on transaction dates. Foreign currency monetary assets and liabilities are translated into Ringgit Malaysia at the approximate rates of exchange at the balance sheet date.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the income statement.

The principal closing rates used in translation of foreign currency amounts are as follows:-

Foreign currency		30.6.2010 RM	30.6.2009 RM
1	US Dollar	3.2575	3.5640
1	Sterling Pound	-	5.7860
1	Singapore Dollar	2.3580	2.4590
100	Indonesian Rupiah	0.0360	0.0363

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(l) Employee benefits

(i) Short-term employee benefits

All short-term employee benefits, including salary, payment, bonus accumulated and compensated absences are recognised in the income statements in the year in which the employees render their services to the Company.

(ii) Defined contribution plan

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund. Such contributions are recognised as an expense in the income statement as incurred.

(iii) Equity compensation benefits

Under the Employee Share Options Scheme of the Group, eligible employees are entitled to subscribe for the shares issued by the Company. No compensation cost or obligation is recognised in the income statement when the share options are granted. Share capital and share premium account are increased when the proceeds are received from the share options exercised by the employees in that financial year.

(m) Revenue recognition

Revenue is recognised on the following basis:-

- (i) Trading sales - upon delivery of products and buyer's acceptance, net of discounts and returns, and when the risks and rewards of ownership have passed to the buyer.
- (ii) Transportation services - when services are rendered.
- (iii) Management income - when services are rendered.
- (iv) Dividend income - when the shareholder's right to receive payment is established.

(n) Segment reporting

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the Group's financial statements.

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 item mainly comprises corporate administration expenses.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a. Critical judgements made in applying accounting policies

In the process of preparing the financial statements, there were no significant judgements made by management in applying the accounting policies that may have significant effects on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

b. Key sources of estimation uncertainty

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

(i) Depreciation of property, plant and equipment

Depreciation of property, plant and equipment is based on management's estimates of the future estimated useful lives and residual values of property, plant and equipment. Estimates may change due to technological developments, expected level of usage, competition, market conditions and other factors, and could impact the estimated useful lives and the residual values of these assets. This may result in future changes in the estimated useful lives and in the depreciation expenses. It is currently estimated that the property, plant and equipment of the Group will not have any residual values.

(ii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are disclosed in Note 20.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

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6. PROPERTY, PLANT AND EQUIPMENT

Group 2010 Cost	Freehold land RM	Buildings RM	Furniture, fittings and equipment RM	Coldroom, plant and Machinery RM	Motor vehicles RM	Renovation RM	Assets under construction RM	Total RM
At 1 July 2009	2,418,884	37,074,334	12,622,705	43,091,837	10,514,770	4,322,514	386,776	110,431,820
Additions	-	285,676	678,376	1,039,055	487,433	613,577	1,205,704	4,309,821
Written off	-	-	(170)	-	(70,120)	-	(19,981)	(90,271)
Disposals	-	(200,225)	(265,161)	(4,981,635)	(253,010)	(3,605)	-	(5,703,636)
Exchange differences	-	-	(2,114)	(4,099)	(405)	-	-	(6,618)
At 30 June 2010	2,418,884	37,159,785	13,033,636	39,145,158	10,678,668	4,932,486	1,572,499	108,941,116
Accumulated depreciation								
At 1 July 2009	-	12,596,437	9,178,212	30,884,281	8,483,174	2,531,283	-	63,673,387
Reclassifications	-	-	(5,619)	5,619	-	-	-	-
Charge for the year	-	1,266,408	757,113	1,711,253	753,117	400,754	-	4,888,645
Written off	-	-	(153)	-	(70,120)	-	-	(70,273)
Disposals	-	(49,186)	(184,148)	(3,249,516)	(249,456)	(1,532)	-	(3,733,838)
Exchange differences	-	-	(238)	(529)	(66)	-	-	(833)
At 30 June 2010	-	13,813,659	9,745,167	29,351,108	8,916,649	2,930,505	-	64,757,088
Net carrying amount								
At 30 June 2010	2,418,884	23,346,126	3,288,469	9,794,050	1,762,019	2,001,981	1,572,499	44,184,028

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

6. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Group 2009	Freehold land RM	Buildings RM	Furniture, fittings and equipment RM	Coldroom, plant and machinery RM	Motor vehicles RM	Renovation RM	Assets under construction RM	Total RM
Cost								
At 1 July 2008	2,418,884	36,045,947	12,166,217	41,696,336	10,020,844	3,462,944	397,976	106,209,148
Reclassification	-	11,200	-	(228,160)	-	228,160	(11,200)	-
Additions	-	1,829,112	1,064,694	1,730,737	765,073	631,410	-	6,021,026
Written off	-	(529,029)	(68,633)	-	(10,000)	-	-	(607,662)
Disposals	-	(282,896)	(539,573)	(107,076)	(261,147)	-	-	(1,190,692)
At 30 June 2009	2,418,884	37,074,334	12,622,705	43,091,837	10,514,770	4,322,514	386,776	110,431,820
Accumulated depreciation								
At 1 July 2008	-	11,840,074	8,713,819	28,676,131	7,682,828	2,206,672	-	59,119,524
Reclassifications	-	-	(709)	709	-	-	-	-
Charge for the year	-	1,260,461	812,724	2,270,510	978,671	324,611	-	5,646,977
Written off	-	(504,034)	(50,093)	-	(10,000)	-	-	(564,127)
Disposals	-	(64)	(297,529)	(63,069)	(168,325)	-	-	(528,987)
At 30 June 2009	-	12,596,437	9,178,212	30,884,281	8,483,174	2,531,283	-	63,673,387
Net carrying amount								
At 30 June 2009	2,418,884	24,477,897	3,444,493	12,207,556	2,031,596	1,791,231	386,776	46,758,433

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

6. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Company Cost	Equipment RM	2010 RM	2009 RM
At 1 July	15,100	15,100	15,100
At 30 June	15,100	15,100	15,100
Accumulated depreciation			
At 1 July	13,739	13,739	11,677
Charge for the year	680	680	2,062
At 30 June	14,419	14,419	13,739
Net carrying amount			
At 30 June	681	681	1,361

The carrying amount of the property, plant and equipment of the Group, which was acquired under term loan arrangements, is analysed as follows:-

Under term loan arrangements	2010 RM	2009 RM
Buildings	528,624	541,539

The carrying amount of the property, plant and equipment of certain subsidiary companies which were charged as securities for banking facilities granted to the Group (Note 19) are analysed as follows:-

	Group	
	2010 RM	2009 RM
Buildings	7,914,160	8,647,397

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

7. PREPAID LAND LEASE PAYMENTS

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
At 1 July	8,209,022	6,961,431	559,502	715,189
Addition during the year	-	1,649,133	-	-
Amortisation for the year	(355,096)	(401,542)	(155,687)	(155,687)
Carrying amount – At 30 June	7,853,926	8,209,022	403,815	559,502
Analysed as:-				
Long leasehold land	2,552,549	2,788,833	-	-
Short leasehold land	5,301,377	5,420,189	403,815	559,502
	7,853,926	8,209,022	403,815	559,502

Leasehold land classified under prepaid land lease payments of certain subsidiary companies amounting RM2,662,757 (2009: RM3,247,282) are pledged as securities for banking facilities granted to the Group (Refer Note 19).

8. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2010 RM	2009 RM
Unquoted shares, at cost	41,749,149	41,749,149

Details of the subsidiary companies are as follows:-

Company name	Country of incorporation	Principal activities	Group equity interest	
			2010 %	2009 %
Direct subsidiary companies of CCK Consolidated Holdings Berhad				
Ableway Sdn Bhd	Malaysia	General trading in goods and provisions	100	100
Ataskota Sdn Bhd	Malaysia	Selling, spawning and culturing of prawn	100	100
CCK Fresh Mart Sdn Bhd	Malaysia	Retailing in coldstorage products and fish farming	100	100
CCK Fresh Mart (West Malaysia) Sdn Bhd	Malaysia	Retailing in coldstorage products	100	100
Central Coldstorage Kuching Sdn Bhd	Malaysia	Trading of coldstorage goods, live stock farming and poultry processing	100	100
Kin Eastern Frozen Food Sdn Bhd	Malaysia	Processing and sale of seafood	100	100
Kuok Sui Sea Products Industries (S) Sdn Bhd	Malaysia	Processing and sale of prawns	100	100
CCK Aquaculture Sdn Bhd	Malaysia	Culturing, processing and trading of prawns	100	100
CCK Sea Products Industries Sdn Bhd	Malaysia	Culturing, processing and trading of prawns	100	100
Positive Everising Sdn Bhd	Malaysia	Dormant	100	100

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

8. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

	Company name	Country of incorporation	Principal activities	Group equity interest	
				2010 %	2009 %
	Subsidiary company of Ableway Sdn Bhd				
	Angkutan Golden Plan Sdn Bhd	Malaysia	Provision of transportation services	100	100
	Subsidiary companies of Central Coldstorage Kuching Sdn Bhd				
	CCK-BME Sdn Bhd	Malaysia	Trading of coldstorage goods	60	60
	Poultry Industry (S) Sdn Bhd	Malaysia	Rearing of broilers	100	100
	Zhang Agriculture Development Sdn Bhd	Malaysia	Poultry farming	100	100
#	Vibrant Team Sdn Bhd	Malaysia	Poultry farming	100	100
	Subsidiary company of Poultry Industry (S) Sdn Bhd				
	Farm Land Supplies and Veterinary Services Sdn Bhd	Malaysia	Veterinary supplies and related Services	60	60
	Subsidiary company of CCK Fresh Mart Sdn Bhd				
	Mukah Seafoods Industries Sdn Bhd	Malaysia	Trading of seafood and coldstorage foodstuff	78.07	71.41
#	Pt . Adilmart	Republic of Indonesia	Retailing in coldstorage products and fish farming	90	90
(#	Not audited by Hii & Lee)				

9. INVESTMENT IN ASSOCIATED COMPANIES

	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Unquoted shares, at cost	450,001	875,001	450,000	875,000
Share of post-acquisition results	420,142	256,470	-	-
Post-acquisition dividends received, net	-	(45,000)	-	-
	<u>870,143</u>	<u>1,086,471</u>	<u>450,000</u>	<u>875,000</u>

Details of the associated companies, all incorporated in Malaysia, are as follows:-

Company Name	Principal activities	Group equity interest	
		2010 %	2009 %
Associated company of CCK Consolidated Holdings Berhad			
Astral Foods Sdn Bhd	Liquidated	-	50
Convi Food Sdn Bhd	Trading and downstream frozen food processing	-	50
C.S. Choice Food Industries Sdn Bhd	Manufacturing, processing, packing and distributing of meat and other food products	50	50
Associated company of CCK Fresh Mart Sdn Bhd			
# Fishmart Marketing Sarawak Sdn Bhd	Dormant	50	50
(#	Not audited by Hii & Lee)		

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

9. INVESTMENT IN ASSOCIATED COMPANIES (cont'd)

The summarised financial information of the associated companies are as follows:-

	2010 RM	2009 RM
Assets and liabilities		
Current assets	2,819,802	2,800,035
Non-current assets	2,310,409	1,296,765
Total assets	5,130,211	4,096,800
Current liabilities	3,189,001	1,547,393
Non-current liabilities	200,926	385,489
Total liabilities	3,389,927	1,932,882
Net assets	1,740,284	2,163,918
Group's share of associates' net assets	870,143	1,086,471
Results		
Revenue	7,627,055	8,708,892
Profits for the year	123,222	385,220
Group's share of associates' results for the year	61,612	192,610

Goodwill amounting to Nil (2009: RM4,512) is included in the carrying amount of investment in associated companies.

10. OTHER INVESTMENTS

	Group	
	2010 RM	2009 RM
Unquoted shares, at cost	50,000	50,000

11. GOODWILL ON CONSOLIDATION

	Group	
	2010 RM	2009 RM
Carrying amounts		
At 1 July	-	62,093
Impairment loss	-	(62,093)
At 30 June	-	-

Impairment testing for cash-generating unit (CGU) containing goodwill

The carrying amount of goodwill was principally allocated to the poultry farming business unit belonging to one of the subsidiary companies.

As the subsidiary company had ceased operation, the carrying amount of the CGU was determined to be higher than its recoverable amount and accordingly, an impairment loss of RM62,093 was recognised in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

12. INVENTORIES

	Group	
At cost:-	2010 RM	2009 RM
Trading inventories	30,325,967	31,999,560
Raw materials	501,431	1,465,710
Aquaculture products	900,975	1,059,773
Consumable stores	1,320,835	970,658
	<u>33,049,208</u>	<u>35,495,701</u>

13. TRADE RECEIVABLES

	Group	
	2010 RM	2009 RM
Trade receivables	32,985,845	34,011,129
Allowance for doubtful debts	(2,220,866)	(1,939,371)
	<u>30,764,979</u>	<u>32,071,758</u>

The Group's normal trade credit terms range from 30 to 120 days from date of invoice. Other credit terms are assessed and approved by the management on a case-by-case basis. The Group has no significant concentration of credit risk that may arise from exposure to a single debtor or to groups of debtors.

14. AMOUNT DUE FROM/TO SUBSIDIARY COMPANIES

The amount due from/to subsidiary companies was unsecured, interest-free with flexible terms of repayment.

15. AMOUNT DUE FROM/TO ASSOCIATED COMPANIES

The amount due from/to associated companies arose from advances made and are unsecured, interest free with flexible terms of repayment.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

16. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	Number of Ordinary Shares of RM1 each		<----- Amount ----->		----->	
	Share Capital (Issued and Fully Paid)	Treasury Shares	Share Capital (Issued and Fully Paid) RM	Share Premium RM	Total Share Capital and Share Premium RM	Treasury Shares RM
At 30 June 2008	157,679,700	(3,714,600)	78,839,850	157,800	78,997,650	(3,145,802)
Purchase of treasury shares	-	(1,550,700)	-	-	-	(807,993)
Transaction costs	-	-	-	-	-	(5,999)
At 30 June 2009 and 1 July 2009	157,679,700	(5,265,300)	78,839,850	157,800	78,997,650	(3,959,794)
Purchase of treasury shares	-	(1,162,100)	-	-	-	(774,834)
Transaction costs	-	-	-	-	-	(5,795)
Distribution of dividend shares	-	5,071,340	-	-	-	3,813,925
At 30 June 2010	157,679,700	(1,356,060)	78,839,850	157,800	78,997,650	(926,498)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

16. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (cont'd)

	Number of Ordinary Shares of RM0.50 each		<----- Amount ----->	
	2010	2009	2010	2009
	Number of shares		RM	RM
Authorised share capital	200,000,000	200,000,000	100,000,000	100,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(a) Treasury shares

The shareholders of the Company, by an ordinary resolution passed in a general meeting held on 15 December 2004 and subsequently renewed during the annual general meetings on 15 December 2005, 15 December 2006, 7 December 2007, 15 December 2008 and 12 December 2009, approved the Company's plan to repurchase its own ordinary shares. The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company repurchased 1,162,100 (2009: 1,550,700) of its issued ordinary shares from the open market at a average price of RM0.67 (2009: RM0.52) per share. The total consideration paid for the repurchase was RM780,629 (2009: RM813,992), comprising of consideration paid amounting to RM774,834 (2009: RM807,993) and transaction costs of RM5,795 (2009: RM5,999). The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

During the financial year, the Company distributed 5,071,340 treasury shares as shares dividend on the basis of one (1) treasury share for every thirty (30) ordinary shares of RM0.50 each held.

As at 30 June 2010, the issued and fully paid ordinary shares are 157,679,700 (2009: 157,679,700) of which 1,356,060 (2009: 5,265,300) are held as treasury shares by the Company. As at 30 June 2010, the number of outstanding ordinary shares in issue after the setoff is therefore 156,323,640 (2009: 152,414,400) ordinary shares of RM0.50 each.

17. EXCHANGE TRANSLATION RESERVE

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

18. RETAINED PROFITS

The Company has approximately RM7,541,000 (2009: RM7,541,000) in its tax exempt account under Section 12 of the Income Tax (Amendment) Act 1999 for distribution of tax exempt dividends as at 30 June 2010.

As at 30 June 2010, the Company has no tax credit under section 108 of the Income Tax Act 1967. The Company may distribute dividends out of its entire retained profits as at 30 June 2010 under the single-tier system.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

19. BANK BORROWINGS

	Group	
	2010 RM	2009 RM
Long-term borrowings		
Term loans, secured	53,898	261,867
Short-term borrowings		
Secured:-		
Bank overdrafts	665,936	1,889,873
Bankers' acceptances	8,720,000	9,531,000
Term loans	206,611	397,588
	<u>9,592,547</u>	<u>11,818,461</u>
Unsecured:-		
Bank overdrafts	119,241	50,650
	<u>9,711,788</u>	<u>11,869,111</u>
Total borrowings		
Bank overdrafts, secured	665,936	1,889,873
Bank overdrafts, unsecured	119,241	50,650
Banker's acceptances	8,720,000	9,531,000
Term loans	260,509	659,455
	<u>9,765,686</u>	<u>12,130,978</u>
Details of term loans:		
(a) Term loan I at interest of 5.55% per annum, 0% above base lending rate (BLR) and 1.25% above BLR for first, second and subsequent years respectively, repayable by 120 monthly instalments of RM15,664, RM16,489 and RM17,254 each for first, second and subsequent years respectively commencing 15 May 2001	167,455	355,489
b) Term loan II at interest of 1.75% per annum below base lending rate (BLR), 0.90% below BLR and 0.80% above BLR for first, second and subsequent years respectively, repayable by 60 monthly Instalments of RM18,529, RM18,843 and RM19,326 each for first, second and subsequent year respectively commencing 26 September 2004	-	38,682
(c) Term loan III at interest of 1% per annum over the bank's effective costs of fund (Kuala Lumpur Inter Bank offer rate plus the bank's cost to maintain reserve), repayable by 36 monthly instalments of principal and interest at amount advised by the bank commencing 6 April 2007	-	133,123
(d) Term loan IV at interest of 3.38% per annum, 1.0% below base lending rate (BLR) and 0.2% above BLR for first, second and subsequent years respectively, repayable by 60 monthly instalments of RM3,758 each commencing 9 January 2008	93,054	132,161
	<u>260,509</u>	<u>659,455</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

19. BANK BORROWINGS (cont'd)

The term loan is repayable as follows:-

	Group	
	2010 RM	2009 RM
Not later than 1 year	206,611	397,588
Later than 1 year and not later than 2 years	39,156	207,678
Later than 2 years and not later than 5 years	14,742	54,189
	<u>260,509</u>	<u>659,455</u>

The weighted average effective interest rates at the balance sheet date for borrowings, excluding term loans, were as follows:-

	2010 RM	2009 RM
The term loan is repayable as follows:-		
Bank overdrafts	0.0755	0.0739
Banker's acceptances	0.0315	0.0357
Export credit refinancing loans	-	0.0424

The bank borrowings pertaining to subsidiary companies are secured by way of either fixed or floating charges, or both, over certain landed properties and other assets of the subsidiary companies (Note 6 and Note 7) and are guaranteed by the Company.

20. DEFERRED TAXATION

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Balance brought forward	2,556,720	2,612,693	340	686
Recognised in the income statement	147,447	(55,973)	(340)	(346)
Exchange differences	(86)	-	-	-
	<u>2,704,081</u>	<u>2,556,720</u>	<u>-</u>	<u>340</u>
Presented after appropriate offsetting as follows:-				
Deferred tax assets	-	(175,683)	-	-
Deferred tax liabilities	2,704,081	2,732,403	-	340
At 30 June	<u>2,704,081</u>	<u>2,556,720</u>	<u>-</u>	<u>340</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

20. DEFERRED TAXATION (cont'd)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:-

Deferred tax assets of the Group:	Unused tax losses RM	Unabsorbed capital allowances RM	Receivables RM	Others RM	Total RM
At 1 July 2008	141,373	155,233	-	-	296,606
Recognised in the income statement	76,123	52,437	58,500	1,303	188,363
At 30 June 2009 and 1 July 2009	217,496	207,670	58,500	1,303	484,969
Recognised in the income statement	(202,445)	(27,763)	6,175	8,985	(215,048)
Exchange differences	-	-	-	(11)	(11)
At 30 June 2010	15,051	179,907	64,675	10,277	269,910
Deferred tax liabilities of the Group:	Others RM	Receivable (foreign exchange) RM	Accelerated capital allowance RM	Total RM	
At 1 July 2008	-	-	2,909,299	2,909,299	
Recognised in the income statement	4,794	1,448	126,148	132,390	
At 30 June 2009 and 1 July 2009	4,794	1,448	3,035,447	3,041,689	
Recognised in the income statement	6,077	581	(74,259)	(67,601)	
Exchange differences	(40)	-	(57)	(97)	
At 30 June 2010	10,831	2,029	2,961,131	2,973,991	
Deferred tax liabilities of the Company:	Accelerated capital allowance RM				
At 1 July 2008	686				
Recognised in the income statement	(346)				
At 30 June 2009 and 1 July 2009	340				
Recognised in the income statement	(340)				
At 30 June 2010	-				

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

20. DEFERRED TAXATION (cont'd)

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

	Group	
	2010 RM	2009 RM
Others temporary differences	83,250	81,750
Unused tax losses	1,779,799	1,683,161
Unabsorbed capital allowance	2,052,584	2,040,395
	<u>3,915,633</u>	<u>3,805,306</u>

The unused tax losses and unabsorbed capital allowances are available indefinitely for offset against future taxable profits of the subsidiaries in which those items arose. Deferred tax assets have not been recognised in respect of these items as they may not be used to offset against taxable profits of other subsidiaries in the Group and they have arisen in subsidiaries that have a recent history of losses.

21. REVENUE

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Trading sales	355,250,644	328,100,862	-	-
Transportation services	454,392	458,713	-	-
Management income	20,300	13,750	442,300	446,950
Dividend income	-	-	19,642,165	7,045,000
	<u>355,725,336</u>	<u>328,573,325</u>	<u>20,084,465</u>	<u>7,491,950</u>

22. OTHER OPERATING INCOME

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Over provision of audit fee in previous year	7,050	5,850	-	-
Amount waived by payables	-	14,101	-	-
Allowance for doubtful debts no longer required	35,300	59,635	-	-
Interest income - others	8,634	9,660	-	-
- fixed deposit	234,643	254,885	69,270	107,332
Miscellaneous income	499,512	324,527	-	-
Negative goodwill on consolidation	7,570	-	-	-
Profit on disposals of property, plant and equipment	425,813	45,597	-	-
Realised exchange gain	102,459	91,987	-	-
Rental income	337,165	234,252	-	-
Service charges income	40,659	21,669	-	-
Storage charges income	618,148	589,556	-	-
Unrealised exchange gain	8,115	14,048	-	-
	<u>2,325,068</u>	<u>1,665,767</u>	<u>69,270</u>	<u>107,332</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

23. OPERATING EXPENSES

	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Distribution costs	5,212,511	5,135,871	-	-
Administration expenses	15,738,672	15,356,362	1,666,724	1,184,919
Other operating expenses	11,907,807	10,991,478	-	-
	<u>32,858,990</u>	<u>31,483,711</u>	<u>1,666,724</u>	<u>1,184,919</u>

The above expenses include the following statutory disclosure items:

	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Auditors' remuneration	147,293	133,808	17,500	15,000
Allowance for doubtful debts	529,476	234,931	-	-
Amortisation of prepaid land lease payments	355,096	401,542	155,687	155,687
Bad debts written off	185,670	34,369	-	-
Depreciation	4,888,645	5,646,977	680	2,062
Directors' remuneration:-				
- fees	356,300	327,140	315,400	279,400
- other emoluments	2,045,588	1,998,987	217,600	182,600
Hiring of plant and equipment	720	1,365	-	-
Impairment of goodwill	-	62,093	-	-
Inventories written off	48,634	2,397	-	-
Loss on disposal of property, plant and equipment	14,576	240,119	-	-
Loss on disposal of investment in associated companies	139,730	-	286,790	-
Property, plant and equipment written off	19,998	43,535	-	-
Realised exchange loss	146,736	216,636	-	-
Rental of premises	2,006,293	2,114,663	-	-

The remuneration paid to the Directors is categorised as follows:-

	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Executive Directors				
Salaries	841,960	914,400	105,600	105,600
Fees	71,780	75,260	49,000	49,000
Bonus	894,858	728,371	100,000	65,000
Commission	296,770	344,216	-	-
Allowances	12,000	12,000	12,000	12,000
	<u>2,117,368</u>	<u>2,074,247</u>	<u>266,600</u>	<u>231,600</u>
Non-executive Directors				
Fees	284,520	251,880	266,400	230,400
Total	<u>2,401,888</u>	<u>2,326,127</u>	<u>533,000</u>	<u>462,000</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

23. OPERATING EXPENSES (cont'd)

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:-

	Number of directors	
	2010	2009
Executive Directors		
RM550,001 to RM600,000	1	1
RM500,001 to RM550,000	1	-
RM450,001 to RM500,000	-	1
RM350,001 to RM400,000	-	1
RM200,001 to RM250,000	3	-
RM150,001 to RM200,000	-	3
RM100,000 to RM150,000	2	1
Non-Executive Directors		
RM150,000 to RM200,000	1	1
RM50,000 and below	5	5

24. FINANCE COSTS

	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Bank overdrafts interest	23,901	88,850	-	-
Term loans interest	24,606	46,000	-	-
Hire purchase interest	-	159	-	-
Banker's acceptances interest	233,116	360,934	-	-
Export credit refinancing loans Interest	598	7,565	-	-
	<u>282,221</u>	<u>503,508</u>	<u>-</u>	<u>-</u>

25. TAXATION

	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Current income tax:-				
Malaysian income tax	6,519,712	5,166,941	1,299,968	927,843
Over provision in prior years	1,520,884	(10,758)	548	-
Deferred tax:-				
Relating to origination and reversal of temporary differences	127,245	(146,227)	(340)	(346)
Under provision in prior years	20,202	90,254	-	-
	<u>8,188,043</u>	<u>5,100,210</u>	<u>1,300,176</u>	<u>927,497</u>

Domestic current income tax is calculated at the statutory tax rate of 25% (2009: 25%) of the estimated assessable profit for the year.

A reconciliation of income tax expenses applicable to profit before taxation at the statutory income tax rate to income tax expenses at the effective income tax rate of the Group and of the Company is as follows:-

	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Profit before taxation	<u>23,459,858</u>	<u>16,790,476</u>	<u>18,487,011</u>	<u>6,414,363</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

25. TAXATION (cont'd)

	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Income tax at 25%	5,864,965	4,197,619	4,621,753	1,603,591
Tax effect of permanent differences:-				
Expenses not deductible for tax purposes	432,714	245,536	150,916	46,234
Non-qualifying property, plant and equipment	231,970	255,658	-	38,922
Income not subject to tax	(84,586)	(72,125)	(3,473,041)	(761,250)
Double deduction on marine insurance	(888)	(332)	-	-
Utilisation of previously unrecognised tax losses and unabsorbed capital allowance	(245,964)	(30,945)	-	-
Deferred tax assets not recognised during the year	437,996	333,066	-	-
Effect of changes in tax rate on opening balance of deferred tax	9,415	2,275	-	-
Deferred tax recognised at different tax rate	-	(433)	-	-
Under provision of deferred tax in prior years	24,186	90,254	-	-
Over provision in prior years	1,520,884	(10,758)	548	-
Others	(2,649)	90,395	-	-
	<u>8,188,043</u>	<u>5,100,210</u>	<u>1,300,176</u>	<u>927,497</u>

26. EARNINGS PER SHARE

a) Basic:-

The basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the company.

	G r o u p	
	2010 RM	2009 RM
Profit attributable to ordinary equity holders of the Company	15,082,265	11,527,535
Weighted average number of ordinary shares in issue	157,679,700	157,679,700
	Sen	Sen
Basic earnings per share	9.57	7.31

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

26. EARNINGS PER SHARE (cont'd)

b) Diluted:-

The diluted earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the diluted weighted average number of ordinary shares in issue during the financial year, having been adjusted for the dilution of share options granted to employees.

	Group	
	2010 RM	2009 RM
Profit attributable to ordinary equity holders of the Company	15,082,265	11,527,535
Weighted average number of ordinary share in issue	157,679,700	157,679,700
Effects of dilution:-		
Share options	-	(210,444)
Adjusted weighted average number of ordinary share in issue	157,679,700	157,469,256
	Sen	Sen
Diluted earnings per share	9.57	7.32

27. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group	
	2010 RM	2009 RM
Total purchases of property, plant and equipment	4,309,821	6,021,026
Cash disbursed for purchases of property, plant and equipment	4,309,821	6,021,026

28. CASH AND CASH EQUIVALENTS

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Fixed deposits with licensed banks	3,000,000	6,005,000	3,000,000	6,000,000
Cash and bank balances	26,468,477	18,223,214	322,034	700,232
Bank overdrafts - secured	(665,936)	(1,889,873)	-	-
- unsecured	(119,241)	(50,650)	-	-
	<u>28,683,300</u>	<u>22,287,691</u>	<u>3,322,034</u>	<u>6,700,232</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

29. EMPLOYEES INFORMATION

Staff costs	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Salaries, bonus, wages and allowances	20,679,601	19,341,917	484,982	371,502
Employees provident fund contribution	1,791,999	1,681,722	57,793	45,638
Socso contribution	201,480	190,201	3,885	3,082
Other employee benefits	1,862,819	2,022,424	67,160	52,846
	<u>24,535,899</u>	<u>23,236,264</u>	<u>613,820</u>	<u>473,068</u>

Included in staff cost of the Group and of the Company are executive directors' remuneration amounting to RM2,117,368 (2009: RM2,074,247) and RM266,600 (2009: RM231,600) respectively as further disclosed in Note 23.

30. DIVIDENDS

	Group/Company	
	2010 RM	2009 RM
Final dividend paid on ordinary shares of 2.25 sen gross (2009: 2.5 sen) per share, less tax at 25% (2009: 26%)	3,526,498	2,819,666
Special interim dividend paid on ordinary shares of 7.0 sen gross (2009: Nil) less tax at 25%	7,987,581	-
Share dividend on the basis of 1 treasury share for every existing 30 ordinary shares	3,813,925	-
	<u>15,328,004</u>	<u>2,819,666</u>

The Board of Directors proposed a single tier final dividend of 3.0 sen in respect of the financial year ended 30 June 2010 subject to approval by the members at the forthcoming Annual General Meeting.

The above dividends are not recognised as liabilities at the balance sheet date and will be accounted for as appropriation of retained earnings in the financial year ending 30 June 2011.

31. SEGMENT INFORMATION

Segment information is presented in respect of the Group's business segments.

For management purposes, the Group is organised into business units based on their products and services, and has five reportable operating segments as follows:-

- i) Poultry: Rearing and production in poultry products.
- ii) Prawn: Rearing and production in prawn and seafood products.
- iii) Food ration: Supply / trading in food products and related services.
- iv) Retail: Trading in coldstorage products.
- v) Others: Management and related income

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs), income taxes and certain administrative expenses are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

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31. SEGMENT INFORMATION (cont'd)

Group 2010	Poultry RM	Prawn RM	Food ration RM	Retail RM	Others RM	Eliminations RM	Note	Consolidated RM
Revenue:								
External customers	61,036,422	19,020,767	40,609,598	235,038,249	20,300	-		355,725,336
Inter-segment revenue	86,168,039	21,611,682	1,441,852	60,483,767	422,000	(170,127,340)	(a)	-
Dividend income	160,000	-	-	43,200	19,642,165	(19,845,365)		-
Total revenue	147,364,461	40,632,449	42,051,450	295,565,216	20,084,465	(189,972,705)		355,725,336
Results:								
Interest income	24,806	4	-	149,197	69,270	-		243,277
Interest expense	33,275	32,374	-	216,572	-	-		282,221
Depreciation and amortisation	1,360,445	753,151	230,939	2,742,839	156,367	-		5,243,741
Share of results in associated companies	-	-	-	61,612	-	-		61,612
Other material non-cash items	62,834	148,539	17	630,379	286,790	7,570	(b)	1,136,129
Segment profit before tax	6,307,301	(1,095,033)	4,991,230	14,399,422	18,486,061	(19,629,123)	(c)	23,459,858
Assets:								
Investments in associated companies	-	-	-	2,053	868,090	-		870,143
Other investments	-	-	-	50,000	-	-		50,000
Capital expenditure	306,837	1,166,404	159,624	2,676,956	-	-	(d)	4,309,821
Segment assets	40,716,749	24,815,453	16,182,427	94,646,489	42,257,040	(63,512,927)	(e)	155,105,231
Segment liabilities	10,660,197	12,689,184	8,495,842	49,142,709	200,894	(49,351,969)	(f)	31,836,857

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

31. SEGMENT INFORMATION (cont'd)

Group 2009	Poultry RM	Prawn RM	Food ration RM	Retail RM	Others RM	Eliminations RM	Note	Consolidated RM
Revenue:								
External customers	60,454,932	15,143,018	39,537,863	213,423,762	13,750	-		328,573,325
Inter-segment revenue	87,605,022	19,159,389	1,404,199	56,994,441	388,200	(165,551,251)	(a)	-
Dividend income	160,000	-	-	43,784	7,045,000	(7,248,784)		-
Total revenue	148,219,954	34,302,407	40,942,062	270,461,987	7,446,950	(172,800,035)		328,573,325
Results:								
Interest income	22,133	31	-	135,049	107,332	-		264,545
Interest expense	50,470	108,063	-	344,975	-	-		503,508
Depreciation and amortisation	1,483,541	1,366,127	222,707	2,818,395	157,749	-		6,048,519
Share of results in associated companies	-	-	-	192,610	-	-		192,610
Other material non-cash items	43,535	349,043	-	250,558	-	62,093	(b)	705,229
Segment profit before tax	4,196,600	(1,992,911)	4,365,650	10,925,836	6,413,568	(7,118,267)	(c)	16,790,476
Assets:								
Investments in associated companies	-	-	-	2,850	1,083,621	-		1,086,471
Other investments	-	-	-	50,000	-	-		50,000
Capital expenditure	2,218,477	499,458	288,425	4,663,799	-	-	(d)	7,670,159
Segment assets	39,122,433	30,032,210	16,604,967	92,756,367	37,842,387	(63,287,938)	(e)	153,070,426
Segment liabilities	11,460,905	15,321,852	10,705,668	43,149,586	1,035,196	(49,051,354)	(f)	32,621,853

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

31. SEGMENT INFORMATION (cont'd)

Notes: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

- (a) Inter-segment revenues are eliminated on consolidation.
- (b) Other material non-cash items consist of the following items as presented in Note 22 and 23 to the financial statements:-

	2010 RM	2009 RM
Negative goodwill on consolidation	7,570	-
Amount waived by payables	-	14,101
Allowance for doubtful debts no longer required	35,300	59,636
Unrealised exchange gain	8,115	14,048
Allowance for doubtful debts	529,476	234,931
Bad debts written off	185,670	34,369
Impairment of goodwill	-	62,093
Inventories written off	48,634	2,397
Loss on disposals of property, plant and equipment	14,576	240,119
Loss on disposals of investment in associated companies	286,790	-
Property, plant and equipment written off	19,998	43,535
	<u>1,136,129</u>	<u>705,229</u>

- (c) The following items are added to/(deducted from) segment profit to arrive at "Profit before taxation" presented in the consolidated income statement:-

	2010 RM	2009 RM
Share of results of associated companies	61,612	192,610
Profit from inter-segment	(19,845,365)	(7,248,784)
Impairment of goodwill	-	(62,093)
Negative goodwill on consolidation	7,570	-
Realisation of post results of associated companies	147,060	-
	<u>(19,629,123)</u>	<u>(7,118,267)</u>

- (d) Capital expenditure consists of:-

	2010 RM	2009 RM
Property, plant and equipment	4,309,821	6,067,826
Prepaid land lease payments	-	2,545,450
	<u>4,309,821</u>	<u>8,613,276</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

31. SEGMENT INFORMATION (cont'd)

- (e) The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated balance sheet:-

	2010 RM	2009 RM
Investment in associated companies	870,143	1,086,471
Other investments	50,000	50,000
Deferred tax assets	-	175,683
Tax refundable	416,664	440,330
Inter-segment assets	(64,849,734)	(65,040,422)
	<u>(63,512,927)</u>	<u>(63,287,938)</u>

- (f) The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:-

	2010 RM	2009 RM
Deferred tax assets	2,704,081	2,732,403
Tax payable	3,027,998	1,125,687
Bank borrowings	9,765,686	12,130,978
Inter-segment liabilities	(64,849,734)	(65,040,422)
	<u>(49,351,969)</u>	<u>(49,051,354)</u>

Geographical information

The Group's revenue from external customers and information about its segments assets (non-current assets excluding financial assets and deferred tax assets) by geographical location are detailed below:-

	Revenue from external customers		Non-current assets	
	2010 RM	2009 RM	2010 RM	2009 RM
Australia	183,387	718,377	-	-
Dubai	915,870	-	-	-
Indonesia	8,278,773	8,792,904	1,080,255	700,027
Japan	7,844,806	4,549,539	-	-
Malaysia	335,668,176	312,245,089	50,957,699	54,267,428
New Zealand	-	137,948	-	-
People's Republic of China	1,678,030	1,429,093	-	-
Singapore	595,617	700,375	-	-
United Kingdom	560,677	-	-	-
	<u>355,725,336</u>	<u>328,573,325</u>	<u>52,037,954</u>	<u>54,967,455</u>

Non-current assets information presented above consists of:-

	2010 RM	2009 RM
Property, plant and equipment	44,184,028	46,758,433
Prepaid land lease payments	7,853,926	8,209,022
	<u>52,037,954</u>	<u>54,967,455</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

32. CAPITAL COMMITMENTS

	G r o u p		C o m p a n y	
Capital expenditure for property, plant and equipment:-	2010 RM	2009 RM	2010 RM	2009 RM
Approved and contracted for	376,500	64,500	-	-

33. CONTINGENT LIABILITIES

	C o m p a n y	
Unsecured	2010 RM	2009 RM
Guarantees for the borrowings of subsidiary companies	81,431,000	96,500,200

34. RELATED PARTY DISCLOSURES

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year.

	C o m p a n y	
(a) Transactions with subsidiary companies:-	2010 RM	2009 RM
Management fees received	422,000	433,200
Dividend received	19,642,165	7,000,000
Accounting fee paid	24,000	24,000

	G r o u p		C o m p a n y	
(b) Transactions with associated companies:-	2010 RM	2009 RM	2010 RM	2009 RM
Dividend received	-	-	-	45,000
Management fees received	3,600	3,600	-	-
Sales of products	491,022	568,779	-	-
Purchase of products	3,459,201	3,920,879	-	-
Rental paid	96,000	-	-	-

	G r o u p	
(c) Transactions with a company in which certain directors and substantial shareholders have financial interest in:-	2010 RM	2009 RM
Rental paid	36,000	36,000

(d) Compensation of key management personnel (excluding provision for employee benefits):-

The Group considers the directors to be key management personnel. The remuneration of directors during the year were as follows:-

	G r o u p		C o m p a n y	
	2010 RM	2009 RM	2010 RM	2009 RM
Short-term employee benefits	2,045,588	1,998,987	217,600	182,600
Directors' fee	356,300	327,140	315,400	279,400
Defined contribution plan	280,743	239,060	26,112	21,912
	2,682,631	2,565,187	559,112	483,912

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose itself to a variety of financial risks, including credit risk, interest rate risk, liquidity risk and foreign currency risk. The Group's overall financial risk management objective is to ensure that its Group of Companies creates value for its shareholders and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems and adherence to the Group's financial risk management policies. The Group does not trade in financial instruments or engage in speculative transaction.

The policies for managing each of these risks which the Group is exposed to are summarised below:-

Credit risk

The Group's exposure to credit risk arises mainly from trade receivables. It is the Group's policy to control credit risk by setting counterparty limits and ensuring that sales of products and services are made to customers with an appropriate credit history and it monitors the financial standing of the receivables on an ongoing basis to ensure that it is exposed to minimal credit risk.

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents that are deemed adequate by the management to finance the Group's operations. To mitigate the effects of fluctuation in cash flows, the Group also ensures the availability of funding through an adequate amount of committed credit facilities.

Foreign currency risk

The Group is exposed to foreign currency risk as a result of its normal trading activities, where the currency denomination differs from the local currency, Ringgit Malaysia (RM). The currencies giving rise to this risk are primarily US Dollar and Sterling Pounds.

The Group does not actively use foreign exchange derivative instrument as a means to hedge its transaction risk. The risk is, by and large, naturally hedged through matching, as far as possible, receipts and payments in each individual currency.

Interest rate risk

The Group's exposure to interest rate risk arises mainly from its borrowings and fixed deposits. The Group's policy is to obtain the most favourable interest rates available and it mitigates the exposure on interest rate fluctuations by borrowings at both fixed and floating rate of interest. Surplus funds are placed with licensed financial institutions. Exposure to interest rate risk is monitored on an ongoing basis by the management.

The Group's exposures to risk that the value of a financial instrument will fluctuate due to changes in market interest rates are minimal.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

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35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Interest rate risk (cont'd)

The following tables set out the carrying amounts, the weight average effective interest rates (WAEIR) as at the balance sheet date and the remaining maturities of the Group's and the Company's instruments that are exposed to interest rate risk.

At 30 June 2010 Group	Note	WAEIR %	Within 1 Year RM	1 - 2 Years RM	2 - 3 Years RM	3 - 4 Years RM	4 - 5 Years RM	Total RM
Fixed rate								
Fixed deposits with licensed banks	28	3.00	3,000,000	-	-	-	-	3,000,000
Floating rate								
Bank overdrafts	19	7.55	(785,177)	-	-	-	-	(785,177)
Banker's acceptances	19	3.15	(8,720,000)	-	-	-	-	(8,720,000)
Term loans	19	7.17	(206,611)	(39,156)	(14,742)	-	-	(260,509)
At 30 June 2009								
Group								
Fixed rate								
Fixed deposits with licensed banks	28	3.00	6,005,000	-	-	-	-	6,005,000
Floating rate								
Bank overdrafts	19	7.39	(1,940,523)	-	-	-	-	(1,940,523)
Banker's acceptances	19	3.57	(9,531,000)	-	-	-	-	(9,531,000)
Term loans	19	6.51	(397,588)	(207,678)	(38,986)	(15,203)	-	(659,455)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Interest rate risk (cont'd)

The following tables set out the carrying amounts, the weight average effective interest rates (WAEIR) as at the balance sheet date and the remaining maturities of the Group's and the Company's instruments that are exposed to interest rate risk.

At 30 June 2010 Group	Note	WAEIR %	Within 1 Year RM	1 - 2 Years RM	2 - 3 Years RM	3 - 4 Years RM	Total RM
Fixed rate							
Fixed deposits with licensed banks	28	3.00	3,000,000	-	-	-	3,000,000
At 30 June 2009 Company							
Fixed rate							
Fixed deposits with licensed banks	28	3.00	6,000,000	-	-	-	6,000,000

Interest on financial instruments subject to floating interest rates is contractually repriced at intervals of less than 6 months except for term loans and floating rate loans which are normally repriced annually. Interest on financial instruments at fixed rates are fixed until the maturity of the instruments. The other financial instruments of the Group and the Company that are not included in the above tables are not subject to interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Fair value

The carrying amounts of financial liabilities of the Group at the balance sheet date approximated their fair value except as set out below:

	G r o u p			
	2010		2009	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Assets – Non Current				
Investment in associated companies	870,143	#	1,086,471	#
Other investment	50,000	#	50,000	#
Liabilities – Non Current				
Term loans	53,898	64,136	261,867	285,081
	C o m p a n y			
Assets – Non Current				
Investment in subsidiary companies	41,749,149	#	41,749,149	#
Investment in associated companies	450,000	#	875,000	#
Liabilities – Non current				
Contingent liabilities	81,431,000	*	96,500,200	*

It is not practical to estimate the fair value of the long term unquoted investments in the subsidiary and associate companies and other unquoted investment because of the lack of market prices/information and the inability to estimate fair value without incurring excessive costs. The Company believes that the carrying amount of these investments represents the recoverable value as the respective investing company's share of net assets reported by the investee companies approximate or exceed the costs of investments as reported at balance sheet date.

* It is not practical to estimate the fair value of the contingent liabilities because of the uncertainty in the time frame involved and the inability to estimate fair value without incurring guarantees relating to banking facilities of subsidiary companies to be significantly different from the carrying amount if and when settled.

The following methods and assumptions are used to determine the fair value of financial instruments:

- (i) The fair values of the hire purchase creditors and term loans are estimated by discounting the future contractual cash flows at the current interest rate available to the Group for similar financial instruments.
- (ii) The carrying amounts of other financial assets and liabilities maturing within 12 months approximate their fair values due to the relatively short term maturity of these financial instruments.
- (iii) It is not practical to estimate the fair values of amount owing to/from the subsidiary and associate companies due to the lack of fixed repayment terms and the inability to estimate fair values without incurring excessive costs. However, the Company does not anticipate the carrying amounts recorded at the balance sheet date to be significantly different from the values that would eventually be received or settled.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

36. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation.

	G r o u p	
	As previously stated RM	As restated RM
Consolidated balance sheet		
Property, plant and equipment	47,444,979	46,758,433
Prepaid land lease payment	8,465,593	8,209,022
Other receivables, deposits and prepayments	3,559,836	4,502,953

ADDITIONAL COMPLIANCE INFORMATION

The following information is presented in compliance with the Main Market Listing Requirements:

Share Buy-backs

At the Thirteenth Annual General Meeting of the Company held on 14 December 2009, the shareholders renewed the authority for the Company to purchase and/or hold its own shares up to 10%, i.e. 15,767,970 ordinary shares of RM0.50 each, of the total issued and paid-up share capital of the Company.

On 15 October 2009, the Company distributed 5,071,340 treasury shares to the shareholders whose names appeared in the Record of Depositors as at 25 September 2009 in the ratio of one (1) treasury share for every thirty (30) existing ordinary shares held.

As at the end of the financial year ended 30 June 2010, a total of 1,162,100 ordinary shares of RM0.50 each of the Company were purchased pursuant to the share buy-back authority.

All the shares purchased were retained as treasury shares. None of the shares purchased has been resold or cancelled during the financial year under review.

Below is the monthly breakdown of the shares bought back during the financial year ended 30 June 2010:

Month	No. of shares purchased	Price		Average Cost (RM)	Total Consideration (RM)
		Highest (RM)	Lowest (RM)		
Year 2009					
July	-	-	-	-	-
August	250,000	0.600	0.570	21,394.76	149,763.32
September	319,500	0.750	0.670	31,914.06	223,398.41
October	183,200	0.715	0.680	14,244.87	128,203.83
November	-	-	-	-	-
December	-	-	-	-	-
Year 2010					
January	-	-	-	-	-
February	10,000	0.680	0.680	6,849.84	6,849.84
March	-	-	-	-	-
April	-	-	-	-	-
May	360,400	0.660	0.650	47,478.95	236,378.45
June	39,000	0.650	0.650	12,784.93	25,569.86

Material Contracts

There was no material contract (not being contracts entered into during the ordinary course of business) entered into by the Company or its subsidiaries involving directors' or major shareholders' interest, either subsisting at the end of the financial year ended 30 June 2010 or entered into since the end of the previous financial year.

Non-Audit Fees

The amount of non-audit fees paid to the external auditors, Messrs. Hii & Lee ("HL") or a firm or company affiliated to HL by the Company and the subsidiaries for the financial year ended 30 June 2010 amounted to RM36,400 and RM18,800 respectively.

LIST OF TOP 10 PROPERTIES

AS AT 30 JUNE 2010

Location	Description/ Existing Use	Tenure	Date of Acquisition	Age Of Building (Year)	Land Area	Net Book Value (RM)
CCK Fresh Mart Sdn. Bhd. Lot 2969, Block 19 Seduan Land District, Sibul Sarawak	Corporate Office, Coldroom and Store	Leasehold (3 years remaining) Expiring on 30.08.2013	01.04.2007	3	1.738 Hectares	5,423,493
Central Coldstorage Kuching Sdn. Bhd. Lot 999, Section 66 Jalan Keluli Bintawa Industrial Estate Kuching, Sarawak	Industrial Land/ Corporate Office, Coldroom and Abattoir	Leasehold (25 Years remaining) Expiring on 06.04.2035	23.06.1992	14	2.295 Hectares	4,935,196
CCK Fresh Mart (West Malaysia) Sdn. Bhd. H.S.(D.) No.:19776 P.T. No.:22244 Mukim Batu Daerah Gombak State of Selangor	3 Storey Detached Industrial Factory	Freehold	28.09.1999	13.5	22,557 Sq.Metres	3,806,127
CCK Sea Products Industries Sdn. Bhd. Lot 999, Section 66 Jalan Keluli Bintawa Industrial Estate Kuching, Sarawak	Factory, Office, Coldroom, Worker Quarters, Farm Building and Guard House	Leasehold (25 Years remaining) Expiring on 06.04.2035	2002	8	-	1,998,722
CCK Fresh Mart (West Malaysia) Sdn. Bhd. H.S.(D.) No.:24157 P.T. No.:19461 Bandar Kajang Daerah Ulu Langat State of Selangor	3 Storey Corner Terraced Shophouse	Leasehold (79 Years remaining) Expiring on 26.06.2089	15.02.2001	14	235.32 Sq.Metres	1,766,219
Kuok Sui Sea Products Industries (S) Sdn. Bhd. Lot 22, Block 9 Sibu Town District, Sarawak	3 Storey Detached Factory	Freehold	12.06.1999	11	890.90 Sq. Metres	1,543,812
CCK Fresh Mart Sdn. Bhd. Country Lease No. 025346945 Lok Kawi, District of Papar Sabah	Agriculture Land	Freehold	31.03.2009	-	0.673 Hectares	1,381,038
CCK Fresh Mart Sdn. Bhd. Lot 1032, Block 5 Miri Concession Land District Sarawak	5 Units of 3 Storey Shophouse, Office	Leasehold (39 Years remaining) Expiring on 04.12.2049	07.12.1996	15	2,456 Sq.Metres	1,306,080
Central Coldstorage Kuching Sdn. Bhd. Survey Lot 14935, Block 11 Muara Tebas Land District Kuching, Sarawak	4 Storey Intermediate Terraced Shophouse	Leasehold (55 Years remaining) Expiring on 27.05.2065	15.02.2007	4	146.60 Sq.Metres	1,094,963
Zhang Agriculture Development Sdn. Bhd. Lot 1057, Block 9 Senggi-Poak Land District Bau, Sarawak	Agriculture Land, Hatchery, Office, Workers Quarters & Laboratory	Leasehold (16 Years remaining) Expiring on 31.12.2026	03.10.1991	13.5	3.896 Hectares	1,082,294

ANALYSIS OF SHAREHOLDINGS

AS AT 22 OCTOBER 2010

SHARE CAPITAL

Authorised share capital : RM100,000,000
 Issued and paid-up share capital : RM78,839,850 comprising 157,679,700 ordinary shares of RM0.50 each
 Class of shares : Ordinary shares of RM0.50 each
 Voting rights : One vote per ordinary share

Size of shareholdings	No. of holders	% of holders	No. of shares	% of issued capital #
less than 100 shares	35	1.71	1,400	0.00 *
100 - 1,000 shares	338	16.50	118,504	0.08
1,001 - 10,000 shares	1,073	52.37	5,844,210	3.79
10,001 - 100,000 shares	506	24.69	15,347,372	9.96
100,001 - less than 5% of issued shares	93	4.54	57,802,328	37.52
5% and above of issued shares	4	0.19	74,947,926	48.65
Total	2,049	100.00	154,061,740[#]	100.00

Notes:

excluding 3,617,960 ordinary shares of RM0.50 each bought back and retained as treasury shares based on the Record of Depositors as at 22 October 2010.

* less than 0.01%

SUBSTANTIAL SHAREHOLDERS

(As per the Register of Substantial Shareholders as at 22 October 2010)

No.	Name	No. of shares held			
		Direct Interest	% [#]	Indirect Interest	% [#]
1.	Central Coldstorage Sarawak Sdn. Bhd.	32,383,612	21.02	-	-
2.	S.K. Tiong Enterprise Sdn. Bhd.	21,427,989	13.91	32,383,612 ^(a)	21.02
3.	AmanahRaya Trustee Berhad - Skim Amanah Saham Bumiputera	13,950,000	9.05	-	-
4.	Chong Nyuk Kiong Enterprise Sdn. Bhd.	10,634,314	6.90	-	-
5.	Datuk Tiong Su Kouk	2,382,709	1.55	53,811,601 ^(b)	34.93
6.	Datin Wong Bak Hee	700,600	0.45	53,811,601 ^(b)	34.93
7.	Tiong Chiong Hiiung	398,350	0.26	53,811,601 ^(c)	34.93
8.	Tiong Chiong Soon	251,100	0.16	53,811,601 ^(c)	34.93
9.	Chong Shaw Fui	-	-	10,634,314 ^(d)	6.90
10.	Chong Min Fui	-	-	10,634,314 ^(d)	6.90
11.	Chong Kong Fui	-	-	10,634,314 ^(d)	6.90

Notes:

excluding 3,617,960 ordinary shares of RM0.50 each bought back and retained as treasury shares as at 22 October 2010.

(a) Deemed interested through its wholly-owned subsidiary, Central Coldstorage Sarawak Sdn. Bhd.

(b) Deemed interested by virtue of their substantial shareholdings in S.K. Tiong Enterprise Sdn. Bhd. and Central Coldstorage Sarawak Sdn. Bhd.

(c) Deemed interested by virtue of their directorships in S.K. Tiong Enterprise Sdn. Bhd. and Central Coldstorage Sarawak Sdn. Bhd.

(d) Deemed interested by virtue of their substantial shareholdings in Chong Nyuk Kiong Enterprise Sdn. Bhd.

ANALYSIS OF SHAREHOLDINGS (cont'd)

AS AT 22 OCTOBER 2010

DIRECTORS' INTERESTS

(As per the Register of Directors' Shareholdings as at 22 October 2010)

No.	Name	No. of shares held			
		Direct Interest	%#	Indirect Interest	%#
1.	Datuk Tiong Su Kouk	2,382,709	1.55	52,512,201 ^(a)	35.38
2.	Chong Shaw Fui	-	-	10,634,314 ^(b)	6.90
3.	Tiong Chiong Hiiung	398,350	0.26	54,508,101 ^(c)	35.38
4.	Tiong Chiong Soon	251,100	0.16	53,867,401 ^(c)	34.96
5.	Lau Liong Kii	4,164,280 ^(d)	2.70	3,986,023 ^(e)	2.59
6.	Ling Ting Leong @ Ling Chong Seng	278,070	0.18	1,059,207 ^(f)	0.69
7.	Wong See Khong	1,899,438	1.23	6,820 ^(g)	0.00*
8.	Kueh Chung Peng	3,169,539 ^(h)	2.06	-	-
9.	Douglas Jerukan @ Jarukan ak Kanyan	1,176,450	0.76	-	-
10.	Pemanca Janggu anak Banyang	46,500	0.03	-	-
11.	Datu Haji Putit bin Matzen	-	-	-	-
12.	Dato' Fuziah @ Fauziah binti Dato' Ismail	-	-	-	-
13.	Bong Wei Leong	-	-	-	-

As at 22 October 2010, all the Directors have exercised all their options granted by the Company. The Directors by virtue of their interests in shares in the Company are also deemed to have interests in shares in all of its related corporations to the extent the Company has an interest, pursuant to Section 6A of the Companies Act, 1965.

Notes:

* Less than 0.01%

excluding 3,617,960 ordinary shares of RM0.50 each bought back and retained as treasury shares based on the Record of Depositors as at 22 October 2010.

(a) Deemed interested by virtue of his substantial shareholdings in Central Coldstorage Sarawak Sdn. Bhd. and S.K. Tiong Enterprise Sdn. Bhd., and the interest of his spouse in the Company.

(b) Deemed interested by virtue of his substantial shareholdings in Chong Nyuk Kiong Enterprise Sdn. Bhd.

(c) Deemed interested by virtue of their directorships in Central Coldstorage Sarawak Sdn. Bhd. and S.K. Tiong Enterprise Sdn. Bhd., and the interests of their spouses in the Company.

(d) 694,710 shares are held through Mayban Nominees (Tempatan) Sdn. Bhd.

(e) Deemed interested by virtue of his substantial shareholdings in Unione Enterprise (S) Sdn. Bhd., and the interests of his spouse and children in the Company.

(f) Deemed interested by virtue of his substantial shareholdings in Tseng Tseng Enterprise Sdn. Bhd. and De Supreme Sdn. Bhd.

(g) Deemed interested by virtue of the interests of his spouse and children in the Company.

(h) 2,684,389 shares are held through HLB Nominees (Tempatan) Sdn. Bhd., 139,500 shares are held through TA Nominees (Tempatan) Sdn. Bhd.

ANALYSIS OF SHAREHOLDINGS (cont'd)**AS AT 22 OCTOBER 2010****LIST OF THIRTY LARGEST SECURITIES ACCOUNTS HOLDERS**

No.	Name	No. of Shares	%#
1.	Central Coldstorage Sarawak Sendirian Berhad	32,383,612	21.02
2.	EB Nominees (Tempatan) Sendirian Berhad - Pledged securities account for S. K. Tiong Enterprise Sdn. Bhd. (SBW-SFC)	17,980,000	11.67
3.	AmanahRaya Trustees Berhad - Skim Amanah Saham Bumiputera	13,950,000	9.05
4.	Chong Nyuk Kiong Enterprise Sdn. Bhd.	10,634,314	6.90
5.	S. K. Tiong Enterprise Sdn. Bhd.	3,447,989	2.24
6.	Unione Enterprise (S) Sdn. Bhd.	3,319,523	2.15
7.	HLB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Kueh Chung Peng (SRK 08866-6)	2,684,389	1.74
8.	Datuk Tiong Su Kouk	2,382,709	1.55
9.	TASEC Nominees (Tempatan) Sdn. Bhd. - Yii Ching Yii	2,287,800	1.48
10.	Lau Liong Kii	2,125,720	1.38
11.	Wong See Khong	1,899,438	1.23
12.	Lim Kian Huat	1,571,133	1.02
13.	Cheng Sang Uh	1,515,900	0.98
14.	Lau Pek Kii	1,505,050	0.98
15.	Chen Hien Chong	1,352,426	0.88
16.	Lau Liong Kii	1,343,850	0.87
17.	Hii Leh Ming	1,219,540	0.79
18.	Douglas Jerukan @ Jarukan ak Kanyan	1,176,450	0.76
19.	Yong Leh Hook	1,118,023	0.73
20.	Public Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Kueh Tiong Ching (E-SRK)	1,109,992	0.72
21.	Joseph Tang Chiod Sui	1,034,761	0.67
22.	Wong Poh Hwa	1,030,373	0.67
23.	Yeu Choo Sieng	1,018,350	0.66
24.	TA Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Lau Pek Kii	961,248	0.62
25.	Wong Puo Hung	869,550	0.56
26.	Yong Pei Ling	855,600	0.56
27.	JF Apex Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Teo Kwee Hock (Margin)	724,200	0.47
28.	Datin Wong Bak Hee	700,600	0.45
29.	Tiong Sie Mew	700,039	0.45
30.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Teck Song Sdn. Bhd.	697,831	0.45

excluding 3,617,960 ordinary shares of RM0.50 each bought back and retained as treasury shares based on the Record of Depositors as at 22 October 2010.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fourteenth Annual General Meeting of the Company will be held at Ballroom 3, Lobby Floor, Hilton Kuching, Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak on Monday, 13 December 2010 at 11.30 a.m. to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 30 June 2010 together with the Reports of the Directors and Auditors thereon.
2. To declare a final single-tier dividend of 3 sen per share in respect of the financial year ended 30 June 2010. Resolution 1
3. To approve the payment of directors' fees for the financial year ended 30 June 2010. Resolution 2
4. To approve the increase of directors' fees for the financial year ending 30 June 2011. Resolution 3
5. To re-elect the following Directors retiring pursuant to Article 81 of the Company's Articles of Association and being eligible, offer themselves for re-election:
 - 5.1 Datuk Tiong Su Kouk Resolution 4
 - 5.2 Mr. Tiong Chiong Hiiung Resolution 5
 - 5.3 Mr. Wong See Khong Resolution 6
 - 5.4 Pemanca Janggu anak Banyang Resolution 7
 - 5.5 Dato' Fuziah @ Fauziah binti Dato' Ismail Resolution 8
6. To consider and thought fit, to pass the following resolution: Resolution 9
 "THAT pursuant to Section 129(6) of the Companies Act, 1965, Mr. Douglas Jerukan @ Jarukan ak Kanyan be hereby re-appointed as a director of the Company to hold office until the conclusion of the next annual general meeting."
7. To re-appoint Messrs. Hii & Lee as auditors for the ensuing year and to authorise the Directors to fix their remuneration. Resolution 10

AS SPECIAL BUSINESS:

8. To consider and, if thought fit, pass the following resolutions:

ORDINARY RESOLUTION

- (i) **Proposed renewal of authority for the Company to purchase its own shares** Resolution 11

"THAT subject to the provisions of the Companies Act, 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, the provisions of the Company's Memorandum and Articles of Association, the requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authority, approval and authority be hereby given to the Company to purchase and hold on the market of Bursa Securities such number of ordinary shares of RM0.50 each ("Shares") in the Company ("Proposed Share Buy-Back") as may be determined by the Directors from time to time through Bursa Securities upon such terms and

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

conditions as the Directors may deem fit, necessary and expedient in the interest of the Company provided that the total aggregate number of Shares purchased and/or held or to be purchased and/or held pursuant to this resolution shall not exceed ten percent (10%) of the total issued and paid-up share capital of the Company for the time being and an amount not exceeding the Company's latest audited retained profit reserve and/or share premium reserve at the time of purchase, be allocated by the Company for the Proposed Share Buy-Back AND THAT such Shares purchased are to be retained as treasury shares and distributed as dividends and/or resold on the market of Bursa Securities, or may subsequently be cancelled;

AND THAT approval and authority be hereby given to the Directors to do all acts and things and to take all such steps and to enter into and execute all commitments, transactions, deeds, agreements, undertakings, indemnities, transfers, assignments and/or guarantees as they may deem fit, necessary, expedient and/or appropriate in order to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments, as may be required or imposed by any relevant authority;

AND THAT approval and authority hereby given will commence immediately upon passing of this resolution and will continue to be in force until:

- (a) the conclusion of the next annual general meeting of the Company unless by ordinary resolution passed at the next annual general meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next annual general meeting after that date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders in general meeting;

whichever occurs first, in accordance with the provisions of the guidelines issued by Bursa Securities or any other relevant authorities."

SPECIAL RESOLUTION

(ii) Proposed Amendments to the Articles of Association of the Company

Resolution 12

- (a) THAT the existing Article 58 of the Company's Articles of Association be deleted in its entirety and the following new Article 58 be inserted to replace the existing Article 58:

Business at meetings

"Subject always to the provisions of Section 151 of the Act, no business shall be transacted at any extraordinary general meeting except business of which notice has been given in the notice convening the meeting and no business shall be transacted at an annual general meeting other than business of which notice has been given aforesaid, with the exception of declaring a dividend, the receipt of the income statements, balance sheets and the report of the Directors and auditors, the fixing of the Directors' fees, the election or re-election of Directors in the place of those retiring, the appointment or re-appointment of Directors, and the appointment/re-appointment of the auditors and fixing of their remuneration/fees."

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

- (b) THAT the existing Article 145 of the Company's Articles of Association be deleted in its entirety and the following new Article 145 be inserted to replace the existing Article 145:

Payment by cheque or warrant or through bank

"Any dividend, interest, or other money payable in cash in respect of shares may be paid by cheque or warrant, sent through the post directed to the registered address of the Member or person entitled thereto, or if several persons are entitled in consequence of the death or bankruptcy of the holder, to any one (1) of such persons and to such address as such person may in writing direct or by directly crediting the dividend entitlement, interest or other money payable in cash into such Member's or person's bank account as provided to the Depository from time to time or by such other mode of electronic means (subject to the provisions of the Act, the Central Depositories Act, the Rules, the Bursa Malaysia Securities Listing Requirements and/or the guidelines of regulatory authorities).

Every such cheque or warrant or funds crediting into the bank account of the Member or person entitled thereto or through such other mode of electronic means shall be made payable to the order of the Member or person entitled thereto and the payment of any such cheque or warrant or through direct crediting of funds or through such other mode of electronic means into the bank account shall operate as a good discharge to the Company, notwithstanding that it may subsequently appear that the same has been stolen or that the endorsement thereon has been forged or that there is discrepancy in the details of the bank account(s) given by the Member or person entitled thereto.

Every such cheque or warrant or funds crediting into the bank account or through such other mode of electronic means shall be sent or credited at the risk of the Member or person entitled to the money thereby represented, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where the Company has acted on any such directions.

Where the Members or persons entitled thereto have provided to the Depository the relevant contact details for the purpose of electronic notifications, the Company shall notify them electronically once the Company has paid the cash dividends out of its accounts."

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that a final single-tier dividend of 3 sen per share in respect of the financial year ended 30 June 2010, if approved at the forthcoming Annual General Meeting, will be paid on 24 January 2011 to depositors whose names appear in the Record of Depositors on 31 December 2010.

A depositor shall qualify for entitlement to the final dividend only in respect of:

- (a) shares transferred to the depositor's securities account before 4.00 p.m. on 31 December 2010 in respect of transfers; and
- (b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By order of the Board

Ling Ting Leong @ Ling Chong Seng (MACS 00754)

Voon Jan Moi (MAICSA 7021367)

Joint Company Secretaries

19 November 2010

Kuching

Notes:

1. 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 to the Company.
2. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Companies Act, 1965 are complied with.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. To be valid, the form of proxy, duly completed must be deposited at the registered office at Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, 93450 Kuching, Sarawak not less than 48 hours before the time for holding the meeting or at any adjournment thereof.
5. If the appointor is a corporation, the form of proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.
6. Explanatory notes on special business:

Ordinary Resolution 11 - proposed renewal of authority for purchase of own shares by the Company

The proposed Resolution 11 if passed, will renew the authority for the Company to purchase its own shares up to ten per cent (10%) of the issued and paid-up ordinary share capital of the Company through Bursa Malaysia Securities Berhad. The authority to purchase share will expire at the conclusion of the next annual general meeting of the Company, unless earlier revoked or varied by ordinary resolution passed by shareholders at general meeting.

Please refer to the Statement to Shareholders dated 19 November 2010 for further information, which is dispatched together with the Company's 2010 Annual Report.

Special Resolution 12 - Proposed Amendment to the Articles of Association of the Company

The Proposed Resolution 12 is to amend the Company's Articles of Association in line with the amendments made to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad in relation to the eDividend and to clearly specify the business to be transacted at general meeting of the Company.



CCK CONSOLIDATED HOLDINGS BERHAD

(396692-T)

FORM OF PROXY

I/We _____ (full name)

(NRIC/Company No. _____) of _____

_____ (full address) being a member/members of CCK

Consolidated Holdings Berhad hereby appoint _____

(NRIC No. _____) of _____

_____ (full address) or failing him/her,

_____ (full name) (NRIC No. _____) of

_____ (full address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Fourteenth Annual General Meeting of the Company to be held on Monday, 13 December 2010 at 11.30 am and, at any adjournment thereof.

My/our proxy is to vote as indicated below :

Resolutions		For	Against
1.	To declare a first and final dividend.		
2.	To approve the payment of directors' fees for the financial year ended 30 June 2010.		
3.	To approve the increase of directors' fees for the financial year ending 30 June 2011.		
4.	To re-elect Datuk Tiong Su Kouk as Director.		
5.	To re-elect Mr. Tiong Chiong Hiiung as Director.		
6.	To re-elect Mr. Wong See Khong as Director.		
7.	To re-elect Pemanca Janggu anak Banyang as Director.		
8.	To re-elect Dato' Fuziah @ Fauziah binti Dato' Ismail as Director.		
9.	To re-appoint Mr. Douglas Jerukan @ Jarukan ak Kanyan as Director pursuant to Section 129(6) of the Companies Act, 1965.		
10.	To re-appoint Messrs. Hii & Lee as auditors for the ensuing year.		
As special businesses:			
11.	Ordinary Resolution - To approve the proposed renewal of authority for purchase of own shares by the Company.		
12.	Special Resolution - To approve the proposed amendments to the Articles of Association of the Company.		

[Please indicate with an "X" in the space above how you wish your vote to be cast. If no specific direction as to voting is indicated, the proxy will vote or abstain from voting at his/her discretion]

Dated this _____ day of _____ 2010

No. of shares held	
--------------------	--

Signature / common seal of shareholder(s)

Notes:

1. 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 to the Company.
2. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Companies Act, 1965 are complied with.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. To be valid, the form of proxy, duly completed must be deposited at the registered office at Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, 93450 Kuching, Sarawak not less than 48 hours before the time for holding the meeting or at any adjournment thereof.
5. If the appointor is a corporation, the form of proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.

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STAMP

The Company Secretary
CCK CONSOLIDATED HOLDINGS BERHAD (396692-T)
Lot 999, Section 66,
Jalan Keluli,
Bintawa Industrial Estate,
93450 Kuching,
Sarawak, Malaysia.

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CCK CONSOLIDATED HOLDINGS BERHAD 396692-T

(Incorporated in Malaysia)

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

Tel: 082-336520
Fax: 082-331479