

CCK CONSOLIDATED HOLDINGS BERHAD

Annual Report

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CORPORATE PROFILE

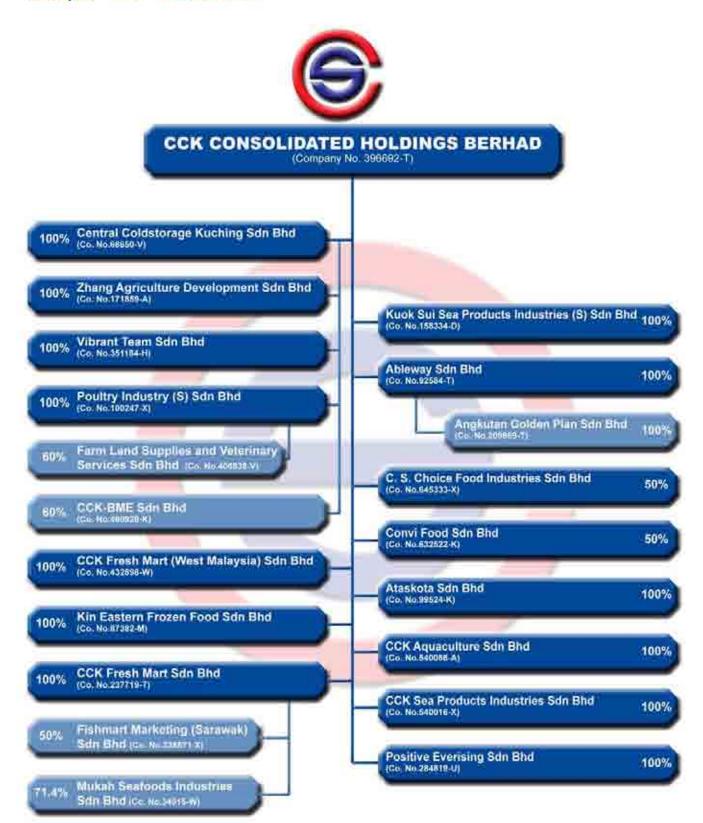
Annual Report 2008 CCK CONSOLIDATED HOLDINGS BERHAD

Corporate Information

• BOARD OF DIRECTORS	Datuk Tiong Su Kouk (Non-Independent Non-Executive Chairman) Chong Shaw Fui (Executive Vice Chairman) Tiong Chiong Hiiung (Group Managing Director) Tiong Chiong Soon (Executive Director) Lau Liong Kii (Executive Director) Ling Ting Leong @ Ling Chong Seng (Executive Director) Wong See Khong (Executive Director) Kueh Chung Peng (Executive Director) Janggu anak Banyang (Independent Director) Francis Wong Chin Sing @ Wong Chin Sing (Independent Director) Douglas Jerukan @ Jarukan ak Kanyan (Independent Director) Datu Haji Putit bin Matzen (Independent Director) Dato' Fuziah @ Fauziah binti Dato' Ismail (Non-Independent Non-Executive Director)
AUDIT COMMITTEE	Janggu anak Banyang <i>(Chairman)</i> Datuk Tiong Su Kouk <i>(Member)</i> Francis Wong Chin Sing @ Wong Chin Sing <i>(Member)</i> Douglas Jerukan @ Jarukan ak Kanyan <i>(Member)</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 Tel: 082-336520 Fax: 082-331479
• SHARE REGISTRAR	Symphony Share Registrars Sdn Bhd Level 26, Menara Multi-Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel: 03-27212222 Fax: 03-27212530 / 03-27212531
• AUDITORS	Hii & Lee Chartered Accountants 2 nd Floor, No.1, Lorong Pahlawan 7A2 Jalan Pahlawan 96000 Sibu, Sarawak
PRINCIPAL BANKERS	HSBC Bank Malaysia Berhad RHB Bank Berhad EON Bank Berhad
STOCK EXCHANGE LISTING	Listed on Second Board of Bursa Malaysia Securities Berhad Stock Name: CCK Stock Code: 7035

CCK CONSOLIDATED HOLDINGS BERHAD

Corporate Structure



CCK CONSOLIDATED HOLDINGS BERHAD another

Chairman's Statement



DATUK TIONG SU KOUK

On behalf of the Board of Directors, it is my great pleasure to present to you the Annual Report and Audited Financial Statements of CCK Consolidated Holdings Berhad and its Group of Companies for the financial year ended 30 June 2008.

FINANCIAL PERFORMANCE

The financial year under review was a challenging year for the CCK Group of Companies due to escalating operating costs especially in poultry feeds and transportation charges. For the financial year ended 30 June 2008, revenue for the Group was recorded at RM285.833 million, which represented a marked increase of 19.20% from RM239.785 million achieved in the previous year. The comparatively high increase in revenue was principally attributable to opening of new retail outlets/stores at strategic locations in Peninsular Malaysia, Sabah and Sarawak. This is the Group's ongoing business expansion plan to capture a larger share in the market. The relatively buoyant selling price of the poultry products also contributed positively to the higher revenue. Profit before tax for the year was recorded at RM15.08 million, representing a commendable increase of 3.2% from previous year's result of RM14.61 million. The total assets and shareholders' funds of the Group as at 30 June 2008 were RM148.362 million and RM112.466 million respectively.

BUSINESS AND OPERATIONS REVIEW

The poultry operations, was once again, the linchpin for the Group. Despite the less than conducive prevailing market conditions particularly in the second half of the financial year, the Group's position in the industry remains stable. Proactive steps were taken by Management to curtail rising costs whilst proceeding with our expansion program. This has enabled the Group to efficiently utilize our production and other resources without having to compromise on the quality of our services to our customers. Strong demand from consumers for our poultry products throughout the year contributed positively to the Group's results.

On the other hand, the seafood operations once again had a lacklustre year where it faced stiff challenges ranging from keen competition from neighbouring countries who generally had lower production costs to depressed global market prices for prawns. The Group's strategy is to streamline the production and operation processes and to focus on providing top quality products and excellent services to consumers.

CORPORATE EXERCISE

During the financial year, the Company successfully undertook the following corporate exercises: -

- (1) Bonus issue of 25.661 million new ordinary shares of RM1.00 each on the basis of one (1) bonus share for every two (2) existing ordinary shares of RM1.00 each held; and
- (2) Share split which involved the subdivision of every one (1) existing ordinary share of RM1.00 each into two (2) ordinary shares of RM0.50 each.

Chairman's Statement (cont'd)

CORPORATE SOCIAL RESPONSIBILITY

The Group recognizes that it is our corporate social responsibility to ensure that we conduct our business in a professional, ethical and socially responsible manner. We also recognize 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 endeavoured to ensure their well being and welfare is taken care of. Various Occupational Safety and Health Programme has been established to provide a safety and healthty 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.

The Group adheres strictly to all applicable environmental laws and regulations. Production processes are constantly monitored to ensure compliance with the environmental laws and regulations. The Group is committed to seek continuous improvements in its operations to minimize any negative impact on the environment.

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

OUTLOOK AND PROSPECTS

With uncertainties surrounding the deepening global economic slowdown, consumers' confidence will no doubt be affected and will be more cautious with their spending. This coupled with spiraling production costs will pose a challenging operating environment to the Group for the year ahead. Facing the challenges, the Group will continue to rationalize its operations, enhance the production capabilities and optimize resources coupled with prudent business practices and expansion plan. The Board of Directors is confident that the Group has the resilience and strength to achieve satisfactory results and be able to maintain our market share in the financial year ending 30 June 2009.

DIVIDEND

The Group is committed to enhancing shareholder value by consistently delivering rewards to our loyal shareholders. The Board of Directors is pleased to recommend a first and final dividend of 2.5 sen per share less income tax at 26% in respect of the financial year ended 30 June 2008, for the shareholders' approval at the forthcoming Annual General Meeting.

ACKNOWLEDGEMENT

As we embark on a new financial year, I would like to take this opportunity to record my sincere thanks and appreciation to the Board of Directors, Management team and staff for their commitment and dedication which have contributed to the Group's success for the past year. I would also like to thank our consumers, customers, suppliers, business partners and shareholders for their strong and continued support.

DATUK TIONG SU KOUK Chairman Sibu, Sarawak CCK CONSOLIDATED HOLDINGS BERHAD another

Board Of Directors' Profile



• DATUK TIONG SU KOUK Non-Independent Non-Executive Chairman (Malaysian, aged 66)

Datuk Tiong Su Kouk is a businessman. He is the founder member 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-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 familyrun 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 industry 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 2008, Datuk Tiong has attended four (4) out of five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.



• CHONG SHAW FUI Executive Vice Chairman (Malaysian, aged 63)

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 one of the co-founders of the Sarawak Breeding Farm specialising in the hatching 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 sole intention of rearing broiler chicken.

During the financial year ended 30 June 2008, Mr. Chong attended all the five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.



Board Of Directors' Profile (cont'd)



• TIONG CHIONG HIIUNG Group Managing Director (Malaysian, aged 41)

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 2008, Mr. Tiong has attended all the five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.



 Tiong Chiong Soon Executive Director (Malaysian, aged 38)

Mr. Tiong Chiong Soon is a businessman and was appointed as Executive Director of CCK on 15 July 1997. He graduated from Oklahoma University, 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 2008, Mr. Tiong has attended all the five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.



LAU LIONG KII

Executive Director (Malaysian, aged 57)

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 2008, Mr. Lau has attended all the five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.

CCK CONSOLIDATED HOLDINGS BERHAD and consolidated

Board Of Directors' Profile (cont'd)



• LING TING LEONG @ LING CHONG SENG Executive Director (Malaysian, aged 56)

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 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 2008, Mr. Ling has attended all the five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.



• WONG SEE KHONG Executive Director

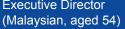
(Malaysian, aged 52)

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 subsidiary companies 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 is now responsible for the prawn hatchery functions within the prawn division.

During the financial year ended 30 June 2008, Mr. Wong has attended all the five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.



• KUEH CHUNG PENG Executive Director



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 1992 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 fifteen years experience in the prawn and coldstorage products industry.

During the financial year ended 30 June 2008, Mr. Kueh has attended all the five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.



Board Of Directors' Profile (cont'd)



• JANGGU ANAK BANYANG Independent Director (Malaysian, aged 61)

Mr. 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.

During the financial year ended 30 June 2008, Mr. Janggu has attended four (4) out of five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.



• FRANCIS WONG CHIN SING @ WONG CHIN SING Independent Director (Malaysian, aged 44)

Mr. Francis Wong Chin Sing @ Wong Chin Sing was appointed as an Independent Director on 20 March 2002. He is also a member of the Audit Committee. Having graduated with a Bachelor of Commerce and Master of Commerce from Deakin University and University of Auckland respectively, he joined Coopers & Lybrand, Auckland, New Zealand from 1988 to 1993. Subsequently, he came back to Malaysia and joined Ernst & Young for two (2) years. During his employment with the said Chartered Accounting firms, he has gained extensive experience in audit and corporate advisory services. After leaving the Chartered Accountancy career, he joined a public listed company in Malaysia, as a Group Financial Controller for a period of four (4) years, thereafter he set up a management consulting company providing corporate advisory services to various companies. Currently, he is the Group Chief Financial Officer and Executive Director of Swiber Holdings Limited, a public company listed on the Singapore Stock Exchange.

During the financial year ended 30 June 2008, Mr. Francis Wong attended three (3) out of five (5) Board meetings held. He holds no share in CCK.



DOUGLAS JERUKAN @ JARUKAN AK KANYAN Independent Director (Malaysian, aged 69)

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 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, Sibu. Currently, he is a Board member of Rejang Port Authority, Sibu. Besides this, he holds directorship for various private limited companies.

During the financial year ended 30 June 2008, Mr. Douglas has attended all the five (5) Board meetings held. His shareholdings in CCK as at 15 October 2008 are disclosed in page 86 of this annual report.

CCK CONSOLIDATED HOLDINGS BERHAD another

Board Of Directors' Profile (cont'd)



DATU HAJI PUTIT BIN MATZEN
Independent Director
(Malaysian, aged 63)

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, 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 2008, Datu Haji Putit has attended all the five (5) Board meetings held. He holds no share in CCK.



 DATO' FUZIAH @ FAUZIAH BINTI DATO' ISMAIL Non-Independent Non-Executive Director (Malaysian, aged 66)

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 UEM Builders Berhad, SapuraCrest Petroleum Berhad and KAF-Seagroatt & Campbell Berhad.

During the financial year ended 30 June 2008, Dato' Fauziah has attended all the five (5) Board meetings held. She 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 other than traffic offences.
- None of the Directors hold any directorship in public companies, except for Datu Haji Putit bin Matzen and Dato' Fuziah @ Fauziah binti Dato' Ismail.
- Apart from Datuk Tiong Su Kouk, Mr. Tiong Chiong Hiiung and Mr. Tiong Chiong Soon, none of the other Directors have conflict of interest with the Company. Significant related party disclosures are set out in note 36 of the financial statements in pages 76 to 77 of this annual report.

CORPORATE GOVERNANCE

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Statement On Corporate Governance

INTRODUCTION

The Malaysian Code on Corporate Governance ("the Code") sets out principles and best practices on structures and processes that companies may use in their operations towards achieving optimal governance framework. To this end, Bursa Malaysia Securities Listing Requirements ("Listing Requirements") require listed companies to disclose in their annual report a statement on the application of these principles and best practices as advocated by the Code.

The Board of Directors of CCK Consolidated Holdings Berhad ("CCK" or "the Company") believes in the principles of 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 CCK Group.

In line with this, the Board of CCK is pleased to disclose the manner in which it has applied the principles of good governance and the extent to which it has complied with the best practices set out in Part 2 of the Code. These disclosures are contained in this statement, the Statement of Internal Control and the Report of the Audit Committee.

THE BOARD OF DIRECTORS

Composition of the Board

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, five (5) Executive Directors and five (5) Independent Directors have a wide range of experience in relevant fields required to successfully direct and supervise the CCK Group's business activities. The profiles of each Director are presented on pages 8 to12 of this annual report.

To ensure that there is balance of power and authority, the roles of the Chairman and the Group Managing Director are clearly separated and defined. The Chairman heads the Board in setting values and standards of the Group and is primarily responsible for the orderly conduct and effectiveness of the Board, whilst the Group Managing Director is responsible for the operating units, organisational effectiveness and implementation of Board policies and executive decisions making.

The presence of Independent Directors fulfils a crucial role in corporate governance, for the provision of unbiased and independent views, advice and judgement to take account of the interests, not only of the CCK Group, but also of all shareholders including employees, customers, suppliers and the many communities in which the CCK Group conducts its business. Mr. Janggu anak Banyang is the appointed Senior Independent Director to whom concerns or queries concerning the CCK Group may be conveyed to.

Board Procedures

Besides its statutory duties, the Board is responsible for 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.



Statement On Corporate Governance (cont'd)

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. During the financial year ended 30 June 2008, five (5) Board meetings were held. The details of attendance of each of the Director at the Board meetings are outlined as follows :-

	Number 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	5 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
Janggu anak Banyang	4 out of 5
Francis Wong Chin Sing @ Wong Chin Sing	3 out of 5
Douglas Jerukan @ Jarukan ak Kanyan	5 out of 5
Datu Haji Putit bin Matzen	5 out of 5
Dato' Fuziah @ Fauziah binti Dato' Ismail	5 out of 5

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. All Directors are provided with an agenda and a set of board papers in a timely manner prior to Board meetings, to ensure the Directors receive sufficient relevant information and to allow sufficient time for their detailed review and consideration so as to enable them to participate effectively in Board decisions. All Directors have the right to make further enquiries where they consider necessary prior to Board meetings.

All Directors have access to the Company Secretaries, independent external professional advisors, and internal/external auditors in appropriate circumstances for advice and services in the furtherance of their duties, at the Company's expense.

Committees Of The Board

The following Board Committees have been established to assist the Board in discharging its duties. All Board Committees do not have executive powers but to report to the Board on all matters considered and their recommendations thereon. The terms of reference of each Committee have been approved by the Board and, where applicable, comply with the recommendations of the Code.

(a) Audit Committee

The Audit Committee, formed on 12 July 1997, reviews issues of accounting policy and presentation for external financial reporting, monitors the work of the in-house internal auditor, 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 21 to 25 of this annual report.

CCK CONSOLIDATED HOLDINGS BERHAD another

Statement On Corporate Governance (cont'd)

(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. During the financial year ended 30 June 2008, 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	1	Datuk Tiong Su Kouk (Non-Independent Non-Executive Director)
Members	:	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 2008, the Remuneration Committee met twice.

The members of the Remuneration Committee, the majority of whom are non-executive, are as follows :-

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

Appointments to the Board

As indicated above, the Nomination Committee recommends the appointment of new Directors to the Board. Thereafter upon approval by the Board, the new Directors undergo a familiarisation programme, which includes visits to the CCK Group's operating units, and meetings with Senior Management, as appropriate, to facilitate the new Directors' understanding of the CCK Group.

Re-election of Directors

In accordance with CCK'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 remaining Directors, including the Managing Director, are required to submit themselves for reelection by rotation at each annual general meeting, and all Directors must submit themselves for re-election at least once every three (3) years.

Directors over seventy (70) years of age are required to submit themselves for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

Number of

Statement On Corporate Governance (cont'd)

Directors' Training and Update Programmes

All the Directors have attended the Mandatory Accreditation Programme as required by Bursa Securities and have fulfilled the minimum CEP points requirement as at 31 December 2005.

The Board acknowledges that continuous training is important to broaden their perspectives and to keep them abreast with regulatory and corporate governance developments. During the financial year ended 30 June 2008, the Directors have attended appropriate training programmes conducted by external experts and the description of the training/ seminar are set out below :-

Title of training/seminar	day(s) spent
 The Revised (2007) Malaysian Code on Corporate Governance The Challenges Ahead & Good Governance Guide 	1
 Strategising for Growth: Tax & Business Developments & The 2008 Budget Highlights 	1
Seminar on Financial Reporting Standards	1
 Seminar on "Members' Voluntary Winding Up", "Creditors' Winding Up" & "Striking Off under S308 of Companies Act 1965" 	1
SSM Half Day Seminar on Latest Updates of Companies Act 1965	1/2
Corporate Updates 2007 for Directors	2

All Directors will continue to attend further training as may be required from time to time to equip themselves with the knowledge to discharge their duties more effectively and to keep abreast of developments in the marketplace.

DIRECTORS' REMUNERATION

CCK recognises the need to ensure that remuneration of Directors is reflective of the responsibility and commitment that goes with Board membership. In line with this, the Board, via its Remuneration Committee, has adopted a remuneration structure that attempts to retain and attract the Executive Directors with the right caliber for CCK. The fees for Non-Executive Directors are determined by the Board as a whole. The remuneration package is determined in accordance to fair and equitable criterias based on the performance of the Directors.

The Board is of the opinion 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 CCK Group during the financial year ended 30 June 2008, in aggregate and analysed into bands of RM50,000, were as follows :-

	Executive Directors (RM)	Non-Executive Directors (RM)
Fee	66,440	256,020
Salary	912,000	-
Bonus	454,700	-
Allowances	12,000	-
Benefits-in-kind	-	-
Commissions	159,541	-

Statement On Corporate Governance (cont'd)

	Executive Directors (RM)	Non-Executive Directors (RM)
RM500,001 to RM550,000	1	-
RM250,001 to RM500,000	-	-
RM200,001 to RM250,000	1	-
RM150,001 to RM200,000	4	1
RM100,001 to RM150,000	1	-
RM50,001 to RM100,000	-	-
RM50,000 and below	-	5

SHAREHOLDERS COMMUNICATION

CCK maintains a regular policy of disseminating information that is material for shareholders' information via announcements made through the Bursa Securities website. In compliance with the Listing Requirements, the Company also releases timely financial information on a quarterly basis, which includes an overview of the performance of CCK Group.

The Company uses the annual general meeting as a principal forum for dialogue with shareholders. Shareholders are encouraged to participate in the questions and answers session. Members of the Board as well as the external auditors of the Company are present to answer queries raised at the meeting.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors aim to present a balanced and understandable assessment of the CCK Group's position and prospects in presenting its annual financial statements and quarterly announcements to shareholders. These financial statements are drawn-up in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board, and are reviewed by the Audit Committee prior to approval by the Board. In compliance with statutory requirements, the annual financial statements are subjected to audit by an independent external auditor.

Internal Control

The Board of Directors acknowledge their responsibility for the CCK Group's system of internal control, which is designed to identify and manage the risks of the businesses of the CCK Group, in pursuit of its objectives. In addition, the system of internal control practised by the CCK Group spans over financial, operational and compliance aspects, particularly to safeguard the CCK Group's assets and hence shareholders' investments. In executing this responsibility, the Board via the Audit Committee and the internal auditors, has adopted procedures to monitor the ongoing adequacy and integrity of the system of internal control.

Further details of the state of the system of internal control of the CCK Group are presented on pages 19 to 20 of this annual report.

Relationship with the Auditors

Through the Audit Committee, the CCK Group has established a formal and transparent relationship with the external auditors. The Audit Committee meets with the external auditors without the presence of the other Directors and employees at least twice a year.

The Audit Committee has been explicitly accorded the power to communicate directly with both external auditors and internal auditors. The auditors may from time to time throughout the financial year, highlight to the Audit Committee and the Board on matters that require their attention.

Statement Of Internal Control

INTRODUCTION

The Malaysian Code on Corporate Governance ("Code") require listed companie to maintain a sound system of internal control to safeguard shareholders' investment and the company's assets. In line with this, Bursa Malaysia Listing Requirements require the Board of Directors to include a statement in annual reports on the state of internal control of the Company and its group of subsidiary companies and has also issued "Guidance for Directors of Public Listed Companies" (Guidance") in making this statement accordingly.

The Board of Directors of CCK Consolidated Holdings Bhd is pleased to present this Statement on Internal Control, which has been prepared in accordance with the Guidance.

BOARD OF DIRECTORS' RESPONSIBILITIES

The Board acknowledges its overall responsibility for the CCK Group's system of internal controls and risk management practices covering all aspects of the Group's operations. The Board also recognizes its responsibility for reviewing the adequacy and integrity of those systems frequently. Due to the limitations that are inherent in any system of internal control, it should be noted however that such system is designed to manage rather than eliminate the risk of failure to achieve business objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatements, fraud or loss.

INTERNAL CONTROL SYSTEM

A sound system of internal control incorporates the need to have in place an appropriate risk assessment framework. It comprises the identification and evaluation of internal controls to manage and control these risks, implementation of an effective information and communications system, and an ongoing process for monitoring the continuing adequacy and integrity of the system of internal control.

Within CCK and its group of Companies ("CCK"), the Board has implemented a Risk Management and Internal Control Framework which encompasses the following:-

a) The identification of principal risks faced by the CCK Group

The Board, led by the Group Managing Director, held a Strategic Risk Assessment exercise to ensure that all Directors and Senior Management have a common Vision, Mission and Strategic Objectives for the CCK Group. The Board of Senior Management also undertook a risk assessment exercise to identify the principal risks faced by the CCK Group.

Senior Management of respective business units of the CCK Group are responsible for monitoring and updating their risk profiles as well as evaluating emerging new risks. These principal risks shall on an annual basis, be updated by Senior Management for review and approval by the Board to ensure that risk management is functioning effectively as it strives to increase value to its shareholders.

b) The identification of 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 and actions plans or revised internal controls were drawn up in bridging the gaps, having regard to cost/benefit, materiality and likelihood or crystalisation of risks.

c) Implementation of 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.

CCK CONSOLIDATED HOLDINGS BERHAD another

Statement Of Internal Control (cont'd)

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.

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

- Giving balanced assessment and assurance with regards to effectiveness of the Internal Control System;
- Assessment of the operational efficiency of the Company;
- · Assessing the reliability of system and reporting information; and
- 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 21 to 25 of this Annual Report.

OTHER ELEMENTS OF INTERNAL CONTROL

The other key elements of the CCK Group's internal control systems that are in place are described below:-

- Regular review of operational reports, including key performance indicators, by the Group Managing, Director and 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;
- Regular monitoring of actual results against budgets, with major variances analysed for effective management actions thereafter; and
- 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
- Conducting follow-up audits by Internal Audit Department, which ensure proper and approved remedial actions have been implemented

The Group has put in place an organizational structure which clearly defined lines of responsibilities and accountability and delegation of authority for management at various levels of operation and administration. Internal policies, both financial and operational are documented and are subject to regular review and improvement.

BOARD REVIEW

The Board of Directors affirms its overall responsibility for the CCK Group's system of internal control, and for reviewing its adequacy and integrity. It should be noted however that such system is designed to manage rather than eliminate the risk of failure to achieve business objectives. In addition, it should be noted that any system could provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Board of Directors is pleased to report that there was no material loss realized during the current financial year as a result of weaknesses in internal control. The Board and the management will continue to take active measures to strengthen and continuously improve the internal control system and risks management process of the Group to put up with constantly changing and challenging environment.



Report Of The Audit Committee

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee was established on 12 July 1997 and comprises the following Directors :-

Chairman : Janggu anak Banyang (Independent Director) Members : Datuk Tiong Su Kouk (Non-Independent Non-Executive Director) Francis Wong Ching Sing @ Wong Chin Sing (Independent Director) Douglas Jerukan @ Jarukan ak Kanyan (Independent Director)

Mr. Francis Wong is a member of the Malaysian Institute of Accountants, one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967.

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.

Report Of The Audit Committee (cont'd)

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.

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;



Report Of The Audit Committee (cont'd)

- 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;
- 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
- I. 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.

ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR

Meetings and Attendance

Four (4) Audit Committee meetings were held during the financial year ended 30 June 2008. The details of attendance of each Audit Committee member are as follows :-

	Number of Meetings Attended
Janggu anak Banyang (Chairman)	4 out of 4
Datuk Tiong Su Kouk	3 out of 4
Francis Wong Chin Sing @ Wong Chin Sing	3 out of 4
Douglas Jerukan @ Jarukan ak Kanyan	4 out of 4

CCK CONSOLIDATED HOLDINGS BERHAD another

Report Of The Audit Committee (cont'd)

Summary of Activities of Audit Committee

The following activities were carried out by the Audit Committee during the financial year ended 30 June 2008 in the discharge of its functions and duties :-

- 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 and consideration of the major findings and recommendations by the internal and external auditors, and Management's responses thereof;
- c. reviewed and deliberated the quarterly and annual financial results of the Company and the CCK Group prior to submission to the Board of Directors for their consideration and approval;
- d. reviewed of any related party transactions and conflict of interest situation to be entered into by the Company and the CCK Group including any transaction, procedure or course of conduct that raises questions of management integrity, prior to submission to the Board of Directors for their 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 with and without the presence of the other Directors and employees;
- g. considered and recommended the re-appointment of external auditors and their fees;
- h. reviewed the Statement on Internal Control and Report of the Audit Committee prior to submission to the Board of Directors for their consideration and approval; and
- i. reviewed and deliberated the report on comparison of actual v budgeted results on a quarterly basis.

ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The internal audit department, which was established since incorporation of CCK, has carried out planned audits during the financial year and provided regular reports on compliance with internal financial policies and operational procedures to the Audit Committee. In particular, the Internal Auditor has, under the remit of the Audit Committee, performed audit work on the following :-

- 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;
- ascertaining the extent to which the CCK Group's assets are accounted for and safeguarded from losses of all kinds;
- conducting of the following :-
 - overall performance review;
 - review on potential risk;
 - stock review;
 - production review;
 - capital expenditure review;
 - performance review;
 - investment review;
 - overall review;
 - debtors/creditors review;
 - fixed assets review;
 - petty cash review; and

Report Of The Audit Committee (cont'd)

- 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; and
- carrying out audit work in liaison with external auditors to maximise the use of resources and for effective coverage of relevant risks.

The internal audit department has, during the financial year, conducted evaluations of the system of internal controls encompassing the CCK Group's governance, operations, and information systems of major areas of its operation. The internal audit reports were deliberated by the Audit Committee and recommendations were duly acted upon by the management.

CCK CONSOLIDATED HOLDINGS BERHAD another

Statement Of Directors' Responsibilities For Preparing The Annual Financial Statements

The Directors are required under the Bursa Malaysia Securities Listing Requirements, to issue a statement explaining their responsibility for preparing the annual financial statements.

The Directors are also required by the Companies Act, 1965 ("the Act") to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the financial year end and of the results and cash flows of the Group and of the Company for the financial year then ended.

As required by the Act, the financial statements have been prepared in accordance with the Financial Reporting Standards issued by the Malaysian Accounting Standards Board and the provisions of the Act. The Directors have considered that in preparing the financial statements for the financial year ended 30 June 2008 as set out on pages 37 to 80 of this annual report, appropriate accounting policies have been adopted and are consistently applied and supported by reasonable and prudent judgment and estimates. The Directors have also confirmed that the financial statements have been prepared on a going concern basis.

The Directors have responsibility to ensure the Company and the Group maintain proper accounting records which disclose with reasonable accuracy at any time, the financial position and performance of the Company and the Group, and to enable them to ensure the financial statements comply with the provisions of the Act.

The Directors have overall responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

FINANCIAL INFORMATION

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Annual Report **2008**

CCK CONSOLIDATED HOLDINGS BERHAD assessed

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 2008.

PRINCIPAL ACTIVITIES

The principal activities of the Company cover investment holding and provision of management services to its subsidiary companies. 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.

FINANCIAL RESULTS

	Group RM	Company RM
Net profit for the financial year	10,271,648	5,309,523
Attributable to:		
Equity holders of the Company	10,103,617	5,309,523
Minority interests	168,031	-
	10,271,648	5,309,523

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.

DIVIDEND

Since the end of the previous financial year, the Company paid a first and final dividend of 5.0 sen gross per share less tax at 27% amounting to RM1,835,936.64 in respect of the previous financial year ended 30 June 2007.

The directors recommend the payment of a first and final dividend of 2.50 sen gross per share less income tax at 26% in respect of the financial year ended 30 June 2008 which, if approved at the forthcoming Annual General Meeting of the Company, will be paid on 16 January 2009 to Depositors whose names appear in the Record of Depositors on 31 December 2008.

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 2008, in respect of ordinary transfers; and
- (ii) Shares bought on the Bursa Malaysia on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

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.

SHARE CAPITAL AND ISSUE OF SHARES

During the financial year, the company:-

- (i) subdivided its authorised share capital of RM100,000,000 comprising 100,000,000 ordinary shares of RM1 each to 200,000,000 ordinary shares of RM0.50 each: and
- (ii) increased its issued and paid-up share capital from RM50,394,234 to RM78,839,850 by way of:-
 - (a) the issuance of 2,784,766 ordinary shares of RM1 each for cash pursuant to the Company's Employee Share Option Scheme at an average exercise price of RM1.20 per ordinary share.
 - (b) bonus issue of 25,660,850 new ordinary shares of RM1.00 each credited as fully paid up on the basis of 1 bonus share for every 2 existing ordinary shares of RM1.00 each held in the Company. The shares were allotted by way of capitalization from the share premium reserve and retained profits accounts of the Company amounting RM1,220,578 and RM24,440,272 respectively.

The abovementioned shares rank pari passu in all respects with the then existing shares of the Company.

(c) After the exercises above, the Company undertook a share split involving the subdivision of every one existing ordinary share of RM1.00 each into 2 ordinary shares of RM0.50 each. As at the end of the financial year, the total number of shares of the Company stood at 157,679,700 shares.

Both the bonus issue and share split were approved by the shareholders at the Extraordinary General Meeting held on 29 April 2008.

TREASURY SHARES

During the financial year, the Company repurchased 421,500 of its issued ordinary shares of RM1.00 each from the open market at an average price of RM1.89 per share. The total consideration paid for the repurchase including transaction costs amounted to RM794,812. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

As at 30 June 2008, the Company held as treasury shares a total of 3,714,600 out of its 157,679,700 issued ordinary shares of RM0.50 each. Such treasury shares are held at a carrying amount of RM3,145,802 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.



EMPLOYEES' SHARE OPTIONS SCHEME ("ESOS") Cont'd

- (d) The option price for each RM1.00 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.

During the financial year, before the share split exercise, 2,784,766 ordinary shares of RM1.00 each were issued by virtue of the exercise of options granted in prior year at an option price of RM1.20.

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

	Option price	Option	Options over ordinary shares of RM0.50 each			
Date of offer	(RM)	At 1.7.2007	Exercised	Share split	At 30.6.2008	
6.4.2001	1.20	3,731,766	(2,784,766)	947,000	1,894,000	

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the list of option holders and their holdings.

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 Janggu Anak Banyang Francis Wong Chin Sing @ Wong Chin Sing Douglas Jerukan @ Jarukan Ak Kanyan Datu Haji Putit Bin Matzen Dato' Fuziah @ Fauziah Binti Dato' Ismail

In accordance with Article 81 of the Company's Articles of Association, Chong Shaw Fui, Francis Wong Chin Sing @ Wong Chin Sing, Douglas Jerukan @ Jarukan Ak Kanyan and Datu Haji Putit Bin Matzen retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

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 Datuk Tiong Su Kouk	1.7.2007	Bought/ (sold)	Bonus issue	Share split	30.6.2008
- Direct	768,616	110,000	439,308	1,317,924	2,635,848
- Indirect	17,358,582	-	8,679,290	26,037,872	, ,
Chong Shaw Fui					
- Direct	15,000	45,000	30,000	90,000	180,000
- Indirect	3,430,424	-	1,715,212	5,145,636	10,291,272
Tiong Chiong Hiiung					
- Direct	18,500	110,000	64,250	192,750	385,500
- Indirect	18,127,198	110,000	9,118,598	27,355,796	54,711,592
Tiong Chiong Soon					
- Direct	15,000	66,000	40,500	121,500	243,000
- Indirect	18,127,198	110,000	9,118,598	27,355,796	54,711,592
Lau Liong Kii					
- Direct	1,165,300	113,500	639,400	1,918,200	3,836,400
- Indirect	1,070,814	-	535,407	1,606,221	3,212,442
Ling Ting Leong @ Ling Chong Seng					
- Direct	-	109,700	54,850	164,550	329,100
- Indirect	463,847	(30,000)	216,923	650,771	1,301,541
Wong See Khong					
- Direct	500,022	112,700	306,361	919,083	1,838,166
Kueh Chung Peng	040 400	440.000	= 4 4 9 4 9	4 500 040	
- Direct	912,432	110,000	511,216	1,533,648	3,067,296
Douglas Jerukan @ Jarukan Ak Kanyan			400 750		4 400 500
- Direct	379,500	-	189,750	569,250	1,138,500
Janggu Anak Banyang	45.000		7 500	00 500	45 000
- Direct	15,000	-	7,500	22,500	45,000
			Ordina	ry shares of R	M1 each
Share options in the Company			1.7.2007	Exercised	30.6.2008

Share options in the Company	1.7.2007	Exercised	30.6.2008	
Datuk Tiong Su Kouk	110,000	(110,000)	-	
Chong Shaw Fui	110,000	(110,000)	-	
Tiong Chiong Hiiung	110,000	(110,000)	-	
Tiong Chiong Soon	66,000	(66,000)	-	
Lau Liong Kii	110,000	(110,000)	-	
Ling Ting Leong @ Ling Chong Seng	110,000	(110,000)	-	
Wong See Khong	110,000	(110,000)	-	
Kueh Chung Peng	110,000	(110,000)	-	

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 24 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 36 to the financial statements.

CCK CONSOLIDATED HOLDINGS BERHAD assessed

Directors' Report (cont'd)

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
- (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

Sibu, Sarawak. 13 October 2008 CCK CONSOLIDATED HOLDINGS BERHAD answert

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 37 to 80 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 2008 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

Sibu, Sarawak. 13 October 2008

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 37 to 80 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 13 October 2008.

TIONG CHIONG HIIUNG

Before me



CEK CONSOLIDATED HOLDINGS BERHAD answer

Independent Auditors' Report to the members of CCK Consolidated Holidings Berhad (396692-T)



HII & LEE (AF 0123)

Chartered Accountants In association with BDO Binder

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

Telephone 084-211777 (4 lines) Facsimile 084-216622

Email hii lee@tm.net.my

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 2008 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 37 to 80.

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

Independent Auditors' Report (cont'd)

to the members of CCK Consolidated Holidings 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 1682/4/09(J) Chartered Accountant

Sibu, Sarawak. 13 October 2008



Consolidated Balance Sheet

as at 30 June 2008

	Note	2008 RM	2007 RM
ASSETS			
Non-current assets			
Property, plant and equipment Prepaid land lease payments Investment in associated companies Other investments Deferred tax assets Goodwill on consolidation	6 7 9 10 21 11	47,729,370 6,321,685 838,861 50,000 - 62,093 55,002,009	45,731,437 6,688,649 559,658 50,000 18,340 62,093 53,110,177
Current ecceto			
Current assets			
Inventories Trade receivables Other receivables, deposits and prepayments Tax refundable Amount due from associated companies Fixed deposits with licensed banks Cash and bank balances	12 13 15	36,556,587 35,290,264 3,484,937 502,667 17,518 3,005,000 14,503,070	30,912,139 32,634,453 3,165,263 456,292 42,518 1,005,000 14,292,639
		93,360,043	82,508,304
TOTAL ASSETS		148,362,052	135,618,481
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company Share capital Share premium Treasury shares Exchange translation reserve Retained profits	16 16 16 17 18	78,839,850 157,800 (3,145,802) (2,745) 35,628,313	50,394,234 821,425 (2,350,990) 51,800,904
Minority interests		111,477,416 988,191	100,665,573 800,185
Total equity		112,465,607	101,465,758
Non-current liabilities			
Hire purchase creditors Bank borrowings Deferred tax liabilities	19 20 21	656,686 2,612,693	1,934 1,393,563 2,673,936
		3,269,379	4,069,433
Current liabilities			
Trade payables Other payables, deposits and accruals Amount due to associated companies Hire purchase creditors Bank borrowings Tax payable	15 19 20	14,123,333 4,691,180 59,460 1,934 12,749,434 1,001,725	12,837,808 4,554,962 11,656 176,403 12,166,297 336,164
		32,627,066	30,083,290
Total liabilities		35,896,445	34,152,723
TOTAL EQUITY AND LIABILITIES		148,362,052	135,618,481

The notes on pages 45 to 80 form an integral part of these financial statements.

CCK CONSOLIDATED HOLDINGS BERHAD amenant

Balance Sheet as at 30 June 2008

as at 50 June 2006	Note	2008 RM	2007 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment Prepaid land lease payments Investment in subsidiary companies Investment in associated companies	6 7 8 9	3,423 715,189 41,749,149 775,000	5,763 870,876 41,749,149 750,000
		43,242,761	43,375,788
CURRENT ASSETS			
Other receivables and prepayments Tax refundable Amount due from subsidiary companies Amount due from associated companies Fixed deposits with licensed bank Bank balances	14 15	922,722 292,898 30,522,516 17,518 3,000,000 858,781	402,436 420,956 25,623,208 42,518 1,000,000 1,064,578
		35,614,435	28,553,696
TOTAL ASSETS		78,857,196	71,929,484
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company Share capital Share premium Treasury shares Retained profits	16 16 16 18	78,839,850 157,800 (3,145,802) 1,876,570	50,394,234 821,425 (2,350,990) 22,843,255
Total equity		77,728,418	71,707,924
Non-current liabilities			
Deferred tax liabilities	21	686	1,189
Current liabilities			
Other payables and accruals Amount due to subsidiary companies Amount due to associated companies	14 15	202,510 866,122 59,460	208,715 - 11,656
		1,128,092	220,371
Total liabilities		1,128,778	221,560
TOTAL EQUITY AND LIABILITIES		78,857,196	71,929,484

Consolidated Statement Of Changes In Equity For The Financial Year Ended 30 June 2008

No 2008	Note	Share Capital RM	H Attributable to E H Non-distributable→ Share Treasury Premium Shares RM RM	utable to Eq ibutable→ Treasury Shares RM	uity Holders Exchange I Translation Reserves RM	Attributable to Equity Holders of the Company h-distributable → Exchange Distributable e Treasury Translation Retained um Shares Reserves Profits T RM RM RM	any — Total RM	Minority Interest RM	Total Equity RM
At 1 July Net profit for the financial year Options exercised Capitalised for bonus issue Purchase of treasury shares Transaction costs Exchange differences Acquisition of subsidiary Dividend	, 116 117 228 322 17	50,394,234 2,784,766 25,660,850 - -	821,425 - 556,953 (1,220,578) - -	(2,350,990) - - (788,955) (5,857) - -	- - - - - - - - - - - - - -	51,800,904 1 10,103,617 (24,440,272))	100,665,573 10,103,617 3,341,719 (788,955) (5,857) (2,745) (1,835,936)	800,185 1 168,031 - - - - - - - - - - - - - - - - - - -	800,185 101,465,758 168,031 10,271,648 - 3,341,719 - (788,955) - (5,857) 305)(3,050) 81,880 61,600)(1,897,536)
At 30 June 2007		78,839,850	157,800	(3,145,802)	<u> </u>	2,745) 35,628,313	111,477,416	988,191	988,191 112,465,607
At 1 July As previously stated Prior year adjustments - FRS 3		49,783,234 -	699,225 -	1 1		42,834,965 21,312	93,317,424 21,312	582,959 -	93,900,383 21,312
As restated Net profit for the financial year		49,783,234	699,225			42,856,277 10,740,818	93,338,736 10,740,818	582,959 124,426	93,921,695 10,865,244

CCK CONSOLIDATED HOLDINGS BERHAD -1065-0.2-1

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(2,340,698) (10,292)

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611,000

Purchase of treasury shares

Options exercised

Acquisition of subsidiary

Dividend

Transaction costs

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51,800,904 100,665,573

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821,425

50,394,234

800,185 101,465,758

154,400

--154,400

The notes on pages 45 to 80 form an integral part of these financial statements.

At 30 June

Company Statement of Changes In Equity for the financial year ended 30 June 2008

	Attributable to Equity Holders of the Company					
			🔶 Non-distr	ibutable 🔶	Distributable	
		Share	Share	Treasury	Retained	Total
	Note	Capital	Premium	Shares	Profits	Equity
2008		RM	RM	RM	RM	RM
At 1 July Net profit for the		50,394,234	821,425	(2,350,990)	22,843,255	71,707,924
financial year		-	-	-	5,309,523	5,309,523
Options exercised	16	2,784,766	556,953	-	-	3,341,719
Capitalised for bonus issue Purchase of treasury	16	25,660,850	(1,220,578)	-	(24,440,272)	-
shares	16	-	-	(788,955)	-	(788,955)
Transaction costs	16	-	-	(5,857)	-	(5,857)
Dividend	32	-	-	-	(1,835,936)	(1,835,936)
At 30 June		78,839,850	157,800	(3,145,802)	1,876,570	77,728,418
2007						
At 1 July Net profit for the		49,783,234	699,225	-	16,232,886	66,715,345
financial year		-	-	-	8,406,560	8,406,560
Options exercised Purchase of treasury	16	611,000	122,200	-	-	733,200
shares	16	-	-	(2,340,698)	-	(2,340,698)
Transaction costs	16	-	-	(10,292)	-	(10,292)
Dividend	32	-	-	-	(1,796,191)	
At 30 June		50,394,234	821,425	(2,350,990)	22,843,255	71,707,924



CEK CONSOLIDATED HOLDINGS BERHAD ansater

Consolidated Income Statement

for the financial year ended 30 June 2008

	Note	2008 RM	2007 RM
REVENUE Cost of sales	22	285,833,288 (240,230,181) 	239,785,871 (200,851,395)
GROSS PROFIT		45,603,107	38,934,476
Other operating income Operating expenses Finance costs Share of results in associated companies	23 24 25	1,313,512 (31,475,062) (614,356) 254,203	2,050,894 (25,702,503) (611,283) (61,188)
PROFIT BEFORE TAXATION Taxation	26	15,081,404 (4,809,756)	14,610,396 (3,745,152)
NET PROFIT FOR THE FINANCIAL YEAR		10,271,648	10,865,244
ATTRIBUTABLE TO:			
Equity holders of the Company Minority interests		10,103,617 168,031	10,740,818 124,426
		10,271,648	10,865,244
Earnings per share attributable to equity holders of the Company		Sen	Sen
- Basic, for profit for the year - Diluted, for profit for the year	27 27	19.10 19.07	21.55 21.26
Net dividends per ordinary share in respect of the year	32	3.65	3.60

CCK CONSOLIDATED HOLDINGS BERHAD assessment

Income Statement

for the financial year ended 30 June 2008

	Note	2008 RM	2007 RM
REVENUE	22	8,833,078	11,952,030
Other operating income	23	87,540	40,090
Operating expenses	24	(1,305,161)	(1,088,361)
PROFIT BEFORE TAXATION		7,615,457	10,903,759
Taxation	26	(2,305,934)	(2,497,199)
NET PROFIT FOR THE FINANCIAL YEAR		5,309,523	8,406,560
Net dividends per ordinary share in respect of the year	32	Sen 3.65	Sen 3.60



Consolidated Cash Flow Statement

for the financial year ended 30 June 2008

	Note	2008 RM	2007 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		15,081,404	14,610,396
Adjustments for:- Allowance for doubtful debts Allowance for doubiful debts no longer required Amortisation of prepaid land lease payments Amount waived by payables Bad debts written off Property, plant and equipment written off Depreciation Interest expenses Interest income Loss on disposals of prepaid land lease payments Loss on disposals of property, plant and equipment Profit on disposals of property, plant and equipment Share of results in associated companies Unrealised exchange gain Unrealised exchange loss		$\begin{array}{c} 79,326\\(&47,543)\\350,437\\(&1,708)\\56,555\\&7,141\\5,644,786\\614,356\\(&235,045)\\16,523\\152,187\\(&158,764)\\(&254,203)\\(&36,212)\\&7,491\end{array}$	348,885 350,433 76,704 5,170,893 611,283 (244,776) 349 (304,073) 61,188 (70,892)
Operating profit before working capital changes		21,276,731	20,610,390
Increase in inventories (Increase)/decrease in trade receivables (Increase)/decrease in other receivables, deposits and prepayments Increase/(decrease) in trade payables Increase in other payables, deposits and accruals		(5,644,448) (2,715,428) (319,674) 1,287,233 136,218	<pre>(3,147,248) 2,862,012 2,500,054 (1,026,362) 770,144</pre>
Cash generated from operations		14,020,632	22,568,990
Interest paid Interest received Tax refunded Tax paid		(614,356) 235,045 17,419 (4,250,892)	(611,283) 244,776 (4,495,415)
Net cash provided by operating activities		9,407,848	17,707,068
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of subsidiary companies Proceeds from disposal of property, plant and equipment Proceeds from disposal of prepaid land lease payments Increase in investment in an associated company Prepayment of land lease Purchase of property, plant and equipment	28 29	81,880 243,202 4 (25,000) - (7,886,485)	25,780 627,449 (349,950) (565,388) (9,225,123)
Net cash used in investing activities		(7,586,399)	(9,487,232)
CASH FLOWS FROM FINANCING ACTIVITIES			
Acquisition of treasury shares Decreased in net amount due from associated companies Dividend paid to minority shareholders of a subsidiary company Dividend paid Proceeds from issue of shares under ESOS Drawdown from term loans and other facilities obtained Repayment of hire purchase liabilities Repayment of term loans and other facilities		(794,812) 72,804 (61,600) (1,835,936) 3,341,719 24,096,000 (176,403) (24,175,712)	(2,350,990) 324,875 (61,600) (1,796,191) 733,200 22,179,000 (123,502) (24,586,098)
Net cash provided by /(used in) financing activities		(466,060)	(5,681,306)
Net increase in cash and cash equivalents Cash and cash equivalents brought forward Effects of exchange rate changes		2,287,509 12,945,228 (3,050)	2,538,530 10,406,698 -
Cash and cash equivalents carried forward	30	15,229,687	12,945,228

The notes on pages 45 to 80 form an integral part of these financial statements.

CCK CONSOLIDATED HOLDINGS BERHAD assessment

Cash Flows Statement

for the financial year ended 30 June 2008

	Note	2008 RM	2007 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		7,615,457	10,903,759
Adjustments for:-			
Depreciation Amortisation of prepaid land lease payments Dividend income Interest income		2,340 155,687 (8,378,378) (87,540)	2,339 155,687 (11,499,030) (34,240)
Operating loss before working capital changes		(692,434)	(471,485)
Increase in other receivables and prepayments (Decrease)/increase in other payables and accruals		(567,003) (6,205)	(387,195) 12,065
Cash absorbed by operations		(1,265,642)	(846,615)
Dividends received Interest received Tax refunded Tax paid		6,200,000 87,540 - -	8,922,646 34,240 1,257,268 (15,300)
Net cash provided by operating activities		5,021,898	9,352,239
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in investment in associated companies		(25,000)	(349,950)
Net cash used in investing activities		(25,000)	(349,950)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net amount due from subsidiary companies Decrease in net amount due to associated companies Proceeds from issue of shares under ESOS Acquisition of treasury shares Dividend paid		(4,033,186) 72,804 3,341,719 (748,095) (1,835,937)	(4,390,498) 324,875 733,200 (2,350,990) (1,796,191)
Net cash used in financing activities		(3,202,695)	(7,479,604)
Net increase in cash and cash equivalents		1,794,203	1,522,685
Cash and cash equivalents brought forward		2,064,578	541,893
Cash and cash equivalents carried forward	30	3,858,781	2,064,578



Notes to the Financial Statements

for the financial year ended 30 June 2008

1. GENERAL INFORMATION

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

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 Sibu, Sarawak.

The number of employees including executive directors in the Group and in the Company at the end of the financial year were 992 (2007: 887) and 7 (2007: 7) respectively.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 13 October 2008.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the provisions of the Companies Act 1965 and applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities.

At the beginning of the current financial year, the Group and the Company had adopted new and revised Financial Reporting Standards ("FRSs") which are mandatory for financial periods beginning on and after 1 October 2006 as described fully in Note 3 to the financial statements.

The financial statements have been prepared under the historical cost convention except as those disclosed in Note 4 to the financial statements.

The financial statements are presented in Ringgit Malaysia (RM).

The preparation of the financial statements, in conformity with the provisions of the Companies Act 1965 and applicable approved accounting standards, requires the directors to make estimates and assumptions 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. Although these estimates and judgement are based on the directors' best knowledge of current events, actual results may differ from those estimates.

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

3.1. Standards and amendments to published standards that are effective for the financial year ended 30 June 2008.

On 1 July 2007, the Group and the Company adopted the following revised FRSs:

FRS 107	Cash Flow Statements	
FRS 111	Construction Contracts	
FRS 112	Income Taxes	
FRS 117	Leases	

- FRS 118 Revenue
- FRS 120 Accounting for Government Grants and Disclosure of Government Assistance
- FRS 121 The Effects of Changes in Foreign Exchange Rates

Notes to the Financial Statements (cont'd) for the financial year ended 30 June 2008

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

3.1. Standards and amendments to published standards that are effective for the financial year ended 30 June 2008. (cont'd)

FRS 124	Related Party Transactions
Amendment to FRS 119 2004	Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosure
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Market – Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 ₂₀₀₄ Financial Reporting in Hyperinflationary Economies
FRS 1292004	Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

The adoption of FRS 124 give rise to additional disclosures but did not result in changes in accounting policies of the Group and of the Company.

The adoption of the other revised FRSs and amendments to FRS did not result in significant changes in accounting policies of the Group and of the Company other than revised FRS 112 and FRS 117. The principal changes in accounting policies and their effects resulting from the adoption of the revised FRS 112 and FRS 117 are discussed below:-

(a) FRS 112: Income Taxes

Prior to 1 July 2007, unused investment tax allowances and reinvestment allowances were not accounted for as a deferred tax asset. The adoption of revised FRS 112 has resulted in a change in accounting policy relating to the recognition of deferred tax asset on unused investment tax allowances and reinvestment allowances.

Under revised FRS 112 entities with unused investment tax allowances or reinvestment allowances will have to account for such items as a deferred tax asset to the extent that it is probable that future taxable profits will be available against which the unused investment tax allowances and reinvestment allowances can be utilised.

The change in accounting policy has no material effect to the financial statements of the Group and the Company.

(b) FRS 117: Leases

(i) Leasehold land held for own use

Prior to 1 July 2007, leasehold land held for own use was classified as property, plant and equipment and was stated at cost less impairment losses. The adoption of the revised FRS 117 has resulted in a change in the accounting policy relating to the classification of leases of land and buildings. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assts and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. Leasehold land held for own use is now classified as operating lease and where necessary, the minimum lease payments or the up-front payments made are allocated between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment relating to the land element represents prepaid lease payments and are amortised on a straight-line basis over the lease term.



CEK CONSOLIDATED HOLDINGS BERHAD analogat

Notes to the Financial Statements (cont'd)

for the financial year ended 30 June 2008

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

3.1. Standards and amendments to published standards that are effective for the financial year ended 30 June 2008. (cont'd)

(b) FRS 117: Leases (cont'd)

(i) Leasehold land held for own use (cont'd)

The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and are disclosed in Note 3.1 (c).

There were no effects on the consolidated income statement for the year ended 30 June 2008 and the Company's financial statements.

(ii) Initial direct costs

Prior to 1 July 2007, the Group, as a lessor in operating lease arrangements had recognised initial direct costs incurred in negotiating and arranging leases as an expense in the income statement in the period in which they were incurred.

The revised FRS 117 requires such costs to be added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. According to the revised FRS 117, this change in accounting policy should be applied retrospectively. In general, the Group and the Company do not incur significant initial direct costs on negotiating and arranging leases and as a result, this change in accounting policy did not materially affect the financial statements of the Group and the Company.

(c) Summary of Effects of Adopting New and Revised FRSs

Balance sheet	Group RM	Company RM
Decrease in property, plant and equipment	(6,688,649)	(870,876)
Increase in prepaid land lease payments	6,688,649	870,876
Increase in amortisation of prepaid land lease payments	350,433	155,687
Decrease in depreciation	(350,433)	(155,687)

The reclassification of leasehold land as prepaid land lease payments has been accounted for retrospectively and as such, certain comparatives have been restated.

Group	Previously Stated RM	Adjustment RM	Restated RM
Property, plant and equipment	52,420,086	(6,688,649)	45,731,437
Prepaid land lease payments	-	6,688,649	6,688,649
Company			
Property, plant and equipment	876,639	(870,876)	5,763
Prepaid land lease payments	_	870,876	870,876



for the financial year ended 30 June 2008

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

3.2. Standards and Interpretations Issued but Not Yet Effective

At the date of authorisation of these financial statements, FRS 139: Financial Instruments and Measurement (effective for financial periods beginning on or after 1 January 2010), was issued but not yet effective and have not been applied by the Group and the Company:

The Group and the Company are exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

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. 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.



Notes to the Financial Statements (cont'd) for the financial year ended 30 June 2008

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(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'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.

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.



for the financial year ended 30 June 2008

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(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.

(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.



CEK CONSOLIDATED HOLDINGS BERHAD answer

Notes to the Financial Statements (cont'd)

for the financial year ended 30 June 2008

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Inventories (cont'd)

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.

(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 impairment 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.



for the financial year ended 30 June 2008

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(h) Financial instruments (cont'd)

(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 of 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.

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.



for the financial year ended 30 June 2008

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(k) Foreign currencies (cont'd)

(ii) Foreign currency transactions (cont'd)

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

Foreign currency	30.6.2008 RM	30.6.2007 RM
1 US Dollar	3.2970	3.4850
1 Sterling Pound	6.5770	6.9870
1 Singapore Dollar	2.4225	2.3810
1 Euro	5.0384	4.6960

(I) 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.

for the financial year ended 30 June 2008

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.

b. Key sources of estimation uncertainty

The key assumptions concerning the future and other sources of estimation uncertainly 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) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units ("CGU") to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of goodwill as at 30 June 2008 was RM62,093 (2007: RM62,093). Further details are disclosed in Note 11.

(ii) 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.

(iii) 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 21.

Notes to the Financial Statements (cont'd) for the financial year ended 30 June 2008

6. PROPERTY, PLANT AND EQUIPMENT

Group 2008 Cost	Freehold land RM	Buildings RM	Furniture, fittings and equipment RM	Coldroom, plant and Machinery RM	Motor vehicles RM	Renovation (RM	Assets under Renovation construction RM RM	Total RM
At 1 July 2007 Acquisition of subsidiaries Reclassification Additions Written off Disposals	3,058,630 - - -	29,461,997 - 4,693,971 2,264,735 - (374,756)	10,589,695 - 1,669,788 (23,501) (69,765)	39,935,056 - 2,085,435 (6,000) (318,155)	9,455,289 - 1,063,215 - (497,660)	2,659,222 - 792,112 - -	5,092,357 - (4,705,581) 11,200 -	100,252,246 - 7,886,485 (29,501) (1,260,336)
At 30 June 2008	3,058,630	36,045,947	12,166,217	41,696,336	10,020,844	3,462,944	397,976	106,848,894
Accumulated depreciation At 1 July 2007	I	10,833,246	7,854,974	26,641,100	7,266,289	1,925,200	ı	54,520,809
Acquisition or subsidiaries Charge for the year Reclassifications Written off Disposals		1,239,601 (4,413) (228,360)	921,237 (21,510) (40,882)	2,294,631 (850) (258,750)	- 912,258 - - (495,719)	277,059 4,413 -		5,644,786 5,644,786 (22,360) (1,023,711)
At 30 June 2008		11,840,074	8,713,819	28,676,131	7,682,828	2,206,672		59,119,524
Net book value At 30 June 2008	3,058,630	24,205,873	3,452,398	13,020,205	2,338,016	1,256,272	397,976	47,729,370

CEK CONSOLIDATED HOLDINGS BERHAD answer

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

Group 2007 Cost	Freehold land RM	Buildings RM	Furniture, fittings and equipment RM	Coldroom, plant and Machinery RM	Motor vehicles RM	Assets under Renovation construction RM RM	Assets under onstruction RM	Total RM
At 1 July 2006 Acquisition of subsidiaries Reclassification Additions Written off Disposals	3,058,630	29,289,798 - (939,957) 1,389,296 (277,140)(9,777,522 112,534 749,538 1,620) 48,279)	36,047,594 25,450 1,235,931 2,773,929 -	8,947,790 76,219 - 1,132,866 - 701,586)	2,539,038 8,916 - (111,268 -	3,160,062 - 1,235,931) 3,168,226 -	92,820,434 223,119 (939,957) 9,325,123 (1,174,853)
At 30 June 2007	3,058,630	29,461,997	10,589,695	39,935,056	9,455,289	2,659,222	5,092,357	100,252,246
Accumulated depreciation At 1 July 2006 Acquisition of subsidiaries Charge for the year Reclassifications Written off Disposals At 30 June 2007 Net book value		9,958,894 	6,990,192 46,419 845,478 1,620) 25,495		7,085,937 70,726 727,045 617,419) 7,266,289	1,705,029 892 219,279 - - 1,925,200		50,122,908 133,307 5,170,893 (53,551) (1,620) 54,520,809
At 30 June 2007	3,058,630	18,628,751	2,734,721	13,293,956	2,189,000	734,022	5,092,357	

CCK CONSOLIDATED HOLDINGS BERHAD assessed



CEK CONSOLIDATED HOLDINGS BERHAD answert

Notes to the Financial Statements (cont'd)

for the financial year ended 30 June 2008

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

Company Cost	Equipment RM	2008 RM	2007 RM
At 1 July	15,100	15,100	15,100
At 30 June	15,100	15,100	15,100
Accumulated depreciation			
At 1 July Charge for the year	9,337 2,340	9,337 2,340	6,998 2,340
At 30 June	11,677	11,677	9,337
Net book value			
At 30 June	3,423	3,423	5,763

The net book value of the property, plant and equipment of the Group, which were acquired under hire purchase and term loan arrangements, are analysed as follows:-

Under hire purchase arrangements	2008 RM	2007 RM
Motor vehicles	35,364	303,091
Under term loan arrangements		
Buildings	554,454	793,230

The net book value of the property, plant and equipment of certain subsidiary companies which were charged as securities for banking facilities granted to the Group (Note 20) are analysed as follows:-

	Gro	oup
	2008 RM	2007 RM
Freehold land and buildings Buildings Plant and equipment	639,746 8,960,366 -	639,746 9,482,254 3,558,187
	9,600,112	13,680,187

7. PREPAID LAND LEASE PAYMENTS

	Gro	up	Com	pany
	2008 RM	2007 RM	2008 RM	2007 RM
At 1 July Reclassification from property,	6,688,649	5,570,761	870,876	1,026,563
plant and equipment	-	886,406	-	-
Acquisition of subsidiary Addition during the year	-	16,527 565,388	-	-
Amortisation for the year	(350,437)	(350,433)	(155,687)	(155,687)
Disposal during the year	(16,527)			
	6,321,685	6,688,649	715,189	870,876

Leasehold land classified under prepaid land lease payments of certain subsidiary companies amounting RM 3,366,094 (2007:RM3,341,959) are pledged as securities for banking facilities granted to the Group (Refer Note 20).

CCK CONSOLIDATED HOLDINGS BERHAD assessment

for the financial year ended 30 June 2008

8. INVESTMENT IN SUBSIDIARY COMPANIES

	Com	pany
	2008 RM	2007 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	Grou equity inte	
				2008	2007
	Direct subsidiary companies of C	CK Consolidated		%	%
	Ableway Sdn Bhd	Malaysia	General trading in goods and provisions	100	100
	Ataskota Sdn Bhd CCK Fresh Mart Sdn Bhd	Malaysia Malaysia	Selling, spawning and culturing of prawn Retailing in coldstorage products	100	100
		2	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
	Subsidiary company of Ableway	Sdn Bhd			
	Angkutan Golden Plan Sdn Bhd	Malaysia	Provision of transportation services	100	100
	Subsidiary companies of Central	Coldstorage Kuc	ching 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 Ir				
	Farm Land Supplies and Veterinary Services Sdn Bhd	Malaysia	Veterinary supplies and related services	60	60
	Subsidiary company of CCK Free Mukah Seafoods Industries Sdn Bhd	sh Mart Sdn Bhd Malaysia	Trading of seafood and coldstorage foodstuff	71.41	71.41
*	Pt . Adilmart	Republic of Indonesia	Retailing in coldstorage products and fish farming	90	-

* The company has not commenced operations. The results are based on the unaudited management financial statement for the financial year ended 30 June 2008.

Not audited by Hii & Lee

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for the financial year ended 30 June 2008 9. INVESTMENT IN ASSOCIATED COMPANIES

	Gr	oup		Comp	any
	2008 RM	-	2007 RM	2008 RM	2007 RM
Unquoted shares, at cost Effects of adopting FRS 3	775,001		750,001 21,312	775,000	750,000
Share of post-acquisition results	63,860	(211,655)	-	-
	838,861		559,658	775,000	750,000

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

Company Name	Principal activities		oup interest
		2008	2007
Associated company of CCK Con	solidated Holdings Berhad		
Convi Food Sdn Bhd	Trading and downstream frozen food processing	50%	50%
C.S. Choice Food Industries Sdn Bh	d Manufacturing, processing, packing and distributing of meat and other food products	50%	50%
Astral Foods Sdn Bhd	Under members' voluntary liquidation	50%	50%
Associated company of CCK Fres Fishmart Marketing Sarawak Sdn Bł		50%	50%

Not audited by Hii & Lee

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The results of Convi Food Sdn Bhd and C.S. Choice Food Industries Sdn Bhd have been accounted for based on the audited financial statements for the financial year ended 30 June 2008.

The results of Fishmart Marketing Sarawak Sdn Bhd is based on the unaudited management financial statements for the financial year ended 30 June 2008.

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

Assets and liabilities	2008 RM	2007 RM
Current assets Non-current assets	2,837,933 1,213,177	1,988,043 1,505,428
Total assets	4,051,110	3,493,471
Current liabilities Non-current liabilities	2,069,900 312,511	1,805,809 577,369
Total liabilities	2,382,411	2,383,178
Net assets	1,668,699	1,110,293
Group's share of associates' net assets	834,349	555,146

for the financial year ended 30 June 2008

9. INVESTMENT IN ASSOCIATED COMPANIES (Cont'd)

Results	2008 RM	2007 RM
Revenue	9,189,436	5,826,456
Profit / (loss) for the year	508,404	(122,378)
Group's share of associates' results for the year	254,203	(61,188)

The details of goodwill and negative goodwill included within the Group's carrying amount of investment in associated compaines are as follows:-

Cost and net carrying amount	Goodwill RM	Negative Goodwill RM	Total RM
At 1 July 2006 Effects of adopting FRS 3	4,512	(21,312) 21,312	(16,800) 21,312
At 30 June 2007	4,512		4,512
At 30 June 2008	4,512		4,512

10. OTHER INVESTMENTS

	Gro	up
	2008	2007
	RM	RM
Unquoted shares, at cost	50,000	50,000

11. GOODWILL ON CONSOLIDATION

Effects of adopting FRS 3		2007
Effects of adopting FRS 3 At 30 June 62, Accumulated amortisation At 1 July Effects of adopting FRS 3		RM
Accumulated amortisation At 1 July Effects of adopting FRS 3	093 - (163,487 101,394)
At 1 July Effects of adopting FRS 3	093	62,093
Effects of adopting FRS 3		
At 30 June	- - (101,394 101,394)
	-	-
Net book value		
At 30 June 62,	093	62,093



for the financial year ended 30 June 2008

12. INVENTORIES

	Gro	рир
	2008	2007
At Cost,	RM	RM
Trading inventories	31,220,854	25,508,554
Raw materials	4,091,593	4,046,092
Work-in-progress	-	14,075
Aquaculture products	615,717	703,971
Consumable stores	628,423	639,447
	36,556,587	30,912,139

13. TRADE RECEIVABLES

	Gro	рир
	2008 RM	2007 RM
Trade receivables Allowance for doubtful debts	37,063,374 (1,773,110)	34,439,348 (1,804,895)
	35,290,264	32,634,453

The Group's normal trade credit term ranges from 30 days 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.

16. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	Number of Ordinary	rdinary 11 each─▶ ·		Amo	- Amount	Î
	Share Capital		Share Capital		Total Share Capital and	
	(Issued and T Fully Paid)	Treasury Shares	(Issued and Fully Paid) RM	Share Premium RM	Share Premium RM	Treasury Shares RM
At 1 July 2006 Ordinary shares issued Pursuant to ESOS Purchase of treasury shares Transaction costs	49,783,234 611,000 - (- - 1,435,800) -	49,783,234 611,000 -	699,225 122,200 -	50,482,459 733,200 - (- - (2,340,698) 10,292)
At 30 June 2007 and 1 July 2007 Ordinary shares issued Pursuant to ESOS Purchase of treasury shares Transaction costs Capitalised for bonus issue Share split	50,394,234 (2,784,766 2,5660,850 78,839,850 (1,435,800) 1,435,800) 421,500) 1,857,300)	1,435,800) 50,394,234 - 2,784,766 421,500) - 2,784,766 1,857,300)	50,394,234 821,425 51,215,659 2,784,766 556,953 3,341,719 	51,215,659 3,341,719 24,440,272	(2,350,990) 788,955) 5,857)
At 30 June 2008	157,679,700 (3,714,600) 78,839,850	3,714,600)	78,839,850	157,800	157,800 78,997,650 (3,145,802)	3,145,802)

CCK CONSOLIDATED HOLDINGS BERHAD answer



for the financial year ended 30 June 2008

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

	Shares of	of Ordinary of RM0.50 each M1 each)	← Am	ount
	2008 Number	2007 of shares	2008 RM	2007 RM
Authorised share capital	200,000,000	100,000,000	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) Ordinary shares

During the financial year, the issued and paid-up share capital of the Company was increased from RM50,394,234 to RM78,839,850 by the following:-

- (i) the issuance of 2,784,766 ordinary shares of RM1 each for cash pursuant to the Company's Employee share Option Scheme at an average exercise price of RM1.20 per ordinary share.
- (ii) bonus issue of 25,660,850 new ordinary shares of RM1.00 each credited as fully paid up on the basis of 1 bonus share for every 2 existing ordinary shares of RM1.00 each held in the Company. The shares were allotted by way of capitalization from the share premium reserve and retained profits accounts of the Company amounting RM1,220,578 and RM24,440,272 respectively.

The abovementioned shares rank pari passu in all respects with the then existing shares of the Company.

(iii) After the bonus issue, the Company undertook a share split involving the subdivision of every one existing ordinary share of RM1.00 each into 2 ordinary shares of RM0.50 each. As at the end of the financial year, the total number of shares of the Company stood at 157,679,700 shares.

Both the bonus issue and share split were approved by the shareholders at the Extraordinary General Meeting held on 29 April 2008.

As at 30 June 2008, there were 1,894,000 (2007: 3,731,766) unissued shares of RM0.50 each (2007: RM 1 each) under options granted pursuant to the Employees' Share Options Scheme which was implemented on 23 March 2001.

(b) Treasury shares

The shareholders of the Company, by a special resolution passed in a general meeting held on 15 December 2004 and subsequently renewed during the general meeting on 15 December 2005 and 15 December 2006 and 7 December 2007, 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 421,500 (2007: 1,435,800) of its issued ordinary shares from the open market at a average price of RM1.89 (2007: RM1.63) per share. The total consideration paid for the repurchase was RM794,812 (2007: RM2,350,990), comprising of consideration paid amounting to RM788,955 (2007: RM2,340,698) and transaction costs of RM5,857 (2007: RM10,292). 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.

As at 30 June 2008, the issued and fully paid ordinary shares are 157,679,700 (2007: 50,394,234) of which 3,714,600 (2007: 1,435,800) are held as treasury shares by the Company. As at 30 June 2008, the number of outstanding ordinary shares in issue after the setoff is therefore 153,965,100 (2007: 48,958,434) ordinary shares of RM0.50 each (2007:RM1 each).

Notes to the Financial Statements (cont'd) for the financial year ended 30 June 2008

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

As at 30 June 2008, the Company has tax exempt profits available for distribution of approximately RM1,876,000 (2007: RM7,541,000) subject to the agreement of the Inland Revenue Board.

The Company has sufficient tax credit under Section 108 of the Income Tax Act, 1967 and the balance in the tax-exempt income account to frank the payment of dividends out of its entire retained profits as at 30 June 2008.

19. HIRE PURCHASE CREDITORS

		Gro	bup	
Analysis of hire purchase liabilities:-		2008 RM		2007 RM
Payable within 1 year Payable between 1 to 2 years		2,090		182,964 2,091
Less: Interest in suspense	(2,090 156)	(185,055 6,718)
Present value of hire purchase liabilities		1,934		178,337
Representing hire purchase liabilities, net of interest in suspense:-				
Payable within 1 year Payable after 1 year		1,934 -		176,403 1,934
Total payable		1,934		178,337

The hire purchase liabilities bear interest at rates ranging between 2.70% to 4.75% (2007: 2.70% to 4.75%) per annum.

20. BANK BORROWINGS

	Gro	up
Current	2008	2007
	RM	RM
Secured		
Term loans	911,051	1,169,886
Bank overdrafts	1,751,305	2,073,740
Banker's acceptances	8,775,000	7,656,000
Export credit refinancing loans	785,000	575,000
	12,222,356	11,474,626



for the financial year ended 30 June 2008

20. BANK BORROWINGS (cont'd)

). BANK BORROWINGS (cont'd)	Gro	uр
Current	2008 RM	2007 RM
Unsecured Bank overdrafts Export credit refinancing loans	527,078	278,671 413,000
	527,078	691,671
	12,749,434	12,166,297
Long-term		
Secured Term loans	656,686	1,393,563
Details of term loans:		
(a) Term Ioan 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	528,077	685,409
(b) Term Loan II at interest of 3% per annum, 5.5% per annum and 7.5% per annum for first, second and subsequent years respectively repayable by 96 monthly instalments of RM4,346, RM4,565 and RM4,794 each for first, second and subsequent years respectively commencing 2 November 2002	-	123,391
(c) Term loan III at interest of 3% per annum, 5.5% per annum and 7.5% per annum for first, second and subsequent years respectively repayable by 60 monthly instalments of RM11,183, RM11,402 and RM11,614 each for first, second and subsequent years respectively commencing 27 December 2003	123	45,974
(d) Term loan IV at interest of 3.75% (2006: NIL) per annum above base lending rate on daily basis repayable of 47 monthly instalments of RM44,935 each and a final instalment of RM44,921.08 commencing on March 2005	304,649	777,157
(e) Term loan V 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	261,660	468,378
(f) Term loan VI 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 advise by the bank commencing 6 April 2007	302,395	463,140
(g) Term loan VII 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	170,833	-
	1,567,737	2,563,449

for the financial year ended 30 June 2008

20. BANK BORROWINGS (cont'd)

	Group		
Representing term loan liabilities, net of interest in suspense:-	2008 RM	2007 RM	
	RIVI	IK IVI	
Payable within 1 year	911,051	1,169,886	
Payable between 1 to 2 years	390,308	835,795	
Payable between 2 to 5 years	266,378	557,768	
Total payable	1,567,737	2,563,449	

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

	2008 RM	2007 RM
Bank overdrafts	0.0841	0.0841
Banker's acceptances	0.0391	0.0387
Export credit refinancing loans	0.0300	0.0300

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 (Refer Note 6 and Note 7) and are guaranteed by the Company.

21. DEFERRED TAXATION

	Group		Com	pany
	2008	2007	2008	2007
	RM	RM	RM	RM
Balance brought forward	2,655,596	2,686,325	1,189	1,698
Recognised in the income statement	(42,903)	(30,729)	(503)	(509)
	2,612,693	2,655,596	686	1,189
Presented after appropriate offsetting as follo	DWS:-			
Deferred tax assets	-	(18,340)	-	-
Deferred tax liabilities	2,612,693	2,673,936	686	1,189
At 30 June	2,612,693	2,655,596	686	1,189

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	Re	ceivables RM		Total RM
At 1 July 2006 Recognised in the income statement	-	-	(33,180 14,840)	(33,180 14,840)
At 30 June 2007 and 1 July 2007 Recognised in the income statement	141,373	155,233	(18,340 18,340)		18,340 278,266
At 30 June 2008	141,373	155,233		-		296,606



for the financial year ended 30 June 2008

21. DEFERRED TAXATION (cont'd)

	Accelerated Capital	
Deferred tax liabilities of the Group:	allowance RM	Total RM
At 1 July 2006 Recognised in the income statement	2,719,505 (45,569)	2,719,505 (45,569)
At 30 June 2007 and 1 July 2007 Recognised in the income statement	2,673,936 235,363	2,673,936 235,363
At 30 June 2008	2,909,299	2,909,299
Deferred tax liabilities of the Company:		
At 1 July 2006 Recognised in the income statement	1,698 (509)	1,698 (509)

At 30 June 2007 and 1 July 2007 Recognised in the income statement	(1,189 503)	(1,189 503)
At 30 June 2008		686		686

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

	Gro	ир
	2008 RM	2007 RM
Unused tax losses Unabsorbed capital allowance	1,472,411 1,993,150	1,386,307 1,990,923
	3,465,561	3,377,230

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.

22. REVENUE

	Group		Com	pany	
	2008	2008 2007	2008	2007	
	RM	RM	RM	RM	
Trading sales	285,405,616	239,346,418	-	-	
Transportation services	406,172	419,453	-	-	
Management income	21,500	20,000	454,700	453,000	
Dividend income	-	-	8,378,378	11,499,030	
	285,833,288	239,785,871	8,833,078	11,952,030	



for the financial year ended 30 June 2008

23. OTHER OPERATING INCOME

	Gro	up	Company	
	2008	2007	2008	2007
	RM	RM	RM	RM
Over provision of audit fee in previous year	1,800	2,200	-	-
Amount waived by payables	1,708	-	-	-
Allowance for doubtful debts no longer required	47,543	-	-	-
Handling charges income	-	171,243	-	-
Hiring Income	-	1,160	-	-
Insurance compensation	-	13,057	-	-
Interest income – fixed deposit	235,045	244,776	87,540	34,240
Miscellaneous income	482,426	252,372	-	5,850
Profit on disposals of property,				
plant and equipment	158,764	304,073	-	-
Realised exchange gain	218,980	427,455	-	-
Rental income	108,290	120,900	-	-
Service charges income	22,744	388,393	-	-
Storage charges income	-	54,373	-	-
Unrealised exchange gain	36,212	70,892	-	-
_	1,313,512	2,050,894	87,540	40,090
=				

24. OPERATING EXPENSES

	Group		Comp	any	
	2008	2008 2007 2008	2008 2007	2008	2007
	RM	RM	RM	RM	
Distribution costs	6,051,112	5,073,915	-	-	
Administration expenses	13,184,289	10,848,509	1,305,161	1,088,361	
Other operating expenses	12,239,661	9,780,079	-	-	
	31,475,062	25,702,503	1,305,161	1,088,361	

The above expenses include the following statutory disclosure items:

	Group		Com	pany
	2008	2007	2008	2007
	RM	RM	RM	RM
Auditors' remuneration	128,100	116,900	15,000	15,000
Allowance for doubtful debts	79,326	348,885	-	-
Amortisation of prepaid land lease payments	350,437	350,433	155,687	155,687
Bad debts written off	56,555	76,704	-	-
Depreciation	5,644,786	5,170,893	2,340	2,340
Directors' remuneration:-				
- fees	322,460	312,380	294,100	279,400
 other emoluments 	1,538,241	1,123,000	182,600	170,400
Hiring of plant and equipment	2,055	420	-	-
Loss on disposal of prepaid lease payments Loss on disposals of property,	16,523	-	-	-
plant and equipment	152,187	349	-	-
Property, plant and equipment written off	7,141	-	-	-
Realised exchange loss	130,116	159,078	-	-
Rental of premises	1,811,755	1,628,693	-	-
Unrealised exchange loss	7,491		-	-



for the financial year ended 30 June 2008

24. OPERATING EXPENSES (cont'd)

The remuneration paid to the Directors for the financial year ended 30 June 2008 is categorised as follows:-

	Group		Comp	any
	2008	2007	2008	2007
	RM	RM	RM	RM
Executive Directors				
Salaries	912,000	908,800	105,600	102,400
Fees	66,440	59,660	57,400	49,000
Bonus	454,700	170,328	65,000	56,000
Commission	159,541	31,872	-	-
Allowances	12,000	12,000	12,000	12,000
	1,604,681	1,182,660	240,000	219,400
Non-executive Directors				
Fees	256,020	252,720	236,700	230,400
Total	1,860,701	1,435,380	476,700	449,800

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		
	2008	2007	
Executive Directors			
RM250,000 to RM550,000	1	-	
RM200,000 to RM250,000	1	-	
RM150,000 to RM200,000	4	7	
RM100,000 to RM150,000	1	-	
Non-Executive Directors			
RM150,000 to RM200,000	1	1	
RM50,000 and below	5	5	

25. FINANCE COSTS

Gro	u p	Company		
2008	2007	2008	2007	
RM	RM	RM	RM	
70,458	68,940	-	-	
146,158	179,825	-	-	
6,554	7,708	-	-	
343,097	98,063	-	-	
48,089	256,747	-	-	
614,356	611,283			
	2008 RM 70,458 146,158 6,554 343,097 48,089	RMRM70,45868,940146,158179,8256,5547,708343,09798,06348,089256,747	2008 2007 2008 RM RM RM 70,458 68,940 - 146,158 179,825 - 6,554 7,708 - 343,097 98,063 - 48,089 256,747 -	



for the financial year ended 30 June 2008

26. TAXATION

	Group			Company				
	2008 2007			2008 RM		2007 RM		
		RM		RM	r	K IVI		RIM
Current income tax		4,478,199		3,772,887	2,1	07,729	2,	497,708
Under/(over) provision in prior years		374,460	(3,006)	1	98,708		-
Real property gain tax		-		6,000		-		-
Transfer from deferred taxation	(42,903)	(30,729)	(503)	(509)
		4,809,756		3,745,152	2,3	805,934	2,	497,199
							_	

Domestic current income tax is calculated at the statutory tax rate of 26% (2007: 27%) of the estimated assessable profit for the year. The domestic statutory tax rate will be reduced to 25% effective year of assessment 2009. The computation of deferred tax as at 30 June 2008 has reflected these changes.

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:-

		Gro 2008 RM	o u p	2007 RM		Com 2008 RM	pan	any 2007 RM	
Profit before taxation			4				4		
Profit before taxation	I	5,081,404	I	4,610,396		7,615,457	I	0,903,759	
Income tax at 26% (2007: 27%)		3,921,165		3,944,807 1,98		1,980,019	2,944,015		
Tax effect of permanent differences:-									
Expenses not deductible for tax purposes		150,248		143,163		86,782		39,380	
Non-qualifying property, plant and equipment		208,460		226,047		40,478		42,035	
Income not subject to tax	(82,197)	(133,758)		-	(528,354)	
Double deduction on marine insurance	(2,056)	(2,165)		-		-	
Utilisation of previously unrecognised tax									
losses and unabsorbed capital allowance	(25,998)	(101,949)		-			
Deferred tax assets not recognised		100.005		404 700					
during the year		436,335		181,768		-		-	
Effect of changes in tax rate on	1	15 000)				20)			
opening balance of deferred tax Deferred tax recognised at	(15,028)		-	(29)		-	
different tax rate	(52,933)			(24)		_	
Under/(over) provision of deferred	(52,955)		-	(24)		-	
tax in prior years		166,169	(240,523)		-		123	
Real property gain tax		-	(6,000		-			
Effect in change of statutory tax rates	(248,643)	(247,411)		-		-	
Under/(over) provision in prior years	`	374,460	Ì	3,006)		198,708		-	
Others	(20,226)	Ì	27,821)		-		-	
		4,809,756		3,745,152		2,305,934		2,497,199	
	_		=		_				



Notes to the Financial Statements (cont'd) for the financial year ended 30 June 2008

27. 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.

Group		
2008 RM	2007 RM	
10,103,617	10,740,818	
52,902,806	49,830,753	
Sen	Sen	
19.10	21.55	
	2008 RM 10,103,617 52,902,806 Sen	

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.

	2008 RM	2007 RM
Profit attributable to ordinary equity holders of the Company	10,103,617	10,740,818
Weighted average number of ordinary share in issue	52,902,806	49,830,753
Effects of dilution:-		
Share options	72,846	685,426
Adjusted weighted average number of ordinary share in issue	52,975,652	50,516,179
	Sen	Sen
Diluted earnings per share:-	19.07	21.26

28. ACQUISITION OF SUBSIDIARY COMPANIES

	Gro	up
The acquisition had the following effect on the Group's financial results for the year:-	2008 RM	2007 RM
Revenue	-	-
Loss from operations	-	1,903
Net loss for the year	-	1,903

C r o u n

for the financial year ended 30 June 2008

28. ACQUISITION OF SUBSIDIARY COMPANIES (cont'd)

The fair values and the carrying amounts of the assets acquired and liabilities assumed from the acquisition of the subsidiary were as follows:-

	Grou	p
	2008 RM	2007 RM
Property, plant and equipment (Note 6)	-	106,339
Inventories	-	57,089
Trade receivables, net	-	737,645
Other receivables, deposits and prepayments	-	83,426
Fixed deposits with a licensed bank	-	5,000
Cash and bank balances	-	409,089
Trade payables	-	(847,992)
Other payables, deposits and accruals	-	(7,887)
Bank borrowings	818,800	(2,709)
Fair value of total net assets	818,800	540,000
Less: Minority interests	(81,880)	(154,400)
Cost of acquisition	736,920	385,600
Cash and cash equivalents of subsidiary acquired	(818,800)	(411,380)
Net cash outflow on acquisitions	(81,880)	(25,780)

29. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Gro	bup
	2008 RM	2007 RM
Total purchases of property, plant and equipment Hire purchase arrangements	7,886,485	9,325,123 (100,000)
Cash disbursed for purchases of property, plant and equipment	7,886,485	9,225,123

30. CASH AND CASH EQUIVALENTS

	Gro	oup	Comp	bany
	2008	2007	2008	2007
	RM	RM	RM	RM
Fixed deposits with licensed banks	3,005,000	1,005,000	3,000,000	1,000,000
Cash and bank balances	14,503,070	14,292,639	858,781	1,064,578
Bank overdrafts - secured	(1,751,305)	(2,073,740)	-	-
- unsecured	(527,078)	(278,671)	-	-
	15,229,687	12,945,228	3,858,781	2,064,578



for the financial year ended 30 June 2008

31. EMPLOYEES INFORMATION

	Gro	oup	Comp	bany
Staff costs	2008	2007	2008	2007
	RM	RM	RM	RM
Salaries, bonus, wages and allowances	18,200,023	14,264,016	334,680	315,663
Employees provident fund contribution	1,456,886	1,336,173	41,977	40,251
Socso contribution	165,232	151,450	2,563	2,510
Other employee benefits	1,933,962	1,741,065	65,225	59,213
	21,756,103	17,492,704	444,445	417,637

Included in staff cost of the Group and of the Company are executive directors' remuneration amounting to RM1,604,681 (2007: RM1,182,660) and RM240,000 (2007: RM219,400) respectively as further disclosed in Note 24.

32. DIVIDEND

	Group/Co	mpany
	2008	2007
	RM	RM
Final dividend paid on ordinary shares of 5.0 sen gross		
(2007: 5.0 sen) per share, less tax at 27% (2007: 28%)	1,835,936	1,796,191

The Board of Directors proposed a final dividend of 2.5 sen gross less income tax at 26% in respect of the financial year ended 30 June 2008. These dividends are not recognised as a liability at the balance sheet date and will be accounted for as an appropriation of retained earnings in the financial year ending 30 June 2009 after approval by the members at the forthcoming Annual General Meeting.

33. SEGMENT REPORTING

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

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate administration expenses.

Business segments

- a) Retail: Trading in coldstorage products.
- b) Poultry: Rearing and production in poultry products.
- c) Prawn: Rearing and production in prawn and seafood products.
- d) Food Ration: Supply/trading in food products and related services.
- e) Others: Management and related income.

Geographical segmental reporting is not presented as the Group operates principally within Malaysia.

Notes to the Financial Statements (cont'd) for the financial year ended 30 June 2008

(cont'd)	
REPORTING	
SEGMENT R	
33.	

Group 2008	Poultry RM	Prawn RM	Food Ration RM	Retail RM	Others RM	Consolidated RM
Revenue from external customers	72,981,589	29,325,419	32,376,632	151,128,148	21,500	285,833,288
Segment results	11,636,229	4,737,883	4,567,796	24,639,699	21,500	45,603,107
Other operating profit Unallocated expenses						1,078,467 32,089,418)
Operating profit Interest income Share of results in associated companies						14,592,156 235,045 254,203
Profit before taxation						15,081,404
Other information						
Segment assets	37,235,514	31,559,928	14,990,475	57,917,565		- 141,703,482 -
Investments in associates companies Unallocated corporate assets						838,861 5,819,709
Consolidated total assets						148,362,052
Segment liabilities	11,432,393	6,019,225	3,742,627	14,422,520	I	35,616,765
Unallocated corporate liabilities						279,680
Consolidated total liabilities						35,896,445
Significant non-cash expenses						
Depreciation and amortisation	1,771,433	1,602,099	183,805	2,279,859	ı	5,837,196
Unallocated corporate non-cash expenses						158,027
Consolidated total non-cash expenses						5,995,223

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33. SEGMENT REPORTING (cont'd)

5							
	Group 2007	Poultry RM	Prawn RM	Food Ration RM	Retail RM	Others RM	Consolidated RM
	Revenue from external customers	58,628,114	29,715,997	18,994,331	132,427,429	20,000	20,000 239,785,871
	= Segment results	10,237,706	5,629,961	2,133,705	20,913,104	20,000	38,934,476
	Other operating income Unallocated expenses						1,806,118 26,313,786)
	Operating income					•	14,426,808
	Interest income Share of results in associated companies					Ŭ	244,776 61,188)
	Profit before taxation					I	14,610,396
	Other information						
	Segment assets	34,918,127	32,529,159	13,001,875	50,793,356	1	131,242,517
	Investments in associates companies Unallocated corporate assets						559,658 3,816,306
	Consolidated total assets						135,618,481
	Segment liabilities	10,416,658	8,120,370	1,878,646	1,878,646 13,499,084	I	33,914,758
	Unallocated corporate liabilities						237,965
	Consolidated total liabilities						34,152,723
	Significant non-cash expenses						
	Depreciation and amortisation	1,644,667	1,779,977	74,630	1,864,026	1	5,363,300
	- Unallocated corporate non-cash expenses						158,026
	Consolidated total non-cash expenses						5,521,326



for the financial year ended 30 June 2008

34. CAPITAL COMMITMENTS

	G r o	uр	Comp	any
Capital expenditure for property, plant and equipment:-	2008 RM	2007 RM	2008 RM	2007 RM
Approved and contracted for	64,500	5,784,945	-	-

35. CONTINGENT LIABILITIES

	Com	pany
	2008	2007
Unsecured	RM	RM
Guarantees for the borrowings of subsidiary companies	84,300,160	85,560,160

36. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, the Group entered into the following significant related party transactions. The related party transactions described below have been entered into in the normal course of business and have been established under terms negotiated between the parties concerned, and were not materially different from those entered with third parties.

	Grou	1 p	Comp	any
Transactions with subsidiary companies:-	2008	2007	2008	2007
	RM	RM	RM	RM
Management income received from:-				
- Ableway Sdn Bhd	-	-	75,600	75,600
- Angkutan Golden Plan Sdn Bhd	-	-	1,200	1,200
- Ataskota Sdn Bhd			12,600	12,800
- CCK BME Sdn Bhd	-	-	1,200	1,200
 CCK Fresh Mart Sdn Bhd 	-	-	98,400	98,400
 CCK Fresh Mart (West Malaysia) Sdn Bhd 	-	-	600	800
 Central Coldstorage Kuching Sdn Bhd 	-	-	181,800	181,800
- Farm Land Supplies &				
Veterinary Services Sdn Bhd	-	-	1,200	1,200
- Kin Eastern Frozen Food Sdn Bhd	-	-	37,800	37,800
- Kuok Sui Sea Products				
Industries Sdn Bhd	-	-	19,800	19,800
- Mukah Seafoods Industries Sdn Bhd	-	-	600	-
- Poultry Industry (S) Sdn Bhd	-	-	1,200	1,200
- Zhang Agriculture Development Sdn Bhd	-	-	1,200	1,200
			- ;	-,
Accounting fee paid to:-				
- Central Coldstorage Kuching Sdn Bhd	-	-	24,000	24,000
Contral Conditionage Haching Carl Brid			21,000	21,000
Transactions with a company in which c	ertain director	s and substantia	l shareholder h	ave financial
interests:-				
Trading sales:-				
- Central Coldstorage Sarawak Sdn Bhd *		34,789		
- Central Colusionage Salawar Sull Bliu	-	54,709	-	-
Rental paid to:-				
•	106,000	178,800		
 S. K. Tiong Enterprise Sdn Bhd * 	100,000	170,000	-	-

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Notes to the Financial Statements (cont'd)

for the financial year ended 30 June 2008

36. SIGNIFICANT RELATED PARTY TRANSACTIONS (Cont'd)

- * The nature and extent of the financial interests of the Directors concerned are shown below:-
- (a) Datuk Tiong Su Kouk (A substantial shareholder of the Company)
 - A substantial shareholder and Director of S. K. Tiong Enterprise Sdn Bhd and Central Coldstorage Sarawak Sdn Bhd.
- (b) Tiong Chiong Hiiung
 - Director of S. K. Tiong Enterprise Sdn Bhd and Central Coldstorage Sarawak Sdn Bhd.
- (c) Tiong Chiong Soon
 - Director of S. K. Tiong Enterprise Sdn Bhd and Central Coldstorage Sarawak Sdn Bhd.

37. 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 for 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.

for the financial year ended 30 June 2008

37. 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 2008 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 Term loans Hire purchase creditors	30 20 19	3.00 7.50 2.70	3,005,000 (123) (1,934)					3,005,000 123) 1,934)
Floating rate								
Bank overdrafts Banker's acceptances Export credit refinancing loans Term loans	20 20 20 20 20 20 20	8.41 3.91 3.00 8.34	(2,278,383) (8,775,000) (785,000) (910,928) (- - 390,308) (- - 212,503) (- - 38,986) (- (- (14,889) (2,278,383) 8,775,000) 785,000) 1,567,614)
At 30 June 2007 Group								
Fixed rate								
Fixed deposits with licensed banks Term loans Hire purchase creditors	30 20 19	3.00 7.50 3.10	1,005,000 (88,474) ((176,403) (- 42,500) (1,934)	- 38,391) -			1,005,000 169,365) 178,337)
Floating rate								
Bank overdrafts Banker's acceptances Export credit refinancing loans Term loans	20 20 20 20	8.41 3.87 3.00 8.68	(2,352,411) (7,656,000) (988,000) (1,081,412) (- - 793,295) (- - 347,375) (- - 172,002)		2,352,411) 7,656,000) 988,000) 2,394,084)

Notes to the Financial Statements (cont'd) for the financial year ended 30 June 2008

37. 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 2008 Company	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	30	3.00	3.00 1,000,000	1	1	1	1,000,000
At 30 June 2007 Company							
Fixed rate							
Fixed deposits with licensed banks	30	3.00	3.00 1,000,000				1,000,000

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.

for the financial year ended 30 June 2008

37. 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:

		Gro	up	
	200	8	2 0	0 7
Assets – Non Current	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Investment in associated companies Other investment	838,861 50,000	#	559,658 50,000	#
Liabilities – Non Current				
Hire purchase creditors Term loans	656,686	704,416	1,934 1,393,563	2,081 1,373,494
Assets – Non Current		 C o m p	a n y	
Investment in subsidiary companies Investment in associated companies	41,749,149 775,000	# #	41,749,149 750,000	# #
Liabilities – Non current				
Contingent liabilities	84,300,160	*	85,560,160	*

- # 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.

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ADDITIONAL INVESTOR INFORMATION

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Additional Compliance Information

- 1. There were no options, warrants or convertible securities issued by the Company which are exercised in respect of the financial year under review other than the exercise of 5,569,532 share options of RM0.50 each.
- 2. At the Eleventh Annual General Meeting of the Company held on 7 December 2007, the Directors obtained the shareholders' approval for the Company to purchase and/or hold its own shares of up to ten percent (10%) of its total issued and paid-up share capital of the Company.

During the financial year ended 30 June 2008, a total of 794,200 ordinary shares of RM0.50 each of the Company were purchased pursuant to the share buy-back authority. All the shares purchased are currently retained as treasury shares. None of the shares purchased has been resold or cancelled.

A monthly breakdown of the shares bought back is set out below :-

	No. of chores	Pr	ice	Average Cost	Total
Month	No. of shares purchased	Highest (RM)	Lowest (RM)	Average Cost (RM)	Consideration (RM)
Year 2007					
July	104,200	0.975	0.970	25,559.13	102,236.51
August	322,200	0.925	0.900	42,222.01	295,554.04
September	156,200	0.935	0.915	16,199.70	145,797.29
October	209,800	1.005	0.910	18,426.61	202,692.73
November	1,800	1.000	1.000	1,814.72	1,814.72
December	-	-	-	-	-
Year 2008					
January	-	-	-	-	-
February	-	-	-	-	-
March	-	-	-	-	-
April	-	-	-	-	-
May	-	-	-	-	-
June	-	-	-	-	-

- 3. There were no material contracts of the Company or its subsidiaries involving Directors and major shareholders' interest subsisting at the end of the financial year under review or entered into since the end of the financial year under review or entered into since the end of the previous financial year.
- 4. The total amount of non-audit fees incurred for services rendered to the Company and its subsidiaries for the financial year ended 30 June 2008 by the Company's external auditors, Messrs. Hii & Lee ("HL"), or a firm or company affiliated to HL amounted to RM50,750.00.



List Of Top 10 Properties for the financial year ended 30 June 2008

Description/ Location	Existing Use	Tenure	Acquisition Date	Age Of Building	Land (Built-Up Area)	NET Book Value
CCK Fresh Mart Sdn. Bhd. Lot 2969, Block 19, Seduan Land District. Sarawak	Corporate Office, Coldroom and Store	Lease hold Expiring 30/8/2013	2007	1 Yrs	1.738ha	5,333,136.09
Central Coldstorage Kuching Sdn. Bhd. Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, Sarawak	Industrial Land/ Corporate Office, Coldroom and Abattoir	Leasehold (28. Yrs Remaining) Expiring on 06.07.2035	23.06.1992	12 Yrs	2.295 Hectares	5.092.032.63
CCK Fresh Mart (West Malaysia) Sdn. Bhd. H.S.(D.) No.:19776, P.T. No.:22244 Mukim of Batu, District of Gombak, State of Selangor	3 Storey Detached Industrial Factory	Freehold	28.09.1999	11.5 Yrs	2,095.61 Sq.M.	3,840,093.71
CCK Sea Products Industries Sdn. Bhd. Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, Sarawak	Factory/Office Coldroom, Worker Quarters Farm Building and Guart House	Leasehold (28 Yrs Remaining) Expiring on 06.07.2035	2002	6 Yrs		2,059,041.60
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 Shaphouse	Leasehold (81 Yrs Remaining) Expiring on 26.06.2089	15,02,2001	12 Yrs	2,533 Sq.ft.	1,794.652.65
Kuok Sui Sea Products Industries (S) Sdn. Bhd. Lot 22, Block 9 Sibu Town District, Sarawak	3 Storey Detached Factory	Freehold	12.06.1999	9 Yrs	9,590 Sq.ft.	1,634,036.63
CCK Fresh Mart Sdn. Bhd. Lot 1032, Block 5, Miri Concession Land District,	5 Units Of 3 Storey Shophouse/Office	Leasehold (41 Yrs Remaining) Explring on 04,12,2049	07.12.1996	13 Yrs	2,456 Sq.M.	1,340,450.86
Central Coldstorage Kuching Sdn. Bhd. Survey Lot 14.935 (Sublot 88 Block K) of Lot 11078, Block 11, Muara Tebas Land District	4 Storey Intermediate Terraced Shophouse	-	15.02.2007	2 Yrs	1,575 Sq.ft.	1,117,578.55
Zhang Agriculture Development Sdn. Bhd. Bau OT No.3091 Of 1937, No. 1020 Of 1927 No. 2595 Of 1934, No. 2998 Of 2936	Breeding Shed	Leasehold (27 Yrs Remaining) Expiring on 31.12.2035	1987	21 Yrs	11.000 Sq.M	735,690.00

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List Of Top 10 Properties (cont'd) for the financial year ended 30 June 2008

Description/ Location	Existing Use	Tenure	Acquisition Date	Age Of Building	Land (Built-Up Area)	NET Book Value
Bau OT No.645 Ta Foh Shak, Bau, Sarawak	Agriculture Land/ Hatchery, Office, Workers Quarters & Laboratory	Leasehold (18 Yrs Remaining) Expiring on 08.03.2036	03.10.1990	11.5 Yrs	10.44 Acres*	1,010,277.38



Analysis Of Shareholdings as at 15 October 2008

SHARE CAPITAL

Authorised share capital	:	RM100 million
Issued and fully paid-up capital	:	RM78,839,850.00
Class of shares	:	Ordinary shares of RM0.50 each
Voting rights	:	One vote per ordinary share

DISTRIBUTION SCHEDULE OF ORDINARY SHARES

Holdings	No. of Holders	Total Holdings	%
less than 100 shares	_	-	-
100 - 1,000 shares	357	117,400	0.08
1,001 - 10,000 shares	807	3,994,200	2.61
10,001 - 100,000 shares	255	8,512,766	5.56
100,001 - less than 5% of issued shares	80	50,878,582	33.27
5% and above of issued shares	5	89,434,352	58.48
Total	1,504	152,937,300#	100.00

Note:

excluding 4,742,400 ordinary shares of RM0.50 each bought back and retained as treasury shares as at 15 October 2008.

LIST OF SUBSTANTIAL SHAREHOLDERS

	Name	Direct Interest	% [#]	Indirect Interest	%#
1.	Central Coldstorage Sarawak Sdn. Bhd.	31,338,980	20.49	-	-
2.	S.K. Tiong Enterprise Sdn. Bhd.	20,736,764	13.56	31,338,980 ^(a)	20.49
3.	Permodalan Nasional Berhad	16,904,100	11.05	-	-
4.	Yayasan Pelaburan Bumiputra	-	-	16,904,100 ^(b)	11.05
5.	Skim Amanah Saham Bumiputera	13,500,000 ^(c)	8.83	-	-
6.	Chong Nyuk Kiong Enterprise Sdn. Bhd.	10,291,272	6.73	-	-
7.	Datuk Tiong Su Kouk	2,305,848	1.51	52,075,744 ^(d)	34.05
8.	Datin Wong Bak Hee	678,000	0.44	52,075,744 ^(d)	34.05
9.	Tiong Chiong Hiiung	385,500	0.25	52,075,744 ^(e)	34.05
10.	Tiong Chiong Soon	243,000	0.16	52,075,744 ^(e)	34.05
11.	Chong Shaw Fui	-	-	10,291,272 ^(f)	6.73
12.	Chong Min Fui	218,700	0.14	10,291,272 ^(f)	6.73
13.	Chong Kong Fui	33,100	0.02	10,291,272 ^(f)	6.73

Notes:

excluding 4,742,400 ordinary shares of RM0.50 each bought back and retained as treasury shares as at 15 October 2008.

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

(b) Deemed to have indirect interest through its shareholding of 100% less one share of Permodalan Nasional Berhad by virtue of Section 6A of the Companies Act, 1965.

(c) 13,500,000 shares are held through Amanah Raya Nominees (Tempatan) Sdn. Bhd.

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

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

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



Analysis Of Shareholdings (cont'd) as at 15 October 2008

DIRECTORS' INTERESTS

The Directors' interests in shares of the Company are as follows :-

Name	Ordin		of RM0.50 each ompany	
	Direct Interest	%#	Indirect Interest	%#
1. Datuk Tiong Su Kouk	2,305,848	1.51	52,753,744 ^(a)	34.49
2. Chong Shaw Fui	-	-	10,291,272 ^(b)	6.73
3. Tiong Chiong Hiiung	385,500	0.25	52,120,744 ^(c)	34.08
4. Tiong Chiong Soon	243,000	0.16	52,129,744 ^(c)	34.09
5. Lau Liong Kii	3,836,400 ^(d)	2.51	3,857,442 ^(e)	2.52
6. Ling Ting Leong @ Ling Chong Seng	269,100	0.18	1,301,540 ^(f)	0.85
7. Wong See Khong	1,838,166	1.20	6,600 ^(g)	0.00*
8. Kueh Chung Peng	3,067,296 ^(h)	2.01	-	-
9. Janggu anak Banyang	45,000	0.03	-	-
10. Datu Haji Putit bin Matzen	-	-	-	-
11. Douglas Jerukan @ Jarukan ak Kanyan	1,138,500	0.74	-	-
12. Francis Wong Chin Sing @ Wong Chin Sing	-	-	-	-
13. Dato' Fuziah @ Fauziah binti Dato' Ismail	-	-	-	-

As at 15 October 2008, 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 4,742,400 ordinary shares of RM0.50 each bought back and retained as treasury shares as at 15 October 2008.
- (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) 112,050 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) 925,932 shares are held through HLB Nominees (Tempatan) Sdn. Bhd. and 45,000 shares are held through TA Nominees (Tempatan) Sdn. Bhd.



Analysis Of Shareholdings (cont'd) as at 15 October 2008

LIST OF THIRTY LARGEST SECURITIES ACCOUNTS HOLDERS

	Name	No. of Shares	%#
1.	Central Coldstorage Sarawak Sendirian Berhad	31,338,980	20.49
2.	EB Nominees (Tempatan) Sendirian Berhad - Pledged securities account for S. K. Tiong Enterprise Sdn. Bhd. (SBW-SFC)	17,400,000	11.38
3.	Permodalan Nasional Berhad	16,904,100	11.05
4.	Amanah Raya Nominees (Tempatan) Sdn. Bhd. - Skim Amanah Saham Bumiputera	13,500,000	8.83
5.	Chong Nyuk Kiong Enterprise Sdn. Bhd.	10,291,272	6.73
6.	S.K. Tiong Enterprise Sdn. Bhd.	3,336,764	2.18
7.	Unione Enterprise (S) Sdn. Bhd.	3,212,442	2.10
8.	HLB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Kueh Chung Peng (SRK 08866-6)	2,597,796	1.70
9.	Datuk Tiong Su Kouk	2,305,848	1.51
10.	Tasec Nominees (Tempatan) Sdn. Bhd. - Yii Ching Yii	2,214,000	1.45
11.	Wong See Khong	1,838,166	1.20
12.	Cheng Sang Uh	1,467,000	0.96
13.	Lau Pek Kii	1,456,500	0.95
14.	AIBB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Chen Hien Chong	1,311,800	0.86
15.	Lau Liong Kii	1,310,100	0.86
16.	Lau Liong Kii	1,300,500	0.85
17.	Tiong Sie Mew	1,210,030	0.79
18.	AIBB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Hii Leh Ming	1,185,200	0.77
19.	Douglas Jerukan @ Jarukan ak Kanyan	1,138,500	0.74
20.	Public Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Kueh Tiong Ching (E-SRK)	1,074,186	0.70
21.	Yeu Choo Sieng	985,500	0.64
22.	AIBB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Yong Leh Hook	982,800	0.64
23.	TA Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Lau Pek Kii	900,240	0.61
24.	AIBB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Liaw Kian Heng	895,100	0.59
25.	AIBB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Wong Poh Hwa	890,400	0.58
26.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Teck Song Sdn. Bhd.	862,740	0.56
27.	Wong Puo Hung	841,500	0.55
28.	Yong Pei Ling	828,000	0.54
29.	Joseph Tang Chiod Sui	785,382	0.51
30.	Datin Wong Bak Hee	678,000	0.44

excluding 4,742,400 ordinary shares of RM0.50 each bought back and retained as treasury shares as at 15 October 2008.

CCK CONSOLIDATED HOLDINGS BERHAD assessed

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twelfth Annual General Meeting of the Company will be held at Lot 3790, Block 9, Seduan Land District, Lanang Barat Road, 96000 Sibu, Sarawak on Monday, 15 December 2008 at 11.30 am to transact the following businesses :-

AGENDA

- 1. To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2008 together with the Reports of the Directors and Auditors thereon.
- 2. To declare a first and final dividend of 2.5 sen per share less 26% income tax, for the financial **Resolution 1** year ended 30 June 2008. 3. To approve the payment of directors' fees for the financial year ended 30 June 2008. Resolution 2 4. To approve the increase of directors' fees for the financial year ending 30 June 2009. **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 Mr. Chong Shaw Fui Resolution 4 5.2 Mr. Francis Wong Chin Sing @ Wong Chin Sing **Resolution 5** 5.3 Mr. Douglas Jerukan @ Jarukan ak Kanyan **Resolution 6** 5.4 YBhg. Datu Haji Putit bin Matzen **Resolution 7 Resolution 8** 6. To re-appoint Messrs. Hii & Lee as auditors for the ensuing year and to authorise the Directors to fix their remuneration. 7. As special businesses :-To consider and, if thought fit, pass the following resolutions as ordinary resolutions :-**Ordinary Resolution No. 1 Resolution 9** Authority to issue shares pursuant to Section 132D of the Companies Act, 1965 "THAT pursuant to Section 132D of the Companies Act, 1965 and subject always to the approval of the relevant authorities, the Directors be hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being AND THAT the Directors be also hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next annual general meeting of the Company."

Resolution 10

Ordinary Resolution No. 2

 Proposed renewal of authority for purchase of own shares by the Company of up to ten percent (10%) of the total issued and paid-up share capital of the Company

"THAT, subject always to the Companies Act, 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authority, the Directors of the Company ("Directors") be hereby unconditionally and generally authorised 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 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 15,767,970 Shares representing approximately ten percent (10%) of the total issued and paid-up share capital of 157,679,700 ordinary shares of RM0.50 each of the Company as at 21 October 2008 and an amount not exceeding the total of the Company's latest audited



Notice Of Annual General Meeting (cont'd)

retained profits reserve and/or audited share premium reserve of the Company as at 30 June 2008, 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 subsequently may be cancelled AND THAT the Directors be hereby authorised and empowered to do all acts and things and to take all such steps and to enter into and execute all commitments, transactions, deeds, agreements, arrangements, 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 or authorities AND FURTHER THAT the authority hereby given shall commence immediately upon passing of this ordinary resolution and shall continue in force until :-

- (a) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by an ordinary resolution passed at that 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."

8. To transact any other business of which, due notice shall have been given in accordance with the Companies Act, 1965 and the Company's Articles of Association.



Notice Of Dividend Entitlement And Payment

NOTICE IS ALSO HEREBY GIVEN that a first and final dividend of 2.5 sen per share less 26% income tax, in respect of the financial year ended 30 June 2008, if approved at the forthcoming Annual General Meeting, will be paid on 16 January 2009 to depositors whose names appear in the Record of Depositors on 31 December 2008.

A depositor shall qualify for entitlement only in respect of :-

- (a) shares transferred to the depositor's securities account before 4.00 pm on 31 December 2008 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

Kuching, Sarawak Dated : 21 November 2008

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.
- 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 any adjournment thereof.
- 3. 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.
- 4. 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.
- 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 businesses :-

Ordinary resolution in relation to the authority to issue shares pursuant to Section 132D of the Companies Act, 1965

The proposed resolution No. 9 in relation to authority to issue shares pursuant to Section 132D of the Companies Act, 1965, if passed, will empower the Directors to issue and allot shares up to an aggregate amount not exceeding 10% of the issued share capital of the Company for the time being, for such purposes as the Directors consider would be in the interests of the Company. This authority unless revoked or varied at a general meeting will expire at the next annual general meeting. With this authority, the Company will be able to raise capital from the equity market in a shorter period of time and the costs to be incurred will also be lower as the need to convene an extraordinary general meeting will be dispensed with.

Ordinary resolution in relation to the proposed renewal of authority for purchase of own shares by the Company of up to ten percent (10%) of the total issued and paid-up share capital of the Company

The proposed resolution No. 10 in relation to the proposed renewal of authority for purchase of own shares, 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 an ordinary resolution passed by shareholders at general meeting.

Please refer to the Statement to Shareholders dated 21 November 2008 for further information.



CCK CONSOLIDATED HOLDINGS BERHAD

(Company No. 396692-T)

(Incorporated in Malaysia)

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FORM OF PROXY	Number of shares held	
I/We		
(NRIC/Company No) of)		
	(full address) being a member/mem	bers of
CCK Consolidated Holdings Berhad hereby appoint _		
(NRIC No) of	
	(full address) o	r failing
him/her,	(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 Twelfth Annual General Meeting of the Company to be held on Monday, 15 December 2008 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 2008.		
3.	To approve the increase of directors' fees for the financial year ending 30 June 2009.		
4.	To re-elect Mr. Chong Shaw Fui as Director.		
5.	To re-elect Mr. Francis Wong Chin Sing @ Wong Chin Sing as Director.		
6.	To re-elect Mr. Douglas Jerukan @ Jarukan ak Kanyan as Director.		
7.	To re-elect YBhg. Datu Haji Putit bin Matzen as Director.		
8.	To re-appoint Messrs. Hii & Lee as auditors for the ensuing year.		
As special businesses :-			
9.	Ordinary Resolution - To approve the authority to issue shares pursuant to Section 132D of the Companies Act, 1965.		
10.	Ordinary Resolution - To approve the proposed renewal of authority for purchase of own shares by the Company.		

[Please indicate with a (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 as he/she thinks fit.]

Dated this _____ day of _____ 2008

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. 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 any adjournment thereof.
- 3. 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.
- 4. 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.
- 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

(Incoporated in Malaysia 396692 T) Lot 999, Section 66, Jalan Keluli Bintawa Industrial Estate 93450 Kuching, Sarawak Malaysia

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