



CCK CONSOLIDATED
HOLDINGS BERHAD

396692 - T

2003 Annual Report

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CORPORATE PROFILE



CORPORATE INFORMATION

BOARD OF DIRECTORS:

Datuk Tiong Su Kouk *(Non-Independent, Non-Executive Chairman)*

Chong Shaw Fui *(Executive Vice Chairman)*

Tiong Chiong Hiiung *(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)*

Datu Haji Putit bin Matzen *(Independent Director)*

Douglas Jerukan @ Jarukan Ak Kanyan *(Independent Director)*

Francis Wong Chin Sing @ Wong Chin Sing *(Independent Director)*

COMPANY SECRETARIES:

Ling Ting Leong @ Ling Chong Seng (MACS 00754)

Nuruluyun Binti Abdul Jabar (MIA 9113)

REGISTERED OFFICE:

Lot 999, Section 66
Jalan Keluli
Bintawa Industrial Estate
93450 Kuching, Sarawak
Tel: 082-336520
Fax: 082-331479

AUDITORS:

Hii & Lee
Chartered Accountants
1st Floor, No. 13
Jalan Khoo Peng Loong
96000 Sibul, Sarawak

SHARE REGISTRAR:

Signet Share Registration Services Sdn Bhd
11th Floor, Tower Block
Kompleks Antarabangsa
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: 03-21454337
Fax: 03-21421353
E-mail: ssrs@signet.com.my

PRINCIPAL BANKERS:

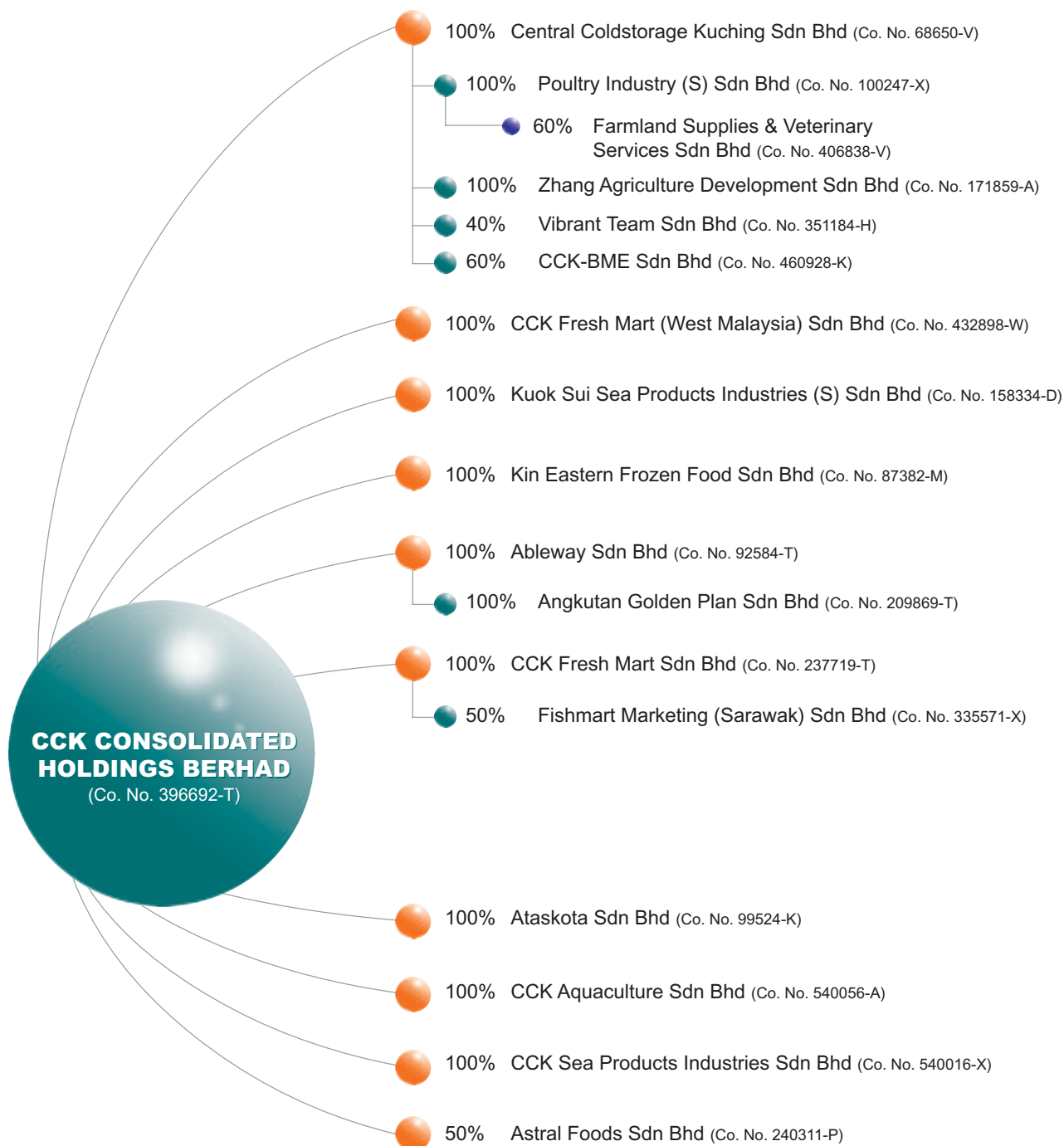
HSBC Bank (M) Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING:

Kuala Lumpur Stock Exchange,
Second Board
Stock name: CCK
Stock code: 7035

CORPORATE STRUCTURE

CCK CONSOLIDATED HOLDINGS BERHAD 396692-T





CHAIRMAN'S STATEMENT



On behalf of the Board of Directors of CCK Consolidated Holdings Berhad, I am pleased to present the annual report and audited financial statements for the financial year ended 30 June 2003.

INDUSTRY TREND AND DEVELOPMENT

The food industry is a very competitive market both domestically and internationally. Year 2003 was another difficult year for the Group as the selling prices of our primary products, in particular the exported seafood products, continued to remain depressed. The economic slowdown in the US economy coupled with prolonged difficult economic situation worldwide have dampened the demand for our seafood products resulting in both prices and sales volume either to stall or decline. At the home front, the poultry industry is experiencing an over-supply of products due to the influx of imported poultry, thus causing prices to be very competitive, which invariably affects the profit margin.

FINANCIAL PERFORMANCE

The Group's revenue for the year under review stood at RM205.66 million (2002: RM179.67 million) whilst profit before tax was recorded at RM4.15 million (2002: RM5.03 million). The increase in revenue was principally attributed to the contributions from a new subsidiary, which commenced operations during the year, and aggressive sales promotion conducted by the group. The primary reasons for the decline in profitability were depressed selling prices for our primary products, which invariably tightened the profit margin and start-up costs for the said new subsidiary.

Earnings per share stood at 6.17 sen as compared to 6.80 sen in the previous year. Total shareholders funds increased from RM78.31 million recorded in the previous year to RM80.20 million. The management is committed to manage the use of funds effectively and implement various measures to reduce operating costs.

DIVIDEND

The Board of Directors is pleased to recommend a first and final dividend of 3.5% less income tax at 28% amounting RM1.250 million in respect of the current financial year ending 30 June 2003, subject to the shareholders' approval at the forthcoming Annual General Meeting.

ECONOMIC OUTLOOK AND PROSPECTS

The Malaysian economy is forecast to remain favourable in this financial year despite the uncertainty affecting the major developed economies and the impact of the implementation of the ASEAN Free Trade Area. With resilience and strength from our experience and strategies established over the years, coupled with active recovery measures taken by the Malaysian Government, our Group of companies is expected to perform satisfactorily for the new financial year.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I wish to express our sincere appreciation to the management and staff of the Group whose commitment and dedication have seen us through a challenging year. I would also like to convey our gratitude to our customers, bankers, business associates, relevant government authorities and shareholders for their continued strong support.

DATUK TIONG SU KOUK
CHAIRMAN



BOARD OF DIRECTORS



Datuk Tiong Su Kouk
(Non-Independent,
Non-Executive Chairman)



Chong Shaw Fui
(Executive Vice Chairman)



Tiong Chiong Hiiung
(Managing Director)



Lau Liong Kii
(Executive Director)



Tiong Chiong Soon
(Executive Director)



Kueh Chung Peng
(Executive Director)



Wong See Khong
(Executive Director)



**Ling Ting Leong @
Ling Chong Seng**
(Executive Director)



Janggu Anak Banyang
(Independent
Non-Executive Director)



**Douglas Jerukan @
Jarukan Ak Kanyan**
(Independent
Non-Executive Director)



Datu Haji Putit bin Matzen
(Independent
Non-Executive Director)



**Francis Wong Chin Sing @
Wong Chin Sing**
(Independent
Non-Executive Director)

BOARD OF DIRECTORS' PROFILE

CCK CONSOLIDATED HOLDINGS BERHAD 396692-T

DATUK TIONG SU KOUK, aged 61, a Malaysian, is a businessman. He is the founder member of the 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 family-run business to one of Sarawak's largest integrated poultry producer and producers of frozen seafood. His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.

Datuk Tiong began his career as a fishmonger 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 Sib. He was awarded the "Pingat Bintang Sarawak" (PBS) in 1987 by the Sarawak State Government for his contribution to the community. He also sits on the boards of other private limited companies.

CHONG SHAW FUI, aged 58, a Malaysian, 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 (20) 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.

His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.

TIONG CHIONG HIUNG, aged 36, a Malaysian, is a young and 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 Cold Storage 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.

His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.

TIONG CHIONG SOON, aged 33, a Malaysian, 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.

His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.

LING TING LEONG @, LING CHONG SENG, aged 51, a Malaysian, 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.

His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.

LAU LIONG KII, aged 52, a Malaysian, 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.

His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.



WONG SEE KHONG, aged 47, a Malaysian, 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 Cold Storage Kuching Sdn. Bhd. since its incorporation in 1986. He is now responsible for the prawn hatchery functions within the prawn division.

His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.

JANGGU ANAK BANYANG, aged 56, a Malaysian, 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.

His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.

KUEH CHUNG PENG, aged 49, a Malaysian, 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.

His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.

FRANCIS WONG CHIN SING @ WONG CHIN SING, aged 39, a Malaysian, 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 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 years. Currently, he operates a management consulting company providing corporate advisory services to various companies.

DOUGLAS JERUKAN @ JARUKAN AK KANYAN, aged 64, a Malaysian, was appointed as an Independent Director on 20 March 2002. He is also a member of the 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, Sibul. Currently, he is a Councillor of the Sibul Rural District Council, Sibul. Besides this, he is the Principal of a Tuition Center and holds directorship for various private limited companies.

His shareholdings in CCK as at 17 October 2003 are disclosed in page 65.

DATU HAJI PUTIT MATZEN, aged 58, a Malaysian, 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 within 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 and is a director of Yayasan Guru Malaysia Berhad. He is also the President of Sarawak Islamic Council.

Additional information :-

- a. *Tiong Chiong Huiung and Tiong Chiong Soon are sons of Datuk Tiong Su Kuok. Apart for this, the other Directors have no family relationship with each other or the substantial shareholders of CCK.*
- b. *All the Directors have no conflict of interest with CCK.*
- c. *None of the Directors have been convicted of offences within the past 10 years other than traffic offences.*
- d. *Apart for Datu Haji Putit bin Matzen, none of the other Directors hold any directorship in public companies.*
- e. *There were no material contracts entered into by the CCK Group involving the Directors or the major shareholders' interest for the financial year ended 30 June 2003, other than contracts entered into in the ordinary course of business, as disclosed on page 59.*



CORPORATE GOVERNANCE



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, the Kuala Lumpur Stock Exchange's ("KLSE") Listing Requirements requires 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 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.

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 would like to state that the Company has complied with all the Best Practices as outlined in Part 2 of the Code.

THE BOARD OF DIRECTORS

Composition of the Board

The CCK Group is led and managed by an experienced Board comprising twelve members. The Non-Executive Chairman, the Group Managing Director, six Executive Directors and four Independent Directors have a wide range of experience in relevant fields required to successfully direct and supervise the Group's business activities. The profiles of each member are presented on pages 9 to 10 of this Report.

To ensure that there is balance of power and authority, the roles of the Chairman and the Group Managing Director are separated and clearly defined. The Chairman 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 decisions.

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 of shareholders, employees, customers, suppliers and the communities in which the CCK Group conducts business. Encik Janggu Anak Banyang is the appointed Senior Independent Director to whom concerns 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.

The Board holds at least four regularly scheduled meetings annually, with additional meetings convened as necessary. During the year ended 30 June 2003, five Board Meetings were held. The attendance of the Directors at the Board Meetings is as follows:

	No. Attended
Datuk Tiong Su Kouk	5
Chong Shaw Fui	5
Tiong Chiong Hiiung	5
Tiong Chiong Soon	4
Lau Liong Kii	5
Ling Ting Leong @ Ling Chong Seng	5
Wong See Khong	5
Kueh Chung Peng	5
Janggu Anak Banyang	5
Francis Wong Chin Sing @ Wong Chin Sing	4
Datu Haji Putit Bin Matzen	5
Douglas Jerukan @ Jarukan Ak Kanyan	5

Supply Of Information

All Directors are provided with an agenda and a set of Board papers in a timely manner prior to Board Meetings, to enable the Directors to obtain further explanations, where necessary, in order to be properly briefed before the meeting.

All Directors have access to the advice of the Company Secretaries, independent professional advisors, and internal/external auditors in appropriate circumstances 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 the Board Committees do not have executive powers but to report to the Board on all matters considered and their recommendations thereon. The Board has approved the terms of reference of each Committee, and where applicable, these 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 18 to 20 .

b. Nomination Committee

The Board has set up, on 27 February 2002 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 year, the Nomination Committee has met once, and is in the process of evaluating procedures for the annual assessment exercise of the Board, the Committees and Directors, and succession planning for Directors and Senior Management alike.

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

Datuk Tiong Su Kouk – Chairman	(Non-Independent Non-Executive)
Mr. Jangu Anak Banyang	(Independent)
Datu Haji Putit Bin Matzen	(Independent)
Mr. Douglas Jerukan @ Jarukan Ak Kanyan	(Independent)

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 year, the Remuneration Committee met once.

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

Datuk Tiong Su Kouk – Chairman	(Non-Independent Non-Executive)
Mr. Tiong Chiong Huiung	(Group Managing Director)
Mr. Lau Liong Kii	(Executive Director)
Mr. Jangu Anak Banyang	(Independent Director)
Datu Haji Putit Bin Matzen	(Independent Director)
Mr. 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 familiarization 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 first Annual General Meeting after their appointment. One third of the remaining Directors are required to submit themselves for re-election by rotation at each Annual General Meeting, and all Directors must submit themselves for re-election at least once every three years.

Directors' Training and Update Programmes

As part of CCK's continuous efforts to ensure that a focused and clear direction is established for the future of the CCK Group, the Company has, during the year, organized a Strategic Planning Workshop, for the Board of Directors and Senior Management.

All the Directors have attended the Mandatory Accreditation Programme. Majority of the Directors have also attended the Continuing Education Programme and collected 20 CEP points as at the date of this report.

DIRECTORS' REMUNERATION

CCK recognizes the need to ensure that remuneration of Directors is appreciative and 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.

During the financial year ended 30 June 2003, the remuneration of the Executive Directors and Non-Executive Directors of the CCK Group were as follows:

	Executive Directors	Non-Executive Directors
	RM	RM
Fee	44,340	215,120
Salary	768,000	-
Bonus	216,000	-
Allowances	2,400	-
Benefits-in-kind	-	-
Commissions	21,176	-

	Executive Directors	Non-Executive Directors
	No.	No.
RM200,001 to RM250,000	-	-
RM150,001 to RM200,000	3	1
RM100,001 to RM150,000	4	-
RM50,001 to RM100,000	-	-
RM50,000 and below	-	4

SHAREHOLDERS' COMMUNICATION

CCK maintains a regular policy of disseminating information that is material for shareholders' information via announcements made through the KLSE website. In compliance with the KLSE 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. Members of the Board as well as 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 of 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 accounts 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 practiced 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 in-house internal audit department, 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 16 to 17 .

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 executive members of the Board at least once a year.

This Statement on Corporate Governance is made in accordance with a resolution of the Board of Directors dated 25 September 2003.



STATEMENT ON INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance ("Code") requires listed companies to maintain a sound system of internal control to safeguard shareholders' investment and the company's assets. In line with this, Kuala Lumpur Stock Exchange's ("KLSE") Listing Requirements requires the Board of Directors to include a statement in annual reports on the state of internal control of the Company and its group of subsidiaries. KLSE 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.

INTERNAL CONTROL SYSTEM

A sound system of internal control incorporates the need to have in place an appropriate risk assessment framework, identification 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 Group"), 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

In January 2002, 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. Within this workshop, the Board and Senior Management also undertook a risk assessment exercise to identify the principal risks faced by the CCK Group.

These principal risks, shall on an annual basis, be updated by Senior Management for review and approval by the Board accordingly.

b) The identification of internal controls to manage these principal risks

A review of the inventory of the current internal controls framework was carried out to ascertain its adequacy in meeting the principal risks identified, and actions plans or revised internal controls were drawn up in bridging the gaps, having regard to cost/benefit, materiality and likelihood of crystallisation 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.

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 Auditor. The review also includes a balanced assessment of the significant risks and the adequacy and integrity of the internal control systems of the CCK Group. Where any significant weaknesses have 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 page 18 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; and
- Regular monitoring of actual results against budgets, with major variances analysed for effective management actions thereafter.

The Board is also in the process of putting in place a system to ensure that there are adequate financial and operational policies and procedures relating to delegation of authority within the CCK Group.

BOARD OF DIRECTORS' ACKNOWLEDGEMENT

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 also pleased to report that there were no significant and material internal control weaknesses noted during this financial year.

This Statement on Internal Control is made in accordance with a resolution of the Board of Directors dated 25 September 2003.



REPORT OF THE AUDIT COMMITTEE

COMPOSITION OF THE AUDIT COMMITTEE

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

Janggu Anak Banyang - Chairman	- Independent
Datuk Tiong Su Kouk	- Non-Independent Non-Executive
Francis Wong Chin Sing ¹	- Independent

1. Francis Wong is a member of the Malaysian Institute of Accountants

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 years to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.

TERMS OF REFERENCE

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 the KLSE 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.

Membership

The Audit Committee shall be appointed by the Directors from amongst their number (pursuant to a resolution of the Board of Directors) which shall consist of not less than three members, the majority of whom shall be non-executive and 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 member of the Committee must be a member of the Malaysian Institute of Accountants ("MIA") or if he is not a member of the MIA, he must have at least 3 years' working experience and:

- he must have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967; or
- 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.

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

Meetings

A quorum shall be two members and a majority of members present must be independent directors. The Finance Director and Head of Internal Audit shall normally attend meetings. 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.

Frequency Of Meetings

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

Authority

The Audit Committee is authorized by the Board on the following:-

- i. investigate any activity within its terms of reference;
- ii. have the resources which are required to perform its duties;
- iii. seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Audit Committee;
- iv. have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity, if any.
- v. obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and
- vi. upon request of the external auditor, to convene meeting of the Audit Committee, excluding the attendance of the Executive Directors if deemed necessary, to consider any matter the external auditor believes should be brought to the attention of the Board of Directors or shareholders.

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 the KLSE Listing Requirements, the Audit Committee has the responsibility to promptly report such matter to KLSE.

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 Committee.

Duties And Responsibilities

To review:-

- a) with the external and internal auditors: their respective audit plan, the audit report – major findings and management's responses thereof, and their evaluation of the CCK Group's system of internal control;
- b) the assistance given by the CCK Group's employees to both the internal and external auditors;
- c) the adequacy of the scope, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- d) the audit fees proposed by external auditors;
- e) the appointment (and reappointment), resignation and dismissal of the external and internal auditors;
- f) the appraisal of the performance of the internal auditor;
- g) the quarterly and annual financial statements of the Company and the Group, focusing on the matters set out below, and thereafter to submit them to the Board:-
 - any changes in accounting policies and practices;
 - significant adjustments arising from the audit;
 - the going concern assumption; and
 - compliance with accounting standards and regulatory requirements;
- h) any related party transactions that may arise within the Company or Group; and
- i) any other functions as may be agreed to by the Audit Committee and the Board.



ACTIVITIES OF THE AUDIT COMMITTEE FOR THE FINANCIAL YEAR

Meetings and Attendance

Four Audit Committee meetings were held during the year ended 30 June 2003. The attendance of each member is as follows:-

	No. attended
Janggu Anak Banyang	4
Datuk Tiong Su Kouk	3
Francis Wong Chin Sing	4

Summary of Activities of Audit Committee

The following activities were carried out by the Audit Committee during the year ended 30 June 2003 in discharge of its functions and duties:

- a) Reviewed the audit plans of the CCK Group with the internal and external auditor;
- b) Reviewed the audit reports for the CCK Group and consideration of the major findings by the auditors, and Management's responses thereof;
- c) Reviewed the quarterly and annual financial reports of the Company and the CCK Group prior to submission to the Board of Directors for their approval; and
- d) Reviewed the budget and variances arising therefrom 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 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 physical stock count, physical cash count, debtors analysis and control, debtors review, fixed assets review, stock review and control, production information control and petty cash review;
- Identifying opportunities to improve 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 audit risks.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

CCK CONSOLIDATED HOLDINGS BERHAD 396692-T

The Board of Directors are required under the KLSE Listing Requirements, to issue a statement explaining their responsibility for preparation of the annual audited financial statements.

The Directors are also required by the Company Act, 1965 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.

The Directors consider that, in preparing the financial statements of CCK Consolidated Holdings Berhad for the financial year ended 30 June 2003, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgment and estimates. The Directors also consider that all applicable approved accounting standards in Malaysia have been followed and confirm that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 1965.

The Directors are also responsible for taking such steps that are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The auditors' responsibilities are stated in their report to the shareholders.

This Statement of Directors' Responsibilities is made in accordance with a resolution of the Board of Directors dated 25 September 2003.



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FINANCIAL INFORMATION

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 2003.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and providing management services. The principal activities of the subsidiary companies are disclosed in Note 7 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
Profit after taxation	3,163,663	1,189,771
Minority interests	(103,195)	-
Net profit for the financial year	3,060,468 =====	1,189,771 =====

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 3.5 sen gross less tax at 28% amounting to RM1,249,693.20 in respect of the previous financial year ended 30 June 2002 on 23 January 2003.

The directors recommend the payment of a first and final dividend of 3.5% less income tax at 28% in respect of the financial year ended 30 June 2003 which, if approved at the forthcoming Annual General Meeting of the Company, will be paid on 16 January 2004 to Depositors whose names appear in the Record of Depositors on 26 December 2003.

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 26 December 2003, in respect of ordinary transfers; and
- (ii) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

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.

ISSUE OF SHARES

During the financial year, the issued and paid-up share capital of the Company was increased from RM49,544,000 to RM49,616,000 by issuing 72,000 ordinary shares of RM1.00 each at a premium of RM0.20 each by virtue of the exercise of share options.

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

EMPLOYEES' SHARE OPTIONS SCHEME ("ESOS")

Pursuant to the ESOS which became effective on 20 December 2000, options to subscribe for up to 4,626,000 ordinary shares of the Company were made available to eligible directors and employees of the Group.

DIRECTORS' REPORT

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

The main features of the ESOS are as follows:-

- (a) The ESOS shall continue to be in force for a period of five years from 23 March 2001, being the approval date of the Companies Commission of Malaysia and shall end on 22 March 2006.
- (b) 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.
- (c) 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.
- (d) 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.
- (e) The option price for each RM1.00 share shall be the higher of the followings:-
 - (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.
- (f) The options are non-assignable.
- (g) 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, 72,000 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 RM1.00 each and the option price are as follows:-

Options over ordinary shares of RM1 each				
Date of offer	Option price (RM)	At 1.7.2002	Exercised	At 30.6.2003
6.4.2001	1.20	4,582,000	(72,000)	4,510,000
		=====	=====	=====

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

DIRECTORS' REPORT

DIRECTORS OF THE COMPANY - Cont'd

Janggu Anak Banyang
Francis Wong Chin Sing @ Wong Chin Sing
Douglas Jerukan @ Jarukan Ak Kanyan
Datu Haji Putit Bin Matzen

In accordance with Article 81 of the Company's Articles of Association, Tiong Chiong Soon, Lau Liong Kii, Ling Ting Leong @ Ling Chong Seng and Kueh Chung Peng 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	1.7.2002	Ordinary shares of RM1 each		30.6.2003
		Acquired	Disposed	
Datuk Tiong Su Kouk				
- Direct	677,616	-	-	677,616
- Indirect	16,611,282	-	-	16,611,282
Chong Shaw Fui				
- Direct	15,000	-	-	15,000
- Indirect	3,430,424	-	-	3,430,424
Tiong Chiong Hiiung				
- Direct	15,000	-	-	15,000
- Indirect	17,288,898	-	-	17,288,898
Tiong Chiong Soon				
- Direct	15,000	-	-	15,000
- Indirect	17,288,898	-	-	17,288,898
Lau Liong Kii				
- Direct	158,500	23,000	-	181,500
- Indirect	824,814	-	-	824,814
Ling Ting Leong @ Ling Chong Seng				
- Direct	219,511	-	-	219,511
- Indirect	255,636	-	-	255,636
Wong See Khong				
- Direct	500,022	-	-	500,022
Kueh Chung Peng				
- Direct	1,500	-	-	1,500
- Indirect	880,932	-	-	880,932
Douglas Jerukan @ Jarukan Ak Kanyan				
- Direct	379,500	-	-	379,500
Janggu Anak Banyang				
- Direct	15,000	-	-	15,000

DIRECTORS' REPORT

DIRECTORS' SHAREHOLDINGS - Cont'd

Share options in the Company	Ordinary shares of RM1 each		
	1.7.2002	Exercised	30.6.2003
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 benefit disclosed as directors' remuneration in Note 23 to the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except for any benefits arising from transactions as disclosed in Note 34 to the financial statements.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

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

- (a) to ascertain that actions had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected to realise.

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

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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



DIRECTORS' REPORT

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS - Cont'd

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 than those disclosed in Note 33 to the financial statements.

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.

STATUS OF CORPORATE PROPOSAL

On 15 May 2001, the Company entered into a Joint Venture Agreement with Perbadanan Pembangunan Ekonomi Sarawak to undertake the development, and to conduct and manage the aquaculture business on a commercial basis. The Joint Venture is still awaiting approvals from the relevant authorities.

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.

25 September 2003

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 31 to 60 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 2003 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 applicable approved accounting 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 dated 25 September 2003.

DATUK TIONG SU KOUK

Chairman

TIONG CHIONG HIIUNG

Managing Director

Sibu, Sarawak.

25 September 2003

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 31 to 60 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 25th day of September 2003.

TIONG CHIONG HIIUNG

Before me

Commissioner for Oaths

25 September 2003

REPORT OF THE AUDITORS TO THE MEMBERS OF CCK CONSOLIDATED HOLDINGS BERHAD

We have audited the financial statements set out on pages 31 to 60. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:-

- (a) the financial statements which have been prepared under the historical cost convention are properly drawn up in accordance with the provisions of the Companies Act 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:-
 - (i) the matters required by Section 169 of the Companies Act 1965 to be dealt with in the financial statements of the Group and of the Company; and
 - (ii) the state of affairs of the Group and the Company as at 30 June 2003 and of the results of the Group and of the Company and the cash flows of the Group and of the Company for the financial year ended on that date; and
- (b) the accounting and other records and the registers required by the Companies Act 1965 to be kept by the Company and its subsidiary companies have been properly kept in accordance with the provisions of the said Act.

We are satisfied that the financial statements of the subsidiary companies 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 consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The auditors' reports on the financial statements of the subsidiary companies were not subject to any qualifications and did not include any comments made under Section 174(3) of the said Act.

HII & LEE
No.AF0123
Chartered Accountants

MORRIS HII SU ONG
1682/4/05(J)
Partner of the firm

Sibu, Sarawak.
25 September 2003

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2003

	Note	2003 RM	2002 RM
NON-CURRENT ASSETS			
Property, plant and equipment	6	52,572,067	53,422,707
Investment in associated companies	8	607,912	612,217
Other investments	9	50,000	50,000
Deferred tax assets	19	36,670	22,500
Goodwill on consolidation	10	-	12,000
		<hr/>	<hr/>
		53,266,649	54,119,424
		<hr/>	<hr/>
CURRENT ASSETS			
Inventories	11	29,674,328	30,350,193
Trade receivables	12	27,370,959	26,938,310
Other receivables, deposits and prepayments		4,493,903	4,252,722
Amount due from an associated company	14	1,187	-
Cash and bank balances		4,901,010	2,587,980
		<hr/>	<hr/>
		66,441,387	64,129,205
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade payables		12,044,027	11,575,120
Other payables, deposits and accruals		1,829,659	1,598,715
Hire purchase creditors	15	445,393	721,164
Bank borrowings	16	19,148,596	20,176,038
Tax payable		209,338	307,316
		<hr/>	<hr/>
		33,677,013	34,378,353
		<hr/>	<hr/>
NET CURRENT ASSETS			
		32,764,374	29,750,852
		<hr/>	<hr/>
		86,031,023	83,870,276
		=====	=====
FINANCED BY:-			
SHARE CAPITAL			
	17	49,616,000	49,544,000
RESERVES			
	18	30,588,354	28,763,179
		<hr/>	<hr/>
SHAREHOLDERS' EQUITY			
		80,204,354	78,307,179
		<hr/>	<hr/>
MINORITY INTERESTS			
		457,773	354,578
		<hr/>	<hr/>
LONG TERM AND DEFERRED LIABILITIES			
Hire purchase creditors	15	1,129,531	697,921
Bank borrowings	16	2,499,927	2,456,538
Deferred taxation	19	1,739,438	2,054,060
		<hr/>	<hr/>
		5,368,896	5,208,519
		<hr/>	<hr/>
		86,031,023	83,870,276
		=====	=====
		Sen	Sen
Net tangible assets per share	20	162	158
		=====	=====

The notes on pages 38 to 60 form an integral part of these financial statements.

BALANCE SHEET

AS AT 30 JUNE 2003

	Note	2003 RM	2002 RM
NON-CURRENT ASSETS			
Property and equipment	6	1,499,062	1,655,429
Investment in subsidiary companies	7	36,239,151	36,239,151
Investment in an associated company	8	200,000	200,000
		<hr/>	<hr/>
		37,938,213	38,094,580
		<hr/>	<hr/>
CURRENT ASSETS			
Other receivables, deposit and prepayment		305,214	218,263
Amount due from subsidiary companies	13	21,393,675	20,600,671
Cash and bank balances		245,383	197,086
		<hr/>	<hr/>
		21,944,272	21,016,020
		<hr/>	<hr/>
CURRENT LIABILITIES			
Accruals		104,150	100,000
Amount due to subsidiary companies	13	2,890,994	2,149,737
		<hr/>	<hr/>
		2,995,144	2,249,737
		<hr/>	<hr/>
NET CURRENT ASSETS		18,949,128	18,766,283
		<hr/>	<hr/>
		56,887,341	56,860,863
		=====	=====
FINANCED BY:-			
SHARE CAPITAL	17	49,616,000	49,544,000
RESERVES	18	7,270,961	7,316,483
		<hr/>	<hr/>
SHAREHOLDERS' EQUITY		56,886,961	56,860,483
		<hr/>	<hr/>
DEFERRED LIABILITY			
Deferred taxation	19	380	380
		<hr/>	<hr/>
		56,887,341	56,860,863
		=====	=====

The notes on pages 38 to 60 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2003

Group	Note	Share capital RM	Share premium RM	Non-distributable Reserve on consolidation RM	Distributable Retained profits RM	Total RM
2003						
At 1 July 2002						
- As previously stated		49,544,000	651,378	-	26,904,681	77,100,059
- Prior year adjustment		-	-	-	1,207,120	1,207,120
- As restated		49,544,000	651,378	-	28,111,801	78,307,179
Options exercised		72,000	14,400	-	-	86,400
Net profit for the financial year		-	-	-	3,060,468	3,060,468
Dividend	30	-	-	-	(1,249,693)	(1,249,693)
At 30 June 2003		49,616,000	665,778	-	29,922,576	80,204,354
		=====	=====	=====	=====	=====
2002						
At 1 July 2001						
- As previously stated		49,500,000	642,578	1,606,648	23,695,517	75,444,743
- Prior year adjustment		-	-	-	1,049,270	1,049,270
- As restated		49,500,000	642,578	1,606,648	24,744,787	76,494,013
Options exercised		44,000	8,800	-	-	52,800
Amortisation for the financial year		-	-	(1,606,648)	-	(1,606,648)
Net profit for the financial year		-	-	-	3,367,014	3,367,014
At 30 June 2002		49,544,000	651,378	-	28,111,801	78,307,179
		=====	=====	=====	=====	=====
Company						
2003						
At 1 July 2002		49,544,000	651,378	6,665,105	56,860,483	
Net profit for the financial year		-	-	1,189,771	1,189,771	
Options exercised		72,000	14,400	-	86,400	
Dividend	30	-	-	(1,249,693)	(1,249,693)	
At 30 June 2003		49,616,000	665,778	6,605,183	56,886,961	
		=====	=====	=====	=====	
2002						
At 1 July 2001		49,500,000	642,578	2,130,621	52,273,199	
Options exercise		44,000	8,800	-	52,800	
Net profit for the financial year		-	-	4,534,484	4,534,484	
At 30 June 2002		49,544,000	651,378	6,665,105	56,860,483	
		=====	=====	=====	=====	

The notes on pages 38 to 60 form an integral part of these financial statements.

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 RM	2002 RM
REVENUE	21	205,664,108	179,674,082
Cost of sales		(178,151,818)	(152,923,711)
GROSS PROFIT		27,512,290	26,750,371
Other operating income	22	1,624,015	890,358
Operating expenses	23	(23,924,289)	(21,902,938)
PROFIT FROM OPERATING ACTIVITIES		5,212,016	5,737,791
Finance costs	24	(1,151,617)	(824,184)
Share of profits in associated companies		94,427	120,452
PROFIT BEFORE TAXATION		4,154,826	5,034,059
Taxation	25	(991,163)	(1,571,991)
PROFIT AFTER TAXATION		3,163,663	3,462,068
Minority interests		(103,195)	(95,054)
NET PROFIT FOR THE FINANCIAL YEAR		3,060,468	3,367,014
		=====	=====
Earnings per ordinary share		Sen	Sen
- Basic	26	6.17	6.80
		=====	=====
- Diluted	26	6.12	6.75
		=====	=====

The notes on pages 38 to 60 form an integral part of these financial statements.

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 RM	2002 RM
REVENUE	21	2,418,000	7,181,000
Other operating income	22	93,884	89,159
Operating expenses	23	(783,160)	(841,856)
PROFIT FROM OPERATING ACTIVITIES		1,728,724	6,428,303
Finance costs	24	(14,127)	(28,684)
PROFIT BEFORE TAXATION		1,714,597	6,399,619
Taxation	25	(524,826)	(1,865,135)
NET PROFIT AFTER TAXATION FOR THE FINANCIAL YEAR		1,189,771	4,534,484
		=====	=====

The notes on pages 38 to 60 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 RM	2002 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		4,154,826	5,034,059
Adjustments for:-			
Allowance for doubtful debts		304,475	432,692
Amortisation of goodwill on consolidation		12,000	12,000
Amortisation of reserve on consolidation		-	(1,606,648)
Bad debts written off		140,151	107,303
Property, plant and equipment written off		73,355	-
Depreciation		5,764,876	5,245,349
Interest expenses		1,151,617	824,184
Interest income		(43,819)	(37,147)
Inventories written off		49,191	-
Inventories written down		504,459	226
Loss on disposals of property, plant and equipment		84,143	15,610
Profit on disposals of property, plant and equipment		(29,246)	(14,127)
Share of profits in associated companies		(94,427)	(120,452)
Unrealised exchange gain		(103,870)	(81,929)
Unrealised exchange loss		-	8,829
Operating profit before working capital changes		11,967,731	9,819,949
Decrease in inventories		122,215	939,910
(Increase)/decrease in trade receivables		(773,405)	247,947
(Increase)/decrease in other receivables, deposits and prepayments		(241,181)	373,273
(Increase)/decrease in amount due from an associated company		(1,187)	500
Increase in trade payables		468,907	93,740
Increase in other payables, deposits and accruals		230,944	548,692
Cash generated from operations		11,774,024	12,024,011
Dividends received from associated companies		73,800	-
Interest paid		(1,151,617)	(824,184)
Interest received		43,819	37,147
Tax paid		(1,393,001)	(2,353,798)
Net cash provided by operating activities		9,347,025	8,883,176
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposals of property, plant and equipment		78,954	617,641
Purchase of investment in an associated company		-	(1)
Purchase of property, plant and equipment	27	(4,510,042)	(10,596,286)
Net cash used in investing activities		(4,431,088)	(9,978,646)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid to minority shareholders of a subsidiary company		-	(21,600)
Dividend paid		(1,249,693)	-
Proceeds from issue of shares under ESOS		86,400	52,800
Proceeds from term loans and other facilities		35,139,000	27,351,291
Proceeds from hire purchase liabilities		1,824,462	-
Repayment of hire purchase liabilities		(1,701,623)	(282,016)
Repayment of term loans and other facilities		(35,333,037)	(27,135,212)
Net cash used in financing activities		(1,234,491)	(34,737)
Net increase/(decrease) in cash and cash equivalents		3,681,446	(1,130,207)
Cash and cash equivalents brought forward		(2,236,967)	(1,106,760)
Cash and cash equivalents carried forward	28	1,444,479	(2,236,967)
		=====	=====

The notes on pages 38 to 60 form an integral part of these financial statements.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 RM	2002 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		1,714,597	6,399,619
Adjustments for:-			
Depreciation		156,367	150,379
Dividends income		(2,070,000)	(7,055,000)
Interest expenses		14,127	28,684
Interest income		(69,884)	(89,159)
Operating loss before working capital changes		(254,793)	(565,477)
(Increase)/decrease in other receivable, deposit and prepayment		(27,647)	1,532,321
Increase in accruals		4,150	35,000
Increase in net amount due from subsidiary companies		(51,747)	(4,295,281)
Cash absorbed by operations		(330,037)	(3,293,437)
Dividends received		1,490,400	5,079,600
Interest received		69,884	89,159
Interest paid		(14,127)	(28,684)
Tax refunded		-	31,611
Tax paid		(4,530)	(21,042)
Net cash provided by operating activities		1,211,590	1,857,207
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	(40,885)
Purchase of investment in subsidiary companies		-	(4,000,002)
Net cash used in investing activities		-	(4,040,887)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share under ESOS		86,400	52,800
Dividend paid		(1,249,693)	-
Net cash (used in)/provided by financing activities		(1,163,293)	52,800
Net increase/(decrease) in cash and cash equivalents		48,297	(2,130,880)
Cash and cash equivalents brought forward		197,086	2,327,966
Cash and cash equivalents carried forward	28	245,383	197,086
		=====	=====

The notes on pages 38 to 60 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Second Board of the Kuala Lumpur Stock Exchange ("KLSE").

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) 49A-B, Lanang Road, 96000 Sibu, Sarawak.

The financial statements are expressed in Ringgit Malaysia.

The financial statements were authorised for issue by the Board of Directors on 25 September 2003.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and providing management services. The principal activities of the subsidiary companies are disclosed in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. 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.

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 reputable financial institutions.

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 Dollars. Since Malaysian Government has pegged Ringgit Malaysia against the US Dollar at a fix rate, the Group's direct exposure to foreign exchange rate risk is minimal. It is the Group's policy not to trade in derivative contracts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

4. 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 approved accounting standards in Malaysia.

During the financial year ended 30 June 2003, the Company adopted the following MASB Standards for the first time:

MASB 23 - Impairment of Assets

MASB 24 - Financial instruments: Disclosure and Presentation

MASB 25 - Income Taxes

The adoption of MASB 23 and MASB 24 have not given rise to any adjustments to the opening balances of retained profits of the prior and current year or to changes in comparative.

The effects of adopting MASB 25 is summarised in the statements of changes in Equity and further information is disclosed in Note 36 to the financial statements.

5. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention and in compliance with applicable approved accounting standards in Malaysia and the provisions of the Companies Act 1965.

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. Actual results could differ from those estimates.

(b) Basis of consolidation

The Group financial statements consolidate the audited financial statements of the Company and its subsidiary companies, all of which are of the same reporting date, and prepared in accordance with the Group's accounting policies.

Subsidiary companies are consolidated using the acquisition method of accounting from the date on which control is transferred to the Group until the date that control ceases. The results of the subsidiary companies acquired or disposed during the financial year are included in the Group's financial statements from the date of their acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiary companies' net assets are determined and these values are reflected in the Group's financial statements. The difference between the acquisition cost and fair values of the subsidiary companies' net assets is reflected as goodwill or reserve on consolidation as appropriate.

All inter-company balances and significant transactions have been eliminated on consolidation.

Minority interests are measured at the minorities' share of the post acquisition fair values of the identifiable assets and liabilities of the acquiree. Separate disclosure is made of minority interests.

(c) 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. Leasehold land is depreciated over the terms of the leases. 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:-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

5. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

(c) Property, plant and equipment and depreciation - Cont'd

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.

(d) Investment in 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 subsidiary companies are disclosed in Note 7 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.

(e) Investment in associated companies

Associated companies are those companies in which the Group has a long term equity interest and exercises significant influence over the financial and operating policies through management participation. The associated companies are disclosed in Note 8 to the financial statements.

Investment in associated companies is accounted for using the equity method. The Group's interest in the associated companies is stated at cost less impairment losses plus adjustments to reflect changes in the Group's share of results in the associated companies.

The Group's share of results and reserves of the associated companies are included in the consolidated financial statements from their effective date of acquisition.

The results of the associated companies accounted for are based on the latest audited or management financial statements of these companies made up to the end of the financial year.

(f) Other investment

Other investment in unquoted shares held for long term is stated at cost less impairment losses, 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

5. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

(i) 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.

(j) 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.

(k) Goodwill/reserve on consolidation

The difference between the acquisition cost and fair values of the subsidiary companies' separable net assets at the acquisition date is treated as goodwill/ reserve on consolidation. Goodwill/reserve on consolidation is amortised over a period of five years on a straight line basis through the income statement.

(l) Inventories

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

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

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

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

(m) 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.

(o) 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.

(p) Deferred tax liabilities and assets

Deferred tax liabilities and assets are provided for under the liability method at the current tax rate in respect of all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base including unused tax losses and capital allowances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

5. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

(p) **Deferred tax liabilities and assets** - Cont'd

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of a deferred tax asset is reviewed at each balance sheet date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit.

In prior years, deferred tax was provided for at the applicable tax rates for all material timing differences except where it was reasonably probable that such timing differences will not crystallise in the foreseeable future. In addition, deferred tax benefits were recognised only when there was reasonable assurance of their realisation. This change in accounting policy has been accounted for retrospectively and the effects are dealt with as prior year adjustments as stated in Note 36 to the financial statements.

(q) **Revenue recognition**

Revenue is recognised on the following basis:-

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.

Transportation services - when services are rendered.

Management income - when services are rendered.

Dividends income - when the shareholder's right to receive payment is established.

(r) **Foreign currency transactions**

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

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

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

Foreign currency	30.6.2003 RM	30.6.2002 RM
1 US Dollar	3.8000	3.7990
1 Sterling Pound	6.2030	5.7000
1 Australian Dollar	2.4910	2.1300

(s) **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. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

5. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

(t) 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.

The fair values of the financial assets and liabilities maturing within 12 months are stated at approximately the carrying value as at the balance sheet date.

(u) 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.

(v) 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.

6. PROPERTY, PLANT AND EQUIPMENT

Group 2003	Land and buildings RM	Furniture, fittings and equipment RM	Coldroom, plant and machinery RM	Motor vehicles RM	Renovation RM	Assets under construction RM	Total RM
Net book value							
At 1 July 2002	28,732,746	4,022,207	16,837,802	1,946,934	1,219,737	663,281	53,422,707
Additions	1,896,819	816,015	1,724,464	523,955	158,109	2,080	5,121,442
Disposals	-	(38,725)	(33,136)	(15,973)	(46,017)	-	(133,851)
Written off	-	-	-	(73,355)	-	-	(73,355)
Depreciation charge	(1,301,314)	(819,805)	(2,617,710)	(825,090)	(200,957)	-	(5,764,876)
Reclassifications	677,053	(27,712)	(6,041)	-	-	(643,300)	-
At 30 June 2003	30,005,304	3,951,980	15,905,379	1,556,471	1,130,872	22,061	52,572,067
	=====	=====	=====	=====	=====	=====	=====
2002							
Net book value							
At 1 July 2001	27,527,431	3,736,543	13,200,017	2,088,781	652,446	58,496	47,263,714
Additions	2,393,189	1,027,064	6,430,669	832,477	735,282	604,785	12,023,466
Disposals	(9,695)	(16,134)	(591,352)	(1,943)	-	-	(619,124)
Depreciation charge	(1,178,179)	(725,266)	(2,201,532)	(972,381)	(167,991)	-	(5,245,349)
Reclassifications	-	-	-	-	-	-	-
At 30 June 2002	28,732,746	4,022,207	16,837,802	1,946,934	1,219,737	663,281	53,422,707
	=====	=====	=====	=====	=====	=====	=====
At 30 June 2003							
Cost	38,218,233	8,270,150	32,774,427	7,563,376	2,166,523	22,061	89,014,770
Accumulated depreciation	(8,212,929)	(4,318,170)	(16,869,048)	(6,006,905)	(1,035,651)	-	(36,442,703)
Net book value	30,005,304	3,951,980	15,905,379	1,556,471	1,130,872	22,061	52,572,067
	=====	=====	=====	=====	=====	=====	=====
At 30 June 2002							
Cost	35,643,432	7,613,086	31,095,008	7,265,590	2,060,044	663,281	84,340,441
Accumulated depreciation	(6,910,686)	(3,590,879)	(14,257,206)	(5,318,656)	(840,307)	-	(30,917,734)
Net book value	28,732,746	4,022,207	16,837,802	1,946,934	1,219,737	663,281	53,422,707
	=====	=====	=====	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

6. PROPERTY, PLANT AND EQUIPMENT - Cont'd

Land and buildings of the Group are as follows:-

	Freehold land RM	Long leasehold land RM	Short leasehold land RM	Total land RM	Buildings RM	Total land and buildings RM
Net book value						
At 1 July 2002	3,058,630	1,333,310	14,538,814	18,930,754	9,801,992	28,732,746
Additions	-	513,870	412,242	926,112	970,707	1,896,819
Depreciation charge	-	(18,373)	(733,591)	(751,964)	(549,350)	(1,301,314)
Reclassifications	-	-	-	-	677,053	677,053
At 30 June 2003	3,058,630	1,828,807	14,217,465	19,104,902	10,900,402	30,005,304
	=====	=====	=====	=====	=====	=====
Net book value						
At 1 July 2001	3,058,630	1,530,926	14,807,278	19,396,834	8,130,597	27,527,431
Additions	-	-	271,581	271,581	2,121,608	2,393,189
Disposals	-	-	(9,695)	(9,695)	-	(9,695)
Depreciation charge	-	(15,518)	(712,448)	(727,966)	(450,213)	(1,178,179)
Reclassifications	-	(182,098)	182,098	-	-	-
At 30 June 2002	3,058,630	1,333,310	14,538,814	18,930,754	9,801,992	28,732,746
	=====	=====	=====	=====	=====	=====
At 30 June 2003						
Cost	3,058,630	1,863,977	18,959,669	23,882,276	14,335,957	38,218,233
Accumulated depreciation	-	(35,170)	(4,742,204)	(4,777,374)	(3,435,555)	(8,212,929)
Net book value	3,058,630	1,828,807	14,217,465	19,104,902	10,900,402	30,005,304
	=====	=====	=====	=====	=====	=====
At 30 June 2002						
Cost	3,058,630	1,350,107	18,547,427	22,956,164	12,687,268	35,643,432
Accumulated depreciation	-	(16,797)	(4,008,613)	(4,025,410)	(2,885,276)	(6,910,686)
Net book value	3,058,630	1,333,310	14,538,814	18,930,754	9,801,992	28,732,746
	=====	=====	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

6. PROPERTY, PLANT AND EQUIPMENT - Cont'd

Company 2003	Short leasehold land RM	Equipment RM	Total RM
Net book value			
At 1 July 2002	1,649,309	6,120	1,655,429
Depreciation charge	(155,687)	(680)	(156,367)
	<hr/>	<hr/>	<hr/>
At 30 June 2003	1,493,622	5,440	1,499,062
	=====	=====	=====
2002			
Net book value			
At 1 July 2001	1,764,923	-	1,764,923
Additions	34,085	6,800	40,885
Depreciation charge	(149,699)	(680)	(150,379)
	<hr/>	<hr/>	<hr/>
At 30 June 2002	1,649,309	6,120	1,655,429
	=====	=====	=====
At 30 June 2003			
Cost	1,946,085	6,800	1,952,885
Accumulated depreciation	(452,463)	(1,360)	(453,823)
	<hr/>	<hr/>	<hr/>
Net book value	1,493,622	5,440	1,499,062
	=====	=====	=====
At 30 June 2002			
Cost	1,946,085	6,800	1,952,885
Accumulated depreciation	(296,776)	(680)	(297,456)
	<hr/>	<hr/>	<hr/>
Net book value	1,649,309	6,120	1,655,429
	=====	=====	=====

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:-

	G r o u p	
	2003 RM	2002 RM
Under hire purchase arrangements		
Coldroom, plant and machinery	2,548,668	2,705,114
Motor vehicles	186,529	519,980
	<hr/>	<hr/>
	2,735,197	3,225,094
	=====	=====
Under term loan arrangements		
Long leasehold land	1,828,806	1,333,310
Buildings	864,745	514,327
	<hr/>	<hr/>
	2,693,551	1,847,637
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

6. PROPERTY, PLANT AND EQUIPMENT - Cont'd

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 16) are analysed as follows:-

	G r o u p	
	2003 RM	2002 RM
Freehold land and buildings	2,085,156	2,175,380
Leasehold land and buildings	11,130,710	11,823,244
Plant and equipment	5,717,962	5,798,199
	<u>18,933,828</u>	<u>19,796,823</u>
	=====	=====

7. INVESTMENT IN SUBSIDIARY COMPANIES

	C o m p a n y	
	2003 RM	2002 RM
Unquoted shares, at cost	36,239,151	36,239,151
	=====	=====

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

Company name	Principal activities	Group equity interest	
		2003	2002
Direct subsidiary companies of CCK Consolidated Holdings Berhad		%	%
Ableway Sdn Bhd	General trading in goods and provisions	100	100
Ataskota Sdn Bhd	Selling, spawning and culturing of prawn	100	100
CCK Fresh Mart Sdn Bhd	Retailing in coldstorage products and fish farming	100	100
CCK Fresh Mart (West Malaysia) Sdn Bhd	Retailing in coldstorage products	100	100
Central Coldstorage Kuching Sdn Bhd	Trading of coldstorage goods, live stock farming and poultry processing	100	100
Kin Eastern Frozen Food Sdn Bhd	Processing and sale of seafood	100	100
Kuok Sui Sea Products Industries (S) Sdn Bhd	Processing and sale of prawns	100	100
CCK Aquaculture Sdn Bhd	Dormant	100	100
CCK Sea Products Industries Sdn Bhd	Culturing, processing and trading of prawns	100	100
Subsidiary company of Ableway Sdn Bhd			
Angkutan Golden Plan Sdn Bhd	Provision of transportation services	100	100
Subsidiary companies of Central Coldstorage Kuching Sdn Bhd			
CCK-BME Sdn Bhd	Trading of coldstorage goods	60	60
Poultry Industry (S) Sdn Bhd	Rearing of broilers	100	100
Zhang Agriculture Development Sdn Bhd	Poultry farming	100	100
Subsidiary company of Poultry Industry (S) Sdn Bhd			
Farm Land Supplies and Veterinary Services Sdn Bhd	Veterinary supplies and related services	60	60

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

8. INVESTMENT IN ASSOCIATED COMPANIES

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Unquoted shares, at cost	400,001	400,001	200,000	200,000
Share of post-acquisition profits	281,711	212,216	-	-
Post-acquisition dividends received, net	(73,800)	-	-	-
	<u>607,912</u>	<u>612,217</u>	<u>200,000</u>	<u>200,000</u>
	=====	=====	=====	=====
Represented by:-				
Group's share of net assets	664,954	669,259	-	-
Reserve on acquisition	(57,042)	(57,042)	-	-
	<u>607,912</u>	<u>612,217</u>	<u>-</u>	<u>-</u>
	=====	=====	=====	=====

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

Company Name	Principal activities	Group equity interest	
		2003	2002
Associated company of CCK Consolidated Holdings Berhad			
# Astral Foods Sdn Bhd	Processing of downstream food products	50%	50%
Associated company of CCK Fresh Mart Sdn Bhd			
# Fishmart Marketing (Sarawak) Sdn Bhd	Fish processing	50%	50%
Associated company of Central Coldstorage Kuching Sdn Bhd			
# Vibrant Team Sdn Bhd	Broiler farming	40%	40%
# Not audited by Hii & Lee			

The results of Vibrant Team Sdn Bhd has been accounted for based on the audited financial statements for the financial year ended 30 June 2003. The results of Astral Foods Sdn Bhd and Fishmart Marketing (Sarawak) Sdn Bhd are based on the unaudited management financial statements for the financial year ended 30 June 2003.

9. OTHER INVESTMENT

	G r o u p	
	2003 RM	2002 RM
Unquoted shares, at cost	50,000	50,000
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

10. GOODWILL ON CONSOLIDATION

	G r o u p	
Cost	2003 RM	2002 RM
At 1 July	60,000	60,000
At 30 June	60,000	60,000
Accumulated amortisation		
At 1 July	48,000	36,000
Amortisation for the financial year	12,000	12,000
At 30 June	60,000	48,000
Net book value		
At 30 June	-	12,000
	=====	=====

11. INVENTORIES

	G r o u p	
At cost,	2003 RM	2002 RM
Trading inventories	23,550,828	27,028,752
Raw materials and work-in-progress	3,060,640	2,336,350
Aquaculture products	144,437	-
Consumable stores	584,982	891,641
At net realisable value,	27,340,887	30,256,743
Trading inventories	2,333,441	-
Aquaculture products	-	93,450
	29,674,328	30,350,193
	=====	=====

12. TRADE RECEIVABLES

	G r o u p	
	2003 RM	2002 RM
Trade receivables	28,103,911	27,429,380
Allowance for doubtful debts	(732,952)	(491,070)
	27,370,959	26,938,310
	=====	=====

13. AMOUNT DUE FROM/TO SUBSIDIARY COMPANIES

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

14. AMOUNT DUE FROM AN ASSOCIATED COMPANY

The amount due from an associated company arose from an advance, which is unsecured, interest-free and has flexible terms of repayment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

15. HIRE PURCHASE CREDITORS

	G r o u p	
	2003 RM	2002 RM
Analysis of hire purchase liabilities:-		
Payable within 1 year	529,486	739,764
Payable between 1 to 2 years	449,673	224,825
Payable between 2 to 5 years	927,425	475,727
	<hr/>	<hr/>
	1,906,584	1,440,316
Interest in suspense	(331,660)	(21,231)
	<hr/>	<hr/>
	1,574,924	1,419,085
	=====	=====
Representing hire purchase liabilities, net of interest in suspense:-		
Payable within 1 year	445,393	721,164
Payable after 1 year	1,129,531	697,921
	<hr/>	<hr/>
Total payable	1,574,924	1,419,085
	=====	=====

16. BANK BORROWINGS

	G r o u p	
	2003 RM	2002 RM
<u>Current</u>		
<u>Secured</u>		
Term loans	729,065	332,091
Bank overdrafts	3,428,771	4,091,362
Banker's acceptances	11,966,000	12,799,000
Export credit refinancing loans	2,238,000	1,497,000
	<hr/>	<hr/>
	18,361,836	18,719,453
	<hr/>	<hr/>
<u>Current</u>		
<u>Unsecured</u>		
Bank overdrafts	27,760	733,585
Export credit refinancing loans	759,000	723,000
	<hr/>	<hr/>
	786,760	1,456,585
	<hr/>	<hr/>
	19,148,596	20,176,038
	=====	=====
<u>Long-term</u>		
<u>Secured</u>		
Term loans	2,499,927	2,456,538
	=====	=====
Details of term loans:-		
(a) Term loan I at interest of 5.55% per annum, 0% above base lending rate (BLR) and 1.25% above BLR for first, second and subsequent years respectively, repayable by 120 monthly instalments of RM15,664, RM16,489 and RM17,254 each for first, second and subsequent years respectively commencing 15 May 2001	1,222,576	1,326,391
(b) Term loan II at interest of 3% per annum (2002: 4%) repayable by 60 monthly instalments of RM18,416 each commencing 16 August 2001	258,821	462,238

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

16. BANK BORROWINGS - Cont'd

	G r o u p	
	2003	2002
Details of term loans:- Cont'd		
(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 96 monthly instalments of RM4,346, RM4,565 and RM4,794 each for first, second and subsequent years respectively commencing 2 November 2002	231,309	-
(d) Term loan IV 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 2002	516,286	-
(e) Term loan V at interest of 1.5% (2002: 1.5%) per annum above base lending rate on a daily basis repayable by 47 monthly instalments of RM20,834 each and a final instalment of RM20,802 commencing 26 July 2003	1,000,000	1,000,000
	<u>3,228,992</u>	<u>2,788,629</u>
	=====	=====
Representing term loan liabilities, net of interest in suspense:-		
Payable within 1 year	729,065	332,091
Payable between 1 to 2 years	565,949	707,150
Payable between 2 to 5 years	1,359,255	1,556,396
Payable later than 5 years	574,723	192,992
	<u>3,228,992</u>	<u>2,788,629</u>
	=====	=====
Total payable	<u>3,228,992</u>	<u>2,788,629</u>
	=====	=====

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

17. SHARE CAPITAL - Group and Company

Ordinary shares of RM1 each	2003	2002	2003	2002
	Number of shares		RM	RM
Authorised	100,000,000	100,000,000	100,000,000	100,000,000
	=====	=====	=====	=====
Issued and fully paid				
At 1 July	49,544,000	49,500,000	49,544,000	49,500,000
Options exercised	72,000	44,000	72,000	44,000
	<u>49,616,000</u>	<u>49,544,000</u>	<u>49,616,000</u>	<u>49,544,000</u>
	=====	=====	=====	=====
At 30 June	49,616,000	49,544,000	49,616,000	49,544,000
	=====	=====	=====	=====

During the financial year, the issued and paid-up share capital of the Company was increased from RM49,544,000 to RM49,616,000 by issuing 72,000 ordinary shares of RM1.00 each at a premium of RM0.20 each by virtue of the exercise of share options.

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

As at 30 June 2003, there were 4,510,000 (2002: 4,582,000) unissued shares under options granted pursuant to the Employees' Share Options Scheme which was implemented on 23 March 2001.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

18. RESERVES

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Distributable				
Retained profits	29,922,576	28,111,801	6,605,183	6,665,105
Non-distributable				
Share premium reserve	665,778	651,378	665,778	651,378
	<u>30,588,354</u>	<u>28,763,179</u>	<u>7,270,961</u>	<u>7,316,483</u>
	=====	=====	=====	=====

19. DEFERRED TAXATION

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Balance brought forward	2,031,560	2,036,630	380	-
Recognised in the income statement	(328,792)	(5,070)	-	380
	<u>1,702,768</u>	<u>2,031,560</u>	<u>380</u>	<u>380</u>
	=====	=====	=====	=====
Presented after appropriate offsetting as follows:-				
Deferred tax assets	(36,670)	(22,500)	-	-
Deferred tax liabilities	1,739,438	2,054,060	380	380
	<u>1,702,768</u>	<u>2,031,560</u>	<u>380</u>	<u>380</u>
	=====	=====	=====	=====
At 30 June	1,702,768	2,031,560	380	380
	=====	=====	=====	=====

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

	Receivables RM	Unabsorbed capital allowance RM	Total RM
Deferred tax assets of the Group:			
Balance brought forward	16,800	5,700	22,500
Recognised in the income statement	15,380	(1,210)	14,170
	<u>32,180</u>	<u>4,490</u>	<u>36,670</u>
	=====	=====	=====
		Accelerated capital allowance RM	Total RM
Deferred tax liabilities of the Group:			
Balance brought forward		2,054,060	2,054,060
Recognised in the income statement		(314,622)	(314,622)
		<u>1,739,438</u>	<u>1,739,438</u>
		=====	=====

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

19. DEFERRED TAXATION - Cont'd

Deferred tax liabilities of the Company:

	Accelerated capital allowance RM	Total RM
Balance brought forward	380	380
Recognised in the income statement	-	-
Balance carried forward	380	380

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

	G r o u p	
	2003 RM	2002 RM
Unused tax losses	301,405	228,885
Unabsorbed capital allowance	1,667,018	1,339,579
Unutilised investment tax allowance	1,869,000	1,869,000
	3,837,423	3,437,464

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.

20. NET TANGIBLE ASSETS PER SHARE

The net tangible assets per share is calculated by dividing the net tangible assets of the Group of RM80.168 million (2002: RM78.273 million) by 49.616 million (2002: 49.544 million) number of shares of the Company in issue as at the financial year end.

21. REVENUE

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Trading sales	205,316,463	179,317,416	-	-
Transportation services	347,645	356,666	-	-
Management income	-	-	348,000	126,000
Dividends income	-	-	2,070,000	7,055,000
	205,664,108	179,674,082	2,418,000	7,181,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

22. OTHER OPERATING INCOME

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Allowance for doubtful debts no longer required	62,593	-	-	-
Handling charges income	59,744	-	-	-
Hiring Income	246,121	319,911	-	-
Insurance compensation	196,775	-	-	-
Interest income - fixed deposits	-	13,389	-	13,389
- others	43,819	23,758	69,884	75,770
Miscellaneous income	205,121	127,445	-	-
Profit on disposals of property, plant and equipment	29,246	14,127	-	-
Realised exchange gain	255,728	195,899	-	-
Rental income	76,315	55,500	24,000	-
Secretarial service income	23,200	23,400	-	-
Service charges income	315,275	35,000	-	-
Storage charges income	6,208	-	-	-
Unrealised exchange gain	103,870	81,929	-	-
	<u>1,624,015</u>	<u>890,358</u>	<u>93,884</u>	<u>89,159</u>
	=====	=====	=====	=====

23. OPERATING EXPENSES

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Distribution costs	4,541,232	4,813,400	-	-
Other operating expenses	10,097,446	9,067,534	-	-
Administration expenses	9,285,611	8,022,004	783,160	841,856
	<u>23,924,289</u>	<u>21,902,938</u>	<u>783,160</u>	<u>841,856</u>
	=====	=====	=====	=====

The above expenses include the following statutory disclosure items:

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Auditors' remuneration	104,400	96,600	15,000	15,000
Allowance for doubtful debts	304,475	432,692	-	-
Amortisation of goodwill on consolidation	12,000	12,000	-	-
Bad debts written off	140,151	107,303	-	-
Depreciation	5,764,876	5,245,349	156,367	150,379
Directors' remuneration: - fees	259,460	204,940	229,000	169,000
- other emoluments	1,007,576	1,067,715	120,000	156,000
- benefits-in-kind	-	7,200	-	-
Hiring of plant and equipment	3,360	996	-	-
Inventories written down	504,459	226	-	-
Inventories written off	49,191	-	-	-
Loss on disposals of property, plant and equipment	84,143	15,610	-	-
Management fee paid	11,000	-	-	-
Preliminary expenses	-	2,780	-	-
Property, plant and equipment written off	73,355	-	-	-
Realised exchange loss	200	-	-	-
Rental of premises	934,063	1,331,790	-	-
Unrealised exchange loss	-	8,829	-	-
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

23. OPERATING EXPENSES - Cont'd

The remuneration paid to the Directors for the financial year ended 30 June 2003 is categorised as follows:-

	Salary RM	Fees RM	Bonus RM	Commission RM	Allowances RM	Total RM
Executive Directors	768,000	44,340	216,000	21,176	2,400	1,051,916
Non-executive Directors	-	215,120	-	-	-	215,120
	<u>768,000</u>	<u>259,460</u>	<u>216,000</u>	<u>21,176</u>	<u>2,400</u>	<u>1,267,036</u>
	=====	=====	=====	=====	=====	=====

The remuneration paid to the Directors, analysed into bands of RM50,000 is as follows:-

	RM50,000 and below	> RM50,000 to RM100,000	> RM100,000 to RM150,000	> RM150,000 to RM200,000	> RM200,000 to RM250,000
<u>Number of Directors</u>					
Executive Directors	-	-	4	3	-
Non-executive Directors	4	-	-	1	-

24. FINANCE COSTS

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Bank overdrafts interest	191,050	298,578	14,127	28,684
Term loans interest	224,877	85,099	-	-
Hire purchase interest	152,665	79,926	-	-
Banker's acceptances interest	461,355	246,620	-	-
Export credit refinancing loans interest	121,670	113,961	-	-
	<u>1,151,617</u>	<u>824,184</u>	<u>14,127</u>	<u>28,684</u>
	=====	=====	=====	=====

25. TAXATION

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Based on profit for the year	1,563,671	1,545,210	538,359	1,890,646
Over provision in prior years	(268,648)	(25)	(13,533)	(25,891)
Share of taxation in associated companies	24,932	31,876	-	-
Transfer (from)/to deferred taxation	(328,792)	(5,070)	-	380
	<u>991,163</u>	<u>1,571,991</u>	<u>524,826</u>	<u>1,865,135</u>
	=====	=====	=====	=====

The Company has sufficient tax credit under Section 108 of the Income tax Act 1967 to frank future dividend payments out of its entire retained profits as at 30 June 2003.

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:-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

25. TAXATION - Cont'd

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Profit before taxation	4,154,826	5,034,059	1,714,597	6,399,619
	=====	=====	=====	=====
Income tax at 28% (2002: 28%)	1,163,351	1,409,536	480,087	1,791,893
Tax effect of permanent differences:-				
Expenses not deductible for tax purposes	222,211	435,348	14,680	57,218
Non-qualifying property, plant and equipment	252,613	274,789	43,592	41,915
Income not subject to tax	-	(520,426)	-	-
Double deduction on marine insurance	(772)	(1,051)	-	-
Utilisation of previously unrecognised tax losses and unabsorbed capital allowance	(244,562)	(26,180)	-	-
Effect in change of statutory tax rates	(133,030)	-	-	-
Over provision in prior years	(268,648)	(25)	(13,533)	(25,891)
	=====	=====	=====	=====
	991,163	1,571,991	524,826	1,865,135

26. EARNINGS PER SHARE

Basic:-

The basic earnings per share is calculated by dividing the consolidated profit after taxation and minority interests of RM3,060,468 (2002: RM3,367,014) by the weighted average number of ordinary shares in issue during the financial year of 49,581,646 (2002: 49,515,418).

	G r o u p	
	2003 RM	2002 RM
Weighted average number of ordinary shares is calculated as follows:-		
Issued ordinary shares at 1 July	49,544,000	49,500,000
Effect of option shares exercised	37,646	15,418
	=====	=====
Weighted average number of ordinary shares at 30 June	49,581,646	49,515,418

Diluted:-

The diluted earnings per share is calculated by dividing the consolidated profit after taxation and minority interests of RM3,060,468 (2002: RM3,367,014) by the diluted weighted average number of ordinary shares in issue during the financial year of 49,991,646 (2002: 49,900,166).

	G r o u p	
	2003 RM	2002 RM
Weighted average number of ordinary shares as above	49,581,646	49,515,418
Effect from full exercise of outstanding share options into ordinary shares	410,000	384,748
	=====	=====
Weighted average number of ordinary shares (diluted) at 30 June	49,991,646	49,900,166

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

27. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	G r o u p	
	2003 RM	2002 RM
Total purchase of property, plant and equipment	5,121,442	12,023,466
Hire purchase arrangements	(33,000)	(1,427,180)
Term loan arrangements	(578,400)	-
	<u>4,510,042</u>	<u>10,596,286</u>
	=====	=====

28. CASH AND CASH EQUIVALENTS

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Cash and bank balances	4,901,010	2,587,980	245,383	197,086
Bank overdrafts - secured	(3,428,771)	(4,091,362)	-	-
- unsecured	(27,760)	(733,585)	-	-
	<u>1,444,479</u>	<u>(2,236,967)</u>	<u>245,383</u>	<u>197,086</u>
	=====	=====	=====	=====

29. EMPLOYEES INFORMATION

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Number of employees, including executive directors (At 30 June)	835	825	7	7
Employees costs (RM)	14,965,875	13,867,505	134,810	156,000
	=====	=====	=====	=====

30. DIVIDEND

	Group/Company	
	2003 RM	2002 RM
Final dividend paid on ordinary shares of 3.5 sen (2002: NIL) per share, less tax	1,249,693	-
	=====	=====

The Board of directors proposed a final dividend of 3.5% less income tax at 28% in respect of the financial year ended 30 June 2003. 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 2004 after approval by the members at the forthcoming Annual General Meeting.

31. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

31. SEGMENT REPORTING - Cont'd

Business segments

- a) Poultry: Poultry products processing and retail business.
- b) Seafood: Seafood products processing and retail business.
- c) Aquaculture: Prawn culturing and fish farming.

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

Group 2003	Poultry RM	Seafood RM	Aquaculture RM	Consolidated RM
Revenue from external customers	118,165,135	77,874,090	9,624,883	205,664,108
	=====	=====	=====	=====
Segment results	11,418,442	16,378,526	(284,678)	27,512,290
	=====	=====	=====	
Other operating income				1,580,196
Unallocated expenses				(25,075,906)

Operating income				4,016,580
Interest income				43,819
Share of profits in associated companies				94,427

Profit before taxation				4,154,826
				=====
Other information				
Segment assets	60,511,763	41,772,214	14,763,733	117,047,710
	=====	=====	=====	
Investment in equity method associated companies				607,912
Unallocated corporate assets				2,052,414

Consolidated total assets				119,708,036
				=====
Segment liabilities	19,175,379	14,097,444	5,659,381	38,932,204
	=====	=====	=====	
Unallocated corporate liabilities				113,705

Consolidated total liabilities				39,045,909
				=====
Significant non-cash expenses				
Depreciation	3,419,041	1,449,373	740,095	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

31. SEGMENT REPORTING - Cont'd

Group 2002	Poultry RM	Seafood RM	Aquaculture RM	Consolidated RM
Revenue from external customers	110,896,316	67,966,686	811,080	179,674,082
	=====	=====	=====	=====
Segment results	11,535,956	14,748,030	466,385	26,750,371
	=====	=====	=====	
Other operating income				853,211
Unallocated expenses				(22,727,122)

Operating income				4,876,460
Interest income				37,147
Share of profits in associated companies				120,452

Profit before taxation				5,034,059
				=====
Other information				
Segment assets	63,039,765	41,218,122	11,490,447	115,748,334
	=====	=====	=====	
Investment in equity method associated companies				612,217
Unallocated corporate assets				1,888,078

Consolidated total assets				118,248,629
				=====
Segment liabilities	22,010,484	13,935,534	3,540,474	39,486,492
	=====	=====	=====	
Unallocated corporate liabilities				100,380

Consolidated total liabilities				39,586,872
				=====
Significant non-cash expenses				
Depreciation	3,459,019	1,442,844	193,107	

32. CAPITAL COMMITMENTS

	G r o u p	
	2003 RM	2002 RM
Capital expenditure for property, plant and equipment:-		
Approved and contracted for	92,000	650,700
	=====	=====

33. CONTINGENT LIABILITIES

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Unsecured				
Guarantees for the borrowings of subsidiary companies	-	-	51,030,500	50,170,000
Guarantees for export bills financing	3,963,122	1,032,647	-	-
Guarantees to the Kastam Dan Eksais Diraja, Bahagian Import	10,000	10,000	-	-
	-----	-----	-----	-----
	3,973,122	1,042,647	51,030,500	50,170,000
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

34. 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.

	G r o u p		C o m p a n y	
	2003 RM	2002 RM	2003 RM	2002 RM
Transactions with subsidiary companies:-				
Interest income received from:-				
- CCK Sea Products Industries Sdn Bhd	-	-	32,478	9,464
- Central Coldstorage Kuching Sdn Bhd	-	-	15,057	23,968
- Kuok Sui Sea Products Industries Sdn Bhd	-	-	22,349	42,338
Management income received from:-				
- Ableway Sdn Bhd	-	-	60,000	30,000
- Ataskota Sdn Bhd	-	-	12,000	-
- CCK Fresh Mart Sdn Bhd	-	-	72,000	60,000
- Central Coldstorage Kuching Sdn Bhd	-	-	132,000	-
- Kin Eastern Frozen Food Sdn Bhd	-	-	36,000	18,000
- Kuok Sui Sea Products Industries Sdn Bhd	-	-	36,000	18,000
Secretarial fee paid to:-				
- Central Coldstorage Kuching Sdn Bhd	-	-	18,000	18,000
Accounting fee paid to:-				
- Central Coldstorage Kuching Sdn Bhd	-	-	24,000	-
Transactions with a company in which certain directors and substantial shareholder have financial interests:-				
Rental paid to:-				
- S. K. Tiong Enterprise Sdn Bhd *	227,400	196,800	-	-
- Econsmix Concrete Sdn Bhd *	24,000	-	24,000	-
	=====	=====	=====	=====

* 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.
- (b) Tiong Chiong Hiiung
- Director of S. K. Tiong Enterprise Sdn Bhd.
- (c) Tiong Chiong Soon
- Director of S. K. Tiong Enterprise Sdn Bhd and Econsmix Concrete Sdn Bhd.

35. STATUS OF CORPORATE PROPOSAL

On 15 May 2001, the Company entered into a Joint Venture Agreement with Perbadanan Pembangunan Ekonomi Sarawak, a statutory body corporate, to undertake the development, and to conduct and manage the aquaculture business on a commercial basis. The Joint Venture is still awaiting approvals from the relevant authorities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

36. CHANGES IN ACCOUNTING POLICIES AND PRIOR YEAR ADJUSTMENTS

(a) Changes in Accounting Policies

During the financial year, the Group has applied new MASB Standards, which became effective from 1 July 2002, and accordingly modified certain accounting policy. The changes in accounting policy which resulted in prior year adjustment is discussed below:-

(i) MASB 25: Income Taxes

Under MASB 25, deferred tax liabilities are recognised for all taxable temporary differences. Previously, deferred tax liabilities were provided for on account of timing differences only to the extent that a tax liability was expected to materialise in the foreseeable future. In addition, the Group has commenced recognition of deferred tax assets for all deductible temporary differences, when it is probable that sufficient taxable profit will be available against which the deductible temporary differences can be utilised. Previously, deferred tax assets were not recognised unless there was reasonable expectation of their realisation.

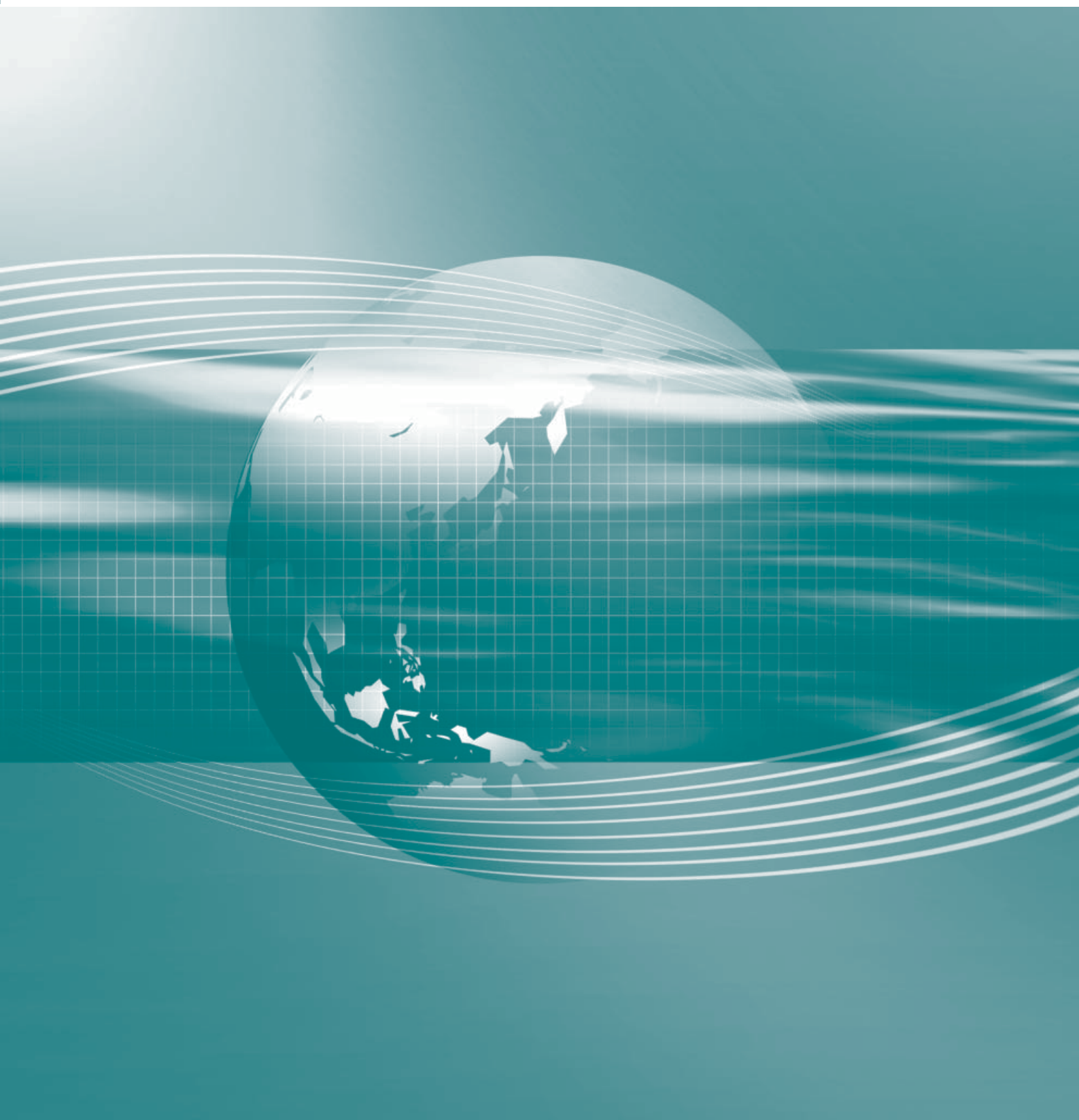
(b) Prior year adjustments

The changes in accounting policy has been applied retrospectively and comparative has been restated. The effects of changes in accounting policy is as follow:-

	G r o u p	
	2003 RM	2002 RM
Effects on retained profits:		
At 1 July, as previously stated	26,904,681	23,695,517
Effects of adopting MASB 25	1,207,120	1,049,270
At 1 July, as restated	<u>28,111,801</u>	<u>24,744,787</u>
Effects on net profit for the year:		
Net profit before changes in accounting policies		3,209,164
Effects of adopting MASB 25		157,850
Net profit for the year		<u>3,367,014</u>

Comparatives amounts as at 30 June 2002 have been restated as follows:-

Group	Previously stated RM	Adjustments RM	Restated RM
Deferred tax assets	-	22,500	22,500
Deferred tax liabilities	3,238,680	(1,184,620)	2,054,060
Reserve	27,556,059	1,207,120	28,763,179
	<u>27,556,059</u>	<u>1,207,120</u>	<u>28,763,179</u>



LIST OF PROPERTIES

AS AT 30 JUNE 2003

Location	Description/ Existing Use	Tenure	Acquisition Date	Age Of Building	Land (Built-Up Area)	Net Book Value
CCK Consolidated Holdings Bhd Lot 2969, Block 19, Seduan Land District, Sarawak	Light Industrial Land/ Vacant	Leasehold (10 Yrs Remaining) Expiring on 30.08.2013	10.04.2001	-	-	1,493,622.06
Ableway Sdn Bhd Lot 248, Song Town District, Sarawak	3 Storey Terraced Shophouse/Office	Leasehold (49 Yrs Remaining) Expiring on 07.05.2052	03.04.1996	7 Yrs	111.6 Sq.M.	174,003.80
Lot 5, Block 8, Mukah Land District, Sarawak	Agriculture Land/ Vacant	Leasehold (25 Yrs Remaining) Expiring on 21.12.2028	15.08.1991	-	5.39 Acres	7,832.06
Lot 332, Sungei Antu, Sibu, Sarawak	Industrial Shophouse/Office	Leasehold (21 Yrs Remaining) Expiring on 31.12.2024	17.02.1984	34 Yrs	265.7 Sq.M.	151,075.08
CCK Fresh Mart Sdn Bhd Lot 1032, Block 5, Miri Concession Land District,	5 Units Of 3 Storey Shophouse/Office	Leasehold (46 Yrs Remaining) Expiring on 04.12.2049	07.12.1996	8 Yrs	2,456 Sq.M.	1,512,303.56
Lot 759, Miri Concession Land District, Miri	Agriculture Land/ Vacant	Leasehold (19 Yrs Remaining) Expiring on 31.12.2022	30.05.2001	-	-	343,868.04
Kuok Sui Sea Products Industries (S) Sdn Bhd Lot 22, Block 9 Sibu Town District, Sarawak	3 Storey Detached Factory	Freehold	12.06.1999	4 Yrs	9,590 Sq.ft.	2,085,156.28
Kin Eastern Frozen Food Sdn Bhd Lot 868 Green Road, Sarikei, Sarawak	Prawn Processing Factory/Office	Leasehold (34 Yrs Remaining) Expiring on 17.05.2037	22.05.1989	14 Yrs	2,122.3 Sq.M.	848,492.78
Lot 871, Green Road, Sarikei, Sarawak			22.08.1988			
Lot 1445, Green Road, Sarikei, Sarawak			03.11.1987			
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 Factory	Freehold	28.09.1999	6.5 Yrs	2,095.61 Sq.M.	4,009,923.91
H S (D) No 24157, P T No 19461, Bandar Kajang, Daerah Ulu Langat State of Selangor	3 Storey Corner Terraced Shophouse	Leasehold (86 Yrs Remaining) Expiring on 26.06.2089	15.02.2001	7 Yrs	2,533 Sq.ft.	1,936,818.25
HS (M) No. 15142, PT No. 19418, Mukim Kapar, Daerah Klang	Four Storey Shoplot	Leasehold (90 Yrs Remaining) Expiring On 15.06.2093	01.08.2002	1 Yrs	153 Sq.M.	756,732.94
Central Coldstorage Kuching Sdn Bhd Lot 187-189, Block 11, Senggi Poak Land District	Agriculture Land / Broiler Farm	Leasehold (23 Yrs Remaining) Expiring on 31.12.2026	05.09.1996	-	18.744 Hectares	140,173.40
Lot 605, Block 10, Senggi Poak Land District	Agriculture Land / Broiler Farm	Leasehold (23 Yrs Remaining) Expiring on 31.12.2026	13.08.1998	-	2.0243 Hectares	104,210.00
Bau OT No 3091 Of 1937, No 1020 Of 1927, No 2596 Of 1934 Sarawak	Agriculture Land / Breeder Farm	Leasehold (23 Yrs Remaining) Expiring on 31.12.2026	20.07.1996	-	11.8454 Hectares	391,393.00
Bau OT No 2998 Of 2936, Sarawak	Agriculture Land / Breeder Farm	Leasehold (32 Yrs Remaining) Expiring on 31.12.2035	20.07.1996	-	6.799 Hectares	207,684.00
Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, Sarawak	Industrial Land/ Corporate Office, Coldroom and Abattoir	Leasehold (32 Yrs Remaining) Expiring on 06.07.2035	23.06.1992	7 Yrs	2.295 Hectares	5,833,889.85

LIST OF PROPERTIES

AS AT 30 JUNE 2003

Location	Description/ Existing Use	Tenure	Acquisition Date	Age Of Building	Land (Built-Up Area)	Net Book Value
Central Coldstorage Kuching Sdn Bhd (continued)						
Lot 123, Senggi Poak Land District	Turtle Breeding	Leasehold (24 Yrs Remaining) Expiring on 31.12.2027	28.06.1993	9 Yrs	9.39 Acres	386,372.51
Lot 124, Senggi Poak Land District	Turtle Breeding	Leasehold (23 Yrs Remaining) Expiring on 31.12.2026	28.06.1993	9 Yrs	9.40 Acres	
Lot 115, Block 10, Senggi Poak Land District	Agriculture Land / Vacant	Leasehold (23 Yrs Remaining) Expiring on 31.12.2026	28.06.2000	25 Yrs	1.5985 Hectares	195,985.90
Poultry Industry (S) Sdn Bhd						
8th Mile, Penrissen Road, Kuap, Kuching, Sarawak	Agricultural Land	Leasehold (13 Yrs Remaining) Expiring on 14.03.2016	18.11.1985	20 Yrs	9.53 Acres (14,009 Sq.M.)	302,417.32
Lot 187-189, Block 11, Senggi Poak Land District Sarawak	Broiler Breeding Shed	Leasehold (23 Yrs Remaining) Expiring on 31.12.2026	1998	6 Yrs	2,227.37 Sq.M.	581,869.81
Lot 605, Block 10, Senggi Poak Land District Sarawak	Broiler Breeding Shed	Leasehold (23 Yrs Remaining) Expiring on 31.12.2026	1998	6 Yrs	6,614.48 Sq.M.	612,458.83
Senggi Poak Land District Sarawak	Agricultural Land/ Broiler Breeding Shed	-		10 Yrs	1908.5 Sq.M.	NIL
Lot 123, Senggi Poak Land District	Broiler Farm	Leasehold (24 Yrs Remaining) Expiring on 31.12.2027	28.06.1993	-	9.39 Acres	195,608.36
Lot 124, Senggi Poak Land District	Broiler Farm	Leasehold (23 Yrs Remaining) Expiring on 31.12.2026	28.06.1993	-	9.40 Acres	
Lot 202, Senggi Poak Land District	Broiler Farm	Leasehold (18 Yrs Remaining) Expiring on 31.12.2021	28.06.1993	-	9.41 Acres	
Lot 203, Senggi Poak Land District	Broiler Farm	Leasehold (18 Yrs Remaining) Expiring on 31.12.2021	28.06.1993	-	9.42 Acres	
Zhang Agriculture Development Sdn Bhd						
Bau OT No 284 Ta Foh Shak, Bau, Sarawak	Agriculture Land/ (Vacant)	Leasehold (23 Yrs Remaining) Expiring on 07.06.2026	25.01.1990	-	8.5 Acres	93,582.12
Bau OT No 2405 Paku Podam, Bau, Sarawak	Agriculture Land/ Vacant	Leasehold (25 Yrs Remaining) Expiring on 17.11.2028	12.11.1991	-	11.75 Acres	132,104.68
Bau OT No 3653 Paku, Bau, Sarawak	Agriculture Land/ Breeder Farm	Leasehold (36 Yrs Remaining) Expiring on 02.08.2039	12.11.1991	6.5 Yrs	4.37 Acres*	599,761.98
Bau OT No 645 Ta Foh Shak, Bau, Sarawak	Agriculture Land/ Hatchery, Office, Workers Quarters & Laboratory	Leasehold (23 Yrs Remaining) Expiring on 08.03.2036	03.10.1990	6.5 Yrs	10.44 Acres*	1,134,974.41
Bau OT No 795 Ta Foh Shak, Bau, Sarawak	Agriculture Land/ Breeder Farm	Leasehold (23 Yrs Remaining) Expiring on 08.03.2026	12.11.1991	10 Yrs	15.97 Acres*	713,790.90
Bau OT No 3091 Of 1937, No. 1020 Of 1927, No. 2596 Of 1934, No. 2998 Of 2936	Breeding Shed	Leasehold (32 Yrs Remaining) Expiring on 31.12.2035	1987	16 Yrs	11,000 Sq.M.	1,265,205.93
Ataskota Sdn Bhd						
Lot 271, Block 8, Pueh Land District	Agriculture Land/ Prawn Breeding Farm	Leasehold (13 Yrs Remaining) Expiring on 08.09.2015	15.04.1999	5 Yrs	5,463 Sq.M.	306,618.00
Farm Land Supplies & Veterinary Services Sdn Bhd						
Sublot No. 29 of Lot 84, Block 233, Kuching North Land District	11/2 Storey Reinforced Concrete Seni-Detached Light Industrial Workshop	Leasehold	15.04.2002	0	590.5 Sq.m	404,319.00

ANALYSIS OF SHAREHOLDINGS

AS AT 17 OCTOBER 2003

SHARE CAPITAL

Authorised share capital	:	RM100 million
Issued and fully paid-up capital	:	RM49,618,000
Class of shares	:	Ordinary Shares of RM1.00 each
Voting rights	:	One vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

Size of holdings	No. of shareholders	% of shareholders	No. of shares held	% of issued capital
1 - 999	26	2.05	12,750	0.03
1,000 - 10,000	1,093	86.06	2,806,935	5.66
10,001 - 100,000	111	8.74	2,591,361	5.22
100,001 - 2,480,899	35	2.76	13,927,748	28.07
2,480,900 and above	5	0.39	30,279,206	61.02
Total	1,270	100.00	49,618,000	100.00

SUBSTANTIAL SHAREHOLDINGS

	Direct Interest	%	Deemed Interest	%
1. Central Coldstorage Sarawak Sendirian Berhad	10,446,327	21.05	-	-
2. S.K. Tiong Enterprise Sdn. Bhd.	6,164,955	12.42	10,446,327 ^(a)	21.05
3. Permodalan Nasional Berhad	5,737,500	11.56	-	-
4. Skim Amanah Saham Bumiputera	4,500,000	9.07	-	-
5. Chong Nyuk Kiong Enterprise Sdn. Bhd.	3,430,424	6.91	-	-
6. Datuk Tiong Su Kouk	677,616	1.37	16,611,282 ^(b)	33.47
7. Datin Wong Bak Hee	45,000	0.09	16,611,282 ^(c)	33.47
8. Chong Shaw Fui	15,000	0.03	3,430,424 ^(d)	6.91
9. Tiong Chiong Hiiung	15,000	0.03	16,611,282 ^(c)	33.47
10. Tiong Chiong Soon	15,000	0.03	16,611,282 ^(c)	33.47
11. Chong Min Fui	-	-	3,430,424 ^(d)	6.91
12. Chong Kong Fui	-	-	3,430,424 ^(d)	6.91

Notes:

- (a) Deemed interested through its wholly-owned subsidiary, Central Coldstorage Sarawak Sendirian Berhad.
 (b) Deemed interested by virtue of his substantial shareholdings in S.K. Tiong Enterprise Sdn. Bhd. and Central Coldstorage Sarawak Sendirian Berhad.
 (c) Deemed interested by virtue of directorships in S.K. Tiong Enterprise Sdn. Bhd. and Central Coldstorage Sarawak Sendirian Berhad.
 (d) Deemed interested by virtue of their substantial shareholdings in Chong Nyuk Kiong Enterprise Sdn. Bhd.

ANALYSIS OF SHAREHOLDINGS

AS AT 17 OCTOBER 2003

DIRECTORS' SHAREHOLDINGS

	Direct Interest	%	Deemed Interest	%
1. Datuk Tiong Su Kouk	677,616	1.37	16,611,282 ^(a)	33.47
2. Chong Shaw Fui	15,000	0.03	3,430,424 ^(b)	6.91
3. Tiong Chiong Hiiung	15,000	0.03	16,611,282 ^(c)	33.47
4. Tiong Chiong Soon	15,000	0.03	16,611,282 ^(c)	33.47
5. Lau Liong Kii	33,000	0.07	824,814 ^(d)	1.66
6. Ling Ting Leong @ Ling Chong Seng	219,511	0.44	255,636 ^(e)	0.52
7. Wong See Khong	500,022	1.01	-	-
8. Kueh Chung Peng	882,432 ^(f)	1.78	-	-
9. Jangu Anak Banyang	15,000	0.03	-	-
10. Douglas Jerukan @ Jarukan Ak Kanyan	379,500	0.76	-	-
11. Datu Haji Putit Bin Matzen	-	-	-	-
12. Francis Wong Chin Sing @ Wong Chin Sing	-	-	-	-

Notes:

- (a) Deemed interested by virtue of his substantial shareholdings in S.K. Tiong Enterprise Sdn. Bhd. and Central Coldstorage Sarawak Sendirian Berhad.
- (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 S.K. Tiong Enterprise Sdn. Bhd. and Central Coldstorage Sarawak Sendirian Berhad.
- (d) Deemed interested by virtue of his substantial shareholdings in Unione Enterprise (S) Sdn. Bhd.
- (e) Deemed interested by virtue of his substantial shareholdings in Tseng Tseng Enterprise Sdn. Bhd.
- (f) 865,932 shares were held through HLB Nominees (Tempatan) Sdn. Bhd. and 16,500 shares held through TA Nominees (Tempatan) Sdn. Bhd.

30 LARGEST SHAREHOLDERS

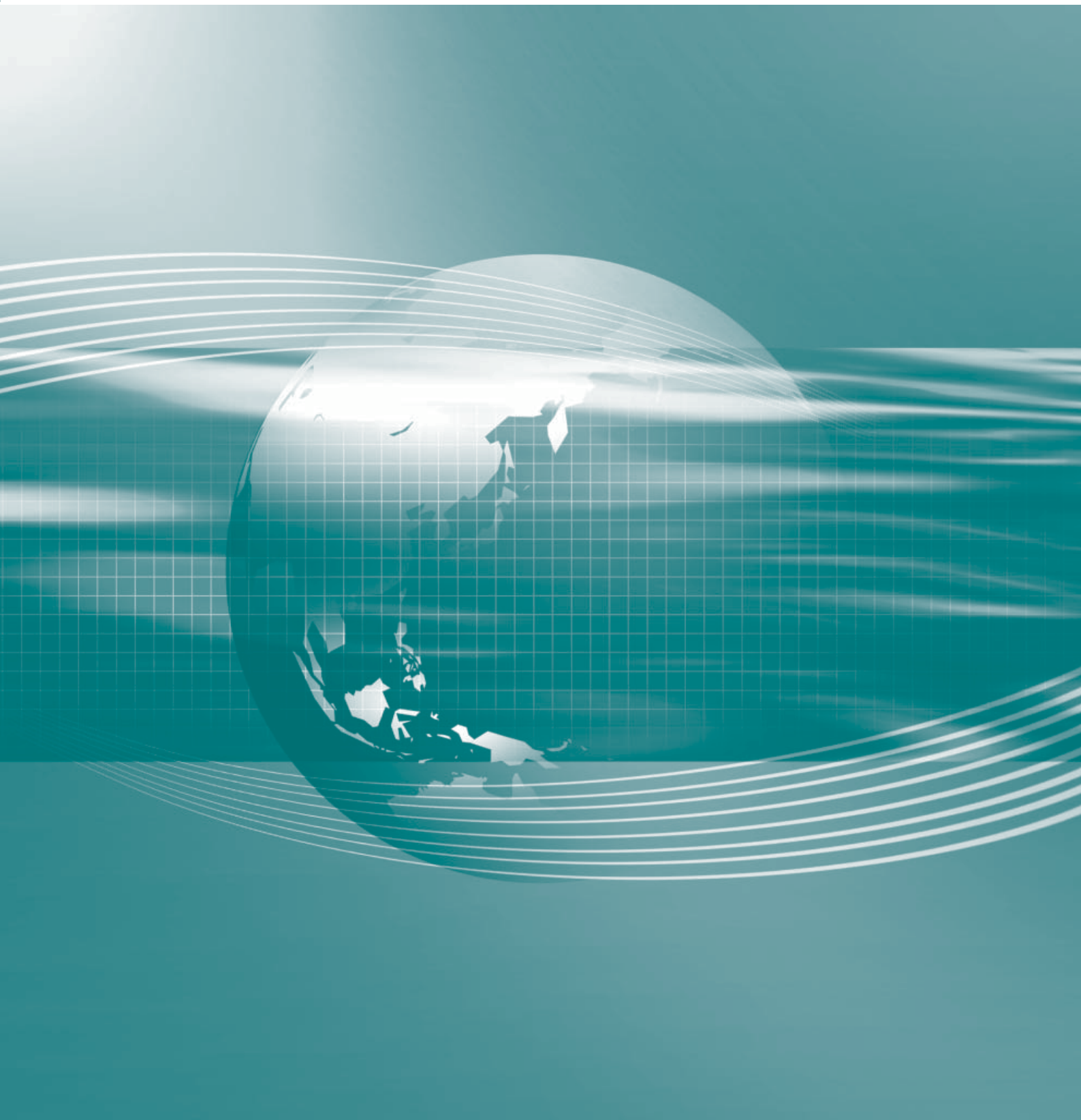
Name	No. of Shares	%
1. Central Coldstorage Sarawak Sendirian Berhad	10,446,327	21.05
2. S.K. Tiong Enterprise Sdn. Bhd.	6,164,955	12.42
3. Permodalan Nasional Berhad	5,737,500	11.56
4. Amanah Raya Nominees (Tempatan) Sdn. Bhd. - Skim Amanah Saham Bumiputera	4,500,000	9.07
5. Chong Nyuk Kiong Enterprise Sdn. Bhd.	3,430,424	6.91
6. Lembaga Tabung Haji	1,968,750	3.97
7. Yu Bang Din	1,566,000	3.16
8. HLB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Kueh Chung Peng	865,932	1.75
9. Unione Enterprise (S) Sdn. Bhd.	824,814	1.66
10. Tasec Nominees (Tempatan) Sdn. Bhd. - Yii Ching Yii	738,000	1.49
11. Datuk Tiong Su Kouk	677,616	1.37
12. Tiong Sie Mew	623,346	1.26
No. of Shares c/f	37,543,664	75.67
	=====	=====

ANALYSIS OF SHAREHOLDINGS

AS AT 17 OCTOBER 2003

30 LARGEST SHAREHOLDERS (cont.)

Name	No. of Shares	%
No. of Shares b/f	37,543,664	75.67
13. Wong See Khong	500,022	1.01
14. Cheng Sang Uh	489,000	0.99
15. Douglas Jerukan @ Jarukan Ak Kanyan	379,500	0.76
16. Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Teck Song Sdn. Bhd.	337,880	0.68
17. Yeu Choo Sieng	328,500	0.66
18. Public Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Tiong Sieu Chiong	315,500	0.64
19. Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Kueh Tiong Ching	293,762	0.59
20. Wong Puo Hung	280,500	0.57
21. Yong Pei Ling	276,000	0.56
22. TA Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Lau Pek Kii	273,080	0.55
23. Joseph Tang Chiod Sui	261,794	0.53
24. Tasec Nominees (Tempatan) Sdn. Bhd. - Chen Hien Chong	256,500	0.52
25. Tseng Tseng Enterprise Sdn. Bhd.	255,636	0.52
26. Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Lau Hieng Wuong	221,294	0.45
27. Lau Pek Kii	221,000	0.45
28. Ling Ting Leong @ Ling Chong Seng	219,511	0.44
29. Yii Ching Yii	211,542	0.43
30. Hii Leh Ming	211,500	0.43
Total No. of Shares	42,876,185	86.41
	=====	=====



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Seventh Annual General Meeting of the Company will be held at Kingwood Hotel, No. 12, Lorong Lanang 4, 96000 Sibul, Sarawak on Monday, 15 December 2003 at 10.00 am to transact the following businesses :-

AGENDA

1. To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2003 together with the Reports of the Directors and Auditors thereon. Resolution 1
2. To approve the payment of a First and Final Dividend of 3.5% per share, less 28% Income Tax, for the financial year ended 30 June 2003. Resolution 2
3. To approve the payment of Directors' fees of RM 259,460 for the financial year ended 30 June 2003. Resolution 3
4. To re-elect the following Directors retiring pursuant to Article 81 of the Company's Articles of Association :-
 - 4.1 Mr. Kueh Chung Peng Resolution 4
 - 4.2 Mr. Lau Liong Kii Resolution 5
 - 4.3 Mr. Ling Ting Leong @ Ling Chong Seng Resolution 6
 - 4.4 Mr. Tiong Chiong Soon Resolution 7
5. To re-appoint Messrs. Hii & Lee as Auditors for the ensuing year and to authorise the Directors to fix their remuneration. Resolution 8
6. As Special Business :-

To consider and, if thought fit, pass the following resolution as Ordinary Resolution :-

 - **Authority to issue shares pursuant to Section 132D of the Companies Act, 1965** Resolution 9

"**THAT** pursuant to Section 132D of the Companies Act, 1965 and subject always to the approval of the relevant authorities, the Directors be and are 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, including but not limited to such shares as may be issued pursuant to the Employees' Share Option Scheme 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 and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Kuala Lumpur Stock Exchange and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."
7. To transact any other business of which, due notice shall have been given in accordance with the Companies Act, 1965 and the Articles of Association of the Company.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that a First and Final dividend of 3.5% per share, less 28% Income Tax, in respect of the financial year ended 30 June 2003, if approved at the forthcoming Annual General Meeting, will be paid on 16 January 2004 to Depositors whose names appear in the Record of Depositors on 26 December 2003.

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

- (a) Shares transferred into the Depositor's securities account before 12.30 pm on 26 December 2003, in respect of ordinary transfers; and
- (b) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

BY ORDER OF THE BOARD

LING TING LEONG @ LING CHONG SENG (MACS 00754)
NURULUYUN BINTI ABDUL JABAR (MIA 9113)
Company Secretaries

Kuching, Sarawak
Date : 21 November 2003

Notes :-

- 1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.
- 2. To be valid, the proxy form, 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 Act 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 this form must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.
- 6. Explanatory Notes on Special Business :-

Resolution 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 including but not limited to such shares as may be issued pursuant to the Employees' Share Option Scheme approved at the Extraordinary General Meeting held on 20 December 2000. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

1. The following Directors who are standing for re-election in accordance to the following articles at the Seventh Annual General Meeting of the Company are:-

Article 81

- (i) Mr. Kueh Chung Peng
- (ii) Mr. Lau Liong Kii
- (iii) Mr. Ling Ting Leong @ Ling Chong Seng
- (iv) Mr. Tiong Chiong Soon

2. Further details of Directors who are standing for re-election at the Annual General Meeting are available of pages 9 to 10.
3. There were 5 Board of Directors' Meetings held during the financial year ended 30 June 2003. Details of attendance at Board Meetings are outlined on page 12.
4. Place, date and time of the Seventh Annual General Meeting:-

The Seventh Annual General Meeting of the Company will be held at Kingwood Hotel, No. 12, Lorong Lanang 4, 96000 Sibu, Sarawak on Monday, 15 December 2003 at 10.00 am.

FORM OF PROXY

I/We _____

NRIC/Company No. _____

of (full address) _____

being a member(s) of **CCK CONSOLIDATED HOLDINGS BERHAD**, hereby appoint _____

_____ NRIC _____

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 Seventh Annual General Meeting of the Company to be held on Monday, 15 December 2003 at 10.00 a.m. and at any adjournment thereof.

RESOLUTIONS	FOR	AGAINST
1. To receive the Audited Financial Statements of the Company.		
2. To approve the payment of a First and Final Dividend of 3.5% per share less 28% Income Tax.		
3. To approve the payment of Directors' Fees of RM 259,460.		
To re-elect the following Directors retiring pursuant to Article 81 of the Company's Article of Association:-		
4. • Kueh Chung Peng		
5. • Lau Liong Kii		
6. • Ling Ting Leong @ Ling Chong Seng		
7. • Tiong Chiong Soon		
8. To re-appoint Messrs Hii & Lee as Auditors for the ensuing year.		
9. To approve the authority to issue shares pursuant to Section 132D of the Companies Act, 1965		

(Please indicate with a (✓) 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 _____ 2003.

Signature / common seal of shareholder(s)

Number of shares held

Notes :

1. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Act shall not apply to the Company.
2. To be valid, the proxy form, 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 Act 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 this form must be executed under its common seal or under the hand of an officer or attorney duly authorized 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

(Incorporated in Malaysia) 396692 - T

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

Tel: 082-336520

Fax: 082-331479