

FINANCIAL STATEMENTS 2009

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Directors' Report

for the year ended 31 December 2009

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2009.

Principal activities

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year other than the acquisition of a new subsidiary with operations in Vietnam.

Results

	Group RM'000	Company RM'000
Profit/(Loss) attributable to:		
Shareholders of the Company	15,450	(148)
Minority interest	5,806	-
	<u>21,256</u>	<u>(148)</u>

Reserves and provisions

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

Dividends

Since the end of previous financial year, the Company paid:

- i) a final dividend of 9.4% less tax at 25% per ordinary share totalling RM4,859,212 in respect of the financial year ended 31 December 2008 on 25 June 2009 (7.1 sen net per share); and
- ii) an interim dividend of 8% less tax at 25% per ordinary share totalling RM4,135,500 in respect of the financial year ended 31 December 2009 on 8 October 2009 (6 sen net per share).

The Directors have recommended the payment of a final dividend of 12.05% less tax at 25% per ordinary share totalling RM6,229,097 (9.04 sen net per share) in respect of the financial year ended 31 December 2009.

Directors of the Company

Directors who served since the date of the last report are:

Tengku Tan Sri Dr.Mahaleel bin Tengku Ariff
 Yen Gary
 Lt Jen (B) Datuk Hj. Abdul Aziz bin Hasan
 Mej Jen (B) Dato' Mohamed Dahalan bin Sulaiman
 Mej Jen (B) Datuk Abdul Kadir bin Nordin
 Dato' Gan Nyap Liou @ Gan Nyap Liow
 Tung Kum Hon
 Goh Seng Chuan
 Stanley Mark Mitchell (appointed on 15 June 2009)

Directors' Report for the year ended 31 December 2009

Directors' interests

The interests and deemed interests in the shares and options of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares of RM1.00 each			At 31.12.2009
	At 1.1.2009	Bought	Sold	
Yen Gary				
Interest in New Toyo International Holdings Ltd	62,462	-	-	62,462
Deemed interest in New Toyo International Holdings Ltd				
- Own	36,761,213	-	-	36,761,213
- Others	1,137,000	-	-	1,137,000

None of the other Directors holding office at 31 December 2009 had any interest in the ordinary shares in, and debentures of, the Company and of its related corporations during the financial year.

Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff's interest in Toyoma Aluminium Foil Packaging Sdn. Bhd. and Yen Gary's interest in New Toyo Pulppy (Hong Kong) Limited and New Toyo Pulppy (Vietnam) Co., Ltd. where related party information is disclosed in Note 29.

Issue of Shares

There were no changes in the authorised, issued and paid-up capital of the Company during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.



Directors' Report

for the year ended 31 December 2009

Other Statutory Information

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) all current assets have been stated at the lower of cost and net realisable value.

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

- i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the Group and in the Company financial statements misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group 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 and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2009 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Significant Events

On 31 July 2009, the Company acquired the entire equity interest in Toyo (Viet) Paper Product Co., Ltd. from New Toyo Aluminium Paper Product Co Pte Ltd, a wholly-owned subsidiary of New Toyo International Holdings Ltd., a substantial shareholder and ultimate holding company of the Company, for a total cash consideration of RM12,853,475 (equivalent to USD3,650,000) as disclosed in Note 30 to the financial statements.

Directors' Report for the year ended 31 December 2009

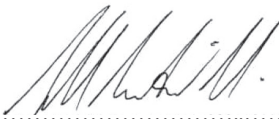
Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

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



.....
Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff



.....
Stanley Mark Mitchell

Petaling Jaya, Selangor

Date: 24 March 2010



Balance Sheets

at 31 December 2009

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Assets					
Property, plant and equipment	3	225,032	191,767	191	273
Prepaid lease payments	4	16,895	16,944	-	-
Intangible assets	5	53,022	54,176	-	-
Investment in subsidiaries	6	-	-	95,449	82,589
Investment in an associate	7	7,821	6,006	1,500	1,500
Deferred tax assets	8	3,201	2,250	-	-
Receivables, deposits and prepayments	9	733	194	-	-
Total non-current assets		306,704	271,337	97,140	84,362
Current assets					
Receivables, deposits and prepayments	9	49,557	41,159	20,882	35,490
Inventories	10	57,339	58,031	-	-
Current tax assets		316	878	91	313
Cash and cash equivalents	11	31,465	13,302	53	48
Total current assets		138,677	113,370	21,026	35,851
Total assets		445,381	384,707	118,166	120,213
Equity					
Share capital	12	68,925	68,925	68,925	68,925
Reserves	13	87,028	72,245	41,737	50,880
Total equity attributable to shareholders of the Company		155,953	141,170	110,662	119,805
Minority interest		17,999	3,232	-	-
Total equity		173,952	144,402	110,662	119,805
Liabilities					
Employee benefits	14	927	847	-	-
Deferred tax liabilities	8	8,848	8,402	-	-
Loans and borrowings	15	137,865	124,733	-	-
Ultimate holding company	17	15,416	15,520	-	-
Related companies	18	486	-	-	-
Total non current liabilities		163,542	149,502	-	-
Payables and accruals	16	66,746	53,695	7,504	408
Loans and borrowings	15	37,880	34,720	-	-
Current tax liabilities		3,261	2,388	-	-
Total current liabilities		107,887	90,803	7,504	408
Total liabilities		271,429	240,305	7,504	408
Total equity and liabilities		445,381	384,707	118,166	120,213

The notes on pages 69 to 108 are an integral part of these financial statements.

Income Statements

for the year ended 31 December 2009

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue					
- Sale of goods		328,610	186,059	-	-
- Gross dividend income from unquoted subsidiaries		-	-	-	10,528
		328,610	186,059	-	10,528
Cost of sales		(261,000)	(143,259)	-	-
Gross profit		67,610	42,800	-	10,528
Other income		2,451	2,871	195	3,170
Distribution expenses		(10,474)	(6,416)	-	-
Administrative expenses		(22,377)	(12,564)	(921)	(2,002)
Other expenses		(3,046)	(421)	-	(44)
Results from operating activities		34,164	26,270	(726)	11,652
Interest income		158	508	999	248
Financing costs		(7,768)	(2,722)	(383)	-
Operating profit/(loss)	19	26,554	24,056	(110)	11,900
Share of profit after tax of equity accounted associate		1,815	1,020	-	-
Profit/(Loss) before taxation		28,369	25,076	(110)	11,900
Tax expense	21	(7,113)	(5,524)	(38)	(377)
Profit/(Loss) for the year		21,256	19,552	(148)	11,523
Attributable to:					
Shareholders of the Company		15,450	18,705	(148)	11,523
Minority interest		5,806	847	-	-
Profit/(Loss) for the year		21,256	19,552	(148)	11,523
Basic and diluted earnings per ordinary share (sen)	22	22.4	27.1		

The notes on pages 69 to 108 are an integral part of these financial statements.



Statements of Changes In Equity

for the year ended 31 December 2009

Group	Attributable to equity of the Company				Distributable			Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Translation reserve RM'000	Revaluation reserve RM'000	Retained profits RM'000	Total RM'000	
At 1 January 2008	68,807	8,848	1,000	-	4,878	43,075	126,608	130,915
Profit for the year	-	-	-	-	-	18,705	18,705	19,552
Dividends to shareholders	-	-	-	-	-	(8,271)	(8,271)	(9,741)
Shares issued	118	20	-	-	-	-	138	138
Disposal of a subsidiary	-	-	(1,000)	-	-	1,000	-	-
Disposal of minority interest	-	-	-	-	-	-	-	(3,940)
Acquisition of minority interest	-	-	-	-	-	-	-	224
Foreign exchange translation differences	-	-	-	3,990	-	-	3,990	7,254
At 31 December 2008 / 1 January 2009	68,925	8,868	-	3,990	4,878	54,509	141,170	144,402
Profit for the year	-	-	-	-	-	15,450	15,450	21,256
Dividends to shareholders	-	-	-	-	-	(8,995)	(8,995)	(8,995)
Foreign exchange translation differences	-	-	-	8,328	-	-	8,328	17,289
At 31 December 2009	68,925	8,868	-	12,318	4,878	60,964	155,953	173,952
Company	Note 12	Note 13.1		Note 13.2	Note 13.3	Note 13.4		
At 1 January 2008	68,807	8,848	-	-	-	38,760	116,415	116,415
Profit for the year	-	-	-	-	-	11,523	11,523	11,523
Dividends to shareholders of the Company	-	-	-	-	-	(8,271)	(8,271)	(8,271)
Shares issued	118	20	-	-	-	-	138	138
At 31 December 2008 / 1 January 2009	68,925	8,868	-	-	-	42,012	119,805	119,805
Loss for the year	-	-	-	-	-	(148)	(148)	(148)
Dividends to shareholders of the Company	-	-	-	-	-	(8,995)	(8,995)	(8,995)
At 31 December 2009	68,925	8,868	-	-	-	32,869	110,662	110,662

The notes on pages 69 to 108 are an integral part of these financial statements.

Cash Flow Statements

for the year ended 31 December 2009

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash flows from operating activities					
Profit/(Loss) before tax		28,369	25,076	(110)	11,900
Adjustments for:					
Amortisation of prepaid lease payments	4	468	424	-	-
Amortisation of intangible assets	5	1,260	-	-	-
Depreciation of property, plant and equipment	3	17,452	9,405	82	82
Dividend income		-	-	-	(10,528)
Gain on disposal of property, plant and equipment		(1)	(7)	-	-
Loss/(Gain) on disposal of a subsidiary		-	421	-	(3,170)
Interest expense		7,768	2,722	383	-
Interest income		(158)	(508)	(999)	(248)
Inventories written off		804	50	-	-
Property, plant and equipment written off		72	3	-	-
Retirement benefits provided	14	3,409	144	-	-
Share of profit of equity accounted associate		(1,815)	(1,020)	-	-
Unrealised loss/(gain) on foreign exchange		484	1,204	(89)	206
Operating profit/(loss) before changes in working capital		58,112	37,914	(733)	(1,758)
Change in inventories		(69)	(24,873)	-	-
Change in receivables, deposits and prepayments		(2,173)	(18,782)	(2)	100
Change in payables and accruals		8,937	22,309	(266)	(65)
Cash generated from/(used in) operations		64,807	16,568	(1,001)	(1,723)
Dividends received		-	-	-	9,990
Interest received		158	508	999	248
Retirement benefits paid	14	(1,002)	(292)	-	-
Tax paid		(5,972)	(3,101)	(12)	-
Tax refunded		-	-	196	-
Net cash generated from operating activities		57,991	13,683	182	8,515
Cash flows from investing activities					
Acquisition of subsidiary, net of cash	30	(12,253)	(78,220)	(12,860)	(234)
Acquisition of property, plant and equipment	3	(22,551)	(4,280)	-	-
Proceed from disposal of a subsidiary		-	2,047	-	3,680
Proceeds from disposal of property, plant and equipment		601	3,420	-	-
Advances from/(to) subsidiaries		-	-	13,391	(3,843)
Net cash (used in)/generated from investing activities		(34,203)	(77,033)	531	(397)



Cash Flow Statements

for the year ended 31 December 2009 (continued)

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash flows from financing activities					
Proceeds from loans and borrowings		18,194	76,557	-	-
Repayment of hire purchase liabilities		(178)	(3)	-	-
Dividends paid to shareholders of the Company	23	(8,995)	(8,271)	(8,995)	(8,271)
Dividends paid to minority shareholders		-	(1,470)	-	-
Interest paid		(7,768)	(2,722)	(383)	-
Proceeds from issuance of share capital		-	138	-	138
Repayment of loans and borrowings		(1,724)	(9,790)	-	-
Proceeds from/(repayment of) related company		6,468	(20,291)	-	-
Advance (to)/from ultimate holding company		(4,353)	26,368	8,670	-
Net cash generated from/(used in) financing activities		1,644	60,516	(708)	(8,133)
Net increase/(decrease) in cash and cash equivalents					
Effect of exchange rate fluctuation on cash held		(7,269)	2,464	-	-
Cash and cash equivalents at 1 January		13,302	13,672	48	63
Cash and cash equivalents at 31 December	i	31,465	13,302	53	48

i) Cash and cash equivalents

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Deposits with licensed banks	11	3,107	4,715	-	-
Cash and bank balances	11	28,358	8,587	53	48
		31,465	13,302	53	48

ii) Acquisition of property, plant and equipment

During the year, the Group acquired property, plant and equipment with an aggregate cost of RM22,551,000 (2008 - RM4,280,000) of which nil (2008 - RM139,000) were acquired by means of hire purchases.

The notes on pages 69 to 108 are an integral part of these financial statements.

Notes to the Financial Statements

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

Registered office

Lot 6.05, Level 6, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan

Principal place of business

9 & 11, Jalan Semangat
46200 Petaling Jaya
Selangor Darul Ehsan

The consolidated financial statements as at and for the year ended 31 December 2009 comprise the Company and its subsidiaries and the Group's interest in an associate.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year except for the acquisition of Toyo (Viet) Paper Product Co., Ltd., a new subsidiary (refer Note 30).

The ultimate holding company during the financial year is New Toyo International Holdings Ltd, a company incorporated in Singapore.

The financial statements were approved by the Board of Directors on 24 March 2010.

1. Basis of preparation

(a) Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standards (FRS), accounting principles generally accepted and the Companies Act, 1965 in Malaysia. These financial statements also comply with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The Group has not applied the following accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the Group:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2009

- FRS 8, Operating Segments

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2010

- FRS 4, Insurance Contracts
- FRS 7, Financial Instruments: Disclosures
- FRS 101, Presentation of Financial Statements (revised)
- FRS 123, Borrowing Costs (revised)
- FRS 139, Financial Instruments: Recognition and Measurement
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards
- Amendments to FRS 2, Share-based Payment: Vesting Conditions and Cancellations
- Amendments to FRS 7, Financial Instruments: Disclosures
- Amendments to FRS 101, Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation
- Amendments to FRS 127, Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Amendments to FRS 132, Financial Instruments: Presentation
 - Puttable Financial Instruments and Obligations Arising on Liquidation
 - Separation of Compound Instruments
- Amendments to FRS 139, Financial Instruments: Recognition and Measurement
 - Reclassification of Financial Assets
 - Collective Assessment of Impairment for Banking Institutions



Notes to the Financial Statements (continued)

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

- Improvements to FRSs (2009)
- IC Interpretation 9, Reassessment of Embedded Derivatives
- IC Interpretation 10, Interim Financial Reporting and Impairment
- IC Interpretation 11, FRS 2 – Group and Treasury Share Transactions
- IC Interpretation 13, Customer Loyalty Programmes
- IC Interpretation 14, FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

Subsequent to the end of the financial year, on 8 January 2010 and 19 March 2010, the MASB issued the following revised FRSs, new IC Interpretations and Amendments to FRSs:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 March 2010

- Amendments to FRS 132, Financial Instruments: Presentation – Classification of Rights Issues

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2010

- FRS 1, First-time Adoption of Financial Reporting Standards (revised)
- FRS 3, Business Combinations (revised)
- FRS 127, Consolidated and Separate Financial Statements (revised)
- Amendments to FRS 2, Share-based Payment
- Amendments to FRS 5, Non-current Assets Held for Sale and Discontinued Operations
- Amendments to FRS 138, Intangible Assets
- IC Interpretation 12, Service Concession Agreements
- IC Interpretation 15, Agreements for the Construction of Real Estate
- IC Interpretation 16, Hedges of a Net Investment in a Foreign Operation
- IC Interpretation 17, Distribution of Non-cash Assets to Owners
- Amendments to IC Interpretation 9, Reassessment of Embedded Derivatives

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2011

- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards – Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
- Amendments to FRS 7, Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments

The Group plans to apply the abovementioned standards, amendments or interpretations:

- from the annual period beginning on 1 January 2010 for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 July 2009 or 1 January 2010, except for FRS 4 and IC Interpretation 13 which are not applicable to the Group.
- from the annual period beginning on 1 January 2011 for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 March 2010, 1 July 2010 and 1 January 2011, except for IC Interpretation 12 and IC Interpretation 15 which are not applicable to the Group.

The initial application of a standard, an amendment or an interpretation, which will be applied prospectively, is not expected to have any financial impacts to the current and prior periods financial statements upon their first adoption.

The impacts and disclosures as required by FRS 108.30(b), Accounting Policies, Changes in Accounting Estimates and Errors, in respect of applying FRS 4, FRS 7, FRS 139 and IC Interpretation 12 are not disclosed by virtue of the exemptions given in these respective FRSs.

Notes to the Financial Statements (continued)

1. Basis of preparation (continued)

(b) Basis of measurement

The financial statements have been prepared on the historical basis except as explained in the respective accounting policy notes.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statement other than disclosed in the following notes:

- Note 3 - Valuation on leasehold buildings
- Note 4 - Valuation on leasehold land
- Note 5 - Valuation on intangible assets
- Note 14 - Valuation on employee benefits
- Note 30 - Fair value on the acquisition of a subsidiary

2. Significant accounting policies

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

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Subsidiaries are consolidated using the purchase method of accounting.

Under the purchase method of accounting, the financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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



2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) Associate

An associate is an entity, including an unincorporated entity, in which the Group has significant influence, but not control, over the financial and operating policies.

An associate is accounted for in the consolidated financial statements using the equity method unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The consolidated financial statements include the Group's share of the income and expenses of the equity accounted associate, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity accounted associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

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

(iii) Minority interest

Minority interest at the balance sheet date, being the portion of the net identifiable assets (excluding goodwill) of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet and statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Minority interest in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interest and the equity shareholders of the Company.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated with all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

(iv) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2. Significant accounting policies (continued)

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the income statement.

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations in functional currencies other than RM, including intangible assets of goodwill and contract value and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the balance sheet date, except for goodwill and fair value adjustments arising from business combinations before 1 January 2006 which are reported using the exchange rates at the dates of the acquisitions. The income and expenses from foreign operations are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in translation reserve. On disposal, accumulated translation differences are recognised in the consolidated income statement as part of the gain or loss on sale.

(iii) Net investment in foreign operations

Exchange differences arising from monetary items that in substance form part of the Company's net investment in foreign operations are recognised in the Company's income statement. Such exchange differences are reclassified to equity in the consolidated financial statements. Deferred exchange differences are recognised in the consolidated income statement upon disposal of the investment.

The closing rates used in translation of foreign currency monetary assets and liabilities and the financial statements of foreign operations are as follows:

	2009	2008
• 1 USD	RM3.42	RM3.47
• 1 SGD	RM2.44	RM2.41
• 1000 VND	RM0.19	RM0.20
• 1 AUD	RM3.07	RM2.40
• 1 HKD	RM0.44	RM0.45

(c) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Forward foreign exchange contracts used are accounted for on an equivalent basis as the underlying assets, liabilities or net positions. Any profit or loss arising is recognised on the same basis as that arising from the related assets, liabilities or net positions.



2. Significant accounting policies (continued)

(d) Property, plant and equipment

(i) Recognition and measurement

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

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

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

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" or "other expenses" respectively in the income statement.

(ii) Subsequent costs

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

(iii) Depreciation

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Freehold land is not depreciated. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by end of the lease term. Capital Work-In-Progress is not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

• Buildings	20 - 50 years
• Renovation	10 - 20 years
• Plant and machineries	3 - 15 years
• Motor vehicles	5 years
• Furniture, fittings and office equipment	3 - 10 years
• Air conditioners	5 - 10 years

The depreciable amount is determined after deducting the residual value.

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

2. Significant accounting policies (continued)

(e) Leased assets

(i) Finance lease

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

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

(ii) Operating lease

Leases, where the Group does not assume substantially all the risks and rewards of the ownership are classified as operating leases and, except for property interest held under operating lease, the leased assets are not recognised on the Group's balance sheet. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property.

Leasehold land that normally has an indefinite economic life and title is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as prepaid lease payments, except for leasehold land classified as investment property.

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

(iii) Revalued leasehold land

The Group had previously revalued its leasehold land and has retained the unamortised revalued amount as the surrogate carrying amount of prepaid lease payments in accordance with the transitional provisions in FRS 117.67A. Such prepaid lease payments is amortised over the lease term.

(f) Intangible assets

(i) Goodwill

Goodwill arises on business combinations and is measured at cost less any accumulated impairment losses.

For acquisitions prior to 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

With the adoption of FRS 3 beginning 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

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

Goodwill is measured at cost and is no longer amortised but tested for impairment at least annually or more frequently when there is objective evidence of impairment.

Goodwill is allocated to cash generating units and is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired.



Notes to the Financial Statements (continued)

2. Significant accounting policies (continued)

(ii) Contract value

Contract value relates to a seven (7) year exclusive agreement to supply British American Tobacco's printed carton requirements in several locations in the Asia Pacific region, with a right to extend the supply period by an additional three (3) years, beginning financial year 2008.

Contract value is stated at cost less accumulated amortisation and impairment losses. Contract value is amortised over the supply period of 10 years from the date that it is available for use against the supply agreement.

(iii) Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred to the income statement.

(iv) Amortisation

Amortisation is charged to the income statement on a systematic basis over the estimated useful lives of contract value.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(h) Receivables

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

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

Receivables are not held for the purpose of trading

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

2. Significant accounting policies (continued)

(j) Impairment of assets

The carrying amounts of assets except for inventories are reviewed at each reporting date to determine whether there is any indication of impairment.

If any such indication exists then the asset's recoverable amount is estimated.

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

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

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

(k) Share capital

Shares issue expenses

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

(l) Loans and borrowings

Loans and borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the loans and borrowings using the effective interest method. Finance charges on hire purchase are allocated to income statement over hire purchase period on the sum of digits method.

(m) Employee benefits

(i) Short term employee benefits

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

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

The Group's contribution to statutory pension funds is charged to the income statements in the year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.



Notes to the Financial Statements (continued)

2. Significant accounting policies (continued)

(m) Employee benefits (continued)

(ii) Defined benefit plans

The Group's net obligation in respect of defined benefit retirement plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value and the fair value of any plan assets is deducted. The discount rate is the yield at the balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the income statements on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statements.

(n) Provisions

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

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(o) Payables

Payables, amount due to ultimate holding company and related companies and loans and borrowings are measured initially and subsequently at cost. Payables are recognised when there is a contractual obligation to deliver cash or another financial asset to another entity.

(p) Revenue

(i) Sale of goods

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(ii) Dividend income

Dividend income is recognised when the right to receive payment is established.

2. Significant accounting policies (continued)

(p) Revenue (continued)

(iii) Rental income

Rental income from investment property is recognised in the income statements on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(q) Interest income and borrowing costs

Interest income is recognised as it accrues, using the effective interest method.

All borrowing costs are recognised in the income statement using the effective interest method, in the period in which they are incurred except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use.

(r) Tax expense

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

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

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

Deferred tax liability is recognised for all taxable temporary differences.

Deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

(s) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(t) Segment reporting

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



Notes to the Financial Statements (continued)

3. Property, plant and equipment

Group	Freehold	Leasehold	Freehold		Plant and	Motor	Furniture,	Air	Capital work-	Total
	land	buildings	buildings	Renovation	machineries	vehicles	and office	conditioners	-in-progress	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	equipment	RM'000	RM'000	RM'000
Cost										
At 1 January 2008	3,000	17,871	5,141	793	120,571	2,645	7,002	1,094	-	158,117
Acquisitions through business combination	25,358	-	15,789	-	59,420	-	222	-	137	100,926
Additions	-	106	-	-	2,900	290	599	10	375	4,280
Disposal	-	-	-	(793)	(13,789)	(1,245)	(1,553)	(63)	-	(17,443)
Write off	-	-	-	-	-	-	-	(3)	-	(3)
Effect of movement in exchange rates	(199)	719	319	-	3287	4	(29)	-	-	4101
At 31 December 2008/ 1 January 2009	28,159	18,696	21,249	-	172,389	1,694	6,241	1,038	512	249,978
Acquisitions through business combination	-	3,424	-	-	2,043	7	6	-	-	5,480
Additions	-	48	-	-	19,977	91	1,373	21	1,041	22,551
Disposal	-	-	-	-	(464)	(728)	(6)	-	-	(1,198)
Write off	-	(64)	-	-	(6)	-	(7)	-	-	(77)
Reclassification/Transferred	-	-	(122)	-	342	-	329	-	(512)	37
Effect of movement in exchange rates	2,761	326	4,394	-	20,725	(20)	905	-	-	29,091
At 31 December 2009	30,920	22,430	25,521	-	215,006	1,044	8,841	1,059	1,041	305,862
Representing items at										
Cost	30,920	10,990	25,521	-	215,006	1,044	8,841	1,059	1,041	294,422
Valuation	-	11,440	-	-	-	-	-	-	-	11,440
At 31 December 2009	30,920	22,430	25,521	-	215,006	1,044	8,841	1,059	1,041	305,862
Depreciation										
At 1 January 2008	-	2,495	171	455	47,669	1,145	5,286	956	-	58,177
Charge for the year	-	667	244	73	7,398	400	598	25	-	9,405
Disposal	-	-	-	(528)	(7,238)	(631)	(1,057)	(48)	-	(9,502)
Written off	-	-	-	-	-	-	-	(3)	-	(3)
Effect of movement in exchange rates	-	2	-	-	120	1	11	-	-	134
At 31 December 2008/ 1 January 2009	-	3,164	415	-	47,949	915	4,838	930	-	58,211
Charge for the year	-	927	809	-	14,653	186	851	26	-	17,452
Disposal	-	-	-	-	(196)	(396)	(6)	-	-	(598)
Written off	-	-	-	-	-	-	(5)	-	-	(5)
Effect of movement in exchange rates	-	425	120	-	4,660	20	545	-	-	5,770
At 31 December 2009	-	4,516	1,344	-	67,066	725	6,223	956	-	80,830
Carrying amounts										
At 1 January 2008	3,000	15,376	4,970	338	72,902	1,500	1,716	138	-	99,940
At 31 December 2008/ 1 January 2009	28,159	15,532	20,834	-	124,440	779	1,403	108	512	191,767
At 31 December 2009	30,920	17,914	24,177	-	147,940	319	2,618	103	1,041	225,032

Notes to the Financial Statements (continued)

3. Property, plant and equipment (continued)

Company	Motor vehicles RM'000
At cost	
At 1 January 2008/31 December 2009	410
Depreciation	
At 1 January 2008	55
Charge for the year	82
At 31 December 2008/1 January 2009	137
Charge for the year	82
At 31 December 2009	219
Carrying amounts	
At 1 January 2008	355
At 31 December 2008/1 January 2009	273
At 31 December 2009	191

Revaluation

Leasehold land and buildings of the Group are stated at Directors' valuation at 31 December 2009 based on a professional valuation made by a registered valuer, on the open market basis conducted in December 2006.

Had the leasehold buildings which are carried at valuation been stated at historical cost, the net book value of the buildings would be RM9,545,000 (2008 - RM9,784,000).

Security

At 31 December 2009, properties with a carrying amount of RM32,333,268 (2008 - RM33,173,286) has been charged to secure banking facilities granted to a subsidiary.



Notes to the Financial Statements (continued)

4. Prepaid lease payments

Group	Leasehold land Unexpired period more than 45 years RM'000
Valuation	
At 1 January 2008/1 January 2009	19,048
Acquisition through business combination	523
Reclassified/Transferred	(4)
Effect of movement in exchange rates	78
At 31 December 2009	19,645
Amortisation	
At 1 January 2008	1,680
Charge for the year	424
At 31 December 2008/1 January 2009	2,104
Charge for the year	468
Reclassified/Transferred	(4)
Effect of movement in exchange rates	182
At 31 December 2009	2,750
Carrying amounts	
At 1 January 2008	17,368
At 31 December 2008/1 January 2009	16,944
At 31 December 2009	16,895

The prepaid lease payments in Vietnam amounting to RM523,000 acquired in 2009 through business combination relates to land leased from Government of Vietnam. The leasehold land including the buildings was revalued on 18 June 2009 by Raine & Horne International Zaki + Partners Sdn Bhd, a firm of independent professionally qualified valuers, on an open market value.

5. Intangible assets

Group	Note	Goodwill RM'000	Contract value RM'000	Total RM'000
Cost				
At 1 January 2008		14,975	-	14,975
Acquired through business combination		-	39,201	39,201
At 31 December 2008/1 January 2009		14,975	39,201	54,176
Acquired through business combination	30	106	-	106
At 31 December 2009		15,081	39,201	54,282
Amortisation				
At 1 January 2008/1 January 2009		-	-	-
Amortisation for the year		-	1,260	1,260
At 31 December 2009		-	1,260	1,260
Carrying amounts				
At 1 January 2008		14,975	-	14,975
At 31 December 2008/1 January 2009		14,975	39,201	54,176
At 31 December 2009		15,081	37,941	53,022

Amortisation of contract value is allocated to other expenses.

Notes to the Financial Statements (continued)

5. Intangible assets (continued)

Impairment testing for cash-generating unit

For the purpose of impairment testing, goodwill and contract value are allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill and contract value is monitored for internal management purpose.

The aggregate carrying amounts of intangible assets allocated to each unit are as follows:

		Group	
	Note	2009 RM'000	2008 RM'000
Acquisition of Vietnam operations	a	15,081	14,975
Acquisition of Australia operation	b	37,941	39,201
		53,022	54,176

Goodwill and contract value are allocated to each unit expected to benefit from the synergies of the acquisitions. The recoverable amount is assessed based on value in use compared to the carrying amount of each unit to determine whether impairment exists. Impairment is recognised in the income statement when the carrying amount exceeds its recoverable amount.

Note a

Value in use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the following key assumptions:

- Cash flow was projected based on financial budget approved by management covering a 3 year period. Cash flow for a further 3 year period were extrapolated using a constant growth rate of 5 percent (2008 - 5 percent) which does not exceed the average historical growth rate over the long term for the industry.
- The discount rate applied is based on current specific country risk which is estimated to be approximately 12 percent per annum.
- The Group expects the Vietnam operation to be a going concern.

Note b

Value in use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the following key assumptions:

- Cash flow was projected based on financial budget approved by management is based on the seven years supply agreement with a right to extend for an additional three years at the time of assessment. Cash flow for a further 10 year period were extrapolated using a constant growth rate of 2.7 percent (2008 - 3.7 percent) which does not exceed the average historical growth rate over the long term for the industry.
- The discount rate applied is based on current specific country risk which is estimated to be approximately 12 percent per annum.
- The Group expects the Australia operation to be a going concern.

Management believes that any reasonably possible change in the key assumptions would not cause the carrying amount of the goodwill and contract value to exceed the recoverable amount of each unit. Based on the above review, there is no evidence of impairment on the Group's intangible assets.



Notes to the Financial Statements (continued)

6. Investment in subsidiaries

	Company	
	2009 RM'000	2008 RM'000
At cost		
Unquoted shares	95,449	82,589

Details of the subsidiaries as follow:

Name of companies	Country of incorporation	Principal activities	Effective ownership interest	
			2009 %	2008 %
Tien Wah Press (Malaya) Sdn. Bhd. ("TWPM")	Malaysia	Rotogravure and lithography printing specialising in cigarette cartons, consumer goods packaging and advertising materials.	100	100
Tien Wah Properties Sdn. Bhd. ("TWP")	Malaysia	Investment property company.	100	100
New Toyo Investment Pte. Ltd. * ("NTIV")	Singapore	Investment holding company.	100	100
Alliance Print Technologies Co., Ltd. * ("APT")	Vietnam	Provide printing services for tobacco packaging & packaging services in general.	100	100
Max Ease International Limited +# ("MEIL")	Hong Kong	Investment holding company and trading of cigarette packaging boxes.	51	51
Anzpac Services (Australia) Pty Limited * ("Anzpac")	Australia	Supply of printed tobacco and general folding cartons	51	51
Toyo (Viet) Paper Product Co., Ltd. *@ ("TVPP")	Vietnam	Provide printing services for tobacco packaging & packaging services in general.	100	-

* Audited by other member firms of KPMG International

+ Not audited by KPMG

Auditors' report on the financial statements includes qualified opinion arising from non-compliance with HKAS27 or FRS127; Consolidated and Separate Financial Statements, because the subsidiary does not prepare consolidated financial statements. These financial statements were subsequently included in the Group consolidated financial statements.

@ Subsidiary was acquired during the year (refer Note 30)

Notes to the Financial Statements (continued)

7. Investment in an associate

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At cost:				
Unquoted shares	1,500	1,500	1,500	1,500
Share of post-acquisition reserves	6,321	4,506	-	-
	7,821	6,006	1,500	1,500

Summary financial information on associate:

	Country of incor- poration	Effective ownership interest	Revenues (100%) RM'000	Profit (100%) RM'000	Total assets (100%) RM'000	Total liabilities (100%) RM'000
2009						
Benkert (Malaysia) Sdn. Bhd.	Malaysia	30%	69,915	6,052	37,788	(7,969)
2008						
Benkert (Malaysia) Sdn. Bhd.	Malaysia	30%	59,065	3,398	39,425	(16,287)

8. Deferred tax (assets)/liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Property, plant and equipment	(3,201)	(2,250)	8,570	8,895	5,369	6,645
Provisions	-	-	278	(363)	278	(363)
Other items	-	-	-	(130)	-	(130)
Tax (assets)/liabilities	(3,201)	(2,250)	8,848	8,402	5,647	6,152
Set off of tax	-	-	-	-	-	-
Net tax (assets)/liabilities	(3,201)	(2,250)	8,848	8,402	5,647	6,152

Deferred tax assets and liabilities are offset above where there is a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred taxes relate to the same taxation authority.



Notes to the Financial Statements (continued)

8. Deferred tax (assets)/liabilities (continued)

Recognised deferred tax assets and liabilities (continued)

Movement in temporary differences during the year

	At 1.1.2008 RM'000	Recognised in income statement RM'000 (Note 21)	Acquired in business combinations RM'000	Included in disposal group RM'000	At 31.12.2008 RM'000	Recognised in income statement RM'000 (Note 21)	Recognised directly in equity RM'000 (Note 21)	Acquired in business combination RM'000	At 31.12.2009 RM'000
Group									
Property, plant and equipment	9,457	98	(2,152)	(758)	6,645	(697)	(602)	22	5,368
Provisions	(403)	40	-	-	(363)	642	-	-	279
Other items	71	(201)	-	-	(130)	130	-	-	-
	9,125	(63)	(2,152)	(758)	6,152	75	(602)	22	5,647

Unrecognised deferred tax assets

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

	2009 RM'000	2008 RM'000
Tax loss carry-forwards	302	1,839

The deductible temporary differences do not expire under current tax legislation unless there is a substantial change in shareholders (more than 50%). If there is substantial change in shareholders, unutilised tax loss carry-forwards amounting to RM302,000 (2008 - RM1,839,000) will not be available to the Group. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from.

9. Receivables, deposits and prepayments

	Note	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current					
Trade					
Trade receivables	a	40,344	35,575	-	-
Related companies	a	1,322	-	-	-
Ultimate holding company	b	-	202	-	-
		41,666	35,777	-	-
Non-trade					
Ultimate holding company	b	-	1,317	-	1,219
Subsidiaries	c	-	-	20,862	34,253
Other receivables		4,694	1,041	15	15
Deposits		1,356	1,427	1	1
Prepayments		1,841	1,597	4	2
		49,557	41,159	20,882	35,490

Notes to the Financial Statements (continued)

9. Receivables, deposits and prepayments (continued)

	Note	2009 RM'000	Group 2008 RM'000	2009 RM'000	Company 2008 RM'000
Non-current					
Long term prepayments	d	733	194	-	-

Note a

Trade receivables and due from related companies are subject to the normal trade terms between 30 days to 60 days.

Analysis of foreign currency exposure for significant receivables

Significant receivables outstanding at year end that are not in the functional currencies of the Group entities and of the Company are as follows:

Functional currency	Foreign currency	2009 RM'000	Group 2008 RM'000	2009 RM'000	Company 2008 RM'000
RM	USD	14,702	12,279	17,089	16,481
RM	AUD	14,970	9,062	-	-
RM	VND	2,735	2,374	-	-
RM	SGD	224	124	-	-
		32,631	23,839	17,089	16,481

Note b

Amount due from ultimate holding company comprised advances which are unsecured, interest-free and repayable on demand.

Note c

Receivables due from subsidiaries comprise advances which are unsecured, subject to interest of up to 5% (2008 - nil) and are collectable on demand.

Note d

Long term prepayment represents costs of tools and supplies that can be used for more than one year and are recognised in the income statement on a straight line basis over a period of more than one year.



Notes to the Financial Statements (continued)

10. Inventories

	Group	
	2009 RM'000	2008 RM'000
At cost		
Raw materials and consumables	39,584	39,196
Work-in-progress	4,099	1,984
Finished goods	13,656	16,851
	57,339	58,031

11. Cash and cash equivalents

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash and bank balances	28,358	8,587	53	48
Deposits with licensed banks	3,107	4,715	-	-
	31,465	13,302	53	48

Deposit of the Group has an average maturity of 365 days (2008 - 365 days). Bank balances are deposits held at call with banks.

12. Share capital

	Group and Company			
	2009 RM'000	Number of shares '000	2008 RM'000	Number of shares '000
Authorised:				
Ordinary shares of RM1.00 each	100,000	100,000	100,000	100,000
Issued and fully paid:				
At 1 January	68,925	68,925	68,807	68,807
Shares issued	-	-	118	118
At 31 December	68,925	68,925	68,925	68,925

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes to the Financial Statements (continued)

13. Reserves

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Non distributable:					
Share premium	13.1	8,868	8,868	8,868	8,868
Translation reserve	13.2	12,318	3,990	-	-
Revaluation reserve	13.3	4,878	4,878	-	-
Distributable:					
Retained profits	13.4	60,964	54,509	32,869	42,012
		87,028	72,245	41,737	50,880

Note 13.1 Share premium

The share premium arose from the issuance of ordinary share above its par value of RM1 per ordinary share.

Note 13.2 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

Note 13.3 Revaluation reserve

The revaluation reserve represents the surplus on revaluation of leasehold land net of deferred tax and leasehold buildings net of tax as described in Note 3.

Note 13.4 Section 108 tax credit

Subject to agreement by the Inland Revenue Board, the Company has Section 108 tax credit and tax exempt income to frank all of its distributable reserves at 31 December 2009 if paid out as dividends.

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

14. Employee benefits

	Note	Group	
		2009 RM'000	2008 RM'000
Recognised liability for defined benefit obligations			
Present value of unfunded obligations		8,403	4,682
Analysed as:			
Current	16	7,476	3,835
Non-current		927	847
		8,403	4,682



Notes to the Financial Statements (continued)

14. Employee benefits (continued)

The Group makes contributions to a non-contributory defined benefit plans that provide pension for eligible employees upon retirement. The plans entitle a retired employee to receive a lump sum payment equal to 86% of final monthly salary for each year of service the employee provided.

Included in non-current is provision for severance allowance of RM38,521 (2008 - RM48,142) which is governed by Vietnamese Labour Code, when employees who have worked for 12 months or more ("eligible employees") voluntarily terminates his/her labour contract, the employer is required to pay the eligible employees severance allowance calculated based on years of service and employees' compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their current salary level.

Pursuant to Law on Social Insurance, effective from 1 January 2009, the Group and employees under its purview are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. The contribution to be paid by each party is calculated at 1% of the lower of the employees' basic salary and 20 times the general minimum salary level as specified by the Government from time to time. With the implementation of the unemployment insurance scheme, the Company is no longer required to provide severance allowance for the service period after 1 January 2009. However, severance allowance to be paid to existing eligible employees as of 31 December 2008 will be determined based on the eligible employees' years of service as of 31 December 2008 and their average salary for the six-month period prior to the termination date.

The liability for long service leave is recognised in the current provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date and national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Movements in the liability for defined benefit obligations

	Note	2009 RM'000	Group 2008 RM'000
Liability for defined benefit obligations at 1 January		4,682	1,584
Benefits paid by the plan*		(1,002)	(292)
Expense recognised in the income statement	19	3,409	144
Acquisition through business combination		-	3,246
Others		1,314	-
Liability for defined benefit obligations at 31 December		8,403	4,682

* A portion of the benefits to be paid from the plan is in other payables of RM2,419,000 (2008 - RM2,515,000) which is payable upon retirement or resignation from the Company (refer Note 16).

Expense recognised in the income statement

	2009 RM'000	Group 2008 RM'000
Current service cost	3,337	242
Addition/(Reversal of) interest on obligation	72	(98)
Net benefit expense	3,409	144

Notes to the Financial Statements (continued)

14. Employee benefits (continued)

The expense is recognised in the following line items in the income statement:

	2009 RM'000	Group 2008 RM'000
Cost of sales	2,432	652
Distribution expenses/(Reversal of)	310	(79)
Administrative expenses/(Reversal of)	667	(429)
	3,409	144

Actuarial assumptions**Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):**

	2009	Group 2008
Discount rate at 31 December	5%	6%
Future salary increases	5%	5%

Assumptions regarding future mortality are based on published statistics and mortality tables. The average retirement age of an individual retiring is at age of 55 years for males and 50 years for females.

15. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing borrowings. For more information about the Group's exposure to interest rate and foreign currency risk refer Note 25.

	Note	2009 RM'000	Group 2008 RM'000
Current			
Bankers' acceptances - unsecured ^a	a	9,380	11,050
Term loan - secured	b	4,073	4,879
Term loan - unsecured	b	12,578	11,697
Revolving credit - unsecured	c	11,849	7,021
Hire purchase liabilities	d	-	73
		37,880	34,720
Non-current			
Term loan - secured	b	75,355	70,695
Term loan - unsecured	b	1,096	5,885
Revolving credit - secured	c	61,414	48,048
Hire purchase liabilities	d	-	105
		137,865	124,733



Notes to the Financial Statements (continued)

15. Loans and borrowings (continued)

Security

Secured loan and revolving credit are secured by inventories and tangible fixed assets of Alliance Print Technologies Co., Ltd., shares of Anzpac Services (Australia) Pty Ltd and third party fixed charges over three (3) properties owned by Tien Wah Properties Sdn. Bhd.

Significant covenants

The unsecured and secured term loan and revolving credit are subject to the fulfilment of the following significant covenants:

- (i) Leverage of the Group defined as total liabilities to tangible networth shall be capped at 2.85 times for FYE December 2009 and 2.25 times for FYE December 2010 and thereafter at 2.0 times for the remaining tenure;
- (ii) MEIL shall maintain a positive adjusted networth;
- (iii) Negative pledge over the present and future assets of MEIL & Anzpac including the land and building owed by Anzpac;
- (iv) TWPM shall remain a subsidiary of the Company; and
- (v) Gearing/Leverage of subsidiaries shall not exceed 1.5 and 1.8 times.

Note a

The unsecured bankers' acceptances for the Group bear variable interest ranging from 2.97% to 3.09% (2008 - 4.60% to 4.88%) per annum.

Note b

The secured and unsecured term loan for the Group bear variable interest ranging from 4.42% to 8.15% (2008 - 4.42% to 8.15%) per annum and is repayable in 20 equal quarterly instalment from 2010 until 2014 (2008 - 20 equal quarterly instalment from 2009 until 2015).

Note c

The secured and unsecured revolving credit for the Group bear variable interest ranging from 2.49% to 4.20% (2008 - 4.45% to 6.35%) per annum.

Note d

Hire purchase liabilities for the Group bear interest at Nil (2008 - 2.58%) per annum.

Terms and debt repayment schedule

	Year of Maturity	Carrying amounts RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2009						
Bankers' acceptance - unsecured	2010	9,380	9,380	-	-	-
Term loan - secured	2014	79,428	4,073	32,470	42,885	-
- unsecured	2011	13,674	12,578	1,096	-	-
Revolving credit - secured	2011	61,414	-	61,414	-	-
- unsecured	2010	11,849	11,849	-	-	-
		175,745	37,880	94,980	42,885	-

Notes to the Financial Statements (continued)

15. Loans and borrowings (continued)

	Year of Maturity	Carrying amounts RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2008						
Bankers' acceptance - unsecured	2009	11,050	11,050	-	-	-
Term loan - secured	2015	75,574	4,879	14,139	42,417	14,139
- unsecured	2012	17,582	11,679	5,885	-	-
Revolving credit - secured	2012	48,048	-	48,048	-	-
- unsecured	2009	7,021	7,021	-	-	-
Hire purchase	2009	178	73	105	-	-
		159,453	34,720	68,177	42,417	14,139

Hire purchase liabilities

Hire purchase liabilities are payable as follows:

	Payments 2009 RM'000	Interest 2009 RM'000	Principal 2009 RM'000	Payments 2008 RM'000	Interest 2008 RM'000	Principal 2008 RM'000
Less than one year	-	-	-	83	10	73
Between one and five years	-	-	-	109	4	105
	-	-	-	192	14	178

16. Payables and accruals

	Note	2009 RM'000	Group 2008 RM'000	2009 RM'000	Company 2008 RM'000
Current Trade					
Trade payable	a	26,275	21,106	-	-
Related companies	a	417	-	-	-
		26,692	21,106	-	-
Non-trade					
Other payables	b	11,182	9,796	72	37
Accruals expenses		7,338	6,372	70	371
Employee benefits	14	7,476	3,835	-	-
Ultimate holding company	c	6,908	12,586	-	-
Related companies	a	7,150	-	7,362	-
		66,746	53,695	7,504	408

Note a**Current Trade**

Trade payables and amount due to related companies are subject to the normal trade terms of 30 days.

Non-trade

Amount due to related companies is unsecured, interest free and repayable on demand.



Notes to the Financial Statements (continued)

16. Payables and accruals (continued)

Analysis of foreign currency exposure for significant payables

Significant payables that are not in the functional currencies of the Group entities are as follows:-

Functional currency	Foreign currency	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
RM	USD	38,718	34,399	7,362	-
RM	AUD	25,006	19,033	-	-
RM	VND	1,567	506	-	-
RM	SGD	1,630	757	-	-
		66,921	54,695	7,362	-

Note b

Included in other payables is an amount of RM2,419,000 (2008 - RM2,515,000) which is payable upon employees retirement or resignation (refer Note 14). On 16 December 2009, the Company has mutually agreed with Union to early release payment of this amount to eligible workers and staff. The payment will be made by end of March 2010.

Note c

Amount due to ultimate holding company is unsecured, subject to interest at 3.7% (2008 - nil) and repayable on demand.

17. Ultimate holding company

Amount due to ultimate holding company is unsecured, subject to interest at 3.7% (2008 - nil) and has no fixed terms of repayment.

18. Related companies

Amount due to related companies are unsecured, interest free and has no fixed terms of repayment.

Notes to the Financial Statements (continued)

19. Operating profit/(loss)

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Operating profit/(loss) is arrived at after charging:					
Amortisation on intangible assets	5	1,260	-	-	-
Auditors' remuneration					
- statutory audit					
- audit fees current year		61	92	22	22
- affiliates of KPMG		220	161	-	-
- other auditors		10	9	-	-
- other services		23	41	23	23
Allowance for doubtful debts		-	337	-	-
Amortisation of prepaid lease payment	4	468	424	-	-
Directors' emoluments					
- fees	20	198	198	210	210
- salaries and allowances	20	640	321	71	71
Depreciation of property, plant and equipment	3	17,452	9,405	82	82
Interest expense on:					
- banker's acceptances		361	332	-	-
- hire purchase		8	4	-	-
- term loan		6,679	1,595	-	-
- revolving credit		572	36	-	-
- other borrowings		148	755	-	-
Inventories written off		804	50	-	-
Loss on disposal of a subsidiary		-	421	-	-
Management fee	29	2,199	1,303	-	-
Personnel expenses (including key Management personnel):					
- contributions to statutory pension funds		1,489	1,389	-	-
- wages, salaries and others		59,906	22,094	-	-
Property, plant and equipment written off		72	3	-	-
Realised loss on foreign exchange		486	3,500	-	-
Rental of properties		734	2,761	-	-
Research and development expenses as incurred		29	45	-	-
Retirement benefits provided	14	3,409	144	-	-
Unrealised loss on foreign exchange		484	1,204	-	206
and after crediting:					
Allowance for doubtful debts written back		482	-	-	-
Gain on disposal of a subsidiary		-	-	-	3,170
Gain on disposal of property, plant and equipment		1	7	-	-
Gross dividend income from unquoted subsidiaries		-	-	-	10,528
Realised gain on foreign exchange		-	257	105	504
Rental income		597	-	-	-
Unrealised gain on foreign exchange		-	-	89	-



Notes to the Financial Statements (continued)

20. Key management personnel compensation

The key management personnel compensations are as follows:

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Directors					
- Fees	19	198	198	210	210
- Remuneration	19	640	321	71	71
Other short term employee benefits (including estimated monetary value of benefits-in-kind)		107	32	-	-
Total short-term employee benefits		945	551	281	281
- Other long term benefits		-	-	-	-
		945	551	281	281
Other key management personnel:					
- Short-term employee benefits		2,208	1,497	-	-
- Other long term benefits		727	595	-	-
		2,935	2,092	-	-
		3,880	2,643	281	281

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

21. Tax expense

Recognised in the income statement

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current tax expense				
Malaysia - current year	393	4,979	38	424
- prior years	77	27	-	(47)
	470	5,006	38	377
Overseas - current year	6,568	581	-	-
	7,038	5,587	38	377
Deferred tax expense				
- Origination and reversal of temporary differences	75	(98)	-	-
- Prior years	-	(18)	-	-
- Effect of changes in tax rate	-	53	-	-
	75	(63)	-	-
	7,113	5,524	38	377

Notes to the Financial Statements (continued)

21. Tax expense (continued)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Reconciliation of effective tax expense				
Profit/(Loss) before taxation	28,369	25,076	(110)	11,900
Income tax using Malaysian tax rates	7,092	6,520	(28)	3,094
Non-deductible expenses	1,453	1,120	69	356
Double deductions on permitted expenses	(51)	(35)	-	-
Reinvestment allowances	(74)	(289)	-	-
Tax exempt income	(400)	(1,498)	-	(3,023)
Effect of different tax rate for first RM500,000 *	-	(58)	-	-
Effect of change in tax rate **	-	(277)	-	-
Effect of tax rates in foreign jurisdictions	(917)	78	-	-
Other items	(67)	(46)	(3)	(3)
Over provision in prior years:	7,036	5,515	38	424
Current tax expense	77	27	-	(47)
Deferred tax expense	-	(18)	-	-
Tax expense	7,113	5,524	38	377

* With effect from year of assessment 2004, companies with paid-up capital of RM2.5 million and below at the beginning of the basis period for a year of assessment are subject to corporate tax at 20% on chargeable income up to RM500,000. Group entities ceased to enjoy this preferential tax rate with effect from year of assessment 2009.

** The corporate tax rates are 26% for year of assessment 2008 and 25% for years of assessment 2009 onwards. Consequently deferred tax assets and liabilities are measured using these tax rates.

Tax in foreign jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

Tax recognised directly in equity

	Group	
	2009 RM'000	2008 RM'000
Relating to foreign exchange difference (Note 8) on property, plant and equipment	602	-



Notes to the Financial Statements (continued)

22. Earnings per ordinary share

Basic/diluted earnings per share

The calculation of basic earnings per share at 31 December 2009 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding calculated as follows:

Group	Continuing operations	
2009	RM'000	
Profit for the year attributable to shareholders	15,450	
<hr/>		
2008		
Profit for the year attributable to shareholders	18,705	
<hr/>		
Weighted average number of ordinary shares	2009	2008
	'000	'000
Weighted average number of ordinary shares (basic/diluted)	68,925	68,916

23. Dividends

Dividends recognised in the current year by the Company are:

	Sen per share	Total amount RM'000	Date of payment
2009			
Final 2008 ordinary, net of tax 25%	7.1	4,859	25 June 2009
Interim 2009 ordinary, net of tax 25%	6.0	4,136	8 Oct 2009
Total amount		8,995	
<hr/>			
2008			
Final 2007 ordinary, tax exempt	6.0	4,135	26 June 2008
Interim 2008 ordinary, tax exempt	6.0	4,136	8 Sept 2008
Total amount		8,271	

After the balance sheet date the following dividends were proposed by the Directors. These dividends will be recognised in subsequent financial reports upon approval by the shareholders.

	Sen per share (net of tax)	Total amount RM'000
Final ordinary/Total amount	9.04	6,229

Other than the above, there is no amount of any cumulative preference dividends not recognised in the current financial year.

Notes to the Financial Statements (continued)

24. Segmental information

The Group operates principally in the printing industry and no geographical analysis has been prepared under Singapore as the Group operations are mainly in Malaysia, Vietnam, Australia and Hong Kong.

Segment information is presented in respect of the Group's geographical segments. The primary format is based on the Group's management and internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment that are expected to be used for more than one accounting period.

Inter-segment pricing is determined on an arm's length basis.

As at 31 December 2009

	Malaysia RM'000	Vietnam RM'000	Australia RM'000	Hong Kong RM'000	Elimination RM'000	Consolidated RM'000
Assets and liabilities						
Segment assets	335,176	96,780	162,131	165,608	(314,314)	445,381
Segment liabilities	156,112	61,814	28,179	173,473	(148,149)	271,429
Capital expenditure	6,156	24,340	1,525	-	(9,470)	22,551
Depreciation	3,274	3,811	9,423	-	944	17,452
Amortisation of prepaid lease payment	-	115	-	-	353	468
Revenue						
External revenue	78,775	17,581	166,475	65,779	-	328,610
Inter-segment revenue	22,718	43,580	5,836	10,024	(82,158)	-
	101,493	61,161	172,311	75,803	(82,158)	328,610
Segment results	3,131	8,788	20,635	133	1,477	34,164
Results from operating activities						34,164
Interest income						158
Finance cost						(7,768)
Share of profit of equity accounted associate						1,815
Tax expense						(7,113)
Profit for the year						21,256



Notes to the Financial Statements (continued)

24. Segmental information (continued)

As at 31 December 2008

	Malaysia RM'000	Vietnam RM'000	Australia RM'000	Hong Kong RM'000	Elimination RM'000	Consolidated RM'000
Assets and liabilities						
Segment assets	323,747	65,241	123,316	148,762	(276,359)	384,707
Segment liabilities	137,192	48,146	22,911	151,178	(119,122)	240,305
Capital expenditure	2,716	1,558	6	-	-	4,280
Depreciation	3,850	3,191	1,377	-	987	9,405
Amortisation of prepaid lease payment	310	114	-	-	-	424
Revenue						
External revenue	127,188	36,572	22,299	-	-	186,059
Inter-segment revenue	23,253	-	-	-	(23,253)	-
	150,441	36,572	22,299	-	(23,253)	186,059
Segment results	32,876	5,896	1,969	(1,384)	(13,087)	26,270
Results from operating activities						26,270
Interest income						508
Finance cost						(2,722)
Share of profit of equity accounted associate						1,020
Tax expense						(5,524)
Profit for the year						19,552

25. Financial instruments

Financial risk management objectives and policies

Exposure to credit, interest rate, foreign currency and liquidity risk arises in the normal course of the Group's and of the Company's business. The Board of Directors of the Company and subsidiaries reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

Exposure to credit risk is monitored by management on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

At balance sheet date, there were no significant concentrations of credit risk of the Group and the Company other than an amount due from a customer of approximately RM26,314,000 (2008 - RM7,103,000) and amount due from subsidiaries of approximately RM20,862,000 (2008 - RM34,253,000), respectively. The maximum exposure to credit risk for the Group and for the Company is represented by the carrying amount of each financial asset.

Interest rate risk

The Group and Company's investment in money market instruments and its fixed-rate borrowings are exposed to a risk of change in their fair value due to changes in interest rate. The Group's and Company's variable-rate borrowings are exposed to a risk of change in cash flow due to changes in interest rates. Investment in equity securities and short-term receivables and payables are not significantly exposed to interest rate risk.

Notes to the Financial Statements (continued)

25. Financial instruments (continued)

Foreign currency risk

The Group and Company is exposed to foreign currency risk on sales and purchases, borrowings and advances that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk is primarily denominated in USD, AUD, SGD, EUR and VND.

The Group hedges significant exposures via forward exchange contracts to hedge its foreign currency risk. The foreign exchange contracts have maturities not more than six months after the balance sheet date.

No hedging processes are available for operations in Vietnam.

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Effective interest rates and repricing analysis

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they reprice or mature, whichever is earlier.

Group	Average effective interest rate %	Total RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2009						
Financial assets						
Fixed rate instrument						
Deposits with licensed banks	2.2	3,108	3,108	-	-	-
Financial liabilities						
Fixed rate instruments						
Bankers' acceptances - unsecured	3.0	9,380	9,380	-	-	-
Term loan - secured	6.5	79,428	4,073	32,470	42,885	-
Term loan - unsecured	5.0	13,674	12,578	1,096	-	-
Revolving credit - secured	4.6	61,414	-	61,414	-	-
Revolving credit - unsecured	3.2	11,849	11,849	-	-	-
Ultimate holding company	3.7	22,324	6,908	15,416	-	-

Group	Average effective interest rate %	Total RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2008						
Financial asset						
Fixed rate instrument						
Deposits with licensed banks	3.2	4,715	4,715	-	-	-
Financial liabilities						
Fixed rate instruments						
Bankers' acceptances - unsecured	4.7	11,050	11,050	-	-	-
Loan - secured	5.9	75,574	4,879	14,139	42,417	14,139
Loan - unsecured	5.2	17,582	11,697	5,885	-	-
Revolving credit - secured	4.6	48,048	-	48,048	-	-
Revolving credit - unsecured	4.6	7,021	7,021	-	-	-
Hire purchase liabilities	2.6	178	73	105	-	-
Advance from ultimate holding company	-	28,106	12,586	15,520	-	-



Notes to the Financial Statements (continued)

25. Financial instruments (continued)

Effective interest rates and repricing analysis (continued)

Company	Average effective interest rate %	Total RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2009						
Financial asset						
Fixed rate instrument						
Subsidiaries	4.0	20,862	20,862	-	-	-
Financial liabilities						
Fixed rate instruments						
Subsidiaries	4.0	7,362	7,362	-	-	-
2008						
Financial asset						
Fixed rate instrument						
Advances to subsidiaries	4.0	34,253	34,253	-	-	-

Fair values

Recognised financial instruments

The fair values of cash and cash equivalents, trade and other receivables, trade and other payables and short term borrowings are approximate to their carrying amounts due to the relatively short term nature of these financial instruments.

The aggregate fair values of other financial assets and liabilities carried on the balance sheet as at 31 December are represented in the following table.

Group	2009		2008	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Term loan - secured	75,355	65,016	75,574	67,756
Term loan - unsecured	5,684	5,485	17,582	14,267
Revolving credit - secured	61,414	58,479	48,048	45,751
Advance from ultimate holding company	22,324	20,715	28,106	*

* It is not practicable to estimate the fair value as the amounts are interest free and have no fixed terms of repayment.

Estimation of fair values

The following summarises the methods used in determining the fair values of financial instruments reflected in the table.

For long term loan, the fair value is determined using estimated future cash flows discounted using market related rate for a similar instrument at the balance sheet date.

The interest rate used to discount estimated cash flows are as follows:

	2009	2008
Term loan - secured	5.6%	5.9%
Term loan - unsecured	5.0%	5.2%
Revolving credit - secured	4.6%	4.6%

Notes to the Financial Statements (continued)

25. Financial instruments (continued)

Unrecognised financial instruments

The valuation of financial instruments not recognised in the balance sheet reflects their current market rates at the balance sheet date.

The contracted amount and fair value of the financial instruments not recognised in the balance sheet as at 31 December is:

Group	2009		2008	
	Contracted amount RM'000	Fair value RM'000	Contracted amount RM'000	Fair value RM'000
Forward foreign exchange contracts	4,316	4,216	11,177	11,177

26. Foreign exchange contracts

As at 31 December 2009, the Group has an open position in respect of forward foreign exchange contracts for sale totalling RM1,773,000 (2008 - RM11,177,000) and purchase totalling RM6,089,000 (2008 - nil). Under these contracts, the Group has obligations to deliver in full the amount contracted with the banker within the contracted period.

27. Commitments

Capital expenditure commitments Property, plant and equipment	Group	
	2009 RM'000	2008 RM'000
Authorised but not contracted for	7,421	12,687
Contracted but not provided for	13,890	5,230
	21,311	17,917

28. Operating leases

The future minimum lease payments under non-cancellable operating lease rentals are payable as follows:

	Group	
	2009 RM'000	2008 RM'000
Within one year	746	339
Between one and five years	847	171
More than five years	293	-
	1,886	510

The Group leases a number of premises under operating leases. These leases typically run for an initial period of 11 years, with and option to renew the lease after that date. None of the leases include contingent rentals.



Notes to the Financial Statements (continued)

29. Significant related party transactions

Controlling related party relationship is with subsidiaries as disclosed in Note 6. Significant transactions and non-trade balances with related parties, other than those disclosed elsewhere in the financial statements, are as follows:

Transactions value year ended 31 December	Group	
	2009 RM'000	2008 RM'000
Subsidiaries		
Tien Wah Press (Malaya) Sdn. Bhd.		
Interest paid	494	-
Dividend income received	-	(8,280)
Management fees paid	-	48
<hr/>		
Tien Wah Properties Sdn. Bhd.		
Interest income	(999)	-
<hr/>		
Max Ease International Limited		
Interest Income	(111)	-
<hr/>		
Paper Base Converting Sdn. Bhd.		
Dividend income received	-	(2,068)
Interest income received	-	(57)
<hr/>		
Related company		
New Toyo Aluminium Paper Product Co Pte Ltd		
Purchase of Toyo (Viet) Paper Product Co., Ltd.	12,837	-

Transactions value year ended 31 December	Group	
	2009 RM'000	2008 RM'000
Subsidiaries		
Max Ease International Limited		
Sales	(60,897)	-
Anzpac Services (Australia) Pty Limited		
Purchases	33	-
Ultimate holding company		
New Toyo International Holdings Ltd		
Management fees paid/payable	2,199	1,303
Profit guarantee receivable	-	(1,219)
Interest paid	42	-
<hr/>		
Related companies		
New Toyo International Co (Pte) Ltd		
Sales	(8,233)	(2,918)
Purchases	-	8,973
New Toyo Aluminium Paper Product Co. Ltd		
Sales	(87)	(4,079)
Purchases	220	1,027
New Toyo (Viet) Aluminium Paper Packaging Co. Ltd		
Sales	-	(346)
Purchases	8	1,405
Toyoma Aluminium Packaging Sdn. Bhd.		
Sales	-	(85)
Purchase of fixed assets	206	82
Rental of warehouse	146	33

Notes to the Financial Statements (continued)

29. Significant related party transactions (continued)

Transactions value year ended 31 December (continued)	Group	
	2009 RM'000	2008 RM'000
Toyo Viet Paper Product Co, Ltd (pre-acquisition)		
Sales	(220)	(2,884)
Purchases	1	310
Rental of warehouse and production	290	218
Vina Toyo Co. Ltd		
Sales	(188)	(509)
Purchases	507	176
Paper Base Converting Sdn. Bhd.		
Sales	(394)	(2)
Purchases	4,354	826
Rental of warehouse	-	50
Rental income of office and factory building	(597)	-
New Toyo Pulppy (Vietnam) Co. Ltd		
Sales of waste paper	(532)	-
New Toyo Pulppy (Hong Kong) Limited		
Outsourcing of sales administrative and accounting work	140	-

These transactions have been entered into in the normal course of business and have been established on terms which are not more favourable than to third parties.

Balances outstanding in respect of non-trade transactions	Group	
	2009 RM'000	2008 RM'000
Ultimate holding company		
New Toyo International Holdings Ltd		
Profit guarantee receivable	-	1,219
Subsidiaries		
Tien Wah Press (Malaya) Sdn. Bhd.		
Payables	(20,013)	(8,295)
Tien Wah Properties Sdn. Bhd.		
Receivables	25,519	24,544
Max Ease International Ltd		
Receivables	15,356	18,022
Related company		
New Toyo Aluminium Paper Product Co Pte Ltd		
Purchase of Toyo (Viet) Paper Product Co., Ltd.	(7,362)	-



Notes to the Financial Statements (continued)

29. Significant related party transactions (continued)

	Group	
	2009 RM'000	2008 RM'000
Balances outstanding in respect of non-trade transactions		
Ultimate holding company		
New Toyo International Holdings Ltd		
Profit guarantee receivable	-	1,219
Non-trade receivables	-	98
Non-trade payables	(22,323)	(20,996)
<hr/>		
Due from related companies		
New Toyo Pulppy (Vietnam) Co. Ltd	80	-
<hr/>		
Due to related companies		
Toyoma Aluminium Packing Sdn. Bhd.	(171)	(33)
New Toyo Aluminium Paper Product Co Pte Ltd	(7,362)	-
Paper Base Converting Sdn Bhd	(174)	(203)
Toyo (Viet) Paper Product Co., Ltd	-	(6,661)
Tien Wah Holdings (1990) Sdn. Bhd.	(515)	(742)
New Toyo International Co. Pte. Ltd	(25)	-
New Toyo Pulppy (Hong Kong) Limited	(5)	-
<hr/>		
Balances outstanding in respect of trade transactions		
Due from related companies - trade		
New Toyo International Co. Pte. Ltd	1,136	-
Toyo (Viet) Paper Product Co. Ltd	-	25
Vina Toyo Co. Ltd	-	174
<hr/>		
Due to related companies - trade		
Vina Toyo Company Ltd.	(182)	-
Tien Wah Holdings (1990) Sdn. Bhd.	-	(28)
Paper Base Converting Sdn. Bhd.	(49)	(2,615)
<hr/>		

All outstanding balances with these related parties are priced on an arm's length basis. None of the balances is secured.

Notes to the Financial Statements (continued)

30. Acquisition of a subsidiary

Business combination

On 31 July 2009, the Company acquired the entire equity interest in Toyo (Viet) Paper Product Co., Ltd. for a cash consideration of RM12,853,475 (equivalent to USD3,650,000). The company was dormant in the months leading up to its acquisition. In the five months to 31 December 2009, the subsidiary contributed profit of RM 908,000 to the Group. If the acquisition had occurred on 1 January 2009, management estimates that consolidated profit for the year would have been RM14,325,000.

The acquisition had the following effect on the Group's assets and liabilities on acquisition date:

	Note	Recognised values on acquisition RM'000
Property, plant and equipment	3 & 4	6,003
Receivables, deposits and prepayments		7,777
Inventories		42
Cash and cash equivalents		606
Trade and other payables		(1,674)
Net identifiable assets and liabilities		12,754
Intangibles on acquisition	5	106
Consideration paid, satisfied in cash		12,860
Cash acquired		(606)
Net cash outflow		12,254

31. Contingencies

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

Contingent liabilities

	Group	
	2009 RM'000	2008 RM'000
Corporate guarantee		
Corporate guarantee to subsidiaries		
Short term borrowings	21,229	25,739
Long term borrowings	5,684	66,444
	26,913	92,183



Notes to the Financial Statements (continued)

31. Contingencies (continued)

Contingent assets

Pursuant to the Conditional Share Purchase Agreement dated 18 September 2007 ("SPA") made between the Company and New Toyo International Holdings Ltd ("NTIH") for the acquisition of New Toyo Investments Pte Ltd ("NTIV") and, by extension, its wholly-owned subsidiary Alliance Print Technologies Co., Ltd ("APT"), NTIH had guaranteed to the Company that on completion of the said acquisition (which took place on 21 December 2007), based on the audited accounts as adjusted in accordance with the provision in the SPA, the net profit after tax ("NPAT") of APT derived from activities conducted in its ordinary course of business for three (3) financial years ending on 31 December 2008, 31 December 2009 and 31 December 2010 for such financial years, will be USD1.8 million, USD2.0 million and USD2.2 million respectively ("NPAT Target").

In the event that the NPAT Target is not achieved in any financial year, NTIH agrees that they shall pay to TWPH, within 30 days from the date of presentation of the relevant audited accounts of APT to NTIH (as adjusted in accordance with the provisions in the SPA), any difference between the NPAT or loss after tax of APT and the NPAT Target.

For the financial year ended 31 December 2008 and financial year ended 31 December 2009 the profit guarantee payable by NTIH to TWPH amounted to RM1,218,769 and nil respectively.

	Group	
	2009	2008
	RM'000	RM'000
Profit guarantees received from NTIH on the profit after tax of APT	-	1,219

Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 64 to 108 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2009 and of their financial performance and cash flows for the year then ended.

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



.....
Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff



.....
Stanley Mark Mitchell

Petaling Jaya, Selangor

Date: 24 Mar 2010

Statutory Declaration pursuant to Section 169(16) of the Companies Act, 1965

I, Lilian Leong Lai Yoong, the officer primarily responsible for the financial management of Tien Wah Press Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 64 to 108 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 above named in Kuala Lumpur on 24 Mar 2010



.....
Lilian Leong Lai Yoong

Before me:
P.Thurirajoo
Commissioner of Oaths
Kuala Lumpur
Date: 24 Mar 2010



Independent auditors' report to the members of Tien Wah Press Holdings Berhad

Report on the Financial Statements

We have audited the financial statements of Tien Wah Press Holdings Berhad, which comprise the balance sheets as at 31 December 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 64 to 108.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2009 and of their financial performance and cash flows for the year then ended.

Independent auditors' report to the members of Tien Wah Press Holdings Berhad

Report on Other Legal and Regulatory Requirements

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

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.
- b) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- c) The audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act except as stated in the Note 6 to the financial statements.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



KPMG
Firm Number: AF 0758
Chartered Accountants

Petaling Jaya, Selangor

Date: 24 Mar 2010



Abdullah Abu Samah
Approval Number: 2013/06/10(J)
Chartered Accountant

ANALYSIS OF SHAREHOLDINGS as at 27 APRIL 2010

Authorised Share Capital	:	RM100,000,000
Issued and Paid-Up Share Capital	:	RM68,925,000
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Right	:	One vote per share

Size of Holdings	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares held	% of Issued Capital
1 - 99	22	1.04	591	0.00
100 - 1,000	204	9.62	147,259	0.21
1,001 - 10,000	1,587	74.86	5,662,550	8.22
10,001 - 100,000	283	13.35	7,454,350	10.82
100,001 - 3,446,249	21	0.99	7,148,050	10.37
3,446,250 and above	3	0.14	48,512,200	70.38
TOTAL	2,120	100.00	68,925,000	100.00

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS as at 27 APRIL 2010

Name of Substantial Shareholder	Direct		Indirect	
	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital
Tien Wah Holdings (1990) Sdn Bhd	16,537,500	23.99%	-	-
Singapore Pacific Investments Pte Ltd	20,601,900	29.89%	-	-
Lembaga Tabung Angkatan Tentera	11,372,800	16.50%	-	-
New Toyo Lamination (M) Pte Ltd	-	-	16,537,500 *	23.99%
New Toyo International Holdings Ltd	-	-	37,139,400 **	53.88%
Yen Wen Hwa @ Ngan Tzee Manh	-	-	37,139,400 #	53.88%
Lu Le Nhi	-	-	37,139,400 ##	53.88%
Yen & Son Holdings Pte Ltd	-	-	37,139,400 ^	53.88%

* Deemed interested by virtue of its shareholding in Tien Wah Holdings (1990) Sdn Bhd pursuant to Section 6A of the Companies Act, 1965

** Deemed interested by virtue of its shareholding in Tien Wah Holdings (1990) Sdn Bhd and Singapore Pacific Investments Pte Ltd via its wholly-owned subsidiary, New Toyo Lamination Pte Ltd pursuant to Section 6A of the Companies Act, 1965

Deemed interested by virtue of his shareholding in Yen & Son Holdings Pte Ltd and New Toyo International Holdings Ltd pursuant to Section 6A of the Companies Act, 1965

Deemed interested through shares held by spouse, Yen Wen Hwa@ Ngan Tzee Manh and her shareholdings in Yen & Son Holdings Pte Ltd and New Toyo International Holdings Ltd pursuant to Section 6A of the Companies Act, 1965

^ Deemed interested by virtue of its shareholdings in New Toyo International Holdings Ltd

DIRECTORS' INTERESTS AS PER REGISTER OF DIRECTORS' SHAREHOLDING as at 27 APRIL 2010

Name of Director	Direct Interest		Indirect Interest	
	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital
Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff	-	-	-	-
Gary Yen	-	-	-	-
Lt Jen (B) Datuk Hj Abdul Aziz bin Hasan	-	-	-	-
Dato' Gan Nyap Liou @ Gan Nyap Liow	-	-	-	-
Goh Seng Chuan	-	-	-	-
Mej Jen (B) Datuk Abdul Kadir bin Nordin	-	-	-	-
Mej Jen (B) Dato' Mohamed Dahalan bin Sulaiman	-	-	-	-
Tung Kum Hon	-	-	-	-
Stanley Mark Mitchell	-	-	-	-

THIRTY LARGEST SHAREHOLDERS/DEPOSITORS as at 27 APRIL 2010

Name of Shareholders/Depositors	No. of Shares	% of Issued Capital
1. AMMB Nominees (Asing) Sdn Bhd Pledged Securities Account for Singapore Pacific Investments Pte. Ltd.	20,601,900	29.89
2. Tien Wah Holdings (1990) Sdn Bhd	16,537,500	23.99
3. Lembaga Tabung Angkatan Tentera	11,372,800	16.50
4. Yap Ah Fatt	1,800,000	2.61
5. Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Chon Shuan	1,000,000	1.45
6. Tan Kim Onm	568,700	0.83
7. HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for MAAKL Progress Fund	450,000	0.65
8. Citigroup Nominees (Asing) Sdn Bhd Exempt an for OCBC Securities Private Limited	435,500	0.63
9. Chia Kee Koon	383,550	0.56
10. Public Nominees (Asing) Sdn Bhd Pledged Securities Account for Loh Cheok Leng	235,000	0.34
11. Chan Heng Koon	234,000	0.34
12. Kenanga Nominees (Asing) Sdn Bhd DMG & Partners Securities Pte Ltd for Wong Jacob	220,500	0.32
13. HLG Nominee (Tempatan) Sdn Bhd HLG Asset Management Sdn Bhd for Perbadanan Bekalan Air Pulau Pinang Sdn Bhd	210,000	0.30
14. Foo Khen Ling	200,000	0.29
15. HLG Nominee (Tempatan) Sdn Bhd HLG Asset Management Sdn Bhd for Koperasi Pekerja Intel Berhad	197,100	0.29
16. Malaysian Assurance Alliance Berhad As Beneficial Owner (Vulture Fund)	180,000	0.26
17. Lim Seng Qwee	169,200	0.25
18. Lim Khuan Eng	151,500	0.22
19. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Heng Kit	135,000	0.20
20. Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lu Yeep Hing	132,000	0.19
21. Loo Fat Kiat	131,300	0.19
22. JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Kwee Hock	108,700	0.16
23. Lock Kai Sang	104,000	0.15
24. Kenanga Nominees (Asing) Sdn Bhd DMG & Partners Securities Pte Ltd for Tan Kah Chye	102,000	0.15
25. HLG Nominee (Asing) Sdn Bhd HLG Asset Management Sdn Bhd for Yayasan Sabah	100,000	0.15
26. Kua Beng Chuan	100,000	0.15
27. Geoffrey Lim Fung Keong	95,000	0.14
28. Mayban Nominees (Tempatan) Sdn Bhd Pang Jouk Hea	86,000	0.12
29. Hong Weng Hwa	82,500	0.11
30. CIMSEC Nominees (Asing) Sdn Bhd Exempt an for CIMB-GK Securities Pte Ltd	80,000	0.11
TOTAL	56,203,750	81.54

Breakdown of Shareholdings

Type of ownership	No. of Shareholders	No. of Shares	% of Issued Capital
Malaysian Individual			
- Bumiputra	99	205,000	0.30
- Chinese	1,712	13,235,140	19.20
- Indian	28	84,800	0.12
- Other Races	2	48,150	0.07
Subtotal	1,841	13,573,090	19.69
Malaysian Corporate			
Government Agencies/Institutions Private Limited Co	1	11,372,800	16.50
- Non-Bumiputra	26	508,800	0.74
Subtotal	27	11,881,600	17.24
Foreign Individual			
- United States of America	1	5,400	0.01
- United Kingdom	1	2,000	0.00
- Singapore	16	514,950	0.75
- Permanent Resident of Malaysia	6	16,600	0.02
Subtotal	24	538,950	0.78
Foreign Corporate			
- Hong Kong	1	1,800	0.00
- Others	3	16,568,300	24.04
Subtotal	4	16,570,100	24.04
Nominee Company			
- Malaysian Bumiputra Beneficiaries	96	2,028,409	2.94
- Malaysian Non-Bumiputra Beneficiaries	108	2,538,650	3.68
- Foreign Beneficiaries	20	21,794,201	31.63
Subtotal	224	26,361,260	38.25
Grand Total	2,120	68,925,000	100.00

LIST OF PROPERTIES OWNED BY TIEN WAH PRESS GROUP

The properties held by the TWP Group as at 31 December 2009 are as follows:

Location	Tenure	Land Area / Built-up Area (Square feet)	Remaining Lease Period / Expiry Date	Description / Existing Use	Net Book Value as at 31 December 2009	Age of Building	Date of Acquisition / Last Revaluation Date
Lot 4, Section 13, Municipality of Petaling Jaya, Selangor Darul Ehsan	Leasehold	112,468 / 103,356	49 Years / 16-08-2059	Office / Factory bearing address No. 11 Jalan Semangat Petaling Jaya, Selangor Darul Ehsan	15,297,247	50 years	17-08-1960 / 31-12-2006
Lot 30, Section 13, Municipality of Petaling Jaya, Selangor Darul Ehsan	Leasehold	27,899 / 67,812	49 Years / 10-11-2059	Office / Factory bearing address No. 9 Jalan Semangat Petaling Jaya, Selangor Darul Ehsan	9,323,609	18 years	05-12-1989 / 31-12-2006
Lot 24, Section 14, Municipality of Petaling Jaya, Selangor Darul Ehsan	Leasehold	1,658 / 1,374	64 Years / 22-07-2074	Residential quarters for staff bearing address No. 79 Jalan 14/20 Petaling Jaya, Selangor Darul Ehsan	368,713	34 years	30-08-2004 / 31-12-2006
PT8, Section 14, Municipality of Petaling Jaya, Selangor Darul Ehsan	Leasehold	1,650 / 1,840	53 Years / 10-01-2063	Residential quarters for staff bearing address No. 8 Jalan 14/28 Petaling Jaya, Selangor Darul Ehsan	379,052	38 years	17-04-2006 / 31-12-2006
Lot 5007, Mukim Kapar, Daerah Klang	Freehold	130,679/ 63,750	Not applicable	Office / Factory bearing address Lot 5007, Batu 5 ½, Jalan Meru, Klang, Selangor Darul Ehsan	7,712,412	10 years	22-08-2006
Lot 307, 308, 309 Vietnam – Singapore Industrial Park	Leasehold	401,280 / 119,090	44 Years / 8-08-2054	Office / Factory bearing address 38 Huu Nghi Street, Vietnam – Singapore Industrial Park, Vietnam	8,207,530	4 years	29-06-2006
Lot 117 Holroyd, Smithfield NSW, Australia	Freehold	358,008 / 150,788	Not applicable	Office / Factory bearing address No. 32 Britton Street, Smithfield, NSW, Australia	30,097,195	19 years	12-03-1993
Plot No. 590, Binh Chieu Industrial Park, Thu Duc District	Leasehold	129,167 / 77,938	11 Years / 4-04-2021	Office / Factory bearing address A Street, Binh Chieu Industrial Park, Thu Duc District, Ho Chi Minh City, Vietnam	2,668,119	13 years	16-06-2009
Plot No. 636, Binh Chieu Industrial Park, Thu Duc District	Leasehold	23,196/ 13,348	10 Years / 1-03-2020	Office / Factory bearing address Plot A, Binh Chieu Industrial Park, Thu Duc District, Ho Chi Minh City, Vietnam	308,203	10 years	16-06-2009