



Financial Statements 2006

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DIRECTORS' REPORT

for the year ended 31 December 2006

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 2006.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the year	8,437	8,764

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the year under review.

DIVIDENDS

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

- i) a final tax exempt dividend of 10% per ordinary share and a special tax exempt dividend of 2% per ordinary share totalling RM5,452,392 in respect of the financial year ended 31 December 2005 on 14 July 2006; and
- ii) an interim tax exempt dividend of 5% per ordinary share and a special tax exempt dividend of 5% per ordinary share totalling RM4,555,760 in respect of the financial year ended 31 December 2006 on 9 October 2006.

The Directors recommend the payment of a final tax exempt dividend of 5% per ordinary share totalling RM2,281,870 in respect of the year ended 31 December 2006.

DIRECTORS OF THE COMPANY

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

Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff (appointed on 20.11.2006)
 Gary Yen (appointed on 20.11.2006)
 Lt. Jen. (B) Datuk Haji Abdul Aziz bin Hassan
 Chan Fook Kong
 Mej. Jen. (B) Dato' Mohamed Dahalan bin Sulaiman
 Mej. Jen. (B) Datuk Abdul Kadir bin Nordin
 Dato' Gan Nyap Liou @ Gan Nyap Liow (appointed on 20.11.2006)
 Michael Basil Rosario (appointed on 20.11.2006)
 Ng Yick Hing (appointed on 20.11.2006)
 Tung Kum Hon (appointed on 20.11.2006)
 Dato' Tan Guan Cheong (appointed on 20.11.2006) (resigned on 15.1.2007)



DIRECTORS' REPORT

for the year ended 31 December 2006

DIRECTORS OF THE COMPANY (CONTINUED)

Wong Weng Foo (resigned on 30.8.2006)
 Dr. Lai Mei Ling (resigned on 20.11.2006)
 Dato' Syed Md Amin bin Syed Jan Aljeffri (resigned on 16.11.2006)
 Peter Roderick Downing (resigned on 16.11.2006)
 Tengku Makram bin Tengku Ariff (resigned on 10.7.2006)
 Geh Cheng Hooi (resigned on 16.11.2006)

DIRECTORS' INTERESTS

The holdings and deemed holdings in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares of RM1.00 each			
	At 1.1.2006	Bought	Sold/ Transferred	At 31.12.2006
Shareholdings in which the Directors have direct interest				
Interest of Chan Fook Kong				
The Company	-	50,000	(50,000)	-

In respect of the fourth offer of Company's Executive Share Option Scheme ("ESOS") on 24 February 2003 and the fifth offer of Company's ESOS on 20 April 2006, the Company has been granted an exemption by the Companies Commission of Malaysia from having to disclose the Directors' names and the number of options granted during the period.

None of the other Directors holding office at 31 December 2006 had any interest in the ordinary shares 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.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate apart from the issue of the ESOS.

ISSUE OF SHARES

During the financial year, the Company issued 275,800 ordinary shares of RM1 each at issue prices ranging from RM1.30 to RM1.80 per share for cash pursuant to exercise of entitlement under the ESOS.

There were no other changes in the authorised, issued and paid-up capital of the company.

DIRECTORS' REPORT

for the year ended 31 December 2006

OPTIONS GRANTED OVER UNISSUED SHARES

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

At an extraordinary general meeting held on 5 February 1998, the Company's shareholders approved the establishment of an ESOS of not more than 10% of the issued share capital of the Company to eligible executives and full-time executive Directors and employees of the Group.

The salient features of the ESOS scheme are as follows:

- (i) The total number of shares to be made available shall not exceed ten percent (10%) of the issued and paid-up share capital of the Company at any point of time during the existence of the ESOS.
- (ii) All eligible executives including the full time executive Directors of the Group who have been employed for at least twelve (12) months of continuous service as at the Date of Offer while all full time foreign executives must have served for at least five (5) years as at the date of offer.
- (iii) No option shall be granted for less than 1,000 shares nor for more than 500,000 shares, unless the grantee is entitled to shares that are not in multiple of 1,000 at the final exercise of the said option.
- (iv) The Option Price shall be determined by the average of the mean market quotation of the ordinary shares of the Company as quoted and shown in the Daily Official List issued by the Bursa Malaysia Securities Berhad for the five (5) preceding market days prior to the Date of the Offer or at the par value of the ordinary shares of the Company, whichever is higher.
- (v) The ESOS shall continue to be in force for a duration of up to five (5) years commencing from the date of receipt of the last requisite approvals. The ESOS has been extended for another five (5) years from 5 February 2003 - 4 February 2008.

The options offered to take up the unissued ordinary shares of RM1 each and the exercise prices are as follows:

Options	Exercise price	Number of options over ordinary shares of RM1 each			
		At 1.1.2006	Granted	Exercised	At 31.12.2006
1st	1.30	178,200	-	(131,800)	46,400
2nd	1.80	212,600	-	(9,000)	203,600
3rd	1.93	-	-	-	-
4th	1.32	199,000	-	(135,000)	64,000
5th	2.31	338,000	-	-	338,000
		927,800	-	(275,800)	652,000

On 2 January 2003, the Company has obtained the approval from the Securities Commission for the proposed extension of the existing ESOS for another five (5) years from 5 February 2003 until 4 February 2008 ("Proposed Extension"). The Proposed Extension was approved by shareholders of the Company at Extraordinary General Meeting held on 29 January 2003.

In respect of the fourth offer of the Company's ESOS on 24 February 2003, the Company has been granted an exemption by the Companies Commission of Malaysia from having to disclose the names of option holders who have been granted options in



DIRECTORS' REPORT

for the year ended 31 December 2006

OPTIONS GRANTED OVER UNISSUED SHARES (CONTINUED)

aggregate of less than 100,000 options. The names of option holders and the number of options granted which in aggregate are 100,000 options and above are set out below:

Name of Option Holder	Number of options over ordinary shares of RM1 each			At 31.12.2006
	At 1.1.2006	Granted during the year	Exercised during the year	
Ow Chee Fook	95,000	-	(50,000)	45,000

On 20 April 2005, options were granted to eligible employees to take up 361,000 ordinary shares of RM1.00 each to be issued at an option price of RM2.31 per share pursuant to the exercise of entitlement under the ESOS for cash.

In respect of the fifth offer of the Company's ESOS on 20 April 2005, the Company has been granted an exemption by the Companies Commission of Malaysia from having to disclose the names of option holders who have been granted options in aggregate of less than 48,000 options. The names of option holders and the number of options granted which in aggregate are 48,000 options and above are set out below:

Name of Option Holder	Number of options over ordinary shares of RM1 each			At 31.12.2006
	At 1.1.2006	Granted during the year	Exercised during the year	
Ong Liang Win	48,000	-	-	48,000

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.

DIRECTORS' REPORT

for the year ended 31 December 2006

OTHER STATUTORY INFORMATION (CONTINUED)

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 results of the operations of the Group and of the Company for the financial year ended 31 December 2006 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.

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



.....
Chan Fook Kong

Petaling Jaya,

Date: 26 February 2007

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 93 to 121 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2006 and of the results of their operations and cash flows for the year ended on that date.

Signed in accordance with a resolution of the Directors:



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



.....
Chan Fook Kong

Petaling Jaya,


Date: 26 February 2007

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 93 to 121 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 26 February 2007



.....
Lilian Leong Lai Yoong

Before me:

Raman Kunyapu

Commissioner of Oaths

Kuala Lumpur

Date : 26 February 2007

REPORT OF THE AUDITORS TO THE MEMBERS OF

Tien Wah Press Holdings Berhad

We have audited the financial statements set out on pages 93 to 121. The preparation of the financial statements is the responsibility of the Company's Directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board so as to give a true and fair view of:
 - i) the state of affairs of the Group and of the Company at 31 December 2006 and the results of their operations and cash flows for the year ended on that date; and
 - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and the subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

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

The audit reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Act.



KPMG

Firm Number: AF 0758

Chartered Accountants



Johan Idris

Partner

Approval Number: 2585/10/08(J)

Kuala Lumpur,

Date: 26 February 2007



BALANCE SHEETS

at 31 December 2006

	Note	Group		Company	
		2006 RM'000	2005 RM'000 restated	2006 RM'000	2005 RM'000
Assets					
Property, plant and equipment	3	64,563	46,831	-	-
Prepaid lease payments	4	13,330	13,630	-	-
Investments in subsidiaries	5	-	-	56,711	56,711
Investment in an associate	6	4,507	4,184	1,500	1,500
Total non-current assets		82,400	64,645	58,211	58,211
Current assets					
Other investments	7	6,085	5,000	3,818	3,000
Receivables, deposits and prepayments	8	20,805	11,572	49,418	51,113
Inventories	9	26,842	31,184	-	-
Current tax assets		3,084	28	3,014	-
Cash and cash equivalents	10	17,666	36,338	47	29
Total current assets		74,482	84,122	56,297	54,142
Total assets		156,882	148,767	114,508	112,353
Equity:					
Share capital	11	45,637	45,362	45,637	45,362
Reserves	12	73,589	74,844	65,757	66,910
Total equity attributable to to shareholders of the Company		119,226	120,206	111,394	112,272
Minority interest		10,907	10,347	-	-
Total equity		130,133	130,553	111,394	112,272
Liabilities					
Employee benefits	13	1,345	2,952	-	-
Deferred tax liabilities	14	9,672	7,303	-	-
Total non current liabilities		11,017	10,255	-	-
Payables and accruals	15	11,469	7,471	96	81
Borrowings (unsecured)	16	1,245	-	-	-
Current tax liabilities		-	488	-	-
Deferred tax liabilities	14	3,018	-	3,018	-
Total current liabilities		15,732	7,959	3,114	81
Total liabilities		26,749	18,214	3,114	81
Total equity and liabilities		156,882	148,767	114,508	112,313

The notes on pages 98 to 121 are an integral part of these financial statements.

INCOME STATEMENTS

for the year ended 31 December 2006

	Note	Group		Company	
		2006 RM'000	2005 RM'000 restated	2006 RM'000	2005 RM'000
Revenue					
- Sale of goods		115,814	113,769	-	-
- Gross dividend income from unquoted subsidiary		-	-	12,720	36,500
		115,814	113,769	12,720	36,500
Cost of sales		(91,979)	(89,846)	-	-
		23,835	23,923	12,720	36,500
Gross profit		23,835	23,923	12,720	36,500
Other income		1,712	446	943	30
Distribution expenses		(4,206)	(2,697)	-	-
Administrative expenses		(8,201)	(6,643)	(1,494)	(701)
Other expenses		(343)	(42)	-	-
		12,797	14,987	12,169	35,829
Results from operating activities		12,797	14,987	12,169	35,829
Interest income		808	696	29	41
Financing costs		(2)	(110)	-	-
		13,603	15,573	12,198	35,870
Operating profit	17	13,603	15,573	12,198	35,870
Share of profit after tax of equity accounted associate		323	699	-	-
		13,926	16,272	12,198	35,870
Profit before taxation		13,926	16,272	12,198	35,870
Tax expense	19	(3,862)	(3,185)	(3,434)	(10,220)
		10,064	13,087	8,764	25,650
Net profit for the year		10,064	13,087	8,764	25,650
Attributable to:					
Shareholders of the Company		8,437	10,936	8,764	25,650
Minority interest		1,627	2,151	-	-
		10,064	13,087	8,764	25,650
Net profit for the year		10,064	13,087	8,764	25,650
Basic earnings per ordinary share (sen)	20	18.5	24.2		
Diluted earnings per ordinary share (sen)	20	18.5	24.1		

The notes on pages 98 to 121 are an integral part of these financial statements.



STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2006

Group	Attributable to shareholders of the Company							Minority interest RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Revaluation reserve RM'000	Retained profits RM'000	Total RM'000	Minority interest RM'000		
At 1 January 2005	45,113	31,655	1,000	4,652	33,327	115,747	10,156	125,903	
Profit for the year	-	-	-	-	10,936	10,936	2,151	13,087	
Dividends to shareholders of the Company	-	-	-	-	(6,804)	(6,804)	-	(6,804)	
Dividends to minority shareholders of a subsidiary	-	-	-	-	-	-	(1,960)	(1,960)	
Shares issued	249	78	-	-	-	327	-	327	
At 1 January 2006	45,362	31,733	1,000	4,652	37,459	120,206	10,347	130,553	
Profit for the year	-	-	-	-	8,437	8,437	1,627	10,064	
Dividends to shareholders of the Company	-	-	-	-	(10,008)	(10,008)	-	(10,008)	
Dividends to minority shareholders of a subsidiary	-	-	-	-	-	-	(1,067)	(1,067)	
Revaluation of property	-	-	-	226	-	226	-	226	
Share issued	275	90	-	-	-	365	-	365	
At 31 December 2006	45,637	31,823	1,000	4,878	35,888	119,226	10,907	130,133	
Company									
At 1 January 2005	45,113	31,655	-	-	-	-	16,330	93,098	
Profit for the year	-	-	-	-	-	-	25,651	25,651	
Dividends to shareholders of the Company	-	-	-	-	-	-	(6,804)	(6,804)	
Share issued	249	78	-	-	-	-	-	327	
At 31 December 2005	45,362	31,733	-	-	-	-	35,177	112,272	
Profit for the year	-	-	-	-	-	-	8,764	8,764	
Dividends to shareholders of the Company	-	-	-	-	-	-	(10,008)	(10,008)	
Share issued	275	91	-	-	-	-	-	366	
At 31 December 2006	45,637	31,824	-	-	-	-	33,933	111,394	

Company	Non-Distributable				Distributable			Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Revaluation reserve RM'000	Retained profits RM'000	Minority interest RM'000	Total equity RM'000	
At 1 January 2005	45,113	31,655	-	-	-	16,330	93,098	
Profit for the year	-	-	-	-	-	25,651	25,651	
Dividends to shareholders of the Company	-	-	-	-	-	(6,804)	(6,804)	
Share issued	249	78	-	-	-	-	327	
At 31 December 2005	45,362	31,733	-	-	-	35,177	112,272	
Profit for the year	-	-	-	-	-	8,764	8,764	
Dividends to shareholders of the Company	-	-	-	-	-	(10,008)	(10,008)	
Share issued	275	91	-	-	-	-	366	
At 31 December 2006	45,637	31,824	-	-	-	33,933	111,394	

The notes on pages 98 to 121 are an integral part of these financial statements.

CASH FLOW STATEMENTS

for the year ended 31 December 2006

	Note	Group		Company	
		2006 RM'000	2005 RM'000 restated	2006 RM'000	2005 RM'000
Cash flows from operating activities					
Profit before tax		13,926	16,272	12,198	35,870
<i>Adjustments for:</i>					
Amortisation of prepaid lease payments	4	300	281	-	-
Change in fair value of investment in unit trusts		(1,085)	-	(818)	-
Depreciation of property, plant and equipment	3	4,061	5,945	-	-
Dividend income		-	-	(12,720)	(36,500)
Interest expense		2	110	-	-
Gain on disposal of a subsidiary		-	(30)	-	(30)
Gain on disposal of property, plant and equipment		(201)	-	(125)	-
Interest income		(808)	(696)	(29)	(41)
Inventories written off		654	197	-	-
Property, plant and equipment written off		67	30	-	-
Provision for retirement benefits (net of actuarial gain on obligations)	13	1,937	457	-	-
Share of profit of equity accounted associates		(323)	(699)	-	-
<hr/>					
Operating profit/(loss) before changes in working capital		18,530	21,867	(1,494)	(701)
Change in inventories		3,688	3,800	-	-
Change in payables and accruals		1,248	75	14	(135)
Change in receivables deposits and prepayment		(9,205)	3,378	286	(25,476)
<hr/>					
Cash generated from/(used in) operations		14,261	29,120	(1,194)	(26,312)
Dividends received		-	-	1,110	32,730
Interest received		808	696	29	41
Retirement benefits paid	13	(823)	(375)	-	-
Tax paid		(2,118)	(1,923)	-	-
Tax refunded		20	8	20	8
<hr/>					
Net cash generated from/(used in) operating activities		12,148	27,526	(35)	6,467

CASH FLOW STATEMENTS

for the year ended 31 December 2006

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Cash flows from investing activities					
Acquisition of the investments		-	(2,000)	-	-
Acquisition of property, plant and equipment	3	(21,793)	(1,274)	-	-
Capital distribution to minority shareholders from disposal of a subsidiary		-	(1)	-	-
Proceeds from disposal of a subsidiary		-	30	-	30
Proceeds from disposal of property, plant and equipment		439	-	125	-
Repayment from subsidiaries		-	-	9,570	-
Net cash (used in)/ generated from investing activities		(21,354)	(3,245)	9,695	30
Cash flows from financing activities					
Bankers' acceptances		1,245	(5,825)	-	-
Dividends paid to shareholders of the Company	21	(10,008)	(6,804)	(10,008)	(6,804)
Dividends paid to minority shareholders		(1,067)	(1,960)	-	-
Interest paid		(2)	(110)	-	-
Proceeds from issuance of share capital		366	327	366	327
Net cash used in financing activities		(9,466)	(14,372)	(9,642)	(6,477)
Net (decrease)/increase in cash and cash equivalents		(18,672)	9,909	18	20
Cash and cash equivalents at 1 January		36,338	26,429	29	9
Cash and cash equivalents at 31 December		17,666	36,338	47	29

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

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Deposits	10	16,054	33,300	-	-
Cash and bank balances	10	1,612	3,038	47	29
		17,666	36,338	47	29

The notes on pages 98 to 121 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 Second Board of the Bursa Malaysia Securities Berhad. The addresses of its registered office and principal place of business are as follows:

Registered office

Level 7, Setia 1
15 Lorong Dungun
Damansara Heights
50490 Kuala Lumpur

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 2006 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interest in associate.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

The immediate and ultimate holding companies during the financial year are Singapore Pacific Investments Pte Ltd and New Toyo International Holdings Ltd. respectively. Both companies are incorporated in Singapore.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board (MASB), accounting principles generally accepted in Malaysia and the provisions of the Companies Act, 1965. These financial statements also comply with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The MASB has issued the following Financial Reporting Standards (FRSs) and Interpretations that are effective for annual periods beginning after 1 January 2006, and that have not been applied in preparing these financial statements:

Standard/Intepretation	Effective date
FRS 117, Leases	1 October 2006
FRS 124, Related Party Disclosures	1 October 2006
FRS 139, Financial Instruments: Recognition and Measurement	To be announced
Amendment to FRS 119 ₂₀₀₄ ¹ , Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures	1 January 2007
FRS 6, Exploration for and Evaluation of Mineral Resources	1 January 2007
Amendment to FRS 121, The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation	1 July 2007



NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (Continued)

IC Interpretation 1, Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2, Members' Shares in Co-operative Entities and Similar Instruments	1 July 2007
IC Interpretation 5, Rights to Interest arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6, Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7, Applying the Restatement Approach Under FRS120 ₂₀₀₄ Financial Reporting in Economies	1 July 2007
IC Interpretation 8, Scope of FRS 2	1 July 2007

In this set of financial statements, the Group has chosen to early adopt FRS 117, Leases and FRS 124, Related Party Disclosures.

The initial application of the other standards and interpretations are not expected to have any material impact on the financial statements of the Group and of the Company.

The effects of adopting the new/revised FRSs in 2006 are set out in Note 27.

The financial statements were approved by the Board of Directors on 26 February 2007.

(b) Basis of measurement

The financial statements have been prepared on the historical basis except for other investments as explained in the respective accounting policy note.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional currency. All financial information presented in RM 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 any future periods affected.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES

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

Certain comparative amounts have been represented and reclassified to conform to the current year's presentation.

(a) Basis of consolidation

(i) *Subsidiaries*

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the 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.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments 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).

(ii) *Associates*

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Associates are 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 associates, 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.

Investments in associates 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).

(iii) *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.

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

NOTES TO THE FINANCIAL STATEMENTS

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.

(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.

(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.

Property, plant and equipment under the revaluation model

The Group revalues its buildings every 5 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value.

Surpluses arising from revaluation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is charged to 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 costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

(iv) *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. Leased assets are depreciated over the shorter of the lease term and their useful lives. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property, plant and equipment (Continued)

(iv) Depreciation (Continued)

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

• Renovations	10 – 50 years
• Plant and machineries	3 – 15 years
• Motor vehicles	5 years
• Furniture, fittings and office equipment	5 – 10 years
• Air conditioners	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

(e) Leased assets

Leases in terms of which the Group assumes 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.

Other leases are operating leases and, except for leasehold land classified as investment property, 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.

Accounting policy note on Leasehold land

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 as prepaid lease payments that are amortised over the lease term in accordance with the pattern of benefits provided.

The Group had previously classified a lease of land as finance lease and had recognised the amount of prepaid lease payments as property within its property, plant and equipment. On early adoption of FRS 117, Leases, the Group treats such a lease as an operating lease, with the unamortised carrying amount classified as prepaid lease payments in accordance with the transitional provisions in FRS 117.67A.

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) Other investments

In previous years, other investments are recognised at lower of cost and market value. During the year, other investments are now marked to market and the changes in the fair value are recognised to income statement. The change in the accounting policy has been accounted for in the current year's results as the impact to the Group is immaterial. The prior year amount recognised in current income statement is RM517,177.

Subsequent to initial recognition, all other investments are marked to market less cost of disposal.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) 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 selling expenses.

(i) 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.

(j) 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, if any.

(k) 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.

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 statement 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 statement, a reversal of that impairment loss is also recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) 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.

(m) 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.

(n) 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 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 the Employee's Provident Fund 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.

(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 statement 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 statement.

(o) Payables

Payables 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.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Revenue

Goods sold

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.

Dividend income

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

(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 statement 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 substantially 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.

A 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.

NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Leasehold buildings RM'000	Freehold buildings RM'000	Renovations RM'000	Plant and machineries RM'000	Motor vehicles RM'000	Furniture, fittings and office equipment RM'000	Air conditioners RM'000	Total RM'000
Group									
Cost									
At 1 January	-	12,545	-	793	74,678	1,884	5,905	1,043	96,848
Addition	-	31	-	-	994	-	233	16	1,274
Written off	-	-	-	-	(66)	-	(75)	-	(141)
At 31 December 2005 /									
1 January 2006	-	12,576	-	793	75,606	1,884	6,063	1,059	97,981
Additions	3,000	607	5,141	-	11,465	1,134	419	27	21,793
Disposal	-	-	-	-	(240)	(869)	(5)	-	(1,114)
Written off	-	-	-	-	(229)	-	(5)	-	(234)
Revaluation on property	-	305	-	-	-	-	-	-	305
At 31 December 2006	3,000	13,488	5,141	793	86,602	2,149	6,472	1,086	118,731

Representing items at

Cost	3,000	12,185	5,141	793	86,602	2,149	6,472	1,086	117,428
Valuation	-	1,303	-	-	-	-	-	-	1,303
At 31 December 2006	3,000	13,488	5,141	793	86,602	2,149	6,472	1,086	118,731

Group

Depreciation

At 1 January	-	1,210	-	217	37,406	1,301	4,314	868	45,316
Depreciation charge for the year	-	418	-	80	4,790	245	383	29	5,945
Written off	-	-	-	-	(36)	-	(75)	-	(111)
At 31 December 2005 /									
1 January 2006	-	1,628	-	297	42,160	1,546	4,622	897	51,150
Depreciation charge for the year	-	421	43	79	2,870	259	358	31	4,061
Disposal	-	-	-	-	(11)	(862)	(3)	-	(876)
Written off	-	-	-	-	(162)	-	(5)	-	(167)
At 31 December 2006	-	2,049	43	376	44,857	943	4,972	928	54,168

Carrying amounts

At 1 January 2005	-	11,335	-	576	37,272	583	1,591	175	51,532
At 31 December 2005 /									
1 January 2006	-	10,948	-	496	33,446	338	1,441	162	46,831
At 31 December 2006	3,000	11,439	5,098	417	41,745	1,206	1,500	158	64,563

NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Motor vehicles RM'000
At cost	
At 1 January 2005 / 31 December 2005	421
Disposal	(421)
<hr/>	
At 31 December 2006	-
Accumulated depreciation	
At 1 January 2005 / 31 December 2005	421
Disposal	(421)
<hr/>	
At 31 December 2006	-
<hr/>	
Carrying amounts	
At 1 January 2005 / 31 December 2005 / 31 December 2006	-
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Revaluation

Leasehold land and buildings of the Group are stated at Directors' valuation at 31 December 2006 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 RM10,262,000 (2005: RM10,051,000).

4. PREPAID LEASE PAYMENTS

Group	Note	Leasehold land Unexpired period more than 50 years RM'000
At valuation		
At 1 January 2005		-
Effect of adopting FRS 117	27	15,000
<hr/>		
At 1 January 2005, restated / 31 December 2005 / 1 January 2006		15,000
<hr/>		
Amortisation		
At 1 January 2005		-
Effect of adopting FRS 117	27	789
<hr/>		
At 1 January 2005, restated		789
Amortisation for the year		281
<hr/>		
At 31 December 2005 / 1 January 2006		1,070
Amortisation for the year		300
<hr/>		
At 31 December 2006		1,370
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NOTES TO THE FINANCIAL STATEMENTS

4. PREPAID LEASE PAYMENTS (CONTINUED)

Group	Note	Leasehold land Unexpired period more than 50 years RM'000
Carrying amounts		
At 1 January 2005, restated		14,211
At 31 December 2005 / 1 January 2006		13,930
At 31 December 2006		13,630
	2006 RM'000	2005 RM'000
Non-current	13,330	13,630
Current	300	300
	13,630	13,930

5. INVESTMENTS IN SUBSIDIARIES

	Company	
	2006 RM'000	2005 RM'000
At cost		
Unquoted shares	56,711	56,711

Details of the subsidiaries as follow:

Name of companies	Country of incorporation	Principal activities	Effective ownership interest	
			2006 %	2005 %
Tien Wah Press (Malaya) Sdn. Bhd.	Malaysia	Rotogravure and lithography printing specialising in cigarette cartons and consumer goods packaging.	100	100
Tien Wah Properties Sdn. Bhd.	Malaysia	Property investment	100	100
Paper Base Converting Sdn. Bhd.	Malaysia	Manufacture and sales of laminated paper or foil products and other paper converting activities.	51	51

NOTES TO THE FINANCIAL STATEMENTS

6. INVESTMENTS IN ASSOCIATE

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
At cost:				
Unquoted shares	1,500	1,500	1,500	1,500
Share of post-acquisition reserves	3,007	2,684	-	-
	4,507	4,184	1,500	1,500

Summary financial information on associates:

	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
2006						
Benkert (Malaysia) Sdn. Bhd.	Malaysia	30%	38,495	1,735	37,739	(21,614)
2005						
Benkert (Malaysia) Sdn. Bhd.	Malaysia	30%	29,972	1,659	22,903	(7,855)

7. OTHER INVESTMENTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Current				
At cost:				
Quoted unit trusts	6,085	5,000	3,818	3,000
At market value:				
Quoted unit trusts	6,085	5,517	3,818	3,462

8. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Current					
Trade					
Trade receivables		19,981	9,605	-	-
Non-trade					
Amount due from subsidiaries	a	-	-	41,145	50,714
Other receivables		373	693	8,270	388
Deposits		54	613	2	2
Prepayments		97	361	1	9
Prepaid lease payment		300	300	-	-
		20,805	11,572	49,418	51,113

Note a

The receivables due from subsidiaries are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

9. INVENTORIES

	Group	
	2006 RM'000	2005 RM'000
At cost		
Raw materials and consumables	16,967	19,781
Work-in-progress	2,708	3,493
Finished goods	7,167	7,910
	26,842	31,184

10. CASH AND CASH EQUIVALENTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Deposits with licensed banks	16,054	33,300	-	-
Cash and bank balances	1,612	3,038	47	29
	17,666	36,338	47	29

11. SHARE CAPITAL

	Group and Company			
	2006 RM'000	Number of shares '000	2005 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:				
On issue at 1 January	45,362	45,362	45,113	45,113
Issued of shares under the employee share option scheme	275	275	249	249
On issue at 31 December	45,637	45,637	45,362	45,362

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.

12. RESERVE

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Non distributable:				
Share premium	31,823	31,733	31,824	31,733
Capital reserve	1,000	1,000	-	-
Revaluation reserve	4,878	4,652	-	-
Distributable:				
Retained profits	35,888	37,975	33,933	35,639
	73,589	75,360	65,757	67,372

NOTES TO THE FINANCIAL STATEMENTS

12. RESERVE (CONTINUED)

Capital reserve

The non-distributable capital reserve arose from the capitalisation of retained profits of a subsidiary for bonus share issue in year 2000.

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.

Section 108 tax credit and tax exempt account

Subject to agreement by the Inland Revenue Board, the Company has sufficient Section 108 tax credit and tax exempt account to frank all of its retained profits at 31 December 2006 if paid out as dividends.

13. EMPLOYEE BENEFITS

		Group	
	Note	2006 RM'000	2005 RM'000
Recognised liability for defined benefit obligations			
Present value of unfunded obligations		1,447	3,132
Analysed as:			
Current	15	102	180
Non-current		1,345	2,952
		1,447	3,132

The Company makes contributions to a non-contributory defined benefit plans that provide pension for employees upon retirement. Plans entitle a retired employee to receive an annual payment equal to 86% of final salary for each year of service the employee provided.

Movements in the liability for defined benefit obligations

		Group	
	Note	2006 RM'000	2005 RM'000
Liability for defined benefit obligations at 1 January		3,132	3,050
Benefits paid by the plan*		(3,622)	(375)
Expense recognised in the income statement	17	1,937	457
Liability for defined benefit obligations at 31 December		1,447	3,132

* A portion of the benefits paid by the plan has been retained in other payables of RM2,798,513 (2005:Nil) which is payable upon retirement or resignation from the Company (Note 15).

Expense recognised in the income statement

Current service cost		1,836	238
Interest on obligation		101	219
Net benefit expense		1,937	457

NOTES TO THE FINANCIAL STATEMENTS

13. EMPLOYEE BENEFITS (CONTINUED)

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

	Group	
	2006 RM'000	2005 RM'000
Cost of sales	1,599	318
Distribution expenses	196	28
Administrative expenses	142	111
	1,937	457

Actuarial assumptions

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

	Group	
	2006	2005
Discount rate at 31 December	6%	7%
Future salary increases	5%	6%

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.

14. DEFERRED TAX LIABILITIES

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Group						
Current						
Dividend receivable	-	-	3,018	-	3,018	-
Non current						
Property, plant and equipment	-	-	10,010	8,219	10,010	8,219
Provisions	(255)	(916)	-	-	(255)	(916)
Other items	(83)	-	-	-	(83)	-
Tax (assets) / liabilities	(338)	(916)	10,010	8,219	9,672	7,303
Set off of tax	338	916	(338)	(916)	-	-
Net tax (assets) / liabilities	-	-	9,672	7,303	9,672	7,303

NOTES TO THE FINANCIAL STATEMENTS

14. DEFERRED TAX LIABILITIES (CONTINUED)

	Assets		Liabilities		Net	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Company						
Current						
Dividend receivable	-	-	3,018	-	3,018	-

Deferred tax liabilities and assets 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.

Movement in temporary differences during the year

	At	Recognised	At	Recognised	Recognised	At
	1.1.2005	in income statement (Note 19)	31.12.2005	in income statement (Note 19)	in equity (Note 19)	31.12.2006
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group						
Property, plant and equipment	8,161	58	8,219	1,712	79	10,010
Provisions	(876)	(40)	(916)	661	-	(255)
Unutilised tax losses	(447)	447	-	-	-	-
Unabsorbed capital allowance	(343)	343	-	-	-	-
Other items	123	(123)	-	(83)	-	(83)
	6,618	685	7,303	2,290	79	9,672
Company						
Dividend receivables	-	-	-	3,018	-	3,018

15. PAYABLES AND ACCRUALS

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Trade					
Trade payables		2,807	4,177	-	-
Non-trade					
Other payables	a	6,708	2,043	66	60
Accruals expenses		1,852	1,071	30	21
Retirement benefits	13	102	180	-	-
		11,469	7,471	96	81

Note a

Included in other payables is an amount of RM2,798,513 (2005:Nil) of which is payable upon employees retirement or resignation (Note 13).

NOTES TO THE FINANCIAL STATEMENTS

16. BORROWINGS (UNSECURED)

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, see Note 23.

	Group	
	2006 RM'000	2005 RM'000
Current		
Bankers' acceptances	1,245	-

The bankers acceptances bear variable interest at 3.71% (2005 - Nil)

Terms and debt repayment schedule

	Carrying amount RM'000	Under 1 year RM'000
2006		
Bankers' acceptances, unsecured	1,245	1,245
2005		
Bankers' acceptances, unsecured	-	-

17. OPERATING PROFIT

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Operating profit is arrived at after charging:					
Auditors' remuneration		83	78	23	18
Allowance for doubtful debts		37	93	-	-
Company's Directors' emoluments					
- fees	18	405	328	357	258
- salaries and allowances	18	587	563	83	91
Subsidiaries' Directors' emoluments					
- fees		39	42	-	-
- salaries and allowances		513	125	-	-
Depreciation	3	4,061	6,226	-	-
Inventories written off		654	197	-	-
Provision for retirement benefits (net of actuarial gain on obligations)	13	1,937	457	-	-
Property, plant and equipment written off		67	30	-	-
Realised loss on foreign exchange		-	-	-	21
Rental of properties		-	581	-	-

NOTES TO THE FINANCIAL STATEMENTS

17. OPERATING PROFIT (CONTINUED)

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
and crediting:					
Allowance for doubtful debts written back		9	-	-	-
Gain on disposal of a subsidiary		-	30	-	30
Gross dividend income from unquoted subsidiaries		12,720	-	12,720	36,500
Gain on disposal of property, plant and equipment		202	-	125	-
Realised gain on foreign exchange		-	6	-	-
Unrealised gain on investment in unit trusts		1,085	-	818	-

18. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensations are as follows:

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Directors					
- Fees	17	405	328	357	258
- Remuneration	17	587	563	83	91
Other short term employee benefits (including estimated monetary value of benefits-in-kind)		44	39	-	-
Total short-term employee benefits		1,036	930	440	349
- Other long term benefits		217	181	-	-
		1,253	1,111	440	349
Other key management personnel:					
- Short-term employee benefits		1,168	1,068	-	-
- Other long term benefits		437	371	-	-
- Termination benefits		-	-	-	-
		1,605	1,439	-	-
		2,858	2,550	440	349

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.

NOTES TO THE FINANCIAL STATEMENTS

19. TAX EXPENSE

Recognised in the income statement

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Current tax expense				
- current year	1,642	2,549	452	10,220
- prior years	(70)	(49)	(36)	-
	1,572	2,500	416	10,220
Deferred tax expense				
- Origination and reversal of temporary differences	1,956	799	3,018	-
- prior years	334	(114)	-	-
	2,290	685	3,018	-
	3,862	3,185	3,434	10,220
Reconciliation of effective tax expense				
Profit before taxation	13,621	16,272	12,198	35,870
Income tax using Malaysian tax rates	3,814	4,556	3,415	10,044
Non-deductible expenses	518	333	395	176
Double deductions on permitted expenses	(62)	(31)	-	-
Reinvestment allowances	(86)	(1,470)	-	-
Tax exempt income	(555)	(520)	(229)	-
Effect of different tax rate for first RM500,000	(80)	(80)	-	-
Effect of change in tax rate *	(61)	-	(111)	-
Other items	110	559	-	-
	3,598	3,347	3,470	10,220
(Over)/Under provision in prior years:				
Current tax expense	(70)	(48)	(36)	-
Deferred tax expense	334	(114)	-	-
Tax expense	3,862	3,185	3,434	10,220

* In the Malaysian Budget 2007, it was announced that the corporate income tax rate will be reduced to 27% in 2007 and to 26% in 2008. Consequently deferred tax assets and liabilities are measured using these tax rates.

In previous year, there was no tax expense provided for the Company as the Company's profit was derived from tax exempt dividends.

NOTES TO THE FINANCIAL STATEMENTS

19. TAX EXPENSE (CONTINUED)

Tax recognised directly in equity

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Revaluation of property, plant and equipment (Note 14)	79	-	-	-

20. EARNINGS PER ORDINARY SHARE

Basic earnings per share

The calculation of basic earnings per share at 31 December 2006 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding calculated as follows:

Group	Continuing operations RM'000
2006	
Profit for the year attributable to shareholders	8,437
2005	
Profit for the year attributable to shareholders	10,936

Diluted earnings per share

The calculation of diluted earnings per share for 2006 is based on the net profit attributable to ordinary shareholders of approximately RM8,437,000 (2005 - RM10,936,000) and the weighted average number of ordinary shares outstanding in 2006 of 45,540,495 (2005 - 45,454,978) calculated as follows:

Weighted average number of ordinary shares (diluted)

	2006 RM'000	2005 RM'000
Weighted average number of ordinary shares (basic)	45,483	45,273
Effect of share options	57	182
Weighted average number of ordinary shares (diluted)	45,540	45,455

21. DIVIDENDS

Dividends recognised in the current year by the Company are:

	Sen per share	Total amount RM'000	Date of payment
2006			
Final 2005 ordinary, tax exempt	12	5,452	14 July 2006
Interim 2006 ordinary, tax exempt	10	4,556	9 October 2006
Total amount		10,008	
2005			
Final 2004 ordinary, tax exempt	15	6,804	15 July 2005

NOTES TO THE FINANCIAL STATEMENTS

21. DIVIDENDS (CONTINUED)

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	Group Total amount RM'000
Final ordinary	5	2,282
Total amount		2,282

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

22. SEGMENTAL INFORMATION

The Group operates principally in the printing industry and predominantly in Malaysia and therefore segmental reporting is not applicable.

23. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

Exposure to credit, interest rate, 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 RM4,863,000 (2005 - RM2,335,000) and amount due from subsidiaries of approximately RM41,145,000 (2005 - RM50,714,000), respectively. The maximum exposure to credit risk for the Group and for the Company are represented by the carrying amount of each financial asset.

Interest rate risk

In the current low interest rate scenario, the Group borrows for operations at variable rates using its bankers' acceptances facilities.

Foreign currency risk

The Group incurs foreign currency risk on sales and purchases that are denominated in a currency other than Ringgit Malaysia. The currency giving rise to this risk is primarily US dollars.

The Group hedges its sales which are denominated in a foreign currency. The Group uses forward exchange contracts to hedge its foreign currency risk. The foreign exchange contracts have maturities of less than three months after the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS (CONTINUED)

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	Effective interest rate per annum %	Total RM'000	Within 1 year RM'000	1 – 5 years RM'000
2006				
Floating rate instrument				
Deposits	2.75 - 3.27	16,054	16,054	-
Bankers' acceptances - unsecured	3.71	1,245	1,245	-
2005				
Floating rate instrument				
Deposits	2.40	33,300	33,300	-

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	2006		2005	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Quoted unit trust	6,085	6,085	5,000	5,517

Unrecognised financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS (CONTINUED)

Unrecognised financial instruments (Continued)

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

Group	2006		2005	
	Contracted amount RM'000	Fair value RM'000	Contracted amount RM'000	Fair value RM'000
Forward foreign exchange contracts	4,066	4,066	1,227	1,225

24. FOREIGN EXCHANGE CONTRACTS

As at 31 December 2006, the Group has an open position in respect of forward foreign exchange contracts for sale totalling RM4,066,202 (2005 - RM1,227,310). Under these contracts, the Group has obligations to deliver in full the amount contracted with the banker within the contracted period. The maturity of these contracts is due within three months.

25. SIGNIFICANT RELATED PARTY TRANSACTIONS

Controlling related party relationship is with its subsidiaries as disclosed in Note 5.

Significant transactions and non-trade balances with related parties, other than those disclosed elsewhere in the financial statements, are as follows:

Transactions	Company	
	2006 RM'000	2005 RM'000
Subsidiaries		
Tien Wah Press (Malaya) Sdn. Bhd.		
Dividend income	-	36,500
Paper Base Converting Sdn. Bhd.		
Dividend income	12,720	-

26. CAPITAL COMMITMENTS

	Group	
	2006 RM'000	2005 RM'000
Property, plant and equipment		
Authorised but not contracted for	3,251	13,800
Contracted but not provided for in the financial statements	-	556
	3,251	14,356
Investment		
Authorised but not contracted for	-	108,222

NOTES TO THE FINANCIAL STATEMENTS

27. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation of FRS 101.

Group	2005 As restated RM'000	2005 As previously stated RM'000
Balance sheet		
Non-current		
Property, plant and equipment	46,831	60,761
Prepaid lease payment	13,630	-
Current		
Prepaid lease payment	300	-

Leasehold land amounting to RM15,000,000 in 2005 was reclassified from property, plant and equipment to prepaid lease payments to comply with the requirements of FRS 117, *Leases*.

ANALYSIS OF SHAREHOLDINGS

as at 25 April 2007

Authorised Share Capital	:	RM100,000,000
Issued and Paid-Up Share Capital	:	RM45,637,400
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	1	0.05	10	0.00
100 - 1,000	261	14.30	198,690	0.44
1,001 - 10,000	1,413	77.38	3,968,200	8.70
10,001 - 100,000	132	7.23	3,529,700	7.73
100,001 to less than 5% of issued shares	16	0.88	4,458,400	9.77
5% and above of issued shares	3	0.16	33,482,400	73.36
TOTAL	1,826	100.00	45,637,400	100.00

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS as at 25 APRIL 2007

Name of Substantial Shareholder	Direct		Indirect	
	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital
Tien Wah Holdings (1990) Sdn Bhd	11,025,000	24.16%	-	-
Lembaga Tabung Angkatan Tentera	8,722,800	19.11%	-	-
New Toyo Investments Pte Ltd	-	-	11,025,000*	24.16%
New Toyo International Holdings Ltd	-	-	24,759,600**	54.25%
Singapore Pacific Investments Pte Ltd	13,734,600	30.09%	-	-
Yen & Son Holdings Pte Ltd	-	-	24,759,600^	54.25%
Yen Wen Hwa @ Ngan Tzee Manh	-	-	24,759,600#	54.25%
Lu Le Nhi	-	-	24,759,600##	54.25%

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

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

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

DIRECTORS' INTERESTS AS PER REGISTER OF DIRECTORS' SHAREHOLDINGS as at 25 April 2007

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 Haji Abdul Aziz bin Hassan	-	-	-	-
Raymond Chan Fook Kong	-	-	200,000*	0.44
Mej. Jen. (B) Datuk Abdul Kadir bin Nordin	-	-	-	-
Mej. Jen. (B) Dato' Mohamed Dahalan bin Sulaiman	-	-	-	-
Nicholas Ng Yick Hing	-	-	-	-
Dato' Larry Gan Nyap Liou @ Gan Nyap Liow	-	-	-	-
Tung Kum Hon	-	-	-	-
Michael Basil Rosario	-	-	-	-

Note:* Deemed interested through shares held by spouse, Mdm Ho Tooi Nee.

ANALYSIS OF SHAREHOLDINGS

as at 25 April 2007

THIRTY LARGEST SHAREHOLDERS/DEPOSITORS as at 25 APRIL 2007

Name of Shareholders/Depositors	No. of Shares	% of Issued Capital
1. AMMB Nominee (Asing) Sdn Bhd pledged securities account for Singapore Pacific Investments Pte. Ltd.	13,734,600	30.10
2. AMMB Nominees (Tempatan) Sdn Bhd pledged securities account for Tien Wah Holdings (1990) Sdn Bhd	11,025,000	24.16
3. Lembaga Tabung Angkatan Tentera	8,722,800	19.11
4. AllianceGroup Nominees (Tempatan) Sdn Bhd Pheim Asset Management Sdn Bhd for Employees Provident Fund	1,784,900	3.91
5. Tan Kim Onm	292,700	0.64
6. HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for MAAKL Progress Fund	264,100	0.58
7. Affin Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for Chia Kee Koon	255,700	0.56
8. HLG Nominee (Asing) Sdn Bhd OCBC Securities Private Limited for Lim Ah Choon	240,000	0.53
9. Kenanga Nominees (Asing) Sdn Bhd DMG & Partners Securities Pte Ltd for Chan Ai Lian	230,000	0.50
10. Ho Tooi Nee	200,000	0.44
11. Citigroup Nominees (Asing) Sdn Bhd Citigroup GM INC for SC Fundamental Value Fund LP	181,806	0.40
12. United Overseas Nominees (Asing) Sdn Bhd Pledged Securities Account for Loh Cheek Leng	150,000	0.33
13. Lau Sam Siong	147,000	0.32
14. Lilian Leong Lai Yoong	134,000	0.29
15. Kenanga Nominees (Asing) Sdn Bhd DMG & Partners Securities Pte Ltd for Wong Jacob	131,000	0.29
16. Goh Thong Beng	125,700	0.28
17. Citigroup Nominees (Asing) Sdn Bhd Citigroup GM INC for SC Fundamental Value BVI Ltd	111,494	0.24
18. Ow Chee Fook	105,000	0.23
19. Lim Seng Qwee	105,000	0.23
20. Guan Swee Kwee	96,000	0.22
21. Chan Heng Koon	90,000	0.20
22. Public Nominees (Tempatan) Sdn Bhd pledged securities account for Wong Heng Kit	90,000	0.20
23. Mayban Securities Nominees (Tempatan) Sdn Bhd pledged securities account for Pan Ah Ba @ Hong Siong Kiat	80,000	0.18
24. OSK Nominees (Asing) Sdn Bhd DMG & Partners Securities Pte Ltd for Wong Tek Foo	77,000	0.16
25. Chiong Ah Hui	72,000	0.15
26. Mayban Nominees (Tempatan) Sdn Bhd Pheim Asset Management Sdn Bhd for Benta Wawasan Sdn Bhd	69,600	0.15
27. Kenanga Nominees (Asing) Sdn Bhd DMG & Partners Securities Pte Ltd for Tan Kah Chye	68,000	0.15
28. Malaysia Nominees (Tempatan) Sendirian Berhad Pheim Asset Management Sdn Bhd for Pintaras Jaya Berhad	57,300	0.12
29. Yeo Whee Kiak	55,100	0.12
30. Hong Weng Hwa	55,000	0.12
TOTAL	38,750,800	84.91

ANALYSIS OF SHAREHOLDINGS

as at 25 April 2007

Breakdown of Shareholdings

Type of ownership	No. of Shareholders	No. of Shares	% of Issued Capital
Malaysian Individual			
- Bumiputra Individual	111	151,100	0.33
- Chinese	1,479	6,516,210	14.28
- Indian	24	40,300	0.09
- Other Individual	5	46,700	0.10
Subtotal	1,619	6,754,310	14.80
Malaysian Corporate			
- Bumiputra Nominee Company	63	11,418,490	25.02
- Non Bumiputra Nominee Company	15	157,300	0.35
- Nominee Company	56	2,520,500	5.52
- Bumiputra Company	1	12,200	0.03
- Government Agencies/Institutions	1	8,722,800	19.11
- Body Corporate - Others	1	2,400	0.01
- Bank/Finance Company	3	15,200	0.03
Subtotal	140	22,848,890	50.07
Foreign Individual			
- Singapore	16	168,100	0.36
- United States	1	3,600	0.01
- Australia	1	2,000	0.01
- Others Foreign	3	9,000	0.02
Subtotal	21	182,700	0.40
Foreign Corporate			
- Foreign Nominees Company	44	15,843,100	34.71
- Foreign Co. - Others	2	8,400	0.02
Subtotal	46	15,851,500	34.73
Grand Total	2,036	45,637,400	100.0

LIST OF PROPERTIES OWNED BY TIEN WAH PRESS GROUP

The properties held by the TWP Group as at 31 December 2006 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 2006	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	52 Years / 16-08-2059	Office / Factory bearing address: No: 11 Jalan Semangat Petaling Jaya Selangor Darul Ehsan	16,400,000	47 years	17-08-1960 / 31-12-2006
Lot 30, Section 13 Municipality of Petaling Jaya Selangor Darul Ehsan	Leasehold	27,899 / 67,812	52 Years / 10-11-2059	Office / Factory bearing address: No: 9 Jalan Semangat Petaling Jaya Selangor Darul Ehsan	10,200,000	15 years	05-12-1989 / 31-12-2006
Lot 24, Section 14 Municipality of Petaling Jaya Selangor Darul Ehsan	Leasehold	1,658 / 1,374	67 Years / 22-07-2074	Residential quarters for staff bearing address: No: 79 Jalan 14/20 Petaling Jaya Selangor Darul Ehsan	400,000	31 years	30-08-2004 / 31-12-2006
PT8, Section 14 Municipality of Petaling Jaya Selangor Darul Ehsan	Leasehold	1,650 / 1,840	56 Years / 10-01-2063	Residential quarters for staff bearing address: No: 8 Jalan 14/28 Petaling Jaya Selangor Darul Ehsan	410,000	35 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	8,097,983	7 years	22-08-2006

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