Warisan TC Holdings Berhad
(424834-W)

Warisan TC Holdings Berhad
(424834-W)

62-68 Jalan Ipoh
51200 Kuala Lumpur

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WARISAN TC HOLDINGS BERHAD

ANNUAL REPORT 2008

WARISAN TC HOLDINGS BERHAD

(424834-W)

annual report 2008

Contents

Corporate Information

DIRECTORS

Dato' Tan Heng Chew
JP, DJMK
Chairman

Ting Lieng Yu
Deputy Chairman

Ngu Ew Look
Executive Director

Dato' Haji Nadzam bin Haji Mohd Din
JP, DJMK, KMN, AMP

Seow Thiam Fatt

Datuk Abdullah bin Abdul Wahab
KMN, DPSJ, PJN

Chong Kwong Chin

AUDIT COMMITTEE

Seow Thiam Fatt
(Independent Non-Executive Director)
Chairman

Chong Kwong Chin
(Independent Non-Executive Director)

Datuk Abdullah bin Abdul Wahab
KMN, DPSJ, PJN
(Independent Non-Executive Director)

COMPANY SECRETARY

Chang Pie Hoon

REGISTERED OFFICE

62-68 Jalan Ipoh
51200 Kuala Lumpur
Telephone : 03-4047 8888
Facsimile : 03-4047 8636

REGISTRARS

Tenaga Koperat Sdn. Bhd.
(A wholly-owned subsidiary of Tricor
Sevices (Malaysia) Sdn Bhd)
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Telephone: 03-2264 3883
Facsimile: 03-2282 1886

AUDITORS

Moores Rowland
Wisma Selangor Dredging
7th Floor, South Block,
142-A, Jalan Ampang
50450 Kuala Lumpur

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
*(Listed on the Main Board on
15 December 1999)*

Business Divisions

travel & car rental

- Inbound tours
- Outbound tours
- Corporate travel
- Airline ticketing
- Car and coach rental

machinery

- Material handling equipment
- Construction equipment
- Agricultural tractors
- Engine & generator sets

consumer products

- Cosmetics
- Hair care products
- Lingerie
- Multi level marketing

Chairman's Statement

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of Warisan TC Holdings Berhad for the financial year ended 31 December 2008

Highlights

The Group achieved gross revenue of RM308 million, representing growth of 19.3% over the previous financial year of RM258.1 million. The Group recorded profit before tax of RM20 million, representing a modest growth of 1.5% over the previous financial year of RM19.7 million amid the current global economic and financial turmoil, inflationary pressure, weakening of purchasing power of consumers and strengthening of Yen against Ringgit Malaysia. The management will strive to improve the Group performance in the forthcoming years by cautiously expanding the product base and venturing into new businesses.

Total assets of the Group increased from RM301.2 million to RM361.9 million, a reflection of the Group increase in asset base. Consequently, net assets also rose by 5.4% to RM221.9 million from RM210.5 million. Net assets per share was RM3.37 and basic earnings per share stood at 25.43 sen at 31 December 2008.

Dividends

An interim dividend of 5% less tax per share amounting to RM2.4 million was paid on 29 September 2008.

The Board of Directors recommended the payment of a final dividend of 5% less tax per share for the financial year ended 31 December 2008. Together with the interim dividend of 5% less tax per share already declared and paid, this represents a total dividend of 10% (2007 : 9%) gross per share.

Review of Operations

For the financial year ended 31 December 2008, the Group continued to operate with its 3 core divisions, namely Travel & Car Rental, Machinery and Consumer Products.

Chairman's Statement

Travel & Car Rental

It was not a smooth year for the travel industry as it faced a series of events including volatile crude oil price, high inflation, global financial crisis and significant weakening of share price indices in major bourses. However, the division performed up to expectation and Mayflower Acme Tours Sdn Bhd ("MAT") recorded growth in both revenue and profitability compared to previous year. The car rental business continued to grow in both revenue and profitability on the back of expanding fleet size and improved vehicle utilisation rate. The total fleet

Chairman's Statement

size surpassed the 1400-vehicle mark at end of December 2008 due to the expansion in customer base as well as increasing demand in medium to long term leasing and limousine chauffer-driven services.

It was again a fruitful year in terms of award winning for MAT which won "The BrandLaureate SME's Chapter Awards 2008 for Best Brand in Services - Tours & Travel" during the year. Further, MAT was awarded the Certificate of Excellence Brand (Services) by Ministry of International Trade & Industry (MITI). This shows the commitment of MAT in providing high-quality service to all its customers.

Mayflower American Express Travel Services Sdn Bhd continued to perform well in the corporate ticketing market and captured reasonable size of market share in this segment.

Chairman's Statement

Machinery

It was a rather prolific year for the industry until the end of 2008 with the emergence of global financial crisis which impacted significantly the industry including the delay in implementation of the 9th Malaysia Plan. However, the division performed well by registering a double-digit growth in both revenue and profitability compared to previous year. With the introduction of 3 improved models, the heavy machinery with the brandname of Sumitomo, marked an increase in local market share while Nissan forklift, with the launching of "1F" series towards the end of 2007, achieved a stronger footing in the local market as well. The improved models of Sumitomo are more fuel and operational efficient. Consistently, the division also introduced an Indian-made John Deere agricultural tractor which is fuel efficient and it was well accepted by the market. In tandem with the revenue built up for the past few years, parts and service businesses had also recorded an improved performance in 2008 compared to 2007.

Following the expansion into the East Malaysian market in 2007, the said venture started to be fruitful with higher revenue and profitability contribution from East Malaysia as well as stronger market presence of our products in East Malaysia. The division will continue to follow the previous footpath to further expand the East Malaysian market which is viewed to have great potential in the long run.

Chairman's Statement

Consumer Products

The inflationary pressure has inevitably affected the overall consumer spending in 2008. Nevertheless, the core businesses under the division, namely Shiseido and Wacoal achieved reasonable growth in revenue albeit the tough business environment.

Shiseido

It was a very eventful year for Shiseido Malaysia with the launching of Cle de Peau Beaute, a complete range of high prestige beauty and makeup specialities representing "top of technology and elegance". Further, Shiseido Malaysia launched Shiseido Zen, a unique fragrance with

Chairman's Statement

distinguished packaging and it was well-accepted by customers. For the first time, a launching was done exclusively with Watson for Majolica Majorca, a makeup range, to win the hearts of teenagers and young adults and together with ZA, it will help to strengthen the market share in the self-selection segment.

As for Shiseido Professional ("SP"), it achieved a greater height by penetrating into 28 new concept salons which exclusively utilise SP products and services.

Chairman’s Statement

Wacoal

Wacoal Malaysia continued to strive to increase its market share each year by aggressive marketing campaign and press advertisement. Tapping on market need, it focused on Sensuala, a preferred brand by consumers due to its “value for money” proposition. As part of the Corporate Social Responsibility (CSR) program, Wacoal Malaysia promoted “Brest Cancer Awareness” and the road show was held in Kuching in 2008, graced by both Miss Malaysia Universe and Miss Malaysia Universe Runner-up 2007. It was also a good beginning for Wacoal Malaysia to open a stand-alone counter in Pahlawan Mall, Malacca. Consistently, new design is created each year and an innovative brassiere, “Twin Bra” was launched to be worn as normal brassier or cami-bra for the young consumers.

Multi-Level-Marketing

Unify Network Marketing continued to focus on brand awareness activities, building distribution base and developing core products with the concept of “total wellness”. With a change in key management personnel, Unify Network Marketing was re-launched in February 2009 and star products will be developed to enhance the business.

Chairman's Statement

Hairdressing Training School

A revamp on the business model was carried out to stay competitive and focused. Hairbiz College strives to provide high quality professional education and training for aspiring hair stylists and concurrently it will expand its activities to include hair salon and chain group to excel in the hair fashion industry. The move is expected to augur well for the business in the long run.

Prospects

The current global and local economic uncertainties will have some impact on the travel and car rental business in 2009 but with well-conceived strategies and mitigating actions in place, the management is striving to minimise the impact. Nonetheless, the management continues to explore strategic growth opportunities in both overseas and local arenas.

With the current uncertain economic environment and stronger Yen, it will be a tough year for the machinery division in 2009. However, our dedicated management will put in concerted effort, including expansion of product base and strengthening after sales service, to overcome these obstacles.

As far as the consumer products division is concerned, consumers will be more cautious in spending and the division will continue to face challenges in 2009. The business revamp is a positive move and the division is expected to reap medium to long term benefit from the revamp of the businesses.

With current economic uncertainties, the Group expects 2009 to be a challenging year.

Acknowledgment

On behalf of the Board, I would like to take this opportunity to thank all our shareholders, valued customers, business associates and financiers for their continuous support to the Group. I wish to record our appreciation to the management and employees for their dedication and commitment.

On behalf of the Board, I also wish to record a vote of appreciation and gratitude to our former Directors, Dato' Lee Eng Guan, Mr Lim Hong Juay and Ms Yeoh Keong Lian for their invaluable contribution and support to the Company and Group during their term of office.

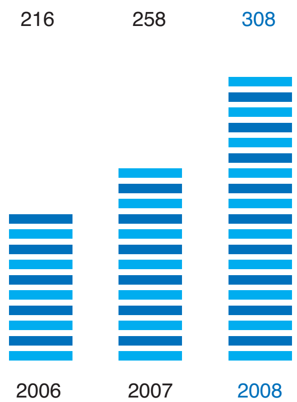
It is also my pleasure to welcome Mr Ting Lieng Yu who joined the Board on 1 November 2008 and subsequently appointed as Deputy Chairman on 1 January 2009. His vast experience and expertise in a wide spectrum of business will obviously be of great benefit to the Group.

Lastly, I would like to thank my fellow Board members for their invaluable contribution to the Group.

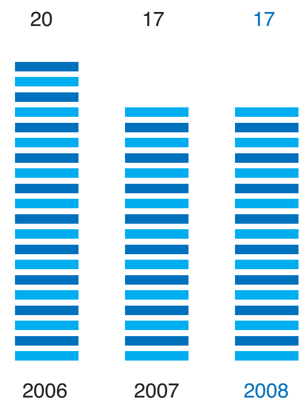
Dato' Tan Heng Chew
JP, DJMK
Chairman
Kuala Lumpur
8 April 2009

Financial Charts

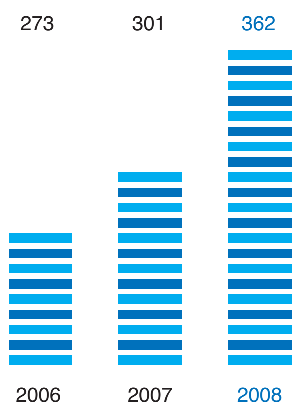
Revenue (RM million)



Profit After Tax (RM million)



Total Assets (RM million)



Shareholders' equity (RM million)

Net Assets Per Share (sen)

Earnings Per Share (sen)

Profile Of The Directors

Dato' Tan Heng Chew
JP, DJMK,

aged 62, a Malaysian, is a Non-Independent Non-Executive Director and Chairman of Warisan TC Holdings Berhad. He was the first director of the Company when it was incorporated on 26 March 1997.

Dato' Tan graduated from the University of New South Wales, Australia with a Bachelor of Engineering (Honours) degree and a Masters degree in Engineering from the University of Newcastle, Australia. He joined the Tan Chong Motor Holdings Berhad Group of companies in 1970 and was instrumental in the establishment of its Autoparts Division in the 1970s and early 1980s.

Dato' Tan sits on the Board of Tan Chong Motor Holdings Berhad as Executive Deputy Chairman and is also Chairman of APM Automotive Holdings Berhad. He is also a director and shareholder of Tan Chong Consolidated Sdn Bhd, a major shareholder of the Company.

Dato' Tan does not have any conflict of interest in any business arrangement involving the Company. He has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Dato' Tan attended all the five Board meetings held in 2008.

Ting Lieng Yu

aged 52, a Malaysian, is a Non-Independent Non-Executive Director. He was appointed to the Board on 1 November 2008 and assumed the position of Deputy Chairman on 1 January 2009.

Mr Ting is a Fellow Member of the Chartered Association of Certified Accountants (CACA) United Kingdom (U.K.) and an Associate Member of the Malaysian Institute of Accountants. He started his career in a Public Accountants firm in London, U.K. in 1982. After his 2 1/2 years stint in London, he was a Management Accountant of Sarawak Shell Berhad; Senior Internal Auditor of Shell Malaysia Berhad; Head of Group Internal Audit and subsequently General Manager - Business Development, Finance & Treasury of Bank Industri Berhad and was later seconded by Bank Industri Berhad to Silterra Malaysia Berhad in Kulim Hi-Tech Park, Kedah as General Manager - Finance & Admin. He joined Tan Chong & Sons Motor Company Sdn Bhd in August 2000 as General Manager - Finance & Admin, Human Resources and Property; and subsequently appointed as Executive Director of Tan Chong Ekspres Auto Servis Sdn Bhd taking charge of Nissan & Renault Aftersales (workshops & spare parts) service. He was instrumental in the establishment of the financial services division of Tan Chong Motor Holdings Berhad ("TCMH"). Presently he is a director of several subsidiaries/joint-venture companies of TCMH and the Company.

Mr Ting does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company. He has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Mr Ting attended a Board meeting held since his appointment to the Board during the financial year 2008.

Profile Of The Directors

Ngu Ew Look

aged 55, a Malaysian, is an Executive Director. He was appointed to the Board on 26 July 2002.

Mr Ngu is a Fellow Member of the Association of Chartered Certified Accountants. He joined the Tan Chong Motor Holdings Berhad ("TCMH") Group in September 1978 and served in various financial and management positions. He was an Accountant for the travel business and later became the Product Manager and subsequently promoted to General Manager of the industrial machinery business, both operations of which are now under the Warisan Group. Prior to his current appointment, he was General Manager, in charge of the heavy commercial vehicles division of TCMH Group and overseeing the heavy commercial vehicle business of TCMH Group in East Malaysia.

Mr Ngu does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company. He has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Mr Ngu attended all the five Board meetings held in 2008.

Dato' Haji Nadzam bin Haji Mohd Din
JP, DJMK, KMN, AMP,

aged 66, a Malaysian, is a Non-Independent Non-Executive Director. He was appointed to the Board on 1 November 1999.

Dato' Haji Nadzam started his career in the Malaysian civil service in 1972. He served as Press Secretary for the Minister of Culture, Youth and Sport (1972 to 1975); Minister of Trade and Industry (1975 to 1978) and Minister of Law and Attorney-General (1978 to 1980). He joined Tan Chong Motor Holdings Berhad Group in 1981 and has been the Head of its Public Affairs Department since then.

Dato' Haji Nadzam does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company. He has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Dato' Haji Nadzam attended all the five Board meetings held in 2008.

Profile Of The Directors

Seow Thiam Fatt,

aged 68, a Malaysian, is an Independent Non-Executive Director. He was appointed to the Board on 26 July 2002 and is Chairman of the Audit Committee.

Mr Seow is a Fellow of CPA Australia, Fellow of the Institute of Chartered Secretaries and Administrators (UK) and past Fellow of the Institute of Chartered Accountants in Australia. He is also a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants (MICPA). He is a past President of MICPA and also served four years as a government appointed Independent Director of the previous Kuala Lumpur Commodities Exchange (KLCE).

Mr Seow has more than 20 years' professional experience as a former Partner in the accounting firms of Larry Seow & Co, Moores Rowland and Arthur Young. He diverted from professional practice in 1994 and thereafter held senior position in several public companies and the Securities Commission of Malaysia.

Mr Seow is also an Independent Non-Executive Director of Tan Chong Motor Holdings Berhad, Affin Investment Bank Berhad, ING Funds Berhad and Malaysia Pacific Corporation Berhad.

Mr Seow does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company. He has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Mr Seow attended all the five Board meetings held in 2008.

Datuk Abdullah bin Abdul Wahab
KMN, DPSJ, PJN,

aged 58, a Malaysian, is an Independent Non-Executive Director. He was appointed to the Board on 3 March 2008 and is a member of the Audit Committee.

Datuk Abdullah graduated from the Universiti Sains Malaysia (USM) with a Bachelor of Social Science (Honours) degree in 1976. He was an Administrative Officer at the School of Pharmacy, USM Penang from 1976 to 1980. He started his career at The Parliament of Malaysia as Assistant Secretary in 1980 and subsequently assumed all aspects of Administrative functions at The Parliament. In 1999, he was appointed as Secretary to the Senate, and in 2004, he was elevated as Secretary to The Parliament and Secretary to the Dewan Rakyat. He retired from the civil service in 2006.

Datuk Abdullah does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company.

Datuk Abdullah attended all the three Board meetings held since his appointment to the Board during the financial year 2008.

Profile Of The Directors

Chong Kwong Chin

aged 56, a Malaysian, is an Independent Non-Executive Director. He was appointed to the Board on 3 March 2008 and is a member of the Audit Committee.

Mr Chong is a Member of the Malaysian Institute of Accountants, Fellow Member of the Association of Chartered Certified Accountants, Associate Member of the Institute of Chartered Secretaries and Administrators (UK), a Member of the Institute of Certified Public Accountants Singapore, a Member of the Institute of Management (UK) and a fellow of CPA Australia. Mr Chong has been in public practice since 1979 when he started his own accounting firm, Eddy KC Chong & Co. The firm merged with Tet O. Chong & Co in 1990 and is now practising under the name of Ismail Chong & Associate, a firm affiliated with Moore Stephens, an international accounting firm. He is presently a senior partner of Moore Stephens and Ismail Chong & Associate, and Executive Chairman of Moore Stephens AC.

Mr Chong does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company.

Of the three Board meetings held since his appointment to the Board during the financial year 2008, Mr Chong attended two meetings and extended apology for the other meeting.

None of the Directors had convictions for any offence within the past ten years.

Corporate Governance Statement

The Board of Directors (the "Board") of Warisan TC Holdings Berhad recognises that the exercise of good corporate governance in conducting the business and affairs of the Company and the Group forms a fundamental part of discharging its responsibilities to protect shareholders' value and to enhance the Group's performance. It is the policy of the Board to manage the business and affairs of the Group in accordance with the appropriate standards for good corporate governance.

The Board wishes to report on the manner the Group has applied the principles and the extent of compliance with the best practices set out in the Malaysian Code on Corporate Governance (the "Code").

A: DIRECTORS

I The Board

The Board is entrusted with the responsibility in leading and directing the Group towards realising long term shareholders' values. The Board retains full and effective control of the Group's strategic plans, overseeing the conduct of the Group's businesses, implementing an appropriate system of risk management and ensuring the adequacy and integrity of the Company's system of internal control.

The Board meets on a quarterly basis, with additional meetings convened as and when necessary. In 2008, the Board held five (5) Board Meetings. In every Board Meeting, there is a schedule of matters reserved for the Board's decision and apart from the broad policy making decisions, these matters include the approval of annual and interim results, annual business plans and budgets, significant acquisitions and disposals, material agreements, major capital expenditures, senior executive appointments and significant corporate matters. Other matters are delegated to committees of the Board and management as well as officers of the Group.

II Board Balance

The Board currently has seven (7) members comprising the Chairman, Deputy Chairman, Executive Director and four (4) other Non-Executive Directors, three (3) of whom are Independent Directors. This Board composition meets the requirement of at least one-third being Independent Directors.

The Board collectively has a diverse background in business and financial experience and skills vital for the continued progress and success of the Group. The profiles of the Board members are set out on pages 13 to 16.

III Supply of Information

All Board and Committee meetings held were preceded with formal agenda issued by the Company Secretary. The agenda was accompanied by the minutes of previous meetings, relevant documents for deliberations and reports on current trading and business issues, periodic financial reports and proposal papers from the management as and when required.

The Board has approved an agreed procedure for Directors to take independent professional advice at the Company's expense.

The Directors have direct access to the advice and services of the Company Secretary who is responsible for ensuring Board procedures are followed.

Corporate Governance Statement

IV Appointment to the Board

The Board is of the view that an assessment carried out by drawing upon the wealth of experience of all the Directors on the Board would be more effective and therefore a Nomination Committee is currently not required. Consequently, this role will be performed by the Board as a whole when necessary and as appropriate.

It is an essential part of the Board policy that Directors receive training and update from time to time, particularly on relevant new laws and regulations and changing commercial risks.

V Re-election of Directors

The Company's Articles of Association provide that at every Annual General Meeting of the Company, one-third of the Directors shall retire from office by rotation and that all Directors shall retire from office once at least in every three years, but shall be eligible for re-election at each Annual General Meeting. Directors who are appointed by the Board are subject to re-election by the shareholders at the next Annual General Meeting following their appointment.

Directors who are due for re-election by rotation in accordance with Article 96 of the Company's Articles of Association at the forthcoming Twelfth Annual General Meeting are Dato' Tan Heng Chew and Mr Ngu Ew Look. Mr Ting Lieng Yu, the newly appointed Director (appointed on 1 November 2008) would hold office until the forthcoming Annual General Meeting, and being eligible, has offered himself for re-election in accordance with Article 76 of the Company's Articles of Association. The profiles of the Directors who are due for re-election are set out on pages 13 and 14.

VI Directors' Training

The Directors are mindful that to effectively discharge their duties as Directors, they should receive appropriate continuous training by attending seminars and briefings in order to broaden their perspectives and to keep abreast with the development in the business environment as well as with the constant changes in regulatory requirements.

The training programmes and seminars attended by the Directors during the financial year ended 31 December 2008 included, among others, the following:-

- Mandatory Accreditation Programme for Directors of Public Listed Companies (for Directors appointed during 2008)
- High Impact Governance Seminar on Corporate Effectiveness
- Implementing Performance Management System
- Effective Leadership Development Process
- Director's Duties Liabilities & Governance Reform 2008

Corporate Governance Statement

B: DIRECTORS' REMUNERATION

The Board is of the view that the existing remuneration guidelines formulated by drawing upon the wealth of experience of all the Directors on the Board would be more effective and therefore a Remuneration Committee is currently not required. Consequently, this role will be performed by the Board as a whole when necessary and as appropriate. The remuneration policy of the Group essentially seeks to attract, retain and motivate employees of all levels including Executive Directors to contribute positively towards the Group's performance.

The quantum of the annual performance bonus and increment for the employees of the Group is dependent on the operating results of the Group after taking into account the prevailing business conditions and the individual's performance. The same guidelines apply to the Executive Directors.

The aggregate remuneration of the Directors for the financial year ended 31 December 2008 is as follows:

	Fees RM	Salaries & Allowance RM	Bonus RM	Benefits-in-kind RM	Total RM
Executive Directors	-	1,471,803	198,375	42,787	1,712,965
Non-Executive Directors	148,766	15,000	-	-	163,766

The number of Directors whose remuneration falls into the following bands is as follows:

Range of remuneration	Executive	Non-Executive
50,000 and below	-	4
500,001 - 550,000	2	-
600,001 - 650,000	1	-

The remuneration of each of the Non-Executive Director is determined by the Board as a whole. Non-Executive Directors do not take part in discussions of their own remuneration.

C: RELATIONS WITH SHAREHOLDERS

I Dialogue between the Company and Investors

The Board acknowledges the need to communicate with shareholders on all material business matters affecting the Group. The Company will hold group and individual discussions with analysts, institutional shareholders and investment communities, at their request, with the view to fostering greater understanding of the business of the Group. When appropriate, the Company will also conduct press conference to inform shareholders and investors of any material business developments of the Group. The Group's quarterly result announcements are available from the Bursa Malaysia website and serve to keep the interested shareholders informed of the Group's progress from time to time.

II Annual General Meeting ("AGM")

AGM is the principal forum for dialogue with the shareholders which allows the shareholders to have direct access to the Board. The shareholders are given the opportunity to raise questions or issues regarding the Company's performance or on any proposed resolution.

The last AGM was held on Friday, 23 May 2008 at 10:30 a.m. at 3rd Floor, 21 Jalan Ipoh Kecil, 50350 Kuala Lumpur. It was attended by shareholders comprising registered individuals, proxies and corporate representatives with a total shareholding representing 62.04% of the issued share capital.

Corporate Governance Statement

D: ACCOUNTABILITY AND AUDIT

I Financial Reporting

The Board aims to present a balanced and understandable assessment of the Company's and the Group's position and prospects to the shareholders, investors and regulatory authorities primarily through the annual report and quarterly financial statements.

II Internal Control

The Directors acknowledge their responsibility for the Group's system of internal control which would cover all aspects of the business including financial, operational and compliance controls. While acknowledging their responsibility for the system of internal control, the Directors are aware that such a system cannot totally eliminate risks and thus there can never be an absolute assurance that the Group will achieve its objectives or will there be no material loss arising thereon.

The Statement of Internal Control furnished on pages 21 to 22 provides an overview of the state of the internal controls within the Group.

III Audit Committee and Auditors

The Board has established an Audit Committee. The membership of this Committee, the terms of reference and its activities report are set out on pages 27 to 30.

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES IN CORPORATE GOVERNANCE

The Directors considered that for the financial year ended 31 December 2008, the Company had complied substantially with the Best Practices in Corporate Governance as set out under Part 2 of the Code, except for the formation of Nomination and Remuneration Committees as explained in the report on the application of the principles and best practices in corporate governance.

Statement On Internal Control

Responsibility

The Board has overall responsibility for the Group's system of internal control and for reviewing its adequacy and integrity to safeguard shareholders' investment and the Group's assets. However, it should be noted that such a system is designed to manage rather than eliminate the risk of failure to achieve corporate objectives. In pursuing these objectives, it can only provide reasonable but not absolute assurance against material misstatement or loss.

Internal Control System

The key elements of the Group's internal control system are described as below:

- Defined lines of responsibility, delegation of authority, segregation of duties and information flow.
- The Executive Management Committee (EMC) which reviews high level policies and when there are changes of new policies as well as monitors the performance and profitability of business divisions.
- Internal policies and procedures have been established and documented.
- Business planning and budgeting process for business units with periodical monitoring of performance so that major variances are followed up and management action taken.
- Justification and approval process for major expenditures to ensure congruence with the Company's strategic objectives.
- Independent appraisals by internal auditors to ensure ongoing compliance with policies and procedures whilst assessing the effectiveness of the Group's system of financial, compliance and operational control.

Statement On Internal Control

Risk Management Framework

The Board confirms that there is a continuous process to identify and manage the significant risks of the Group. Key risks relating to the Group's operations and strategic mission are addressed, evaluated and subsequently tabled and endorsed by the Board.

The key features of the risk management framework are as follows:

- Establishment of a Risk Management Committee which is headed by the Deputy Chairman and comprising the Managing Director, Executive Director and other key management personnel from respective business divisions. The Committee is entrusted with the responsibility to identify and communicate to the Board through the Audit Committee on the risk that the Group faces, their changes and management action plans to mitigate the risks.

- Adoption of the Risk Management Oversight Policies and Procedures which outlines the risk management framework for the Group and offers practical guidance on risk management issues.

- Updates on Corporate Risk Scorecards by the heads of business divisions with focus on operational risks. The database of all risks and controls in a form of risk scorecard is subject to review.

Internal Audit Function

An in-house internal audit function supports the Audit Committee, and by extension, the Board, by providing reasonable independent assurance of the Group's system of internal control. Internal audit appraises and contributes towards improving the Group's risk management and control system and reports to the Audit Committee on a quarterly basis.

The internal audit team is independent and has no involvement in the operation of the Group.

The Board is of the opinion that the system of internal control is adequate to achieve the Group's business objectives.

During the year, there were no material losses caused by breakdown in internal control.

Additional Compliance Information

In compliance with the Listing Requirements of Bursa Malaysia Securities Berhad, the following additional information is provided:-

(i) Utilisation of Proceeds

There were no proceeds raised from corporate exercises during the financial year.

(ii) Share Buy-Back

During the financial year, the Company bought back a total of 332,700 shares of RM1.00 each from the open market. Details of the shares bought back during the financial year are as follows:

Month	Number of share bought back and held as treasury shares	Highest price paid per share (RM)	Lowest price paid per share (RM)	Average price paid per share (RM)	Total consideration* (RM)
February	100	2.0000	2.0000	2.0000	241.06
March	69,400	2.0500	1.9500	2.0327	141,852.29
May	200	1.9500	1.9400	1.9450	430.12
June	21,900	2.2000	2.0000	2.1991	48,512.70
July	15,900	1.9800	1.8000	1.9777	31,714.96
September	39,300	1.9900	1.9900	1.9900	78,794.83
October	94,600	1.8000	1.7400	1.7633	168,027.91
November	1,000	1.8000	1.8000	1.8000	1,842.54
December	90,300	1.9800	1.9000	1.9564	177,965.62
Total	332,700				649,382.03

Note: * Including transaction costs

All the shares bought back during the financial year are held as treasury shares. As at 31 December 2008, a total of 1,290,000 shares were held as treasury shares. None of the treasury shares were resold or cancelled during the financial year.

Additional Compliance Information

(iii) Options, Warrants or Convertible Securities

There were no options, warrants and convertible securities issued during the financial year.

(iv) American Depository Receipt ("ADR") / Global Depository Receipt ("GDR")

The Company did not sponsor any ADR or GDR Programme during the financial year.

(v) Sanctions and/or Penalties

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year.

(vi) Non-audit Fees

The amount of non-audit fees incurred for the services rendered to the Group by the external auditors or a firm or company affiliated to the external auditors during the financial year was RM47,100.

(vii) Variance in results

There was no significant variance between the results for the financial year and the unaudited results previously announced. The Company did not make any release on profit estimate, forecast or projection.

(viii) Profit Guarantee

The Company did not give any profit guarantee during the financial year.

(ix) Material Contracts

There were no material contracts entered into by the Company and/or its subsidiaries involving Directors and major shareholders, either subsisting at the end of the financial year or entered into since the end of the previous financial year.

(x) Revaluation Policy

The Group does not have a revaluation policy on landed properties.

Corporate Social Responsibility

CORPORATE SOCIAL RESPONSIBILITY

The Group is mindful of its responsibility as a good corporate citizen and has always made Corporate Social Responsibility (CSR) an integral part of, and the way it conducts business. The Group emphasizes CSR on four (4) focal areas, namely Community, Workplace, Marketplace and Environment.

Community

The Group plays its role as a socially responsible corporate citizen in the community through various activities held with the aim of caring for the well-being of the society at large.

During the year, the Group supported charitable organizations that help children with special needs, orphans, underprivileged and physically-challenged community through donations (monetary, products and/or equipment) and sponsorships. The Group sponsored events and activities organized by non-profitable organizations and societies. The Group also hired fresh graduates of different disciplines and offered practical training for undergraduates from local institutions of higher learning and universities. Apart from the above, participation and staff volunteerism were seen in several other initiatives. The Group employees participated in community services viz. visits to orphanage and welfare homes.

Besides fulfilling its corporate responsibilities to society and community in which the Group operates, natural disasters in Myanmar (Cyclone Nargis) and China (earthquake in Sichuan Province) in May 2008 and the plight of the victims also caught the Group's and its employees' attention. Humanitarian contributions to victims of these tragedies were made through the Malaysian NGOs that participated in the rescue and rehabilitation works in the affected countries.

Workplace

The Group is committed in its social responsibilities at the workplace via adherence to human rights in employment of staff with fair and equitable terms; emphasis on work diversity, human capital development as well as health and safety aspects at the workplace.

Corporate Social Responsibility

Continuous learning and development programmes were carried out throughout the year to equip the employees with relevant skills, knowledge and experience which would enhance their competency and eventually add value to the Group. Quarterly briefing and sharing of performance and forward action plans were also carried out to promote employee engagement, teamwork and accountability. To promote a healthy lifestyle among the employees, various initiatives such as sports activities and social events were carried out with the support and commitment of the employees throughout the year. Health and safety awareness programmes for employees were also conducted during the year.

With sharply rising cost of living in 2008, the Group was empathetic to the plight faced by the employees and took concrete steps viz. advance bonus payment and upward revision of certain claims/allowances, to ease the financial burden of the employees arising from the rising cost of living.

Marketplace

At the marketplace, the travel division of the Group – Mayflower, with its vision "To be Recognized As The Most Respected & Preferred Partner In The Travel Industry" is always supportive of the Government's efforts in promoting sustainable tourism in Malaysia by promoting green, eco-tourism products and environment-friendly packages to tourists. The Group also engages ethical procurement with relevant stakeholders – partners and suppliers who practise sustainable ethics, support the local community and provide economic benefits and

rewards to local residents. During the year, Mayflower Group continued its efforts as a socially responsible corporate citizen in the marketplace by sponsoring events and activities on eco-tourism which basically means responsible tourism.

Wacoal Malaysia Sdn Bhd (Wacoal Malaysia), a joint-venture company of the Group, adopts social branding in discharging CSR at the marketplace via Wacoal's "Pink Ribbon" Campaign which is run in October each year, with the objective of creating awareness of breast cancer among women. During the year, Wacoal Malaysia continued its drive on "Pink Ribbon" Campaign and promotion of Breast Self-Examination with the aim of educating women in early detection of breast cancer that could save their lives. Wacoal Malaysia also assisted in fitting the right prosthesis for women breast cancer patients who have undergone mastectomy.

Environment

As an environmental socially responsible corporate citizen, the Group practises environmental preservation and strives to be environmental friendly in all things that it does.

Several initiatives such as recycling campaigns, air pollution controls, waste management, energy efficiency programmes and measures to reduce global warming were deployed by the Group during the year with the objective of preserving the environment.

Audit Committee Report

COMPOSITION AND MEETINGS

The composition of the Audit Committee ("Committee") and the attendance of its members at the five (5) meetings held in 2008 are set out below:

Name	Designation	Attendance
Seow Thiam Fatt Independent Non-Executive Director	Chairman	5/5
Dato Lee Eng Guan @ Lee Eng Yuan Non-Independent Non-Executive Director (resigned wef 31/12/2008)	Member	4/5
Chong Kwong Chin Independent Non-Executive Director (appointed wef 3/3/2008)	Member	3/4
Datuk Abdullah bin Abdul Wahab Independent Non-Executive Director (appointed wef 23/5/2008)	Member	4/4
Ismail bin Rautin Ibrahim Independent Non-Executive Director (ceased wef 23/5/2008)	Member	1/1

TERMS OF REFERENCE

Membership

The Committee shall be appointed by the Board from amongst the Directors and shall be composed of no fewer than three (3) members. All the Committee members must be Non-Executive Directors, with a majority of them being Independent Directors.

The Committee shall include at least one (1) Director who is a member of the Malaysian Institute of Accountants or alternatively, a person who must have at least three (3) years working experience and have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967 or is a member of one (1) of the associations specified in Part II of the said Schedule; or fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

No Alternate Director shall be appointed a member of the Committee.

The members of the Committee shall elect a Chairman from amongst their number who shall be an Independent Director.

In the event of any vacancy in the Committee which results in a breach in the Listing Requirements of Bursa Securities, the vacancy must be filled within three (3) months.

The term of office and performance of the Committee and each of its members shall be reviewed by the Board at least once every three (3) years.

Audit Committee Report

Authority

The Committee is authorized by the Board, and at the cost of the Company, to:

1. investigate any matter within its Terms of Reference;
2. have the resources which are required to perform its duties;
3. have full and unrestricted access to any information pertaining to the Company or the Group;
4. have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
5. be able to obtain independent professional or other advice; and
6. be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other Directors and employees, whenever deemed necessary.

Functions

The functions of the Committee shall be, amongst others:

1. review the following and report the same to the Board:

    a. the nature and scope of the audit plan, the evaluation of the system of internal control and the audit report with the external auditors; the assistance given by the employees of the Company or Group to the external auditors;
    b. the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its works;
    c. the internal audit programme, processes, the results of the internal audit programme, processes or investigations undertaken and whether or not appropriate action is taken on the recommendation of the internal audit function;
    d. the quarterly results and year end financial statements, prior to approval by the Board of Directors, focusing on:
        i. changes in or implementation of major accounting policies and practices;
        ii. significant audit adjustments from the external auditors;
        iii. the going concern assumption; and
        iv. compliance with accounting standards and other legal requirements;
    e. any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

2. consider the appointment of the external auditors, the audit fee and any questions of resignation or dismissal;
3. approve any appointment or termination of senior staff members of the internal audit function and review any appraisal or assessment of the performance of its members;
4. consider the major findings of internal investigations and management’s response;
5. review the risk management framework adopted within the Group and satisfy that the methodology employed allows identification, analysis, assessment, monitoring and communication of risks in a timely manner which result in minimizing losses and maximizing opportunities of the Group;
6. any other function as may be required by the Board from time to time.

Audit Committee Report

Conduct of Meetings

The Chairman shall call for meetings to be held not less than four (4) times in a year. Any member of the Committee may at any time, and the Secretary shall on requisition of the member, summon a meeting.

Except in the case of an emergency, seven (7) days notice of meeting shall be given in writing to all members.

A quorum of meeting shall be a majority of Independent Directors. Meeting shall be chaired by the Chairman, and in his absence, by an Independent Director.

Decision shall be made by a majority of votes.

The Head of Finance, Head of Internal Audit and the Company Secretary shall normally attend meetings. Other Board members and employees may attend meetings upon the invitation of the Committee. A representative of the external auditors shall attend the meeting to consider the final audited financial statements and such other meetings determined by the Committee.

The Chairman shall exercise the right to require those who are in attendance to leave the room when matters to be discussed are likely to be hampered by their presence or confidentiality of matters needed to be preserved.

Reporting Procedure

The Company Secretary shall record the proceeding of meetings. Minutes shall be circulated to all members of the Board.

The Committee shall prepare, for the Board and for inclusion in the Company's annual report, a summary of its activities in the discharge of its functions and duties for the financial year.

The Committee may report to the stock exchange of a matter reported by it to the Board which has not been satisfactorily resolved resulting in a breach of the Listing Requirements.

Audit Committee Report

SUMMARY OF AUDIT COMMITTEE'S ACTIVITIES

In discharging its responsibilities for the financial year, the Committee, in particular:

- reviewed the quarterly and year end financial statements and made recommendations to the Board.
- deliberated over the internal audit and compliance reports.
- reviewed and assisted in the development and implementation of sound and effective internal control and business system within the Group.
- reviewed the external auditors' scope of work and audit plan for the year.
- discussed and reviewed with the external auditors the results of their examination, their auditors' report and management letters in relation to the audit and accounting issues arising from the audit.
- reviewed the Company's compliance with regards to the Listing Requirements of the Bursa Securities and compliance with updates of new developments on accounting standards issued by the Malaysian Accounting Standards Board.
- reviewed the related party transactions of the Company and the Group to ensure that all such transactions are reflected in the annual report.
- reviewed the key risks and their related control strategies of the Group.

INTERNAL AUDIT FUNCTION

The Committee is supported by Systems & Internal Audit Department, which reports functionally to the Committee and is independent of the activities they audit.

During the financial year, the Systems & Internal Audit Department carried out, inter alia, the following activities:

- formulated and agreed with the Committee on the audit plan, strategy and scope of work.
- reviewed compliance with internal policies, procedures and standards, relevant external rules and regulations, as well as assessed the adequacy and effectiveness of the Group's internal control system.
- analyzed and assessed certain key business processes, report findings, and made recommendations to improve their effectiveness and efficiency.
- other ongoing assurance and advisory work to the Board and management.

The Systems & Internal Audit Department also assists the Risk Management Committee to compile the key factors in identifying, evaluating and mitigating the risks of the Group.

Shareholders' Statistics

as at 31 March 2009

SHARE CAPITAL

Authorised	:	RM100,000,000
Issued and Fully Paid-up	:	RM67,200,000
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	1 vote per ordinary share

ANALYSIS BY SIZE OF HOLDINGS AS AT 31 MARCH 2009

Size of Holdings	No. of Holders	%	No. of Shares Held	%
1 - 99	2,261	32.37	109,257	0.16
100 - 1,000	3,663	52.43	1,246,228	1.86
1,001 - 10,000	862	12.34	2,868,979	4.27
10,001 - 100,000	144	2.06	4,960,344	7.38
100,001 - 3,292,994	54	0.77	31,721,759	47.21
3,292,995 and above	2	0.03	24,953,333	37.13
Sub-Total	6,986	100.00	65,859,900	98.01
Treasury shares			1,340,100	1.99
Total	**6,986**	**100.00**	**67,200,000**	**100.00**

DIRECTORS' SHAREHOLDINGS

(as per Register of Directors' Shareholdings)

	Name	Direct No. of Shares Held	%	Indirect No. of Shares Held	% [(1)]
1.	Dato' Tan Heng Chew	1,431,833	2.17	29,426,302	44.68 [(2)]
2.	Ting Lieng Yu	-	-	-	-
3.	Ngu Ew Look	10,000	0.02	-	-
4.	Dato' Haji Nadzam bin Haji Mohd Din	95,050	0.14	-	-
5.	Seow Thiam Fatt	6,000	0.01	-	-
6.	Datuk Abdullah bin Abdul Wahab	-	-	-	-
7.	Chong Kwong Chin	-	-	-	-

Notes:

(1) Excluding a total of 1,340,100 shares bought back by the Company and retained as treasury shares as at 31 March 2009.

(2) Deemed interest by virtue of interests in Tan Chong Consolidated Sdn Bhd and Parasand Limited pursuant to Section 6A of the Companies Act, 1965, and interest of spouse by virtue of Section 134(12)(c) of the Companies Act, 1965.

Shareholders' Statistics

as at 31 March 2009

SUBSTANTIAL SHAREHOLDERS

(as per Register of Substantial Shareholders)

	Name	Direct No. of Shares Held	%	Indirect No. of Shares Held	%[8]
1.	Tan Chong Consolidated Sdn Bhd	15,213,333	23.10	13,440,000	20.41[1]
2.	Parasand Limited	13,440,000	20.41	-	-
3.	Dato' Tan Heng Chew	1,431,833	2.17	28,653,333	43.51[2]
4.	Tan Eng Soon	-	-	28,723,333	43.61[3]
5.	Dato' Tan Kim Hor	153,742	0.23	28,653,333	43.51[2]
6.	Dato' Tan Boon Pun	21	-[7]	28,653,347	43.51[4]
7.	Dr. Tan Kang Leong	500	-[7]	28,653,333	43.51[2]
8.	Tan Kheng Leong	13,500	0.02	28,653,333	43.51[2]
9.	Dato' Tan Hoe Pin	8,000	0.01	28,653,333	43.51[2]
10.	Tan Beng Keong	1,000	-[7]	28,653,333	43.51[2]
11.	Dr. Tan Ban Leong	30,000	0.05	28,653,333	43.51[2]
12.	Dato' Tan Chee Keong	15,000	0.02	28,653,333	43.51[2]
13.	Yeoman Capital Management Pte Ltd	-	-	5,225,000	7.93[5]
14.	Yeo Seng Chong	30,000	0.05	5,225,000	7.93[6]
15.	Lim Mee Hwa	225,000	0.34	5,225,000	7.93[6]

Notes:

(1) Deemed interests by virtue of interest in Parasand Limited pursuant to Section 6A of the Companies Act, 1965.

(2) Deemed interest by virtue of interests in Tan Chong Consolidated Sdn Bhd and Parasand Limited pursuant to Section 6A of the Companies Act, 1965.

(3) Deemed interest by virtue of interests in Tan Chong Consolidated Sdn Bhd, Parasand Limited and Lung Ma Investments Pte Ltd pursuant to Section 6A of the Companies Act, 1965.

(4) Deemed interest by virtue of interests in Tan Chong Consolidated Sdn Bhd, Parasand Limited and Progroup Nominees Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

(5) Deemed interest by virtue of its role as investment manager for clients pursuant to Section 6A of the Companies Act, 1965.

(6) Deemed interest by virtue of interest in Yeoman Capital Management Pte Ltd pursuant to Section 6A of the Companies Act, 1965.

(7) Less than 0.01%.

(8) Excluding a total of 1,340,100 shares bought back by the Company and retained as treasury shares as at 31 March 2009.

THIRTY LARGEST SHAREHOLDERS

	Name	No. of Shares Held	%*
1	Parasand Limited	13,440,000	20.4069
2	Tan Chong Consolidated Sdn Bhd	11,513,333	17.4815
3	HSBC Nominees (Asing) Sdn Bhd *BNY Brussels for Queensland Investment Corporation*	2,725,000	4.1376
4	DB (Malaysia) Nominee (Asing) Sdn Bhd *Exempt AN for British And Malayan Trustees Limited (Yeoman 3-Rights)*	2,375,000	3.6061
5	Cartaban Nominees (Asing) Sdn Bhd *SCBHK for Platinum Broking Company Limited-Client a/c*	2,300,000	3.4923
6	Mayban Nominees (Tempatan) Sdn Bhd *Tan Chong Consolidated Sdn Bhd (N14011984860)*	2,250,000	3.4163

Shareholders' Statistics
as at 31 March 2009

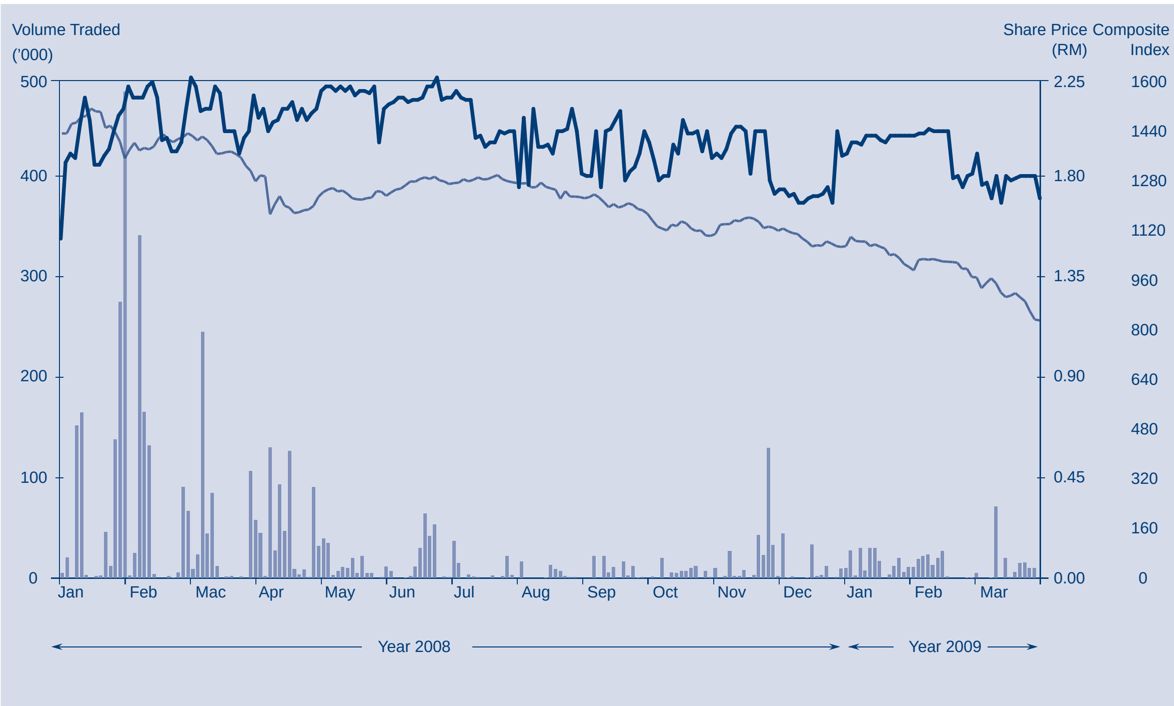
THIRTY LARGEST SHAREHOLDERS *(continued)*

	Name	No. of Shares Held	%*
7	M & A Securities Sdn Bhd *IVT (B)*	1,912,300	2.9036
8	Tan Boon Hooi	1,516,671	2.3029
9	HSBC Nominees (Asing) Sdn Bhd *BNY Brussels for Austral International Holdings Limited*	1,396,100	2.1198
10	Key Development Sdn Berhad	1,130,000	1.7158
11	HSBC Nominees (Asing) Sdn Bhd *RBS Coutts SG for Cyber Structure Ltd*	1,100,000	1.6702
12	Cimsec Nominees (Tempatan) Sdn Bhd *Allied Investments Limited for Tan Chong Consolidated Sdn Bhd*	1,000,000	1.5184
13	HSBC Nominees (Asing) Sdn Bhd *BNY Brussels for Drylon Holdings Limited*	1,000,000	1.5184
14	HSBC Nominees (Asing) Sdn Bhd *BNY Brussels for Haveling Estates Limited*	900,000	1.3665
15	HSBC Nominees (Asing) Sdn Bhd *BNY Brussels for Noble Pacific Mutual Fund Limited*	774,000	1.1752
16	Cimsec Nominees (Tempatan) Sdn Bhd *CIMB Bank for Khor Swee Wah @ Koh Bee Leng (MM1208)*	772,969	1.1736
17	Wong Yu @ Wong Wing Yu	730,000	1.1084
18	Gan Teng Siew Realty Sdn Berhad	692,500	1.0515
19	Cimsec Nominees (Tempatan) Sdn Bhd *CIMB Bank for Tan Heng Chew (MM1063)*	687,300	1.0436
20	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd *Kim Eng Securities Pte Ltd for Lem Kim Wan @ Lim Hong Gee*	598,500	0.9087
21	Chinchoo Investment Sdn Berhad	583,700	0.8863
22	Mayban Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Chong Consolidated Sdn Bhd (014011528927)*	450,000	0.6833
23	M & A Nominee (Asing) Sdn Bhd *Pedigree Limited*	339,800	0.5159
24	Cimsec Nominees (Tempatan) Sdn Bhd *CIMB Bank for Koh Bee Hoon (M1208B)*	330,000	0.5011
25	Rengo Malay Estate Sendirian Berhad	330,000	0.5011
26	Citigroup Nominees (Asing) Sdn Bhd *Exempt AN for Merrill Lynch Pierce Fenner & Smith Incorporated (Foreign)*	312,755	0.4749
27	Citigroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Heng Chew (473963)*	271,900	0.4128
28	Associated Abrasives Sdn Bhd	270,700	0.4110
29	Chan Oi Lin	270,000	0.4100
30	Alliancegroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Heng Chew (8041121)*	267,700	0.4065
	TOTAL	**52,240,228**	**79.3202**

Note:

* *Excluding a total of 1,340,100 shares bought back by the Company and retained as treasury shares as at 31 March 2009.*

Share Price And Volume Traded



Volume Traded
(Number of shares traded for the day)

Share Price
(closing price for the day)

Bursa Malaysia Securities Berhad
Composite Index
(closing index for the day)

Group Properties

as at 31 December 2008

Location	Description	Land Area (sq feet)	Built-up Area (sq feet)	Tenure/ Expiry Date	Net Book Value (RM million)	Age of Building (years)	Date of acquisition	Year of revaluation
18 Jalan Segambut Pusat 51200 Kuala Lumpur	Office & vehicle storage yard	17,574	18,160	Leasehold 16.6.2067	1.7	32	1.10.1977	1984
Lot 9, Jalan Delima 1/1 Subang Hi Tech Industrial Park 40000 Shah Alam Selangor	Showroom, office, workshop & vehicle storage yard	98,349	53,766	Freehold	4.3	16	20.12.1990	-
43 Jalan IMJ 3 Taman Industry Malim Jaya 75050 Malacca	Office and workshop	11,087	3,700	Leasehold 18.11.2095	0.4	12	12.12.1996	-
19 Jalan Bertam 8 Taman Daya 81100 Johor Bahru Johor	Office and workshop	8,456	7,553	Freehold	0.7	16	20.5.2000	-
Lot 1A Jalan Kemajuan Seksyen 13 46200 Petaling Jaya Selangor	Office and warehouse	94,596	33,900	Leasehold 10.6.2058	10.4	34	10.9.2004	2008
Lot 29 Jalan Delima 1/3 Subang Hi Tech Industrial Park 40000 Shah Alam Selangor	Showroom, office, workshop and vehicle storage yard	125,871	40,808	Freehold	7.8	16	2.3.2004	-
Lot 22, Ground Floor, Wisma Sabah, Jalan Tun Razak, 88000 Kota Kinabalu Sabah	Office lot	-	595	Leasehold 31.12.2072	0.3	31	23.10.2002	-
No 3, Jalan Perusahaan Perkhidmatan Pengkalan, Taman Pengkalan Maju, 34700 Simpang, Taiping Perak	Office building annexed with factory	72,646	57,464	Freehold	2.8	8	5.4.2007	-
No 1 Jalan Metro Pudu, Fraser Business Park, Off Jalan Yew, 55100 Kuala Lumpur	Commercial shop office	2,902	16,296	Freehold	10.1	1	6.6.2008	2008
610 Jalan Nilai 3/15, Kawasan Perindustrian Nilai 3, 71800 Nilai, Negeri Sembilan	Industrial building	3,003	3,003	Freehold	0.2	9	20.7.2004	-

Statement On Directors' Responsibility For Preparing The Annual Audited Financial Statements

for the year ended 31 december 2008

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group and their results for the financial year.

In preparing the financial statements for the year ended 31 December 2008, the Directors have:

1. adopted the appropriate accounting policies, which are consistently applied;
2. made judgments and estimates that are reasonable and prudent; and
3. ensured that the applicable approved accounting standards in Malaysia and provisions of the Companies Act, 1965 are complied with.

The Directors have the responsibility for ensuring that the Company and the Group keep proper and adequate accounting records which disclose with reasonable accuracy the financial position of the Company and the Group and to ensure that the financial statements comply with the requirements of the Companies Act, 1965. The Directors have the general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Financial Statements

Directors' Report

for the year ended 31 December 2008

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and the provision of management services. The principal activities of the subsidiary companies are indicated in note 6 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit attributable to shareholders of the Company	16,811	690
Unappropriated profit brought forward	186,345	104,759
Profit available for appropriation	203,156	105,449
Dividends	(4,895)	(4,895)
Unappropriated profit carried forward	198,261	100,554

DIVIDENDS

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

	RM
In respect of the financial year ended 31 December 2007, as proposed in the Directors' Report for that year:	
- a final dividend of 5% less tax at 26%	2,448,408
In respect of the financial year ended 31 December 2008:	
- an interim dividend of 5% less tax at 26%	2,446,557
	4,894,965

The Directors propose the payment of a final dividend of 5% less 25% tax in respect of the financial year ended 31 December 2008.

Directors' Report

for the year ended 31 December 2008

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year except as disclosed in the statement of changes in equity set out on pages 51 and 56.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any shares or debentures during the financial year.

TREASURY SHARES

At the Annual General Meeting ("AGM") held on 17 May 2006, shareholders approved the share buy-back of up to 10% of the Company's issued share capital or up to 6,720,000 ordinary shares of RM1.00 each. The authority from shareholders has been renewed at each of the subsequent AGMs of the Company, the latest being the AGM held on 23 May 2008. The authority will expire at the conclusion of the forthcoming AGM.

At 31 December 2008, treasury shares held by the Company were as follows:

Year of buy-back	**No. of Ordinary shares**	**Average price per share RM**	**Total Cost RM**
2006	158,100	1.70	268,636
2007	799,200	1.85	1,476,109
2008	332,700	1.95	649,382
	1,290,000		2,394,127

DIRECTORS

The Directors in office since the date of the last report are:

Dato' Tan Heng Chew	
Ngu Ew Look	
Dato' Haji Nadzam bin Haji Mohd Din	
Seow Thiam Fatt	
Datuk Abdullah bin Abdul Wahab	
Chong Kwong Chin	
Ting Lieng Yu	(appointed on 1.11.2008)
Ismail bin Rautin Ibrahim	(retired on 23.5.2008)
Yeoh Keong Lian	(resigned on 21.10.2008)
Dato' Lee Eng Guan @ Lee Eng Yuan	(resigned on 31.12.2008)
Lim Hong Juay	(resigned on 28.2.2009)

Directors' Report

for the year ended 31 December 2008

DIRECTORS' INTERESTS IN SHARES

According to the register of Directors' shareholdings required to be kept under Section 134 of the Companies Act, 1965, the Directors' interests in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares of RM1 each			
	At 1-1-2008	**Additional**	**Disposal**	**At 31-12-2008**
Dato' Tan Heng Chew				
- direct interest	714,333	482,700	-	1,197,033
- indirect interest	28,653,333	-	-	28,653,333^
- indirect interest	772,969	-	-	772,969#
Ngu Ew Look				
- direct interest	10,000	-	-	10,000
Dato' Haji Nadzam bin Haji Mohd Din				
- direct interest	95,050	-	-	95,050
Seow Thiam Fatt				
- direct interest	6,000	-	-	6,000

^ Indirect interest pursuant to Section 6A of the Companies Act, 1965.

Include disclosure of interest held by spouse pursuant to Section 134(12)(c) of the Companies Act, 1965 which came into force on 15 August 2007.

By virtue of his interests in shares in the Company, Dato' Tan Heng Chew is deemed to have an interest in shares in all the subsidiaries to the extent that the Company has an interest.

The other Directors holding office at 31 December 2008 did not have any interest in the ordinary shares of the Company and its related corporations during the financial year.

Directors' Report

for the year ended 31 December 2008

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements of the Group, the Company and/or its 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 except for any benefits which may be deemed to be have arisen from transactions disclosed in Note 30(d) to the financial statements.

Neither during nor at the end of the financial year was the Company a party to any arrangements whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

OTHER STATUTORY INFORMATION

(a) Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:

   (i) to ascertain that action taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and

   (ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

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

   (i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

   (ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company 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.

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

   (i) any charge on the assets of the Company or its subsidiary companies which has arisen since the end of the financial year which secures the liabilities of any other person; or

   (ii) any contingent liability of the Company or its subsidiary companies which has arisen since the end of the financial year.

(d) No contingent or other liability of the Company or its subsidiary companies 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 affect the ability of the Company or its subsidiary companies to meet their obligations as and when they fall due.

Director’s Report

for the year ended 31 December 2008

OTHER STATUTORY INFORMATION *(continued)*

(e) At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the respective financial statements misleading.

(f) In the opinion of the Directors:

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

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Moores Rowland, Chartered Accountants, retire at the forthcoming annual general meeting and do not wish to seek re-appointment. The Directors have received a nomination to appoint Mazars, Chartered Accountants, as auditors for the ensuing year. Mazars have expressed their willingness to accept nomination as auditors and a motion to resolve their appointment will be tabled at the forthcoming annual general meeting.

Signed on behalf of the Directors in accordance with a Directors' resolution dated 8 April 2009

TING LIENG YU	**NGU EW LOOK**
Director	Director

Report Of The Auditors

to the members of Warisan TC Holdings Berhad

Report on the Financial Statements

We have audited the financial statements of Warisan TC Holdings Berhad, which comprise the balance sheets as at 31 December 2008 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 45 to 104, except for pages 48 to 50 which are expressed in USD equivalent.

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2008 and of their financial performance and cash flows for the year then ended.

Report Of The Auditors

to the members of Warisan TC 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 of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of the subsidiaries of which we have not acted as auditors, and which are indicated in note 6 to the financial statements.

(c) 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 financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment material to the consolidated financial statements and did not include any adverse comment required to be made under Section 174(3) of the Act.

Other Matters

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

MOORES ROWLAND
No. AF: 0539
Chartered Accountants

TANG KIN KHEONG
No. 1501/9/09 (J/PH)
Partner

Kuala Lumpur
8 April 2009

Consolidated Balance Sheet

31 December 2008

	Note	2008 RM'000	2007 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	*3*	**150,156**	106,834
Prepaid lease payments	*5*	**10,208**	10,413
Investment in jointly controlled entities	*7*	**28,439**	25,982
Other investments	*8*	**10**	10
Finance lease receivables	*9*	**5,389**	4,902
Deferred tax assets	*10*	**264**	472
Intangible asset	*11*	**606**	606
		195,072	149,219
CURRENT ASSETS			
Inventories	*12*	**63,600**	44,828
Trade and other receivables	*13*	**62,906**	52,131
Current tax assets		**2,456**	2,033
Fixed deposits	*14*	**22,032**	38,641
Cash and bank balances		**15,789**	14,374
		166,783	152,007
TOTAL ASSETS		**361,855**	301,226
EQUITY AND LIABILITIES			
EQUITY			
Share capital	*15*	**67,200**	67,200
Share premium		**615**	615
Treasury shares	*16*	**(2,394)**	(1,745)
Merger reserve		**(41,614)**	(41,614)
Translation reserve		**(136)**	(297)
Unappropriated profit		**198,261**	186,345
Total equity attributable to shareholders of the Company		**221,932**	210,504
Minority interests		**-**	152
TOTAL EQUITY		**221,932**	210,656

Consolidated Balance Sheet

31 December 2008

	Note	2008 RM'000	2007 RM'000
NON-CURRENT LIABILITIES			
Bank term loans (unsecured)	*17*	**20,274**	2,165
Retirement benefit obligations	*18*	**1,760**	465
Deferred tax liabilities	*19*	**6,927**	7,256
		28,961	9,886
CURRENT LIABILITIES			
Trade and other payables	20	**64,538**	48,692
Bank borrowings	21	**44,434**	29,256
Current tax liabilities		**1,990**	2,736
		110,962	80,684
TOTAL LIABILITIES		**139,923**	90,570
TOTAL EQUITY AND LIABILITIES		**361,855**	301,226

Notes to and forming part of the financial statements are set out on pages 59 to 104
Auditors' Report - Pages 43 to 44

Consolidated Income Statement

for the year ended 31 December 2008

	Note	2008 RM'000	2007 RM'000
Gross revenue	*22*	**308,017**	258,103
Cost of sales		**(240,065)**	(202,114)
Gross profit		**67,952**	55,989
Other operating income		**5,078**	2,882
Selling and distribution costs		**(33,797)**	(25,502)
Administrative and general expenses		**(23,133)**	(18,749)
Profit from operations	*23*	**16,100**	14,620
Net profit from investing activities	*24*	**996**	1,384
Share of profit after tax of jointly controlled entities		**4,752**	5,134
Finance costs	*25*	**(1,897)**	(1,457)
Profit before tax		**19,951**	19,681
Tax expense	*26*	**(3,292)**	(3,067)
Net profit for the year		**16,659**	16,614
Attributable to:			
Shareholders of the Company		**16,811**	16,939
Minority interests		**(152)**	(325)
		16,659	16,614
Basic earnings per share (sen)	*27*	**25.43**	25.45
Dividend per share (net of tax) (sen)	*28*	**7.4**	6.6

Notes to and forming part of the financial statements are set out on pages 59 to 104
Auditors' Report - Pages 43 to 44

Consolidated Balance Sheet

31 December 2008 (In USD equivalent)

	2008 USD'000	2007 USD'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	**43,273**	32,276
Prepaid lease payments	**2,942**	3,146
Investment in jointly controlled entities	**8,196**	7,849
Other investments	**3**	3
Finance lease receivables	**1,553**	1,481
Deferred tax assets	**76**	143
Intangible assets	**174**	183
	56,217	45,081
CURRENT ASSETS		
Inventories	**18,328**	13,543
Trade and other receivables	**18,129**	15,750
Current tax assets	**708**	614
Fixed deposits	**6,349**	11,674
Cash and bank balances	**4,550**	4,343
	48,064	45,924
TOTAL ASSETS	**104,281**	91,005
EQUITY AND LIABILITIES		
EQUITY		
Share capital	**19,366**	20,302
Share premium	**177**	186
Treasury shares	**(690)**	(527)
Merger reserve	**(11,992)**	(12,572)
Translation reserve	**(39)**	(90)
Unappropriated profit	**57,136**	56,297
Total equity attributable to shareholders of the Company	**63,958**	63,596
Minority interests	**-**	46
TOTAL EQUITY	**63,958**	63,642

Consolidated Balance Sheet

31 December 2008 (In USD equivalent)

	2008 USD'000	2007 USD'000
NON-CURRENT LIABILITIES		
Bank term loans (unsecured)	**5,843**	654
Retirement benefit obligations	**507**	141
Deferred tax liabilities	**1,996**	2,192
	8,346	2,987
CURRENT LIABILITIES		
Trade and other payables	**18,599**	14,710
Bank borrowings	**12,805**	8,839
Current tax liabilities	**573**	827
	31,977	24,376
TOTAL LIABILITIES	**40,323**	27,363
TOTAL EQUITY AND LIABILITIES	**104,281**	91,005

The information presented on this page does not form part of the audited financial statements of the Group. Figures for 2008 and 2007 are converted into USD equivalent using exchange rates RM3.47 = USD1.00 and RM3.31 = USD1.00 respectively which approximate that prevailing on the balance sheet dates.

Consolidated Income Statement

for the year ended 31 December 2008 (In USD equivalent)

	2008 USD'000	2007 USD'000
Gross revenue	**88,766**	77,977
Cost of sales	**(69,183)**	(61,062)
Gross profit	**19,583**	16,915
Other operating income	**1,463**	871
Selling and distribution costs	**(9,740)**	(7,705)
Administrative and general expenses	**(6,666)**	(5,664)
Profit from operations	**4,640**	4,417
Net profit from investing activities	**287**	418
Share of profit after tax of jointly controlled entities	**1,369**	1,551
Finance costs	**(546)**	(440)
Profit before tax	**5,750**	5,946
Tax expense	**(949)**	(927)
Net profit for the year	**4,801**	5,019
Attributable to:		
Shareholders of the Company	**4,845**	5,117
Minority interests	**(44)**	(98)
	4,801	5,019
Basic earnings per share (sen)	**7.3**	7.7
Dividend per share (net of tax) (sen)	**2.1**	2.0

The information presented on this page does not form part of the audited financial statements of the Group. Figures for 2008 and 2007 are converted into USD equivalent using exchange rates RM3.47 = USD1.00 and RM3.31 = USD1.00 respectively which approximate that prevailing on the balance sheet dates.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2008

	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Merger reserve RM'000	Translation reserve RM'000	Unappropriated profit RM'000	Total RM'000	Minority Interest RM'000	Total equity RM'000
		Attributable to shareholders of the Company								
		Non-distributable					Distributable			
At 1 January 2007		67,200	615	(269)	(41,614)	(133)	173,777	199,576	477	200,053
Net loss not recognised in the income statement - Foreign exchange translation		-	-	-	-	(164)	-	(164)	-	(164)
Treasury shares acquired		-	-	(1,476)	-	-	-	(1,476)	-	(1,476)
Net profit for the year		-	-	-	-	-	16,939	16,939	(325)	16,614
Dividends paid	28	-	-	-	-	-	(4,371)	(4,371)	-	(4,371)
At 31 December 2007		67,200	615	(1,745)	(41,614)	(297)	186,345	210,504	152	210,656
Net gain not recognised in the income statement - Foreign exchange translation		-	-	-	-	161	-	161	-	161
Treasury shares acquired		-	-	(649)	-	-	-	(649)	-	(649)
Net profit for the year		-	-	-	-	-	16,811	16,811	(152)	16,659
Dividends paid	28	-	-	-	-	-	(4,895)	(4,895)	-	(4,895)
At 31 December 2008		**67,200**	**615**	**(2,394)**	**(41,614)**	**(136)**	**198,261**	**221,932**	**-**	**221,932**

Notes to and forming part of the financial statements are set out on pages 59 to 104
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Consolidated Cash Flow Statement

for the year ended 31 December 2008

	2008 RM'000	2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**19,951**	19,681
Adjustments for:		
Allowance for doubtful debts, net of write backs	**1,678**	337
Amortisation of prepaid lease payments	**205**	205
Bad debt written off	**661**	8
Deposit written off	**-**	14
Depreciation	**25,237**	21,174
Gain on disposal of property, plant and equipment	**(2,004)**	(1,186)
Interest expense	**1,897**	1,457
Interest income	**(996)**	(1,384)
Inventory written off/down	**498**	1,538
Property, plant and equipment written off	**11**	268
Retirement benefits	**1,581**	146
Share of profit of jointly controlled entities	**(4,752)**	(5,134)
Unrealised (gain)/loss on foreign exchange (net)	**(63)**	31
Operating profit before working capital changes	**43,904**	37,155
Changes in inventories	**(19,322)**	(6,834)
Changes in receivables	**(13,538)**	(7,054)
Changes in payables	**15,846**	15,791
Cash generated from operations	**26,890**	39,058
Tax paid, net of refunds	**(4,582)**	(2,219)
Retirement benefits paid	**(286)**	(150)
Net cash from operating activities	**22,022**	36,689
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	**(81,270)**	(34,851)
Proceeds from disposal of property, plant and equipment	**14,704**	5,718
Interest received	**996**	1,384
Dividends received from jointly controlled entities	**2,347**	2,664
Net cash used in investing activities	**(63,223)**	(25,085)

Consolidated Cash Flow Statement

for the year ended 31 December 2008

	2008 RM'000	2007 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank term loans	**30,000**	-
Drawdown of revolving credits	**14,500**	-
Bankers' acceptances (net)	**(2,712)**	7,710
Repayment of term loans	**(8,282)**	(6,871)
Dividends paid	**(4,895)**	(4,371)
Interest paid	**(1,897)**	(1,457)
Treasury shares acquired	**(649)**	(1,476)
Net cash from/(used in) financing activities	**26,065**	(6,465)
NET CHANGES IN CASH AND CASH EQUIVALENTS	**(15,136)**	5,139
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	**52,721**	47,746
Foreign exchange differences	**161**	(164)
CASH AND CASH EQUIVALENTS CARRIED FORWARD	**37,746**	52,721
Represented by:		
CASH AND BANK BALANCES	**15,789**	14,374
FIXED DEPOSITS (excluding deposits pledged)	**21,957**	38,566
BANK OVERDRAFT	-	(219)
	37,746	52,721

Notes to and forming part of the financial statements are set out on pages 59 to 104
Auditors' Report - Pages 43 to 44

Balance Sheet
31 December 2008

	Note	2008 RM'000	2007 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	*3*	**527**	912
Investment properties	*4*	**19,800**	14,200
Investment in subsidiary companies	*6*	**78,520**	86,498
Investment in jointly controlled entities	*7*	**24,568**	24,568
Deferred tax assets	*10*	**112**	87
		123,527	126,265
CURRENT ASSETS			
Trade and other receivables	*13*	**40,072**	41,813
Current tax assets		**1,333**	747
Fixed deposits	*14*	**12,784**	26,852
Cash and bank balances		**2,728**	1,039
		56,917	70,451
TOTAL ASSETS		**180,444**	196,716
EQUITY AND LIABILITIES			
EQUITY			
Share capital	*15*	**67,200**	67,200
Treasury shares	*16*	**(2,394)**	(1,745)
Revaluation reserve		**930**	930
Unappropriated profit		**100,554**	104,759
TOTAL EQUITY		**166,290**	171,144
NON-CURRENT LIABILITIES			
Retirement benefit obligations	*18*	**620**	77
CURRENT LIABILITIES			
Trade and other payables	*20*	**13,534**	25,495
TOTAL LIABILITIES		**14,154**	25,572
TOTAL EQUITY AND LIABILITIES		**180,444**	196,716

Notes to and forming part of the financial statements are set out on pages 59 to 104
Auditors' Report - Pages 43 to 44

Income Statement
for the year ended 31 December 2008

	Note	**2008 RM'000**	**2007 RM'000**
Gross revenue	22	**872**	848
Other operating income		**558**	581
Administrative and general expenses		**(5,515)**	(3,572)
Loss from operations	23	**(4,085)**	(2,143)
Net profit from investing activities	24	**6,354**	114,798
Finance costs	25	**(662)**	(758)
Profit before tax		**1,607**	111,897
Tax expense	26	**(917)**	(33,395)
Net profit for the year		**690**	78,502

Notes to and forming part of the financial statements are set out on pages 59 to 104
Auditors' Report - Pages 43 to 44

Statement Of Changes In Equity

for the year ended 31 December 2008

	Note	← Non-distributable		→	Distributable	
		Share capital RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Unappropriated profit RM'000	Total RM'000
At 1 January 2007		67,200	(269)	930	30,628	98,489
Treasury shares acquired		-	(1,476)	-	-	(1,476)
Net profit for the year		-	-	-	78,502	78,502
Dividends paid	*28*	-	-	-	(4,371)	(4,371)
At 31 December 2007		67,200	(1,745)	930	104,759	171,144
Treasury shares acquired		-	(649)	-	-	(649)
Net profit for the year		-	-	-	690	690
Dividends paid	*28*	-	-	-	(4,895)	(4,895)
At 31 December 2008		**67,200**	**(2,394)**	**930**	**100,554**	**166,290**

Notes to and forming part of the financial statements are set out on pages 59 to 104
Auditors' Report - Pages 43 to 44

Cash Flow Statement

for the year ended 31 December 2008

	2008 RM'000	2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**1,607**	111,897
Adjustments for:		
Depreciation	**404**	402
Dividend income	**(7,875)**	(125,947)
Fair value adjustment on investment properties	**(5,600)**	(2,200)
Loss/(Gain) on disposal of property, plant and equipment	**2**	(23)
Impairment in value of investment in subsidiary companies	**7,978**	14,392
Interest income	**(857)**	(1,043)
Interest expense	**662**	758
Retirement benefits	**779**	20
Operating loss before working capital changes	**(2,900)**	(1,744)
Changes in receivables	**(6,954)**	(28,916)
Changes in payables	**(3,271)**	(32,058)
Cash utilised in operations	**(13,125)**	(62,718)
Tax refunded	**-**	367
Retirement benefits paid	**(236)**	-
Net cash used in operating activities	**(13,361)**	(62,351)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	**(21)**	(280)
Proceeds from disposal of property, plant and equipment	**-**	60
Acquisition of additional shares in subsidiary companies	**-**	(28,331)
Interest received	**857**	1,043
Dividends received from subsidiary companies	**4,000**	91,846
Dividends received from jointly controlled entities	**2,347**	365
Net cash from investing activities	**7,183**	64,703

Cash Flow Statement
for the year ended 31 December 2008

	2008 RM'000	2007 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	**(657)**	(758)
Dividends paid	**(4,895)**	(4,371)
Treasury shares acquired	**(649)**	(1,476)
Net cash used in financing activities	**(6,201)**	(6,605)
NET CHANGES IN CASH AND CASH EQUIVALENTS	**(12,379)**	(4,253)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	**27,891**	32,144
CASH AND CASH EQUIVALENTS CARRIED FORWARD	**15,512**	27,891
Represented by:		
CASH AND BANK BALANCES	**2,728**	1,039
FIXED DEPOSITS	**12,784**	26,852
	15,512	27,891

Notes to and forming part of the financial statements are set out on pages 59 to 104
Auditors' Report - Pages 43 to 44

Notes To The Financial Statements

for the year ended 31 December 2008

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements comply with applicable approved Financial Reporting Standards ("FRSs") issued by the Malaysian Accounting Standards Board and with the provisions of the Companies Act 1965.

The measurement bases applied in the preparation of the financial statements include cost, recoverable value, realisable value, revalued amount and fair value. Estimates are used in measuring these values.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency. Unless otherwise indicated, the amounts in these financial statements have been rounded to the nearest thousand.

(b) Changes in accounting policies

The significant accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following new FRSs which are relevant to the Group's and the Company's operations and became effective for financial periods beginning on or after 1 July 2007:

Amendment to FRS 121	:	The Effect of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
FRS 107	:	Cash Flow Statements
FRS 112	:	Income Taxes
FRS 118	:	Revenue
FRS 120	:	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	:	Interim Financial Reporting
FRS 137	:	Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not have any significant financial impact on the Group and the Company.

(c) New FRSs that are not yet effective

The Group and the Company have not opted for early adoption of the following FRSs which are applicable to the Group and the Company:

(i) FRS 8 Operating Segments, which is effective for financial periods beginning 1 July 2009

(ii) FRS 7 Financial Instruments : Disclosures and FRS 139 Financial Instruments : Recognition and Measurement, which are effective for financial periods beginning on or after 1 January 2010.

(d) Significant accounting judgements and estimates

The preparation of financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the balance sheet date, and reported amounts of income and expenses during the financial year.

Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The 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

for the year ended 31 December 2008

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(d) Significant accounting judgements and estimates *(continued)*

Key sources of estimation uncertainty

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

Depreciation

Property, plant and equipment are depreciated on a straight-line basis to write off their costs to their residual values over their estimated useful lives. Management estimates these useful lives to be 50 - 55 years for buildings and within 2 to 10 years for other property, plant and equipment.

Changes in the expected level of usage, physical wear and tear and technological development could impact the economic useful lives and residual values of these assets, and therefore future depreciation charges could be revised.

The carrying amounts of the Group's and Company's property, plant and equipment as at 31 December 2008 were RM150,156,000 and RM527,000 (2007 : RM106,834,000 and RM912,000), respectively.

Estimation of the fair value of investment properties

The Company determines the fair value of its investment property based on a valuation carried out by an independent firm of professional valuers on the open market value basis.

Provision for stock obsolescence and inventories write down

Inventories are stated at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices less the estimated costs necessary to make the sale.

Inventories are reviewed on a regular basis and the Group will make a provision for excess or obsolete inventories based primarily on historical trends and management estimates of expected and future product demand and related pricing.

Demand levels, technological advances and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories and additional provisions for slow moving inventories may be required.

The carrying amount of the Group's inventories as at 31 December 2008 was RM63,600,000 (2007 : RM44,828,000).

Allowance for doubtful debts

The collectibility of receivables is assessed on an ongoing basis. An allowance for doubtful debts is made for any receivables considered to be doubtful of collection.

The allowance for doubtful debts is made based on a review of customer accounts as at the balance sheet date. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the creditworthiness and the past collection history of each customer. If the financial condition of customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

The carrying amounts of the Group's and the Company's trade and other receivables as at 31 December 2008 were RM62,906,000 and RM40,072,000 (2007 : RM52,131,000 and RM41,813,000), respectively.

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(d) Significant accounting judgements and estimates *(continued)*

Impairment of goodwill

The Group determines whether goodwill is impaired at least once a year or more frequently if events of changes in circumstances indicate that the goodwill may be impaired. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated.

Estimating value in use requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The net carrying amount of the Group's goodwill as at 31 December 2008 was RM606,000 (2007 : RM606,000).

Income taxes

Significant judgement is involved in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are certain transactions during the ordinary course of business and computations for which the ultimate tax determination is uncertain.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for deductible temporary differences and unutilised tax losses to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and tax loses can be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The carrying amounts of the Group's and the Company's tax assets as at 31 December 2008 were RM2,720,000 and RM1,445,000 (2007 : RM2,505,000 and RM834,000), respectively.

The carrying amount of the Group's tax liabilities as at 31 December 2008 was RM8,917,000 (2007 : RM9,992,000).

(e) 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.

Revalued property, plant and equipment

It is the Group's policy to state property, plant and equipment at cost. The revaluation of certain properties in 1984 was carried out primarily for the purpose of issuing bonus shares and was not intended to effect a change in the accounting policy to one of revaluation of properties.

In accordance with the transitional provisions of FRS 116 - Property, Plant and Equipment, the valuation of these properties have not been updated and they continue to be stated at their existing carrying amounts less accumulated depreciation.

The Directors are of the opinion that the current market values of the revalued properties are not less than their net carrying amounts as at 31 December 2008.

Notes To The Financial Statements

for the year ended 31 December 2008

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Property, plant and equipment *(continued)*

(ii) Subsequent costs and disposals

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.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

(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 and capital work-in-progress are not amortised. Buildings erected on leasehold land are depreciated over the shorter of the lease term and their useful lives.

The estimated useful lives are as follows:

Buildings	50	-	55 years
Plant, machinery and equipment	2	-	7 years
Equipment for hire	3	-	5 years
Furniture, fixtures, fittings and office equipment	3	-	7 years
Renovation	3	-	4 years
Coaches, motor vehicles for hire and other motor vehicles	4	-	10 years
Car for hire	4	-	5 years
Boats, rafts and cabin	7	-	10 years

Capital work-in-progress will only be depreciated when the assets are ready for their intended use.

The depreciable amount is determined after deducting the residual value.

The depreciation method, useful lives and residual values are reviewed and adjusted if appropriate, at each balance sheet date.

(iv) Changes in estimates

The residual values of certain cars for hire were revised upwards in 2007. Simultaneously, the estimated useful lives of these cars were also shortened to 4 - 5 years, from 5 - 7 years previously. These revisions were made to more fairly reflect the actual frequency of car replacements and the residual values at the time cars were disposed of.

These revisions in estimates had reduced the depreciation charge for 2007 by RM1,548,950.

Notes To The Financial Statements

for the year ended 31 December 2008

1. **SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

(f) Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes, or sale in the ordinary course of business.

Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

(g) Prepaid lease payments

Leasehold land that has title that is not expected to pass to the Group by the end of the lease term is classified as operating lease. The up-front payments for right to use the leasehold land over a predetermined period are accounted for as prepaid lease payments and are stated at cost less amounts amortised.

The prepaid lease payments are amortised on a straight-line basis over the remaining period of the lease.

(h) Assets leased to customers

Assets leased to customers under agreements where the Group retains risks and rewards associated with ownership of these assets are classified as leased assets. These leased assets are accounted for in accordance with the Group's policy on depreciation as disclosed in Note 1(e) above.

(i) Subsidiary companies

A subsidiary company is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible, are considered when assessing whether the Company has the power to govern the financial and operating policies of an entity.

In the Company's separate financial statements, investment in subsidiary companies are stated at cost less impairment losses. Impairment losses are charged to the income statement.

On disposal, the difference between the net disposal proceeds and the carrying amounts of the subsidiary company disposed of is taken to the income statement.

Notes To The Financial Statements

for the year ended 31 December 2008

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(j) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of all its subsidiary companies made up to the end of the financial year. The consolidated financial statements are prepared using uniform accounting policies for like transactions in similar circumstances.

All intra-group balances, transactions, income and expenses are eliminated in full on consolidation and the consolidated financial statements reflect external transactions only.

Except for those subsidiary companies specifically identified in Note 6 which are consolidated on the merger method of accounting, all subsidiary companies are consolidated on the purchase method of accounting from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

In respect of subsidiary companies consolidated under the merger method of accounting, the Group has chosen to adopt the provisions of FRS 3 - Business Combinations prospectively, as permitted under the transitional provisions of FRS 3. Accordingly, the effects of the merger method of accounting under Malaysian Accounting Standard No. 2 have been retained.

Under the purchase method of accounting, the cost of an acquisition is measured as the aggregate of the fair values of the assets given, liabilities incurred or assumed and equity instruments issued at the date of exchange, plus any costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured at their fair values at the acquisition date.

The excess of the acquisition cost over the fair values of the identifiable assets, liabilities, contingent liabilities acquired is retained in the balance sheet as goodwill, while the shortfall is immediately credited to the consolidated income statement. The goodwill is accounted for in accordance with the accounting policy set out in (p)(i) below.

Goodwill arising on the acquisition of subsidiary companies is presented separately in the balance sheet.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is tested for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying values may be impaired.

Minority interests represent the portion of the profit or loss and net assets of subsidiary companies not held by the Group.

(k) Jointly controlled entities

The Group has interests in joint ventures which are jointly controlled entities. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Investments in jointly controlled entities are accounted for in the consolidated financial statements by the equity method of accounting.

In the Company's separate financial statements, investments in jointly controlled entities are stated at cost less impairment losses. Impairment losses are charged to the income statement.

On disposal, the difference between the net disposal proceeds and the carrying amount of the jointly controlled entity disposed of is taken to the income statement.

Notes To The Financial Statements

for the year ended 31 December 2008

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) Other investments

Other investments are stated at cost. An allowance for diminution in value is made if the Directors are of the opinion that there is a decline in the value of such investments which is other than temporary. The diminution in value is charged to the income statement.

On disposal, the difference between the net disposal proceeds and the carrying amount of the investment disposed of is taken to the income statement.

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on either the specific identification or weighted average basis, depending on the nature of the inventories. Cost comprises the landed cost of goods purchased, and in the case of finished goods and work-in-progress, includes an appropriate proportion of factory overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(n) Receivables

Receivables are stated at anticipated realisable values. Known bad debts are written off and an estimate is made for doubtful debts based on a review of customer accounts at the balance sheet date.

(o) Government grants

Government grants are recognised initially at their fair value in the balance sheet as deferred income where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants that compensate the Company for expenses incurred are recognised as income over the periods necessary to match the grants on a systematic basis to the costs that it is intended to compensate.

(p) Impairment of assets

(i) Goodwill

Goodwill is tested for impairment annually, or more frequently if events of changes in circumstances indicate that the goodwill may be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group’s cash-generating units that are expected to benefit from synergies of the business combination.

An impairment loss is recognised in the income statement when the carrying amount of the cash-generating unit, including the goodwill, exceeds the recoverable amount of the cash-generating unit. Recoverable amount of the cash-generating unit is the higher of the cash-generating unit’s fair value less cost to sell and its value in use.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the cash-generating unit and then to the other assets of the cash-generating unit proportionately on the basis of the carrying amount of each asset in the cash-generating unit.

Impairment loss recognised on goodwill is not reversed in the event of an increase in recoverable amount in subsequent periods.

Notes To The Financial Statements

for the year ended 31 December 2008

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(p) Impairment of assets *(continued)*

(ii) Property, plant and equipment, investment in subsidiary companies and jointly controlled entities

Property, plant and equipment, investment in subsidiary companies and jointly controlled entities are assessed at each balance sheet date to determine whether there is any indication of impairment.

If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are charged to the income statement.

Any reversal of an impairment loss as a result of a subsequent increase in recoverable amount should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

(q) Share capital

Ordinary shares are recorded at nominal value and proceeds received in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost incurred directly attributable to the issuance of the shares is accounted for as a deduction from share premium, if any, otherwise it is charged to the income statement.

Dividends on ordinary shares, when declared or proposed, are disclosed in the notes to the financial statements. Upon approval and when paid, such dividends are accounted for in shareholder's equity as an appropriation of unappropriated profit in the financial year in which they are paid.

Treasury shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, included directly attributable costs, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity.

(r) Payables

Payables are stated at cost and are recognised when there is a contractual obligation to deliver cash or another financial asset to settle the obligation.

(s) Foreign currencies

(i) Transactions and balances in foreign currencies

Transactions in currencies other than the functional currency, which is the currency of the primary economic environment in which the Company operates, are recorded in the functional currency using the exchange rates prevailing at the date of the transaction.

At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rate of exchange ruling at the date of transaction.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the income statement for the year.

Notes To The Financial Statements

for the year ended 31 December 2008

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(s) Foreign currencies *(continued)*

(ii) Translation of foreign operations

For consolidation purposes, all assets and liabilities of foreign operations that have a functional currency other than RM are translated at the exchange rates ruling at the balance sheet date.

Income and expense items are translated at exchange rates approximating those ruling on transactions dates.

All exchange differences arising from the translation of the financial statements of foreign operations are dealt with through the exchange translation reserve account within equity. On the disposal of a foreign operation, the translation differences relating to that foreign operation are recognised in the income statement as part of the gain or loss on disposal.

(t) Revenue recognition

Revenue is recognised when it is probable that economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(i) Sales of goods

Revenue from sales of goods is measured at the fair value of the consideration received or receivable, net of returns and discounts and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the customers.

(ii) Services

Revenue from services rendered is recognised on an accrual basis as and when the services are rendered.

(iii) Car rental income

Car rental income is recognised on a time proportion basis over the lease term.

(iv) Finance lease income

Income from finance lease transactions is recognised based on the sum-of-digits method. Where an account becomes non-performing, interest income is suspended until it is realised on a cash basis. An account is classified as non-performing where repayments are in arrears for more than six months.

(v) Interest income

Interest income is recognised on a time proportion basis using the effective interest rate applicable.

(vi) Rental income

Rental income from investment property is recognised in the income statement on a straight-line basis over the specific tenure of the respective leases.

(vii) Dividend income

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

Notes To The Financial Statements

for the year ended 31 December 2008

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(u) Employee benefits

(i) Short-term employee benefits

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.

(ii) Post-employment benefits

Defined contribution plan

The Group pays monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan.

The legal or constructive obligation of the Group is limited to the amount that it agrees to contribute to the EPF. Contributions to the EPF are charged to the income statement in the period to which they relate.

Defined benefit plan

The Group's net obligation in respect of their defined benefit plans is calculated by estimating the discounted present value of future benefit that employees have earned in return for their service in the current and prior periods.

The discount rate is the market yield at the balance sheet date on high quality corporate bonds. The calculation is performed by an independent firm of actuaries using the projected unit credit method once in 3 years in advance.

Any increase in benefits to 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.

In calculating the Group's obligations in respect of the plan, to the extent that any cumulative unrecognised actuarial gain or loss exceeds ten percent of the present value of the defined benefit obligation, that portion is recognised in the income statement over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

(iii) Termination benefits

Employee termination benefits are recognised only either after an agreement is in place with the appropriate employee representatives specifying the terms of redundancy or after individual employees have been advised of the specific terms.

(v) Borrowing costs

All other borrowing costs are charged to the income statement in the period in which they are incurred.

1. **SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

(w) Taxation

The tax expense in the income statement comprises current tax and deferred tax.

Current tax is an estimate of tax payable in respect of taxable profit for the year based on the tax rate enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in full, based on the liability method, for taxation deferred in respect of all material temporary differences arising from differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences and unused tax losses can be utilised.

Deferred tax is calculated at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Current and deferred tax is recognised as an income or an expense in the income statement or is credited or charged directly to equity if the tax relates to items that are credited or charged, whether in the same or different period, directly to equity.

(x) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, time deposits and other short term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to 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 exclude fixed deposits pledged to secure banking facilities.

(y) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

(i) Financial instruments recognised in the balance sheet

The Group's financial instruments which are recognised in the balance sheet comprise cash and cash equivalents, other investments, receivables, payables, bank borrowings and ordinary shares.

These financial instruments are recognised when a contractual relationship has been established. The accounting policies and methods adopted, including the basis of measurement applied are disclosed above.

The information about the extent and nature of these recognised financial instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows are disclosed in the respective notes below.

Notes To The Financial Statements

for the year ended 31 December 2008

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(y) Financial instruments *(continued)*

(ii) Financial instruments not recognised in the balance sheet

Financial instruments which are not recognised in the balance sheet comprise foreign currency forward contracts.

These forward contracts are not recorded as an asset or liability. The objective of entering into these forward contracts is to protect the Company against unfavourable exchange rate movements. Gains or losses from changes in the fair value of forward contracts offset the corresponding losses or gains on the payables covered by the forward contracts.

(z) Segment reporting

Segment revenue, expenses, assets and liabilities are those amounts resulting from operating activities of a segment that are directly attributable to the segment and a relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment.

(aa) Disclosure of fair values

Cash and cash equivalents, trade and other receivables, trade and other payables, short term investments and short term borrowings

The carrying amounts of these financial instruments approximate fair values because of their short maturities.

Long term investments

For unquoted investments, a reasonable estimate of fair value is not practical due to the lack of comparable quoted market prices and available market data for valuation. Therefore, such investments are valued at cost subject to review for diminution in value.

Long term borrowings and receivables

The fair value of the Group's long term fixed-rate borrowings and receivables are estimated using discounted cash flow analyses, based on current market interest rates available to the Group for similar types of lending and borrowing arrangements.

2. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The main risks arising from financial instruments are stated below. Management monitors the Group's financial position closely with an objective to minimise potential adverse effects on the financial performance of the Group. Management reviews and agrees on policies for managing each of these risks and they are summarised below. These policies have remained unchanged during the financial year.

(a) Credit risk

The Group's primary exposure to credit risk arises through its receivables. Management has a formal credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Exposure to credit risk arising from sales made on credit terms is managed through the application of credit approvals, credit limits and monitoring procedures on an ongoing basis.

The Group seeks to invest its surplus cash safely by depositing them with licensed financial institutions.

Notes To The Financial Statements

for the year ended 31 December 2008

2. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *(continued)*

(b) Liquidity and cash flow risk

The Group seeks to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, the policy seeks to ensure that each business unit, through efficient working capital management (ie.inventory, accounts receivable and accounts payable management), must be able to convert its current assets into cash to meet all demands for payment as and when they fall due.

Owing to the nature of its businesses, the Group also seeks to maintain sufficient credit lines available to meet its liquidity requirements while ensuring an effective working capital management within the Group.

(c) Interest rate risk

The Group is exposed to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

Exposure to interest rate risk relates primarily to the Group's finance lease receivables, fixed deposits and interest-bearing borrowings.

In managing the interest rate risk of finance lease receivables, the Group considers among others, the current economic forecast, expected direction of interest rate and the spreads between lending and borrowings of their maturities.

Surplus funds are placed with licensed financial institutions to earn interest income based on prevailing market rates. The Group manages its interest rate risks by placing such funds on short tenures of 12 months or less.

The Group's policy is to borrow principally on a floating rate basis but to retain a proportion of fixed rate debt. The objective of a mix of fixed and floating rate borrowings is to reduce the impact of a rise in interest rates and to enable savings to be enjoyed if interest rates fall. The Group does not generally hedge interest rate risks. The Group has a policy to ensure that interest rates obtained are competitive.

(d) Foreign currency risk

The Group is exposed to currency risk as a result of foreign currency transactions entered into in currencies other than its functional currencies. The Group enters into forward foreign currency contracts to limit its exposure on foreign currency receivables, payables and on cash flows from anticipated transactions denominated in foreign currencies.

Notes To The Financial Statements

for the year ended 31 December 2008

3. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Equipment for hire RM'000	Furniture, fixtures, fittings and office equipment RM'000	Renovation RM'000	Coaches, motor vehicles for hire and other motor vehicles RM'000	Cars for hire RM'000	Boats, rafts and cabin RM'000	Capital work-in-progress RM'000	Total RM'000
2008											
Cost/valuation											
At 1 January											
Cost	8,367	10,364	1,758	35,261	14,135	1,175	53,167	52,255	149	-	176,631
Valuation	-	1,179	-	-	-	-	-	-	-	-	1,179
	8,367	11,543	1,758	35,261	14,135	1,175	53,167	52,255	149	-	177,810
Additions	7,070	3,223	8	3,339	1,368	231	9,187	56,412	2	430	81,270
Disposals	-	-	-	(8,584)	(6)	-	(14,530)	(11,738)	-	-	(34,858)
Reclassification	-	(268)	-	-	(380)	648	-	-	-	-	-
Write-off	-	-	-	-	(10)	(25)	-	-	-	-	(35)
At 31 December											
Cost	15,437	13,319	1,766	30,016	15,107	2,029	47,824	96,929	151	430	223,008
Valuation	-	1,179	-	-	-	-	-	-	-	-	1,179
	15,437	14,498	1,766	30,016	15,107	2,029	47,824	96,929	151	430	224,187
Accumulated depreciation											
At 1 January	-	1,823	1,404	19,901	11,070	620	19,315	16,749	94	-	70,976
Charge for the year	-	254	89	5,291	1,423	492	5,755	11,920	13	-	25,237
Disposals	-	-	-	(6,457)	(4)	-	(8,425)	(7,272)	-	-	(22,158)
Reclassification	-	(209)	-	-	(273)	482	-	-	-	-	-
Write-off	-	-	-	-	(8)	(16)	-	-	-	-	(24)
At 31 December	-	1,868	1,493	18,735	12,208	1,578	16,645	21,397	107	-	74,031
Net carrying amount At 31 December											
Cost	15,437	11,698	273	11,281	2,899	451	31,179	75,532	44	430	149,224
Valuation	-	932	-	-	-	-	-	-	-	-	932
	15,437	**12,630**	**273**	**11,281**	**2,899**	**451**	**31,179**	**75,532**	**44**	**430**	**150,156**

Notes To The Financial Statements

for the year ended 31 December 2008

3. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Group	Freehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Equipment for hire RM'000	Furniture, fixtures, fittings and office equipment RM'000	Renovation RM'000	Coaches, motor vehicles for hire and other motor vehicles RM'000	Cars for hire RM'000	Boats, rafts and cabin RM'000	Total RM'000
2007										
Cost/valuation										
At 1 January										
Cost	7,849	8,004	1,702	34,170	13,701	848	44,446	46,396	104	157,220
Valuation	-	1,179	-	-	-	-	-	-	-	1,179
	7,849	9,183	1,702	34,170	13,701	848	44,446	46,396	104	158,399
Additions	518	2,360	327	3,647	1,796	327	15,234	10,597	45	34,851
Disposals	-	-	-	(2,556)	(49)	-	(6,513)	(4,738)	-	(13,856)
Write-off	-	-	(271)	-	(1,313)	-	-	-	-	(1,584)
At 31 December										
Cost	8,367	10,364	1,758	35,261	14,135	1,175	53,167	52,255	149	176,631
Valuation	-	1,179	-	-	-	-	-	-	-	1,179
	8,367	11,543	1,758	35,261	14,135	1,175	53,167	52,255	149	177,810
Accumulated depreciation										
At 1 January	-	1,589	1,604	15,668	10,747	279	17,679	12,787	89	60,442
Charge for the year	-	234	68	6,187	1,422	341	5,998	6,919	5	21,174
Disposals	-	-	-	(1,954)	(51)	-	(4,362)	(2,957)	-	(9,324)
Write-off	-	-	(268)	-	(1,048)	-	-	-	-	(1,316)
At 31 December	-	1,823	1,404	19,901	11,070	620	19,315	16,749	94	70,976
Net carrying amount At 31 December										
Cost	8,367	8,778	354	15,360	3,065	555	33,852	35,506	55	105,892
Valuation	-	942	-	-	-	-	-	-	-	942
	8,367	9,720	354	15,360	3,065	555	33,852	35,506	55	106,834

Notes To The Financial Statements

for the year ended 31 December 2008

3. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Company	Renovation RM'000	Furniture, fixtures, fittings and office equipment RM'000	Motor vehicles RM'000	Total RM'000
2008				
Cost				
At 1 January	823	260	697	1,780
Additions	-	21	-	21
Disposals	-	(5)	-	(5)
At 31 December	823	276	697	1,796
Accumulated depreciation				
At 1 January	548	128	192	868
Charge for the year	275	38	91	404
Disposals	-	(3)	-	(3)
At 31 December	823	163	283	1,269
Net carrying amount				
At 31 December	**-**	**113**	**414**	**527**

3. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Company	Renovation RM'000	Furniture, fixtures, fittings and office equipment RM'000	Motor vehicles RM'000	Total RM'000
2007				
Cost				
At 1 January	823	248	626	1,697
Additions	-	24	256	280
Disposals	-	-	(185)	(185)
Write-off	-	(12)	-	(12)
At 31 December	823	260	697	1,780
Accumulated depreciation				
At 1 January	274	103	249	626
Charge for the year	274	37	91	402
Disposals	-	-	(148)	(148)
Write-off	-	(12)	-	(12)
At 31 December	548	128	192	868
Net carrying amount				
At 31 December	275	132	505	912

	Net carrying amount 2008 RM'000	2007 RM'000
The Group's buildings are situated as follows:		
On leasehold land classified as prepaid lease payments	**2,268**	2,309
On the Group's freehold land	**10,106**	7,148
In a multi-storey office complex with strata title	**256**	263
	12,630	9,720

A building of the Group was revalued in 1984 by the Directors based on an independent professional valuation carried out on the open market value basis. The net carrying amount of revalued asset based on the historical cost convention has not been disclosed as the relevant information is no longer available.

Notes To The Financial Statements

for the year ended 31 December 2008

4. INVESTMENT PROPERTIES

	Company	
	2008 RM'000	2007 RM'000
At 1 January	**14,200**	12,000
Changes in fair value	**5,600**	2,200
At 31 December	**19,800**	14,200
Investment properties comprise:		
Long term leasehold land	**18,400**	12,800
Buildings	**1,400**	1,400
	19,800	14,200

The fair value of the investment properties at 31 December 2008 is based on a valuation carried out by Rahim & Co Chartered Surveyors Sdn Bhd on 31 December 2008.

5. PREPAID LEASE PAYMENTS

	Group	
	2008 RM'000	2007 RM'000
Long leasehold land		
Cost		
At 1 January	**11,525**	11,525
Addition/Disposal	**-**	-
At 31 December	**11,525**	11,525
Accumulated depreciation		
At 1 January	**1,112**	907
Charge for the year	**205**	205
At 31 December	**1,317**	1,112
Net carrying amount		
At 31 December	**10,208**	10,413

Notes To The Financial Statements

for the year ended 31 December 2008

6. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 2008 RM'000	Company 2007 RM'000
Unquoted shares, at cost	**102,818**	102,818
Impairment loss	**(24,298)**	(16,320)
	78,520	86,498

The subsidiary companies are as follows:

	Equity interest 2008 %	Equity interest 2007 %	Country of incorporation	Principal activities
Tung Pao Sdn Bhd +	**100**	100	Malaysia	Distribution and sale of health care and consumer products through multi-level marketing
HairBiz College of Hairdressing Professionals Sdn Bhd +	**100**	100	Malaysia	Operation of a hairdressing academy
Tan Chong Apparels Sdn Bhd +	**100**	100	Malaysia	Dormant
Tan Chong Apparels Manufacturer Sdn Bhd +	**100**	100	Malaysia	Manufacture of ladies under-garments
TCIM Sdn Bhd +	**100**	100	Malaysia	Distribution, sale and rental of material handling equipment, agriculture tractors, engines, construction equipment and parts as well as provision of after sales services
TCIM Esasia Sdn Bhd (70% equity is held by TCIM Sdn Bhd)	**70**	70	Malaysia	Assembling, distribution and sale of generator sets, engines, alternators and its related accessories
Jentrakel Sdn Bhd +	**100**	100	Malaysia	Rental and sale of industrial machinery and equipment
Mayflower Acme Tours Sdn Bhd +	**100**	100	Malaysia	Operation of inbound and out-bound tours, the provision of cars and coaches for rental and leasing as well as air-ticketing services

Notes To The Financial Statements

for the year ended 31 December 2008

6. INVESTMENT IN SUBSIDIARY COMPANIES *(continued)*

	Equity interest 2008 %	Equity interest 2007 %	Country of incorporation	Principal activities
Discovery Tours (Sabah) Sdn Bhd (100% of equity is held by Mayflower Acme Tours Sdn Bhd)	**100**	100	Malaysia	Operation of inbound and outbound tours, the provision of cars and coaches for rental and leasing as well as air-ticketing services
Warisan Captive Incorporated *	**100**	100	Labuan Malaysia	Underwriting of captive insurance business
Belize Holdings Sdn Bhd +	**100**	100	Malaysia	Investment holding
Excess Line Sdn Bhd	**100**	100	Malaysia	Money changer business
Comit Communications Technologies (M) Sdn Bhd +	**100**	100	Malaysia	Dormant
Virtual Travel Sdn Bhd +	**100**	100	Malaysia	Dormant
HairBiz Professionals Sdn Bhd +	**100**	100	Malaysia	Dormant
Angka-Tan Machinery Sdn Bhd +	**100**	100	Malaysia	Dormant
Mayflower (Labuan) Pte Ltd *	**100**	100	Labuan Malaysia	Dormant
Mayflower- My 2nd Home (MM2H) Sdn Bhd	**100**	100	Malaysia	Dormant

+ Subsidiary companies which are consolidated on the merger method of accounting

* Not audited by Moores Rowland

7. INVESTMENT IN JOINTLY CONTROLLED ENTITIES

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Unquoted shares, at cost	**17,566**	17,566	**24,568**	24,568
Group's share of post-acquisition results	**10,873**	8,416	**-**	-
	28,439	25,982	**24,568**	24,568

The jointly controlled entities, all incorporated in Malaysia, are as follows:

Name	Proportion of ownership interest 2008 %	Proportion of ownership interest 2007 %	Principal activities
Mayflower American Express Travel Services Sdn Bhd	**70**	70	Operation of inbound tours and provision of air ticketing services
Wacoal Malaysia Sdn Bhd	**50**	50	Distribution and sale of ladies undergarments
Shiseido Malaysia Sdn Bhd*	**50**	50	Distribution and sale of cosmetics and consumer products

* Not audited by Moores Rowland

The Group's aggregate share of the jointly controlled entities' non-current assets, current assets, non-current liabilities and current liabilities as at 31 December 2008 and revenue and expenses for the year ended 31 December 2008, which are included in the consolidated financial statements are as follows:

	2008 RM'000	2007 RM'000
Assets and liabilities		
Non-current assets	**4,053**	2,682
Current assets	**45,373**	45,228
Total assets carried forward	**49,426**	47,910

Notes To The Financial Statements

for the year ended 31 December 2008

7. INVESTMENT IN JOINTLY CONTROLLED ENTITIES *(continued)*

	2008 RM'000	2007 RM'000
Total assets brought forward	**49,426**	47,910
Non-current liabilities	**(275)**	(246)
Current liabilities	**(20,036)**	(20,954)
	29,115	26,710
Unrealised profit eliminated	**(676)**	(728)
	28,439	25,982
Results		
Revenue	**60,154**	55,821
Expenses, including finance costs and taxation	**(55,402)**	(50,687)

The jointly controlled entities have no material contingencies and capital commitments at year end.

The Group's share of the operating lease commitments of the jointly controlled entities are included in Note 32 (ii) to the financial statements.

8. OTHER INVESTMENTS

	Group	
	2008 RM'000	2007 RM'000
Unquoted shares, at cost	**10**	10

9. FINANCE LEASE RECEIVABLES

	Group	
	2008 RM'000	2007 RM'000
Finance lease instalments receivable		
- not later than one year	**7,440**	4,903
- later than one year but not later than five years	**5,748**	5,367
	13,188	10,270
Unexpired term charges	**(1,019)**	(1,140)
Outstanding principal	**12,169**	9,130
Outstanding principal receivable not later than one year *(see note 13)*	**(6,780)**	(4,228)
Outstanding principal receivable later than one year but not later than five years	**5,389**	4,902

The interest rate of the finance leases is 3% - 6% (2007 : 5% - 10%) per annum depending on the amount financed and the tenure of the lease.

Notes To The Financial Statements

for the year ended 31 December 2008

10. DEFERRED TAX ASSETS

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
At beginning of the year	**472**	857	**87**	134
(Reversal)/Origination for the year (net)	**(208)**	(385)	**25**	(47)
At 31 December	**264**	472	**112**	87

The Group has recognised the deferred tax assets as it is probable that its existing business would generate sufficient taxable profit in the future against which the deferred tax assets can be utilised.

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
The deferred tax assets arose from:				
Deductible temporary differences on				
- unused tax losses	**-**	115	**-**	-
- unabsorbed capital allowances	-	52	-	-
- other temporary differences	**767**	766	**171**	113
Taxable temporary differences between net carrying amount and tax written down value of property, plant and equipment	**(503)**	(461)	**(59)**	(26)
	264	472	**112**	87

The following temporary differences exist as at 31 December the deferred tax benefits of which have not been recognised in the financial statements:

	Group	
	2008 RM'000	2007 RM'000
(Taxable)/Deductible temporary differences		
- between net carrying amount and tax written down value of property, plant and equipment	**(306)**	(3)
- unused tax losses	**1,637**	653
- unabsorbed capital allowances	**458**	214
- other temporary differences	**108**	270
	1,897	1,134

Notes To The Financial Statements

for the year ended 31 December 2008

11. INTANGIBLE ASSET

	Group	
	2008	**2007**
	RM'000	**RM'000**
Goodwill		
Cost		
At 1 January	**606**	606
Addition	**-**	-
At 31 December	**606**	606
Accumulated amortisation		
At 1 January	**-**	-
Charge for the year	**-**	-
At 31 December	**-**	-
Net carrying amount		
At 31 December	**606**	606

Impairment testing of goodwill

Goodwill acquired has been allocated to the following cash-generating unit ("CGU"):

	2008	**2007**
	RM'000	**RM'000**
Inbound and outbound tours, the provision of cars and coaches for rental and leasing as well as air-ticketing services	**606**	606

Recoverable amount based on value in use

The recoverable amount of the above CGU is determined based on value-in-use calculations using cash flow projections covering a five-year period extrapolated using the growth rate stated below. The key assumptions used in the calculations are as follows:

Gross margin	21.0%
Growth rate	21.0%
Discount rate	17.8%
Risk free rate	3.5%

11. INTANGIBLE ASSET *(continued)*

The following describes each key assumption on which management has based its cash flow projections to undertake the impairment testing:

(i) Budgeted gross margin

The budgeted gross margin is based on the margin achieved in the year immediately before the budgeted year and are increased by growth rate to cater for expected improvements in efficiency.

(ii) Growth rate

The weighted average growth rates used are based on the long-term average growth rate for the respective industries.

(iii) Discount rate

The discount rates applied exclude impact on taxation.

(iv) Risk free rate

The risk free rate is based on the yield on a 3-year Malaysian government bond at the beginning of the budgeted year.

Sensitivity to changes in assumptions

In assessing the value-in-use, management is of the view that no foreseeable changes in any of the above key assumptions would cause the carrying value of the CGU to materially exceed its recoverable amount.

12. INVENTORIES

	Group					
	2008			2007		
	At cost RM'000	At net realisable value RM'000	Total RM'000	At cost RM'000	At net realisable value RM'000	Total RM'000
Raw materials	**2,764**	**-**	**2,764**	1,999	-	1,999
Work-in-progress	**155**	**-**	**155**	520	-	520
Manufactured inventories	**652**	**324**	**976**	669	-	669
Trading inventories	**46,226**	**2,013**	**48,239**	29,773	986	30,759
Spare parts and workshop inventories	**11,466**	**-**	**11,466**	9,471	1,410	10,881
	61,263	**2,337**	**63,600**	42,432	2,396	44,828

Notes To The Financial Statements

for the year ended 31 December 2008

13. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Gross trade receivables	**45,361**	39,370	**-**	-
Allowance for doubtful debts	**(4,377)**	(3,496)	**-**	-
	40,984	35,874	**-**	-
Finance lease receivables *(see note 9)*	**6,780**	4,228	**-**	-
Other receivables	**2,282**	2,803	**1**	9
Sundry deposits	**1,352**	1,811	**66**	346
Prepayments	**5,012**	2,844	**729**	362
Subsidiary companies	**-**	-	**39,162**	41,047
Jointly controlled entities	**4,898**	1,745	**114**	49
Related party	**1,598**	2,826	**-**	-
	62,906	52,131	**40,072**	41,813

The currency exposure profiles of trade receivables are as follows:

	Group	
	2008 RM'000	2007 RM'000
Ringgit Malaysia	**44,055**	36,523
US Dollar	**227**	2,257
Singapore Dollar	**36**	48
Renminbi	**1,043**	542
	45,361	39,370

Customers are granted credit periods of between 30 to 60 days. For major established customers, the credit terms may be extended to 90 days based on the discretion of management.

The amount owing by subsidiary companies are unsecured non trade receivables which are interest free and receivable on demand.

The amount owing by jointly controlled entities comprises:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Trade receivables	**1,684**	1,455	**-**	-
Non trade receivables	**3,214**	290	**114**	49
	4,898	1,745	**114**	49

13. TRADE AND OTHER RECEIVABLES *(continued)*

The non trade receivables are unsecured, interest free and receivable on demand. The trade accounts have normal credit period of 30 to 60 days.

The amount owing by the related party comprises:

	Group	
	2008	**2007**
	RM'000	**RM'000**
Trade receivables	**1,598**	2,775
Non trade receivables	**-**	51
	1,598	2,826

The related party is a company in which a Director has significant influence. The non trade receivables owing by the related party are unsecured, interest free and receivable on demand. The trade accounts have a normal credit period of 30 days.

14. FIXED DEPOSITS

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Fixed deposits				
- with licensed banks	**12,437**	12,892	**3,189**	1,103
- with other licensed financial institutions	**9,595**	25,749	**9,595**	25,749
	22,032	38,641	**12,784**	26,852

Included in the Group's fixed deposits with licensed banks are amounts totalling RM75,000 (2007 : RM75,000) which have been pledged as security for bank guarantee facilities granted to a subsidiary of the Group.

The effective interest rates range from 0.4% to 3.8% (2007: 2.8% to 5.31%). All deposits have maturity periods of less than one year.

15. SHARE CAPITAL

	2008	**2007**
	RM'000	**RM'000**
Authorised		
100,000,000 ordinary shares of RM1 each	**100,000**	100,000
Issued and fully paid		
67,200,000 ordinary shares of RM1 each	**67,200**	67,200

Notes To The Financial Statements

for the year ended 31 December 2008

16. TREASURY SHARES

	No. of shares		At cost	
	2008	**2007**	**2008**	**2007**
	'000	**'000**	**RM'000**	**RM'000**
At 1 January	**957**	158	**1,745**	269
Additions	**333**	799	**649**	1,476
Disposals	**-**	-	**-**	-
At 31 December	**1,290**	957	**2,394**	1,745

The treasury shares have no rights to voting, dividends or participation in other distribution.

17. BANK TERM LOANS *(unsecured)*

	Group	
	2008	**2007**
	RM'000	**RM'000**
Repayments due within the next 12 months *(see note 21)*	**9,945**	6,336
Repayments due after 12 months	**20,274**	2,165
	30,219	8,501

According to the term loan agreement, one of the borrowing subsidiaries has agreed with the bank on the following significant covenants:

(i) to maintain a minimum net worth of at least RM25,000,000;

(ii) to fully settle the outstanding term loan in the event the property financed under the term loan is sold or transferred;

(iii) Warisan TC Holdings Berhad shall remain as its holding company during the tenure of the loan.

The long term loans bear interest as follows:

	2008	**2007**
	RM'000	**RM'000**
At 5.2% per annum	**683**	1,975
At 4.6% per annum in the first three years and 5.75% per annum thereafter	**1,482**	5,926
At 4.7% per annum	**-**	600
At 4.75% per annum	**20,000**	-
At 4.4% per annum	**8,054**	-
	30,219	8,501

18. RETIREMENT BENEFIT OBLIGATIONS

The Group operates an unfunded defined benefit plan for staff whose entitlements are calculated by reference to their length of service and earnings. Provision for retirement benefits is calculated based on the predetermined rate of basic salaries and length of service of the employees.

The movements during the financial year and the amounts recognised in the balance sheet are as follows:

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At 1 January	**465**	469	**77**	57
Charged to income statement	**1,581**	146	**779**	20
Retirement benefits paid	**(286)**	(150)	**(236)**	-
At 31 December	**1,760**	465	**620**	77

At 31 December, the provision for retirement benefits recognised in the balance sheet is analysed as follows:

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Present value of unfunded obligations	**1,760**	465	**620**	77

The expense recognised in the income statement is analysed as follows:

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current service cost	**191**	117	**45**	17
Interest cost	**104**	29	**41**	3
Past service cost	**1,260**	-	**693**	-
Actuarial loss	**24**	-	**-**	-
Curtailment or settlement cost	**2**	-	**-**	-
Total included in employee costs	**1,581**	146	**779**	20

The principal actuarial assumptions used in respect of the defined benefit plan were as follows:

	2008	**2007**
Discount rate	**5.3%**	6.5%
Expected rate of salary increases	**6.0%**	6.0%
Price inflation	**3.5%**	3.0%

Notes To The Financial Statements

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19. DEFERRED TAX LIABILITIES

	Group	
	2008	2007
	RM'000	RM'000
At 1 January	**7,256**	6,452
(Reversal)/ Origination for the year (net)	**(329)**	804
At 31 December	**6,927**	7,256

The deferred tax liabilities arose from:

	Group	
Taxable temporary differences		
- relating to revaluation of properties	**239**	244
- between net carrying amount and tax written down value of property, plant and equipment	**8,091**	11,328
Deductible temporary differences on		
- unused tax losses	**-**	(7)
- unabsorbed capital allowance	**(826)**	(4,033)
- other temporary differences	**(577)**	(276)
	6,927	7,256

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Trade payables	**44,117**	27,366	**-**	-
Other payables	**5,430**	3,975	**24**	54
Deposits received	**8,388**	5,392	**175**	175
Accruals	**6,484**	6,004	**617**	603
Subsidiary companies	**-**	-	**12,599**	19,227
Jointly controlled entities	**-**	5,871	**-**	5,362
Related parties	**119**	84	**119**	74
	64,538	48,692	**13,534**	25,495

20. TRADE AND OTHER PAYABLES *(continued)*

The currency exposure profiles of trade payables are as follows:

	Group	
	2008 RM'000	2007 RM'000
Ringgit Malaysia	**40,398**	24,199
US Dollar	**2,958**	1,218
Singapore Dollar	**78**	6
Euro	**597**	558
Japanese Yen	**86**	1,385
	44,117	27,366

The normal credit periods granted by trade suppliers range from 30 to 120 days.

The amount owing to subsidiary companies comprises non trade payables which are unsecured and interest free except for an amount of RM10,734,202 (2007 : RM17,560,974) which is subject to interest based on fixed deposit interest rate of reference banks. The effective interest rates during the year were 2.8% to 3.53% (2007 : 3.1% to 3.52%) per annum. The non trade payables are payable on demand.

The amount owing to jointly controlled entities comprises:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Trade payables	**-**	452	**-**	-
Non trade payables	**-**	5,419	**-**	5,362
	-	5,871	**-**	5,362

The unsecured non trade payables owing to jointly controlled entities and payable on demand are analysed as follows:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Bearing interests ranging 3.41% to 3.5% per annum	**-**	5,362	**-**	5,362
Interest free	**-**	57	**-**	-
	-	5,419	**-**	5,362

The interest rates are based on fixed deposit interest rate of reference bank.

The trade accounts have credit period of 30 to 60 days.

The related parties are companies in which a Director has significant influence. The amounts owing to the related parties represents non trade payables which are unsecured, interest free and payable on demand.

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21. BANK BORROWINGS

	Group 2008 RM'000	Group 2007 RM'000
Current portion of long term loans *(see note 17)*	**9,945**	6,336
Bankers acceptances, unsecured	**19,989**	22,701
Revolving credits, unsecured	**14,500**	-
Bank overdraft, unsecured	**-**	219
	44,434	29,256

The bankers' acceptances are supported by a negative pledge over a subsidiary company's current and future assets.

The bankers' acceptances bear effective interest rates ranging between 3.58% to 4.75% (2007 : 3.79% to 4.10%).

Revolving credits bear effective interest rate at 4.53% - 4.90% per annum.

The bank overdraft in the previous financial year was unsecured and borne effective interest at 7.75% per annum.

22. REVENUE

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Sales of goods	**132,775**	100,437	**-**	-
Services rendered including car hire income	**174,412**	156,849	**872**	848
Finance lease income	**830**	817	**-**	-
	308,017	258,103	**872**	848

Notes To The Financial Statements

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23. PROFIT/(LOSS) FROM OPERATIONS

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Profit/(Loss) from operations is stated after charging:				
Allowance for doubtful debts	**1,678**	389	**-**	-
Amortisation of prepaid lease payments	**205**	205	**-**	-
Auditors' remuneration				
- statutory audit				
- current year	**97**	85	**21**	20
- underprovision in prior year	**1**	2	**-**	-
- other auditors' remuneration	**-**	1	**-**	-
Bad debts written off	**661**	8	**-**	-
Deposit written off	**-**	14	**-**	-
Depreciation	**25,237**	21,174	**404**	402
Direct operating expenses on				
- revenue generating investment properties	**-**	-	**103**	118
Directors' remuneration				
- fees	**149**	79	**149**	79
- other emoluments	**2,298**	952	**1,685**	726
Impairment in value of investment in subsidiary companies	**-**	-	**7,978**	14,392
Inventories written off/down	**498**	1,538	**-**	-
Loss on disposal of property, plant and equipment	**-**	-	**2**	-
Preliminary expenses	**-**	3	**-**	-
Property, plant and equipment written off	**11**	268	**-**	-
Rental expense				
- land and buildings	**1,112**	1,379	**4**	4
- car	**36**	-	**36**	-
- equipment	**188**	135	**-**	-
Retirement benefit obligations	**1,581**	146	**779**	20
Unrealised loss on foreign exchange, net	**-**	31	**-**	-
and crediting:				
Allowance for doubtful debts written back	**-**	52	**-**	-
Gain on disposal of property, plant and equipment	**2,004**	1,186	**-**	23
Gain on foreign exchange, net				
- realised	**959**	577	**-**	-
- unrealised	**63**	-	**-**	-
Rental income from				
- investment properties	**-**	-	**558**	558
- land and buildings	**565**	672	**-**	-
- equipment	**9,198**	10,000	**-**	-

Directors' remuneration of the Group and the Company does not include the estimated monetary value of benefits-in-kind amounted to RM57,170 and RM42,787 (2007 : RM43,500 and RM37,000) respectively.

Notes To The Financial Statements

for the year ended 31 December 2008

24. NET PROFIT FROM INVESTING ACTIVITIES

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Gross dividends from subsidiary companies	**-**	-	**4,703**	125,447
Gross dividends from jointly controlled entities	**-**	-	**3,172**	500
Interest income from				
- subsidiary companies	**-**	-	**82**	82
- related parties	**7**	78	**-**	-
- fixed deposits	**989**	1,306	**775**	961
Gain on fair value adjustment on investment properties	**-**	-	**5,600**	2,200
Allowance for diminution in value of investments	**-**	-	**(7,978)**	(14,392)
	996	1,384	**6,354**	114,798

25. FINANCE COSTS

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Interest paid and payable on:				
Term loans	**862**	618	**-**	-
Bankers' acceptances	**765**	839	**-**	-
Revolving credits	**261**	-	**-**	-
Others	**9**	-	**662**	758
	1,897	1,457	**662**	758

Notes To The Financial Statements

for the year ended 31 December 2008

26. TAX EXPENSE

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Malaysian taxation based on results for the year				
- current	**3,345**	2,343	**952**	33,500
- deferred	**2,320**	612	**(48)**	(83)
	5,665	2,955	**904**	33,417
Under/(Over)provision in prior years				
- current	**68**	(465)	**(10)**	(152)
- deferred	**(2,441)**	577	**23**	130
	3,292	3,067	**917**	33,395

The statutory tax rate applicable to the Company was reduced from 27% in 2007 to 26% in 2008.

The reconciliations between the tax expense and the product of accounting profit multiplied by the applicable tax rates are as follows:

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Accounting profit	**19,951**	19,681	**1,607**	111,897
Tax at applicable tax rates	**5,187**	5,314	**418**	30,212
Tax effect of expenses not deductible in determining taxable profit	**2,845**	724	**2,458**	4,072
Tax effect on reduction in future tax rate	**40**	(38)	**4**	(4)
Tax effect of income not taxable in determining taxable profit	**(2,586)**	(2,793)	**(1,976)**	(863)
Crystalisation of deferred tax liabilities on amortisation of revalued properties	**(4)**	(4)	**-**	-
Originating of deferred tax assets not recognised	**763**	838	**-**	-
Tax effect on opening deferred tax resulting from reduction in statutory tax rate	**(300)**	(268)	**-**	-
Tax effect of different tax rates of subsidiaries	**(280)**	(818)	**-**	-
(Over)/Underprovision in prior years	**(2,373)**	112	**13**	(22)
Tax expense for the year	**3,292**	3,067	**917**	33,395

Subject to agreement with the Inland Revenue Board, based on estimated tax credits available and the prevailing tax rate applicable to dividends, the entire unappropriated profit of the Company is available for distribution by way of dividends without incurring additional tax liability.

Notes To The Financial Statements

for the year ended 31 December 2008

27. EARNINGS PER SHARE

Basic earnings per share

The basic earnings per share has been calculated by dividing the Group's profit for the year attributable to shareholders of the Company of RM16,811,000 (2007 : RM16,939,000) by the weighted average number of shares in issue of 66,119,475 (2007 : 66,564,875). The weighted average number of shares in issue is calculated as follows:

	2008	2007
Number of ordinary shares at 1 January	**67,200,000**	67,200,000
Effect of treasury shares held	**(1,080,525)**	(635,125)
Weighted average number of ordinary shares at 31 December	**66,119,475**	66,564,875

28. DIVIDENDS

	2008 RM'000	2007 RM'000
In respect of the financial year ended 31 December 2006		
Final dividend of 5% less 27% income tax	**-**	2,432
In respect of the financial year ended 31 December 2007		
Interim dividend of 4% less 27% income tax	**-**	1,939
Final dividend of 5% less 26% income tax	**2,448**	-
In respect of the financial year ended 31 December 2008		
Interim dividend of 5% less 26% income tax	**2,447**	-
	4,895	4,371

Subsequent to 31 December 2008, the Directors proposed a final dividend of 5% less 25% income tax in respect of the financial year ended 31 December 2008.

Notes To The Financial Statements

for the year ended 31 December 2008

29. EMPLOYEE INFORMATION

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Employee costs	**35,277**	25,947	**3,133**	2,111

Included in the employee costs are:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Termination benefits	**-**	138	**-**	-
EPF contributions	**2,875**	2,307	**250**	241
Defined benefit plan provisions	**1,581**	146	**779**	20

30. RELATED PARTY DISCLOSURES

Significant related party transactions during the financial year were as follows:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
(a) Transactions with subsidiary companies				
Interest received and receivable	**-**	-	**82**	82
Management fee received and receivable	**-**	-	**872**	848
Interest paid and payable	**-**	-	**493**	696
(b) Transactions with related parties				
Interest payable	**5**	-	**5**	-
(c) Transactions with jointly controlled entities				
Rental received and receivable	**-**	-	**558**	558
Interest paid and payable	**-**	-	**164**	62

Notes To The Financial Statements

for the year ended 31 December 2008

30. RELATED PARTY DISCLOSURES *(continued)*

(d) Transactions with companies in which certain Directors of the Group have significant influence

	Group		Company	
	2008 RM'000	**2007 RM'000**	**2008 RM'000**	**2007 RM'000**
Sales	**8,710**	11,019	**-**	-
Services received and receivable	**2,513**	2,770	**-**	-
Rental received and receivable	**192**	101	**-**	-
Interest received and receivable	**1**	135	**-**	-
Purchases	**477**	519	**-**	-
Service charges paid and payable	**1,177**	404	**24**	7
Rental paid and payable	**11**	20	**4**	4
Purchase of property, plant and equipment	**41,244**	17,896	**-**	256
Insurance paid and payable	**1,941**	1,197	**24**	45
Management fees paid and payable	**151**	215	**115**	139

Information regarding outstanding balances arising from related party transactions at year end are disclosed in the respective notes to the financial statements.

31. COMPENSATION PAID TO KEY MANAGEMENT PERSONNEL

Compensation paid to key management personnel during the year comprises:

	Group		Company	
	2008 RM'000	**2007 RM'000**	**2008 RM'000**	**2007 RM'000**
Short term employee benefits (salaries, allowances, bonuses and benefits-in-kind)	**2,940**	2,011	**1,860**	1,012
Post-employment benefits				
- EPF	**279**	230	**167**	126
- Defined benefit plan provisions	**22**	36	**22**	20
	3,241	2,277	**2,049**	1,158
Directors	**2,504**	1,092	**1,877**	856
Other key management personnel	**737**	1,185	**172**	302
	3,241	2,277	**2,049**	1,158

Notes To The Financial Statements

for the year ended 31 December 2008

32. COMMITMENTS

	Group	
	2008	**2007**
	RM'000	**RM'000**
Capital commitments		
Contracted capital expenditure not provided for in the financial statements	**25,582**	22,279

Operating lease commitments

(i) The Group as lessor

The Group has entered into commercial vehicle leases to earn rental income. These leases have remaining non-cancelled lease terms of between 1 and 5 years. All leases include a clause to enable upward revision of the rental charge after expiry, based on prevailing market conditions. The Group does not have any contingent rental arrangements.

The future minimum lease rentals receivable under non-cancellable leases are as follows:

	2008	**2007**
	RM'000	**RM'000**
Not later than one year	**15,937**	10,200
Later than one year but not later than 5 years	**7,671**	8,614
	23,608	18,814

(ii) The Group as lessee

The Group leases office premises from various parties under non-cancellable operating leases for its operations. The leases have tenures of between 1 and 5 years, with an option to renew after expiry. Any increase in lease payments are negotiated and normally reflects market rentals. The above leases do not include any contingent rentals.

The future minimum lease payments under the above non-cancellable operating leases are as follows:

	2008	**2007**
	RM'000	**RM'000**
Not later than one year	**1,655**	1,710
Later than one year but not later than 5 years	**1,370**	1,118
	3,025	2,828

33. CONTINGENT LIABILITIES

In 2002, a former director together with a former director who served on the board of certain subsidiaries claimed against the Company and the respective subsidiaries in relation to their non re-election as directors of the subsidiaries. Their application for interim injunctions was dismissed with costs. The High Court has struck out their Writ and Statement of Claim on 11 July 2003. They have appealed to the Court of Appeal and hearing date has been fixed on 18 May 2009.

Based on legal opinion, the Directors are of the view that the plaintiffs' claim is without merit and will ultimately be dismissed with costs, and that no provision for damages needs to be made in the financial statements.

Notes To The Financial Statements

for the year ended 31 December 2008

34. FINANCIAL INSTRUMENTS

(a) Credit risk

At balance sheet date, the Group and the Company did not have any significant exposure to any individual customer or counter party or any major concentration of credit risk related to any financial asset.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

(b) Derivative financial instruments

Foreign currency forward contracts outstanding as at 31 December were as follows:

2008	**Amounts to be paid**	**equivalent RM**	**Average contractual rate**	**Settlement period Within 1 year RM**	**2 to 5 years RM**
Trade payables					
EURO	204,520	932,947	4.5616	932,947	-
USD	1,087,709	3,852,679	3.5420	3,852,679	-

2007	**Amounts to be paid**	**equivalent RM**	**Average contractual rate**	**Settlement period Within 1 year RM**	**2 to 5 years RM**
Trade payables					
EURO	368,350	1,794,347	4.8713	1,794,347	-
100 JPY	997,422,139	29,809,750	2.9887	29,809,750	-

(c) Fair value

The carrying amounts of the financial assets and liabilities of the Group and of the Company at the balance sheet date approximated their fair values except for the following:

2008	**Group**	
	Carrying amount RM'000	**Fair value RM'000**
Non-current assets		
Finance lease receivables	5,389	5,346

34. FINANCIAL INSTRUMENTS *(continued)*

2008	**Group**	
	Carrying amount RM'000	**Fair value RM'000**
Other investments		
Unquoted shares	10	*
Non-current liabilities		
Bank term loans	20,274	19,142

2007	**Group**	
	Carrying amount RM'000	**Fair value RM'000**
Non-current assets		
Finance lease receivables	4,902	4,993
Other investments		
Unquoted shares	10	*
Non-current liabilities		
Bank term loans	2,165	1,968

* It is not practical to estimate the fair value of unquoted shares due to the lack of quoted market values and available observable market data. These investments are carried at their original costs subject to review for impairment.

Notes To The Financial Statements

for the year ended 31 December 2008

35. SEGMENTAL ANALYSIS

2008	Consumer products RM'000	Travel and car rental RM'000	Machinery RM'000	Other operations RM'000	Eliminations RM'000	Consolidated RM'000
Business segments						
Revenue from external customers	579	154,166	151,887	1,385	-	308,017
Inter-segment revenue	-	1,255	-	-	(1,255)	-
Total revenue	579	155,421	151,887	1,385	(1,255)	308,017
Segment result	(2,287)	11,064	11,069	560	-	20,406
Unallocated expenses						(4,306)
Operating profit						16,100
Interest expense						(1,897)
Interest income						996
Share of profit of jointly controlled entities	2,720	2,032	-	-	-	4,752
Profit before tax						19,951
Tax expense						(3,292)
Net profit for the year						**16,659**
Segment assets	12,676	150,458	131,172	544	-	294,850
Share of net assets in jointly controlled entities						28,439
Unallocated assets						38,566
Total assets						**361,855**

35. SEGMENTAL ANALYSIS *(continued)*

	Consumer products RM'000	Travel and car rental RM'000	Machinery RM'000	Other operations RM'000	Eliminations RM'000	Consolidated RM'000
Segment liabilities	(1,174)	(53,657)	(24,202)	(102)	-	(79,135)
Unallocated liabilities						(60,788)
Total liabilities						**(139,923)**
Capital expenditure	164	73,958	7,126	1	-	81,249
Unallocated capital expenditure						21
Total capital expenditure						**81,270**
Depreciation and amortisation	(390)	(18,110)	(6,295)	(28)	-	(24,823)
Unallocated depreciation and amortisation						(619)
Total depreciation and amortisation						**(25,442)**
Non-cash expense other than depreciation and amortisation	207	701	2,667	12	-	3,587
Unallocated non-cash expenses						779
Total non-cash expenses						**4,366**

Notes To The Financial Statements

for the year ended 31 December 2008

35. SEGMENTAL ANALYSIS *(continued)*

2007	Consumer products RM'000	Travel and car rental RM'000	Machinery RM'000	Other operations RM'000	Eliminations RM'000	Consolidated RM'000
Business segments						
Revenue from external customers	1,063	137,070	118,800	1,170	-	258,103
Inter-segment revenue	-	424	-	-	(424)	-
Total revenue	1,063	137,494	118,800	1,170	(424)	258,103
Segment result	(1,880)	10,040	8,208	613	-	16,981
Unallocated expenses						(2,361)
Operating profit						14,620
Interest expense						(1,457)
Interest income						1,384
Share of profit of jointly controlled entities	2,999	2,135	-	-	-	5,134
Profit before tax						19,681
Tax expense						(3,067)
Net profit for the year						16,614
Segment assets	12,625	93,246	112,825	1,408	-	220,104
Share of net assets in jointly controlled entities	21,496	4,486	-	-	-	25,982
Unallocated assets						55,140
Total assets						301,226

35. SEGMENTAL ANALYSIS *(continued)*

	Consumer products RM'000	Travel and car rental RM'000	Machinery RM'000	Other operations RM'000	Eliminations RM'000	Consolidated RM'000
Segment liabilities	(1,556)	(24,340)	(17,043)	(92)	-	(43,031)
Unallocated liabilities						(47,539)
Total liabilities						(90,570)
Capital expenditure	3,856	26,062	4,653	-	-	34,571
Unallocated capital expenditure						280
Total capital expenditure						34,851
Depreciation and amortisation	(393)	(13,399)	(6,938)	(32)	-	(20,762)
Unallocated depreciation and amortisation						(617)
Total depreciation and amortisation						(21,379)
Non-cash expense other than depreciation and amortisation	1,268	62	992	-	-	2,322
Unallocated non-cash expenses						20
Total non-cash expenses						2,342

Notes To The Financial Statements

for the year ended 31 December 2008

36. SUBSEQUENT EVENTS

(i) On 12 January 2009, the Company incorporated a new wholly-owned subsidiary, Mayflower Holidays Sdn Bhd ("Mayflower Holidays") in Malaysia to cater for the Group's future business needs. The principal object of Mayflower Holidays is to carry on the travel and tour business. The issued and paid up share capital of Mayflower Holidays is RM2.

(ii) On 19 January 2009, the Company announced to Bursa Malaysia Securities Berhad that The Management Board of Vietnam Singapore Industrial Park, Vietnam has issued an Investment Certificate to Mayflower (Labuan) Pte Ltd ("Mayflower Labuan"), a wholly-owned subsidiary of the Company, to establish an enterprise namely Mayflower Vietnam Pte Ltd ("Mayflower Vietnam") and execute an investment project in Vietnam. Mayflower Vietnam was established pursuant to the Investment Certificate with the intended business activities of manufacturing, assembly and sale of generator sets; and maintenance and repair of generators manufactured by Mayflower Vietnam. Mayflower Vietnam shall have a Charter Capital of USD2.0 million.

(iii) On 19 February 2009, the Company incorporated a new wholly-owned subsidiary, Warisan Automotif Holdings Sdn Bhd ("Warisan Automotif") in Malaysia to cater for the Group's future business needs. The principal activity of Warisan Automotif is to carry on the business as an automotive investment holding company. The issued and paid up share capital of Warisan Automotif is RM2.

37. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 8 April 2009 by the Board of Directors.

Statement By Directors

Pursuant to Section 169(15) of the Companies Act 1965

We, Ting Lieng Yu and Ngu Ew Look, being two of the Directors of Warisan TC Holdings Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 45 to 104 are, except for pages 48 to 50 which are expressed in USD equivalent, drawn up in accordance with Financial Reporting Standards and the provisions of the Companies Act 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2008 and of their results and cash flows for the year ended on that date.

Signed on behalf of the Directors in accordance with a Directors' resolution dated 8 April 2009

TING LIENG YU
Director

NGU EW LOOK
Director

Kuala Lumpur
8 April 2009

Statutory Declaration

Pursuant to Section 169(16) of the Companies Act 1965

I, Chua Tian Pang, being the person primarily responsible for the financial management of Warisan TC Holdings Berhad do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 45 to 104 are, except for pages 48 to 50 which are expressed in USD equivalent, 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 at)
Kuala Lumpur in the Federal Territory)
on 8 April 2009)
)
)
)
) **CHUA TIAN PANG**
)

Before me:
Mohd Radzi bin Yasin
No. W327
Commissioner for Oaths
(Pesuruhjaya Sumpah)

Kuala Lumpur
8 April 2009

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twelfth Annual General Meeting of Warisan TC Holdings Berhad ("Company") will be held at 3rd Floor, 21 Jalan Ipoh Kecil, 50350 Kuala Lumpur, Malaysia on Thursday, 21 May 2009 at 11:00 a.m. to transact the following businesses:

As Ordinary Business

1. To receive the Financial Statements for the financial year ended 31 December 2008 together with the Reports of the Directors and Auditors thereon. **Ordinary Resolution 1**

2. To declare a final dividend of 5% less income tax for the financial year ended 31 December 2008. **Ordinary Resolution 2**

3. To re-elect the following Directors who are eligible and have offered themselves for re-election, in accordance with Article 96 of the Company's Articles of Association:

   i. Dato' Tan Heng Chew **Ordinary Resolution 3**
   ii. Mr Ngu Ew Look **Ordinary Resolution 4**

4. To re-elect Mr Ting Lieng Yu, a Director who is eligible and has offered himself for re-election, in accordance with Article 76 of the Company's Articles of Association. **Ordinary Resolution 5**

5. To appoint auditors and to authorise the Directors to fix their remuneration.

   Messrs Moores Rowland have indicated that they do not wish to seek re-appointment as auditors of the Company. Notices of Nomination pursuant to Section 172(11) of the Companies Act, 1965 have been received by the Company for the nomination of Messrs Mazars, which have given their consent to act, for appointment as auditors and of the intention to propose the following Ordinary Resolution:

   "THAT Messrs Mazars be and are hereby appointed as auditors of the Company in place of the retiring auditors, Messrs Moores Rowland, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors." **Ordinary Resolution 6**

As Special Business

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

6. PROPOSED GRANT OF AUTHORITY PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

   "**THAT**, subject always to the Companies Act, 1965 ("Act"), the Articles of Association of the Company and approvals and requirements of the relevant governmental/regulatory authorities (where applicable), the Directors be and are hereby empowered pursuant to Section 132D of the Act to allot and issue new ordinary shares of RM1.00 each in the Company, from time to time and upon such terms and conditions and for such purposes and to such persons whomsoever the Directors may, in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the issued and paid-up share capital for the time being of the Company AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." **Ordinary Resolution 7**

7. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

"THAT, subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised, to purchase such amount of ordinary shares of RM1.00 each in the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company.

THAT an amount not exceeding the Company's retained profits be allocated by the Company for the Proposed Share Buy-Back.

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion to retain the shares so purchased as treasury shares (as defined in Section 67A of the Act) and/or to cancel the shares so purchased and/or to resell them and/or to deal with the shares so purchased in such other manner as may be permitted and prescribed by the Act, rules, regulations, guidelines, requirements and/or orders pursuant to the Act and/or the rules, regulations, guidelines, requirements and/or orders of Bursa Securities and any other relevant authorities for the time being in force.

THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire:

(i) at the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;

(ii) at the expiration of the period within which the next AGM of the Company is required by law to be held; or

(iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Share Buy-Back as may be agreed or allowed by any relevant governmental and/or regulatory authority." **Ordinary Resolution 8**

Notice Of Annual General Meeting

8. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH TAN CHONG MOTOR HOLDINGS BERHAD AND ITS SUBSIDIARIES**

"THAT, subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company and the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("WTCH Group") to enter into all arrangements and/or transactions with Tan Chong Motor Holdings Berhad and its subsidiaries involving the interest of Directors, major shareholders or persons connected with Directors and/or major shareholders of the WTCH Group ("Related Parties") including those as set out in Paragraph 3.3.1.1 of the Circular to Shareholders dated 29 April 2009 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders ("Shareholders' Mandate").

THAT such approval shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at a general meeting, the authority of the Shareholders' Mandate is renewed or the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act) or revoked or varied by a resolution passed by the shareholders in a general meeting, whichever is earlier.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate." **Ordinary Resolution 9**

9. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH APM AUTOMOTIVE HOLDINGS BERHAD AND ITS SUBSIDIARIES**

"THAT, subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company and the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("WTCH Group") to enter into all arrangements and/or transactions with APM Automotive Holdings Berhad and its subsidiaries involving the interest of Directors, major shareholders or persons connected with Directors and/or major shareholders of the WTCH Group ("Related Parties") including those as set out in Paragraph 3.3.1.2 of the Circular to Shareholders dated 29 April 2009 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders ("Shareholders' Mandate").

Notice Of Annual General Meeting

THAT such approval shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at a general meeting, the authority of the Shareholders' Mandate is renewed or the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act) or revoked or varied by a resolution passed by the shareholders in a general meeting, whichever is earlier.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate." **Ordinary Resolution 10**

10. To transact any other business of the Company of which due notice shall have been received.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN that subject to the approval of the shareholders at the Twelfth Annual General Meeting of Warisan TC Holdings Berhad to be held on 21 May 2009, a final dividend of 5% less income tax for the financial year ended 31 December 2008 will be paid on 19 June 2009. The entitlement date shall be 28 May 2009.

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

(1) shares transferred into the depositor's securities account before 4.00 p.m. on 28 May 2009 in respect of ordinary transfers; and
(2) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis in accordance with the rules of Bursa Malaysia Securities Berhad.

By Order of the Board

CHANG PIE HOON
(MAICSA 7000388)
Company Secretary

Kuala Lumpur
29 April 2009

Notice Of Annual General Meeting

NOTES:

1. A member entitled to attend and vote at the meeting may appoint a proxy or proxies (but not more than two) to attend and vote on his behalf. A proxy need not be a member of the Company, and, where there are two proxies, the number of shares to be represented by each proxy must be stated.

   The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of its officer or attorney duly authorised.

   An authorised nominee may appoint one proxy in respect of each securities account the authorised nominee holds in the Company standing to the credit of such securities account. Each appointment of proxy shall be by a separate instrument of proxy which shall specify the securities account number and the name of beneficial owner for whom the authorised nominee is acting.

   The instrument appointing a proxy must be deposited at the Registered Office of the Company, 62 - 68 Jalan Ipoh, 51200 Kuala Lumpur, Malaysia, not less than forty-eight hours before the time appointed for the meeting.

2. Notices of Nomination pursuant to Section 172(11) of the Companies Act, 1965 are annexed in the Company's 2008 Annual Report as Annexure A and Annexure B.

EXPLANATORY NOTES ON SPECIAL BUSINESS:

1. **Proposed Grant of Authority Pursuant to Section 132D of the Companies Act, 1965**

   The Company continues to consider opportunities to broaden the operating base and earnings potential of the Company. If any of the expansion or diversification proposals involve the issue of new shares, the Directors of the Company, under present circumstances, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the issued and paid-up share capital of the Company.

   To avoid delay and cost involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors of the Company be empowered, as proposed in Ordinary Resolution 7, to issue shares in the Company up to an amount not exceeding in total 10% of the issued and paid-up share capital of the Company for the time being, for such purpose. This authority, unless revoked or varied at a general meeting, shall continue to be in force until the conclusion of the next annual general meeting of the Company.

2. **Proposed Share Buy-Back**

   The proposed Ordinary Resolution 8, if passed, will empower the Directors of the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company ("Proposed Share Buy-Back") by utilizing the funds allocated which shall not exceed the retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

   Further information on the Proposed Share Buy-Back is set out in the Circular to Shareholders dated 29 April 2009 despatched together with the Company's 2008 Annual Report.

3. **Proposed Shareholders' Mandate for Recurrent Related Party Transactions**

   The proposed Ordinary Resolutions 9 and 10, if passed, will enable the Company and/or its subsidiaries to enter into recurrent transactions involving the interest of related parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company.

   Further information on Ordinary Resolutions 9 and 10 are set out in the Circular to Shareholders dated 29 April 2009, despatched together with the Company's 2008 Annual Report.

Notice Of Annual General Meeting

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

DIRECTORS STANDING FOR RE-ELECTION AT THE TWELFTH ANNUAL GENERAL MEETING

The Directors standing for re-election in accordance with Article 96 and Article 76 of the Company's Articles of Association are as follows :-

Article 96

i. Dato' Tan Heng Chew
ii. Mr Ngu Ew Look

Article 76

Mr Ting Lieng Yu

Details of these Directors are set out in the section entitled "Profile of the Directors" on pages 13 and 14 of the Annual Report. Their interests in shares in the Company as at 31 March 2009 are as follows :-

	No. of Shares Held	
	Direct	**Indirect**
Dato' Tan Heng Chew	1,431,833	29,426,302 (Note)
Mr Ngu Ew Look	10,000	-
Mr Ting Lieng Yu	-	-

Note:
Deemed interest by virtue of interests in Tan Chong Consolidated Sdn Bhd and Parasand Limited pursuant to Section 6A of the Companies Act, 1965 ("the Act") and interest of spouse by virtue of Section 134(12)(c) of the Act.

By virtue of his interest in shares in the Company, Dato' Tan Heng Chew is deemed to have an interest in shares in the subsidiaries to the extent that the Company has an interest.

Mr Ngu Ew Look and Mr Ting Lieng Yu do not have any interest in shares in the subsidiaries of the Company.

ANNEXURE A

Dato' Haji Nadzam Haji Mohd Din
19 Jalan 4F
Ampang Jaya
68000 Ampang

Date : 8 April 2009

The Board of Directors
Warisan TC Holdings Berhad ("the Company")
62-68 Jalan Ipoh
51200 Kuala Lumpur

Dear Sirs

NOTICE OF NOMINATION OF AUDITORS

Pursuant to Section 172(11) of the Companies Act, 1965, I, being a shareholder of the Company, hereby give notice of my intention to nominate Messrs Mazars for appointment as auditors of the Company in place of the retiring auditors, Messrs Moores Rowland, and to propose the following as an ordinary resolution to be tabled at the forthcoming Annual General Meeting of the Company :-

> *"THAT Messrs Mazars be and are hereby appointed as auditors of the Company in place of the retiring auditors, Messrs Moores Rowland, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors."*

Yours faithfully

DATO' HAJI NADZAM HAJI MOHD DIN

ANNEXURE B

Ngu Ew Look
49 Jalan SS 2/18
47300 Petaling Jaya
Selangor Darul Ehsan

Date : 8 April 2009

The Board of Directors
Warisan TC Holdings Berhad ("the Company")
62-68 Jalan Ipoh
51200 Kuala Lumpur

Dear Sirs

NOTICE OF NOMINATION OF AUDITORS

Pursuant to Section 172(11) of the Companies Act, 1965, I, being a shareholder of the Company, hereby give notice of my intention to nominate Messrs Mazars for appointment as auditors of the Company in place of the retiring auditors, Messrs Moores Rowland, and to propose the following as an ordinary resolution to be tabled at the forthcoming Annual General Meeting of the Company :-

> *"THAT Messrs Mazars be and are hereby appointed as auditors of the Company in place of the retiring auditors, Messrs Moores Rowland, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors."*

Yours faithfully

NGU EW LOOK

W A R I S A N   T C   H O L D I N G S   B E R H A D

(4 2 4 8 3 4 - W)

(Incorporated in Malaysia)

FORM OF PROXY

CDS account no. of authorised nominee

I/We ____ *(name of shareholder as per NRIC, in capital letters)*
NRIC No./ID No./Company No. _________________________________ *(new)* _________________________________ *(old)*
of ____
___________________________ *(full address)* being a member of WARISAN TC HOLDINGS BERHAD, hereby appoint
____ *(name of proxy as per NRIC, in capital letters)*
NRIC No. _________________________________ *(new)* _____________________________________ *(old)* or failing him/her
____ *(name of proxy as per NRIC, in capital letters)*
NRIC No. ____________________________________ *(new)* __________________________________ *(old)* or failing him/her,
the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Twelfth Annual General Meeting of the Company to be held at 3rd Floor, 21 Jalan Ipoh Kecil, 50350 Kuala Lumpur, on Thursday, 21 May 2009 at 11.00 a.m., and at any adjournment thereof, as indicated below:

		For	**Against**
Ordinary Resolution 1	Financial Statements and Reports of the Directors and Auditors		
Ordinary Resolution 2	Final Dividend		
Ordinary Resolution 3	Re-election of Dato' Tan Heng Chew as Director		
Ordinary Resolution 4	Re-election of Mr Ngu Ew Look as Director		
Ordinary Resolution 5	Re-election of Mr Ting Lieng Yu as Director		
Ordinary Resolution 6	Appointment of Messrs Mazars as Auditors		
Ordinary Resolution 7	Proposed Grant of Authority pursuant to Section 132D of the Companies Act, 1965		
Ordinary Resolution 8	Proposed Renewal of Authority for the Company to Purchase its Own Shares		
Ordinary Resolution 9	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Tan Chong Motor Holdings Berhad Group		
Ordinary Resolution 10	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with APM Automotive Holdings Berhad Group		

(Please indicate with an "X" in the spaces provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

____
Signature/Common Seal

Number of shares held: _______________________

Date: ___________________________________

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	No. of shares	Percentage
Proxy 1		____________%
Proxy 2		____________%
Total		100%

Notes:

(1) A member entitled to attend and vote at the meeting may appoint a proxy or proxies (but not more than two) to attend and vote on his behalf. A proxy need not be a member of the Company, and, where there are two proxies, the number of shares to be represented by each proxy must be stated.

(2) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of its officer or attorney duly authorised.

(3) An authorised nominee may appoint one proxy in respect of each securities account the authorised nominee holds in the Company standing to the credit of such securities account. Each appointment of proxy shall be by a separate instrument of proxy which shall specify the securities account number and the name of the beneficial owner for whom the authorised nominee is acting.

The Form of Proxy must be deposited at the Registered Office of the Company, 62-68 Jalan Ipoh, 51200 Kuala Lumpur, Malaysia, not less than forty-eight hours before the time appointed for the meeting.

fold here

Affix
Stamp
here

Company Secretary
WARISAN TC HOLDINGS BERHAD
62-68 Jalan Ipoh
51200 Kuala Lumpur