



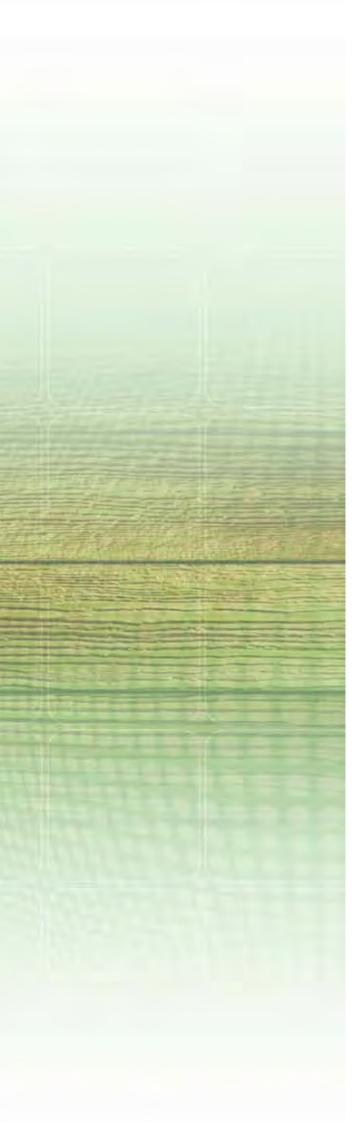
annual report **2011**

CORPORATE VISION

To be Malaysia's leading producer of renewable and sustainable quality wood and oil palm based products.

CORPORATE MISSION

To create a strong, viable corporate entity,
a first choice employer, continuously improving
by harnessing our resources of people,
processes and technology contributing
to the nation's development.



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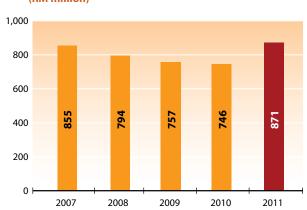
Proxy Form

financial highlights

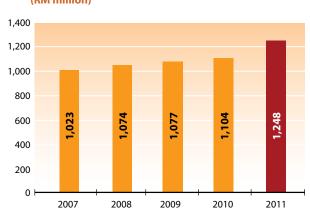
	2011 RM'000	2010 RM'000	2009 RM'000	2008 RM'000	2007 RM'000
PERFORMANCE					
Revenue	870,912	746,001	756,530	793,693	855,005
Profit/(Loss) Before Taxation	206,042	40,036	22,854	65,177	161,570
Profit/(Loss) After Taxation	152,706	25,075	14,596	52,486	121,900
Profit/(Loss) Attributable to Equity Holders	151,436	24,372	13,882	52,053	120,846
EBITDA	303,072	127,966	102,318	144,820	234,270
Equity Attributable to Equity Holders	1,248,232	1,104,037	1,077,411	1,074,239	1,023,315
CORPORATE RATIOS					
Basic Earnings Per Share (sen)	56.72	9.13	5.20	19.50	47.53
Net Assets Per Share Attributable to Equity Holders (RM)	4.68	4.14	4.04	4.02	4.02
Net Tangible Assets Per Share (RM)	4.16	3.53	3.37	3.29	3.18
Return on Equity (%)	12.1	2.2	1.3	4.8	11.8
Return on Total Assets (%)	6.6	1.1	0.7	2.8	7.4
Gross Dividend (sen)	6.0	2.0	0.0	3.0	3.0
Gearing Ratio (%)	37	41	41	34	27
	2011 RM'000	2010 RM'000			
PROFIT BEFORE TAX BY BUSINESS SEGMENTS					
Timber Operations	40,526	24,849			
Oil Palm Operations	106,569	17,156			
Reforestation & Others	58,947	(1,969)			
	206,042	40,036			

financial highlights

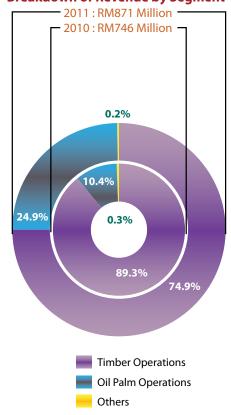
Revenue (RM million)



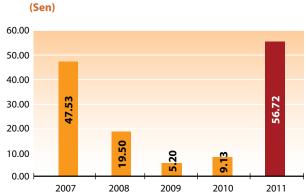
Equity Attributable to Equity Holders (RM million)



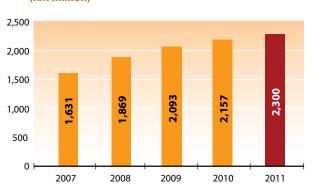
Breakdown of Revenue by Segment



Basic Earnings Per Share



Total Assets (RM million)



corporate information

BOARD OF DIRECTORS

GEN (RTD) TAN SRI ABDUL RAHMAN BIN ABDUL HAMID Independent Non-Executive Chairman

DATO' SRI TIONG CHIONG HOO Managing Director

DATO' SRI DR. TIONG IK KING Non-Independent Non-Executive Director

MDM TIONG CHOON Non-Independent Non-Executive Director

MR TIONG CHIONG HEE Non-Independent Non-Executive Director

MR JOHN LEONG CHUNG LOONG Independent Non-Executive Director

MS WONG LEE YUN Independent Non-Executive Director

DATUK TALIB BIN HAJI JAMAL Independent Non-Executive Director

COMPANY SECRETARY

Ngu Ung Huong MAICSA 7010077

AUDITORS

Ernst & Young

Chartered Accountants Room 300-303, 3rd Floor Wisma Bukit Mata Kuching Jalan Tunku Abdul Rahman 93100 Kuching

Tel: 082-243233 Fax: 082-421287

REGISTERED OFFICE

No.1-9, Pusat Suria Permata Lorong Upper Lanang 10A 96000 Sibu, Sarawak

Tel: 084-213255 Fax: 084-213855

E-mail: inquiry@jayatiasa.net

WEBSITE

www.jayatiasa.net

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd

Level 6, Symphony House Pusat Dagangan Dana 1 Jalan PJU 1A/46 47301 Petaling Jaya Selangor Darul Ehsan, Malaysia

Tel: 03-7841 8000 Fax: 03-7841 8151/52

PRINCIPAL BANKERS

AmBank Berhad DBS Bank Ltd RHB Bank Berhad OCBC Bank (Malaysia) Berhad CIMB Bank Berhad

STOCK EXCHANGE LISTING

Main Market - Bursa Malaysia Securities Berhad Stock Name: JTIASA

Stock Name: JTIAS Stock Code: 4383



GEN (RTD) TAN SRI ABDUL RAHMAN BIN ABDUL HAMID Independent Non-Executive Chairman



DATO' SRI TIONG CHIONG HOO Group Managing Director

Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid, aged 72, was appointed to the Board on 27 March 1995. He serves as chairman of the Board and the Audit Committee.

Tan Sri was the Chief of the Malaysian Army and Defence Force between 1992 and 1994 and was the Acting Governor of Penang in 1994. From 1958 to 1994, he served in various capacities and appointments in the Malaysian Armed Forces. He is a graduate of the Royal Military College, Malaysia and Army Staff College, Camberlay, United Kingdom.

Presently, he is the Chairman of DVM Technology Bhd, an ICT company listed on the ACE Market and AXA Affin Life Insurance Berhad, a joint-venture company of Lembaga Tabung Angkatan Tentera. He is also the Chairman and Director of a few other multinational and private companies incorporated in Malaysia.

Tan Sri has no family relationship with any Director and/or major shareholder of the Company.

Dato' Sri Tiong Chiong Hoo, aged 50, was appointed Executive Director on 27 March 1995 and subsequently re-designated as Managing Director on 26 April 1995. He is the Chairman of the Risk Management Committee.

Dato' Sri is a businessman with extensive experience in timber and plantation industries. As Group Managing Director, he actively oversees the operations of the Group. He holds a Bachelor of Law and a Bachelor of Economics degrees from Monash University, Australia and is a registered barrister.

Dato' Sri is the son of Tan Sri Datuk Sir Tiong Hiew King, a major shareholder of the Company. His uncle Dato' Sri Dr Tiong Ik King, sister Mdm Tiong Choon and cousin brother Mr Tiong Chiong Hee are also members of the Board.



DATO' SRI DR TIONG IK KING
Non-Independent Non-Executive Director

Dato' Sri Dr Tiong Ik King, aged 61, joined the Board on 27 March 1995. He is a member of the Remuneration Committee and the Nomination Committee.

Dato' Sri Dr Tiong has extensive experience in many industries including media and publishing, information technology, timber, plantation and manufacturing industries. He graduated with a M.B.B.S degree from the National University of Singapore in 1975 and subsequently obtained his M.R.C.P. from the Royal College of Physicians, UK in 1977.

Currently, he also serves on the Board of EON Capital Berhad and Media Chinese International Limited.

Dato' Sri Dr Tiong is the brother of Tan Sri Datuk Sir Tiong Hiew King, a major shareholder of the Company. His nephews, Dato' Sri Tiong Chiong Hoo and Mr Tiong Chiong Hee and his niece Mdm Tiong Choon are also members of the Board.



MDM TIONG CHOON
Non-Independent Non-Executive Director

Mdm Tiong Choon, aged 42, was appointed to the Board on 3 May 1999.

She has been with Rimbunan Hijau Group since 1991 and served in various managerial and senior positions. She graduated with a Bachelor of Economics Degree from Monash University, Australia.

She is the daughter of Tan Sri Datuk Sir Tiong Hiew King, a major shareholder of the Company. Her uncle Dato' Sri Dr Tiong Ik King, brother Dato' Sri Tiong Chiong Hoo and cousin brother Mr Tiong Chiong Hee are also members of the Board.



MR TIONG CHIONG HEE Non-Independent Non-Executive Director



MR JOHN LEONG CHUNG LOONG Independent Non-Executive Director

Mr Tiong Chiong Hee, aged 37, was appointed to the Board on 14 May 1999.

He is the Managing Director of Mafrica Corporation Sdn Bhd, a company with operations in logging (both in Malaysia and Overseas), oil palm plantations and aquaculture prawn farming since 1997.

He holds a Bachelor of Commerce Degree from University of Melbourne, Australia.

He is the nephew of Tan Sri Datuk Sir Tiong Hiew King, a major shareholder of the Company. His uncle Dato' Sri Dr Tiong Ik King, cousin brother Dato' Sri Tiong Chiong Hoo and cousin sister Mdm Tiong Choon are also members of the Board.

Mr John Leong Chung Loong, aged 64, was appointed to the Board on 28 March 2002. He serves as the Chairman of the Remuneration Committee and is a member of the Audit Committee and Nomination Committee.

He is an Approved Company Auditor and a member of several professional bodies, including the Australian Society of Certified Practising Accountants, Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants and Malaysian Institute of Taxation (Associate). He started his career as an Accountant in Tractors Malaysia Berhad, Sandakan Branch in 1972 and left in 1973 to join John Liaw & Co as an audit manager. He was a Partner of Liaw, Leong, Wong & Co from 1986 to 1997 and a Partner of Ernst & Young from 1997 to 2001.

He holds a Bachelor of Economics degree majoring in Accounting from Sydney University, NSW, Australia.

He has no family relationship with any Director and/or major shareholder of the Company.



MS WONG LEE YUN Independent Non-Executive Director

Ms Wong Lee Yun, aged 58, was appointed to the Board on 21 June 2007. She is a member of the Audit Committee.

She is a Certified Public Accountant by profession.

She has extensive experience in investment banking, finance and strategic planning for large investment projects, as well as acquisition of strategic businesses. She was a Corporate Finance Manager at Permata Chartered Merchant Bank and Vice President at Chase Manhattan Bank. From 1991 to 1996, she was Director of Finance and Strategy for the Renong Group of Companies. She became the Chief Executive of Jaya Tiasa Holdings Berhad from 1997 to 2000. She was also a Director of Sin Chew Media Corporation Bhd from 2004 to early 2008.

Currently, she is a Shareholder cum Executive Director of MyBiz Solutions Sdn Bhd, a company providing Total Spend Management solutions to major corporations in Malaysia. In addition, she holds directorship in several private limited companies.

She has no family relationship with any Director and/or major shareholder of the Company.



DATUK TALIB BIN HAJI JAMAL *Independent Non-Executive Director*

Datuk Talib Bin Haji Jamal, aged 59, was appointed to the Board on 12 November 2007. He is the Chairman of the Nomination Committee and is a member of the Audit Committee and Remuneration Committee.

Datuk Talib has served in various senior capacities and positions in the Police Diraja Malaysia for more than 30 years. He was the Commissioner of Police, Sarawak from 2004 until his retirement in November 2007. He was the Director of Police Cooperatives for 10 years and the Director of Bank Kerjasama Rakyat for 2 years.

Datuk Talib holds a Master of Science in Mechanical Engineering from Cranfield Institute of Technology, England, United Kingdom.

Datuk Talib has no family relationship with any Director and/ or major shareholder of the Company.

None of the Directors has:

- Any conviction for offences within the past 10 years other than traffic offences.
- Entered into any transaction whether directly or indirectly which has a conflict of interest with the Company.

All the Directors of the Company are Malaysians.

key information

Forest Concessions

Gross Area: 713,211 hectares (1,760,535 acres)

Extraction Quota: 94,500m³ monthly

Main Species: Meranti, Kapor, Keruing, Selangan Batu, Jelutong, Melapi, Mersawa, Nyatoh, Arau, Penyau, Bindang and

MLH (mixed light hardwood).

Oil Palm Plantation

Total Land Area: 83,480 hectares

Plantable Area: 70,900 hectares

Planted Area*: 55,766 hectares

Matured Area*: 37,399 hectares

Reforestation

Total Land Area: 235,859 hectares

Plantable Area: 141,308 hectares

Planted Area*: 30,754 hectares

ANNUAL PRODUCTION CAPACITY

Timber Products

	Jaya Tiasa Plywood Sdn Bhd	Rimbunan Hijau Plywood Sdn Bhd	Jaya Tiasa Timber Products Sdn Bhd	Total Annual Production Capacity
Plywood (cubic metre)	180,000	120,000	120,000	420,000 m ³
Rotary Veneer (cubic metre)	324,000	_	-	324,000 m ³
Sawntimber (cubic metre)	98,400	_	14,400	112,800 m³
Blockboard (cubic metre)	_	12,000	-	12,000 m ³
Film-Overlay Plywood (cubic metre)	_	6,000	-	6,000 m³
Sliced-Veneer (square metre)	_	_	6,000,000	6,000,000 m ²
Crude Palm Oil (JT Oil Palm Development Sdn Bhd) (metric tonnes)				270,000 mt

Note: * As at 31 July 2011

corporate structure





Timber Operations

100% Jaya Tiasa Plywood Sdn Bhd

100% Jaya Tiasa Timber Products Sdn Bhd

100% Rimbunan Hijau Plywood Sdn Bhd

100% Jaras Sdn Bhd

88.9% Sericahaya Sdn Bhd

88.9% Curiah Sdn Bhd

100% Jaya Tiasa Forest Plantation Sdn Bhd

100% Guanaco Sdn Bhd

100% Mantan Sdn Bhd



Oil Palm Operations

100% Simalau Plantation Sdn Bhd

100% Hariyama Sdn Bhd

100% Eastern Eden Sdn Bhd

100% Poh Zhen Sdn Bhd

100% Erajaya Synergy Sdn Bhd

100% JT Oil Palm Development Sdn Bhd

100% Maujaya Sdn Bhd

100% Maxiwealth Holdings Sdn Bhd

100% Multi Greenview Sdn Bhd



Private Flight Operations

100% Jaya Tiasa Aviation Sdn Bhd



Marketing and Trading

100% Hak Jaya Sdn Bhd

100% Kunari Timber Sdn Bhd

100% Eastern Timber Ltd

40% Mafrica Trading Sdn Bhd



Research and Development

100% Jaya Tiasa R&D Sdn Bhd



Aquaculture

100% Jaya Tiasa Aquaculture Sdn Bhd



Offshore Companies

100% Eastern Green Company Inc.

100% Atlantic Evergreen Holdings

→ 100 % Western Timber Resources Limited

100% Pacific Timber Holdings Limited

→ 66% Selvaplac Verde Ltda

100% Atlantic Timber Holdings Limited



Dear Valued Shareholders,

On behalf of the Board of Directors of Jaya Tiasa Holdings Berhad, I am honoured and pleased to present to you the Annual Report and Audited Financial Statements of the Group for the financial year ended 30 April 2011.

In the aftermath of the global financial crisis, the world economy improved considerably in 2010. The recovery, however, was uneven across the different regions. The pace of growth for the advanced economies remained subdued, with challenges such as the US confronting a possible double-dip scenario, while the European sovereign debt crisis posed a threat to the stability of global financial markets. The sluggish recovery in the developed world put the developing Asian economies in a formidable leading position. The region achieved a healthy level of growth fuelled by high private consumption and trade flows. Malaysia was no exception with GDP growing by a strong 7.2% in 2010, after contracting 1.7% in 2009.

Despite the better-than-expected performance, the global economy ended the year on an uncertain note. Geo-political tensions in the Middle Eastern and North African (MENA) countries induced a spike in crude oil prices, taking it well above the US\$100 per barrel mark. Surging oil and commodity prices led to inflation, particularly in the developing nations. Meanwhile, the developed economies started to contemplate deficit reductions through severe austerity measures that could impact their growth and future economic recoveries.

In spite of the European sovereign debt concerns in early 2010 and uncertainty about the impact of inflation on the emerging economies' growth in the latter part of the year, the operating environment for the timber industry generally improved. Prices of Malaysian timber products continued on an upward trend across the board. The steady rise in prices has been driven by several factors; improved housing starts in Japan, continuing firm demand from markets like India and China, supply constraint due to adverse weather conditions and high fuel cost. Post the Japan's earthquake, timber prices were lifted further in anticipation of the increase in demand from Japan, both for their housing starts and reconstruction efforts. Given our ongoing initiatives to improve the quality and value of our timber products and the cost saving initiatives implemented during the year, the Group was well positioned to benefit from this more encouraging operating environment. With higher selling prices, pre-tax profit contributed from the timber division jumped more than fourfold over the preceding financial year.

The oil palm industry experienced a good year in 2010. The price of crude palm oil (CPO) strengthened primarily during the second half of the year driven by a combination of strong demand from emerging markets, thinning supply due to unusual weather patterns, higher crude oil prices and increased liquidity in global commodity markets. CPO price peaked in December 2010, almost reaching the highest level achieved during 2008. The uptrend in CPO price, coupled with significant growth in the production and sales volume of fresh fruit bunches (FFB) and CPO, led to a commendable performance delivered by the oil palm division, with pre-tax profit surging 527% from the previous financial year.





FINANCIAL PERFORMANCE

Amidst the fragile global economic recovery, we are pleased to report a strong set of results for the Jaya Tiasa Group. We closed the year with revenue of RM871 million, a 17% increase from last year on the back of higher selling prices for palm oil and timber products. Our operating performance was strong despite the weak US dollar. At the same time, we were able to maintain our cost advantage with a lower net operating cost. Profit before tax surged 415% to RM206 million and net profit was 509% higher at RM153 million. Earnings per share rose significantly to 56.72 sen from 9.13 sen recorded last financial year. With profitability achieved for the financial year, shareholders' funds improved to RM1,248 million compared to RM1,104 million achieved for the preceding financial year. Net tangible assets per share registered a respectable RM4.16 for the year ended 30 April 2011.

DIVIDEND

To reward our shareholders, the Board of Directors has recommended a gross dividend of 6.0 sen per share in respect of the financial year ended 30 April 2011 for approval by the shareholders at the forthcoming Annual General Meeting on 29 September 2011.

As part of our commitment to enhancing shareholder value, the Board of Directors has adopted a dividend policy committing to pay not less than 20% of its net profit in each financial year (FY) commencing from FY2012 subject to not compromising the Group's ability to support its pursuit for long term growth.

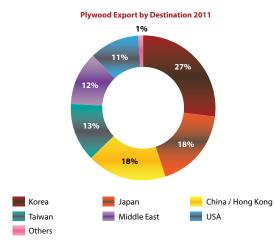
REVIEW OF OPERATIONS

Plywood

In FY2011, the plywood division contributed about 33% to the total revenue of the Group. Export of plywood slipped 3% compared to the preceding financial year while average selling prices recorded a 14% increase. During the year, South Korea was the largest export destination and accounted for 27% of the total plywood exports of the Group, followed by Japan (18%), China (18%) and Taiwan (13%). Other major markets for the Group's plywood were the Middle East and the USA.

The anti-dumping duty imposed on the Group by the South Korean government has not affected sales to the country. During the financial year under review, South Korea was the largest export market for the Group's plywood, with the total volume and value of trade up by 15% and 28% respectively compared to last year. South Korea is dependant on timber imports to supply to its domestic market and industries, as the country is not self-sufficient in wood due to the restriction on commercial cultivation of timber. The country's real GDP growth in 2010 was 6.1 percent and is expected to hold steady. With the positive economic outlook and high construction activities, the import volume of wood products is expected to increase. To leverage our capabilities, we will continue to strengthen our penetration of the market.





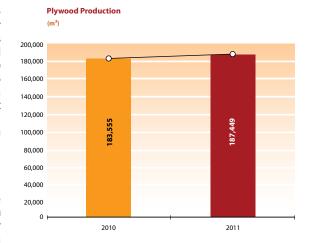
Plywood Sales

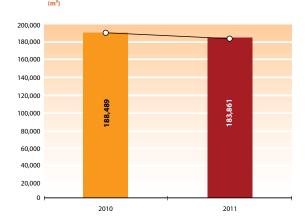
During the year under review, the Group's plywood export volumes to Japan increased by 92% and export values in USD terms surged by 132% due to the improved demand for housing and wood products in the country. Demand for new homes in Japan had already showed signs of recovery before a devastating earthquake and tsunami hit the country in March 2011. In 2010, its total housing starts were 813,126 units, rose 3.1% from the record low in 2009. The disaster in Japan had pushed Sarawak's plywood prices up by an average of about 50% in anticipation of greater demand for reconstruction activities. The Group remains in a strong position to continue to benefit from this market.

Plywood: Outlook and Strategy

Going into FY2012, it can be expected that there will be a rise in demand for plywood on the back of sustained demand from traditional markets. Plywood prices will remain firm underpinned by rising demand from Japan both for housing starts and reconstruction efforts. In addition, there is increasing demand from new markets like India and China for their rapidly developing infrastructure and local plywood production.

The Group will boost production capacity when log production normalises with improved weather conditions to meet an anticipated higher demand. We will continue to move ahead rapidly with specific efforts taken to improve productivity and maximise the recovery of the raw materials. As margins will be under constant pressures due to unfavourable foreign exchange rates and fluctuating costs driven by the rise in fuel prices, cost control is therefore a key focus to boost its bottom line. Barring any unforeseen circumstances, the division is projected to have better earnings and profits for the next financial year.





Logging

The logging division contributed about 34% of the total Group's revenue. During the year, the log production volume dropped by 13% owing to persisting unfavourable weather conditions which adversely affected logging operations. In addition, the impoundment of the Bakun hydroelectric dam impeded the transportation of logs for processing mills and exports. As a result, a total of 371,725 cubic metres of logs was exported, which was 19% lower than that of the preceding financial year. Average export price for logs improved by more than 33% in USD terms compared to the previous financial year. The higher log prices were primarily contributed by the log supply shortage, the continuing strong demand from China and India and the surge in crude oil prices.

India remained the largest log export market for the Group with sales accounted for 45% of the Group's total log export sales. The Indian economy continued to outperform most emerging markets. Due to rapid urbanisation and its higher standard of living, India's demand for hardwood logs remains strong for their infrastructure development. With strong growth projections, India will continue to be a key market for the Group's logs.

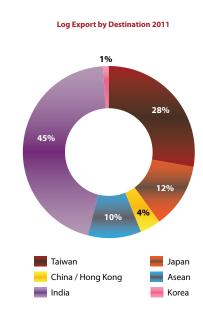


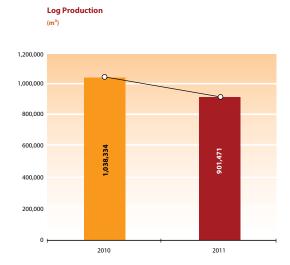
During the year, the Group's log export to Taiwan rose to 28% compared with 19% last financial year. Taiwan is a significant tropical log importer. This was attributed to a growing demand of timber for the manufacturing of furniture and decorative wood products in the country. As one of the world's largest furniture producing countries, the majority of wood materials used in Taiwan are dependent on importation from other countries due to its environmental regulations and high labour cost. These factors augurs well for the Group's logs exports to Taiwan market.

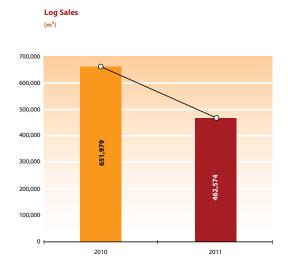
Log export to Japan improved to 12% from 9% in the last financial year as demand for logs from the country increased. In 2010, total housing starts in Japan increased by 3.1% from 2009 levels. However, its wood frame units, a key factor influencing demand for logs, rose by 7% over the previous year. Once Japan starts its rebuilding activities, there will be additional rise in demand for imported logs and this is expected to support or boost log prices further.

Logging: Outlook and Strategy

The current average selling prices for logs is expected to remain sustainable moving forward, as demand from China and India continues to be strong for their local plywood production, housing demand and infrastructure development. Although log production has normalised due to better weather conditions, supply constraints still exist as a result of Indonesia's ban on illegal timber, and the anticipated rise in demand from Japan for reconstruction activities. These factors will continue supporting log prices. The Group's logging operations will continue to face challenges such as unpredictable weather conditions, scarcity of resources, and increasing transportation and other operational costs due to the rise in oil prices. Notwithstanding these challenges, with improved planning and effective management of logging activities, the division is well positioned to take advantage from the positive demand outlook.







Oil Palm

In 2010, the resilient worldwide demand of palm oil, lower supplies, high crude oil prices and a surge in capital inflows into the commodity market resulted in the substantial strengthening of CPO prices, especially during the second half of the year. Riding on these favourable market conditions, the oil palm division continued to be a solid pillar of growth. Revenue from the division was significantly higher at RM217 million, which rose by 181% compared to FY2010 while pre-tax profit surged by 527% to RM110 million. This impressive performance was largely due to the higher output and selling prices of FFB and CPO.

As at 30 April 2011, a total of 55,017 hectares (ha) were planted, an increase of approximately 9% compared to last year. The Group's mature oil palm hectarage grew by 71% to 25,255 ha from a year earlier. FFB production for the year was 359,100 Metric Tonnes (MT), a significant improvement of 96% over the preceding financial year.

In the financial year under review, the Group's palm oil mill produced 29,900 MT of CPO and 4,945 MT of palm kernel (PK). Jaya Tiasa currently has one mill operating with an installed annual processing capacity of 270,000 MT. In line with the expected rapid growth in crop production in the years ahead as sizeable oil palm areas reach maturity, we target to construct five more CPO mills, all of which are strategically located near the plantations. The Group's first CPO mill with an initial processing capacity of 45 MT per hour is currently under expansion to increase the FFB processing capacity to 90 MT per hour to keep pace with our growing oil palm fruits production.

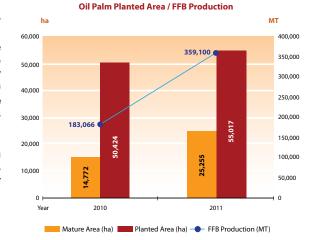
OIL PALM AGE PROFILE AS AT 30 APRIL 2011

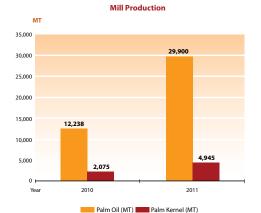
PALM AGE (YRS)	AGE PROFILE (HA)	PERCENTAGE
4 - 6	21,060	38%
7 - 9	4,195	8%
Mature	25,255	46%
Immature	29,762	54%
TOTAL	55,017	100%

The Group's commitment towards reducing its carbon footprint remains a high priority. During the year, the Group took the initiative to proceed with a Clean

Development Mechanism (CDM) project by entering into a biogas CDM agreement with GenPower Carbon Solutions LP (GPCS). The project is part of the commitment of both companies to reduce greenhouse gas emissions and create clean and renewable energy. Under the agreement, Jaya Tiasa Oil Palm Development Sdn Bhd (JTOP) would provide the site at JTOP palm oil mill located at

Pulau Bruit, while GPCS would develop a concrete tank bio-digester system at the site to trap and monitor greenhouse gas emissions generated from the anaerobic digestion of the effluent. The captured gas would be supplied to the CPO mill as clean and renewable fuel for energy generation.







Oil Palm: Outlook and Strategy

We are optimistic about FY2012 and beyond, given the favourable age profile of our plantations and the positive outlook for the palm oil industry. The FFB production of the Group is expected to increase further over the next few years from both the immature palm trees reaching harvesting stage and young palm trees entering into their prime production age. In the coming year, we maintain our focus on operational excellence to target for higher FFB yield and optimum extraction rates of CPO and PK and to engage more cost effective mechanisation processes in the estate operations to enhance productivity. In view of higher cost of production as both fertiliser prices and labour costs are expected to rise, the Group has taken steps to control cost. With the rigorous and responsible execution of our strategies, the oil palm division will continue to deliver sustained profitable growth and be a leading earning contributor to the Group.

Reforestation

The Group's forest planted area has been expanding steadily. We are currently managing a total of 235,859 ha of reforestation area of which 30,729 ha have been planted. Over the past 12 months, fast-growing tree species such as *Eucalyptus Deglupta (Kamarere), Eucalyptus Pellita* and *Kelampayan* were planted across the plantation areas and the average survival rate of the planted seedlings was above 90 %.



Reforestation: Outlook and Strategy

Going forward, the reforestation division needs to address key challenges in relation to assuring silvicultural improvement,



better wood properties, pest and disease control and recruitment of field workers. With governments and the community placing a greater emphasis on the role trees play in their ability to lessen climate change and to provide adequate wood supplies for the timber industry, the Group's forest plantation is well positioned to contribute financially and environmentally to these outcomes as they mature.

GOING FORWARD

While the global economy and financial markets have bounced back from the trough of the recent global economic crisis, uncertainties remain. Concerns over the increasing US budget deficit, the debt crisis in Europe, political unrest in the MENA countries and the ever increasing inflation in Asia forcing tightening measures may dampen tentative economic recovery and business confidence. Nonetheless, the virtuous growth cycle in emerging Asia and developing economies remains very much intact. The regions' strong growth and urbanisation trend, not to mention its burgeoning population, cast an optimistic light on the outlook for timber and palm oil demand over the longer term.

Prices of plywood and logs are expected to remain firm in view of the potentially restricted supply of logs, robust demand from India and China and anticipated higher demand for wood materials from Japan to meet reconstruction needs following the recent disasters. With the upward trend in wood demand and prices, we are optimistic that FY2012 will be a profitable year for the timber segment.

The prospect of the oil palm industry remains buoyant supported by continuing strong demand in emerging markets, tightness in supply and growing demand from both food and energy markets. The prevailing favourable palm oil prices together with the anticipated strong production growth of FFB and CPO in the years ahead are expected to provide a significant boost to the earnings of the oil palm division for years to come.

The Group is firmly on an accelerated growth path. With the twin engines of growth, we are well positioned to capitalise on the promising long-term outlook for the timber and palm oil businesses. As we begin FY2012, we remain steadfast in striving for excellence in operational efficiency and performance. At the same time, we will stay vigilant of the developments in the world economy and the increasingly challenging business environment. Beyond our focus on business and financial performance, we are also committed to our role as a responsible corporate citizen and endeavour to contribute towards the betterment of society through our community and environmental efforts. We will forge ahead to continuously grow the business and deliver sustainable shareholder value well into the future.

IN APPRECIATION

Our performance this year would not have been possible without the concerted effort of many parties. On behalf of the Board, I would like to thank my fellow Board members for their invaluable advice and contributions throughout the year. I am also very grateful to our customers, business associates, the regulatory authorities, financiers and members of the community for their unwavering support. I would also like to extend my sincere appreciation to our management team and employees for their remarkable commitment which is so essential for the future growth of the Group. Last but not least, I would like to thank you, our valued shareholders, for your trust and confidence in us, and for your investment in Jaya Tiasa. We look forward to your continued support as we strive to achieve greater heights and sustainable success in the years ahead.

GEN (RTD) TAN SRI ABDUL RAHMAN BIN ABDUL HAMID Chairman







Well-managed Forest Plantations

Field Visit to the Nursery

Biogas CDM Project Agreement Signing Ceremony

Jaya Tiasa recognises that without being socially and environmentally responsible, it is impossible to have economically sustainable operations in the long term. Corporate social responsibility (CSR) and sustainability are important aspects of long-term business success. During the year under review, we continue to maintain our commitment to CSR and sustainability issues by embedding our approach more fully into the day-to-day management of the business. We continue taking responsibility towards stakeholders, protecting the environment, and being a good employer, business partner, and member of the community. Our approach to CSR is primarily conducted in four areas, the so-called pillars: Environment, Workplace, Community, and Marketplace.

ENVIRONMENT

Our operations will be permeated by a fully integrated approach, including efficient use of raw materials and energy, protection of the environment, and compliance with the environmental laws and regulations. Because our business activities are closely related to natural resources, we must never strive for financial success at the expense of future generation. This means that we are responsible for identifying and minimising the impact on the environment at every step of the process. We have a system in place to ensure that all operations reach the highest environmental standards.

Sustainable forest management

In line with our efforts to reduce the impact of harvesting operations on the environment, we implement Reduce Impact Logging (RIL) techniques throughout the life cycle of the operations in order to reduce soil disturbance, minimise damage to residual stands and effects on wildlife.

Improve forest productivity

As we are well aware of the dire consequences of global warming, preserving the environment has always been our top agenda. The establishment of well-managed forest plantations of the Group aims to conserve biodiversity, protect the environment, and provide sustainable raw material for downstream wood processing in a balanced way. Forests play an important role in moderating climate change. By regenerating forests through reforestation, we hope to contribute towards reducing the effect of global warming. As we maintain a high level of forest growth, an increasing amount of carbon dioxide is absorbed by the growing trees each year. An ongoing forest plantation project of the Group is being carried out in Kapit, Sarawak and we are currently developing a total area of more than 235,000 ha.

Good agricultural practices

The Group's oil palm division continues to monitor procedures and systems to ensure that good agronomic practices are prevalent throughout the plantation. Several practices adopted by the Group include a zero burning technique in land clearing and good agricultural practices in water management, manuring and weeding. In controlling pests, our biological and Integrated Pest Management (IPM) practice which involves light traps and planting of beneficial plants, has vastly reduced dependency on the usage of chemical pesticides.

Renewable energy

We acknowledge the global threat of climate change and our responsibility to reduce carbon dioxide (CO²) and other greenhouse gas emissions from our operations. The majority of our CSR projects are focused on generating energy by recycling and reusing biomass waste products or by capturing greenhouse gas.







Inter-company Basketball Competition

Fire Safety and Prevention Training

Professional and Corporate Grooming Training

Since 1996, the Group has erected biomass power plants that convert wood waste into fuel for use in our mills as a source of renewable energy. This effectively allows us to maximise the value of our wood resources at all our mills and processing plants whilst minimising waste produce for a cleaner environment. The energy generated by our biomass power plants supplies sufficient electricity for the consumption of our factories, offices and workers' quarters, hence lowering our reliance on fossil fuels.

The Group's most recent conservation project is in reducing greenhouse gas emissions. We have entered into a biogas clean development mechanism (CDM) project agreement with GenPower Carbon Solutions L.P. (GPCS) to develop CDM in accordance with Kyoto protocol to reduce greenhouse gas emissions and produce renewable energy. The system and equipment provided by GPCS will trap and monitor greenhouse gas emissions generated from anaerobic digestion of the effluent. The trapped gas would then be converted into electricity and supplied to the CPO mill to power its operations. This will not only help the Group to significantly manage its wastes more effectively by reducing the release of carbon dioxide and methane gases into the atmosphere but also decrease the diesel consumption by using methane as electricity-generating fuel.

Recycle and reuse by-products

By-products from our palm oil mill, such as Mesocarp fibre and palm kernel shells, are also utilised as feedstock for power generation in our palm oil mill. Empty fruit bunches (EFB) are recycled for application in the fields as mulch, whereas palm oil mill effluents (POME) are biologically treated before it is discharged to the watercourse. In addition, the Group has carried out work on another waste management project, a composting plant, to turn oil mill wastes composed mainly of EFB and POME into bio-organic fertilisers and will commence operation in 2012.

WORKPLACE

To meet future challenges and remain competitive, we have to be perceived as an attractive employer with the ability to recruit, develop, and retain the best people. Competent employees with great dedication to drive change and go beyond what is required to deliver on Group strategy and performance objectives are crucial to the continued growth of our business. We seek to develop our employees through training and education, respect individual integrity and human rights, offer fair pay and advancement opportunities, and maintain a safe and motivating working environment. As at 30 April, 2011, the Group has a workforce of more than 4,100 employees with a diverse mix of backgrounds, experience and expertise across its operations.

Skills development

The Group aims to provide a supportive working environment in which all employees receive training relevant to their work to enable them to effectively perform their duties as well as prepare them for career progression. Apart from in-house training, our employees are encouraged to attend the Group's sponsored external seminars and workshops to keep them updated with the latest developments in the respective subjects and profession. Field training is also organised frequently to upgrade the technical and functional skills of workers at the operating units. We believe that the further training of our employees is an investment in Jaya Tiasa's future success. To support this, the Jaya Tiasa Group's inaugural Training and Development Department (TDD) was set up with the objective of ensuring the Group has people with the required knowledge and skills in key roles to meet the Group's business goal. With TDD, each employee's need for professional development and further training is determined to help employees fulfil their career aspirations in the Group.







Chinese New Year Dinner 2011

First Aid and CPR Course

Blood Donation Drive

Performance-oriented culture

We make every effort to create a working environment that stimulates employee engagement and nurtures a high performing culture. Regular performance appraisals and evaluations are carried out to enable due rewards for high performers and promote motivation and performance upgrading for the rest. We review compensation and benefits on a regular basis to ensure that our remuneration packages are competitive in the marketplace. In addition to a fixed base salary, we offer both short- and long-term incentives to further motivate staff at every level, and the success of our approach is reflected in the low staff turnover rate.

Work-life balance and healthy living

Our corporate mantra to be "an employer of choice" is evident in our drive to develop and maintain a balanced, healthy, and conducive work environment for continuous learning and personal growth. Through the Group's sports and recreation club, we regularly organise recreational events and sports activities aimed at promoting rapport and fostering closer teamwork among employees as well as to encourage work-life balance and healthy living. These include educational trips to the Group's operations, annual dinners, festive gatherings, and sporting competitions. To generate awareness on health issues among the staff, the Group coordinates health talks with the assistance of health service providers for our employees. In addition, we invest in workforce welfare by providing quality environment and accompanying facilities and building of quarters, playgrounds, recreational and medical facilities, which cater to the estate and mill workers.

Health and Safety at work

Occupational safety in the workplace continues to be a non-negotiable priority of the Group. During FY2011, we maintained our commitment to enforce workplace health and safety excellence not just for our employees but also for our contractors, customers and visitors. We are working continuously to reduce the number of work-related accidents and injuries and to prioritise preventive efforts, particularly in the areas where the challenge is greatest. To achieve our goal, a series of inhouse training programmes on safety and health have been conducted with the assistance of external experts. Emergency exercises including fire-fighting drills are practised. We ensure that appropriate resources and support are accessible to maintain high standards of safety and cultivate a positive safety culture and awareness. To further support this, we have appointed trained and qualified safety officers who conduct frequent quality audits and safety checks at individual sites to ensure that all safety requirements and precautions are strictly observed.

COMMUNITY

We at Jaya Tiasa support communities in many ways. We contribute significant funding and other resources towards enhancing the social well-being of the community through supporting initiatives related to health care, arts and culture, sports, community development, the underprivileged, disability groups, and more.

Giving back to society

We encourage our employees to participate in community and charitable activities. Over the last 12 months, our efforts included charity drives for the autistic society and old folks' home. In support of the Methodist Care Centre (MCC)'s efforts to provide work for people with special needs, the Group contributed new automated sealing machines to seal packaging







Donation of Sealing Machines

Visiting to Old Folks Home

Monetary Contribution to a Community
Outreach Programme

materials. Intellectually challenged youths who have completed an employment training programme from the centre have the opportunities to work as packaging operators at MCC. We also made financial donation to Juvenile Diabetes Research Foundation International (JDRF), the worldwide leader in funding research to cure or improve the lives of people with (type 1) diabetes. In addition to this area of focus, our blood donation drives are conducted yearly to meet the continuous need for blood supplies at hospitals and blood banks. This year, we are proud to be one of the winners in a blood donation competition organised by the Malaysian Red Crescent. In addition, we also received the award of the "Most Outstanding Performance of Blood Donation."

Supporting local communities

The Group strongly believes that its business success can only be sustained when local communities grow and prosper together with the Group. The Group continues to support the local communities associated with its operations, and FY2011 was no exception. We have established a symbiotic relationship with local communities and make every endeavour to bring about mutual benefits. We have been consistently rendering support by means of monetary terms and in-kind to ensure that the basic needs and expectations of the surrounding communities are attended to. From offering job opportunities to providing basic necessities and infrastructure, we have contributed in a significant way to help raise the living standards of native communities. This year, the Group made a monetary contribution to a community outreach programme conducted at Pulau Bruit in Daro district. The programme was organised by Kuching Specialist Hospital with the aim of providing free medical services including dental and eye examinations to about 6,000 residents of 16 villages residing in the remote island.

MARKETPLACE

Jaya Tiasa places great importance on high standards of quality in products and company conduct and is conscious of safeguarding environmental and social values. We are committed to cultivate the best practices in complying with all laws and regulations and comply with the standards of all certification for the markets we serve.

Environmentally responsible Products

It is Jaya Tiasa's ongoing policy to ensure that its products and its sources comply with all regulatory criteria and adhere strictly to sustainable forestry and plantation practices. Research shows that competitiveness is strengthened as consumers increasingly choose products they perceive as "ethical" and "environmental friendly." We have established strong customer loyalty as we strive to ensure that our manufacturing products are of the highest quality that meets the stringent quality assurance and control, product safety standards, and environmental requirements. A reflection of the Group's commitment towards this is manifested in its efforts to achieve green certification for its products which include:

CE Marking

The CE marking certifies that our plywood product has met European Union health, safety, and environmental requirements, which ensure consumer safety. CE marking now provides product access to 27 countries with a population close to 500 million.





- CE Marking
- 2. Japanese Agricultural Standards (JAS) certification
- 3. California Air Resources Board (CARB) certification



Japanese Agricultural Standards (JAS) certification

The quality of our plywood product meets the specific standards requirements of JAS for use in Japan. The JAS issued by the Japanese Ministry of Agriculture, Forestry and Fisheries is based on the law concerning standardisation and proper labelling of Agricultural and Forestry products for acceptance into Japan.

California Air Resources Board (CARB) certification

This certification verifies that our composite wood products (hardwood plywood) are in compliance with strict formaldehyde emission standards as stipulated in the California Code of Regulations.

Wood Packaging Material Treatment Providers Certification

Our wood packaging material has been awarded the certification that aims to reduce the spread of timber pests associated with solid timber packing material. It is issued by the Sarawak Department of Agriculture Plant Protection and Quarantine Branch in accordance with International Standards for Phytosanitary Measures, Publication No. 15 (ISPM 15) standards.

In financial year 2011, we continued our sustainability journey by passing the surveillance audits for the above certification. The Group is committed to work towards continuous improvement in the quality of its products and services through implementation of feedback from our customers, suppliers, and employees together with internal and external audits. We believe that we have an obligation to go beyond certification and compliance and invest in continued improvements.



Wood Packaging Material
 Treatment Providers Certification

Highest principles of integrity

Our investor relations programme aims to establish and maintain open communications with shareholders and investors so as to provide timely information and ensure the best possible transparency. We keep the investment communities well versed with our key business activities, strategies, and performance through annual general meetings, analyst and press briefings, and road shows. In addition, our corporate website at www.jayatiasa.net provides the latest financial results, statutory announcements, corporate news, and wide range of information on the Group.

CSR and sustainability is about continuous improvement and we must ensure that this mindset is embedded across the Group. As we progress towards our long-term sustainability goals, the commitments we have made for sustainable operation will continue to benefit the communities in which we operate, both environmentally and socially.

INTRODUCTION

The Malaysian Code on Corporate Governance ("the Code") sets out principles and best practices on structures and processes that companies may use in their operations towards achieving optimal governance framework.

The Board of Directors ("the Board") of Jaya Tiasa Holdings Berhad ("JTH" or the "Company") recognises the importance of, and is committed to ensuring that the highest standards of corporate governance is practiced throughout the Group as a fundamental part of discharging its responsibilities to safeguard shareholders' value and enhance the performance of the Group.

Pursuant to Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), the Board is pleased to present the following report on the application by the Group of the principles contained in the Code, and the extent of compliance with the best practices of the Code.

BOARD OF DIRECTORS

Principal Responsibilities of the Board

The Board retains effective control of the Group and is principally responsible for the Group's overall corporate governance and strategic direction.

In addition, there is a schedule of matters reserved specifically for the Board's decision, including the approval of corporate and annual business plans, acquisitions and disposals of undertakings and properties of a substantial value, major investments and financial decisions to ensure that direction and control of the Company is firmly in its hands.

Board Balance

The Board, as at the date of this statement, has eight (8) members. Seven (7) are Non-Executive Directors (including the Chairman) and one (1) is the Managing Director. Four (4) Directors, representing half (1/2) of the Board members, are Independent Non-Executive Directors. The Directors with their wide experiences in both the public and private sectors and diverse academic background provide a collective range of skills, expertise and experience which is vital for the successful direction of the Group. A brief profile of each Director is presented on pages 5 to 8. The Board has reviewed the size of the Board and is of the opinion that its current size and composition is appropriate and constitutes an effective Board. The Board is also satisfied that the current Board composition adequately reflects the interest of minority shareholders in the Company.

There is a clear division of responsibility between the Chairman and the Managing Director to ensure a balance of power and authority. The positions of the Chairman and the Managing Director are separately held by two persons. The Chairman is primarily responsible for ensuring Board effectiveness and conduct. The Managing Director, supported by his management team is responsible for the day-to-day management of the Group's businesses, which include implementing the policies and decisions of the Board, overseeing the operations to ensure organisational effectiveness, and managing the development and implementation of the Company's business and corporate strategies. The Chairman has never held any executive position in the Group. Adequate support is in place to ensure continuity in the absence of key executive.

The presence of Independent Non-Executive Directors facilitates the exercise of independent evaluation in Board deliberations and decision-making, and thus provides check and balance in the Board. The Independent Non-Executive Directors are not engaged in the day-to-day management of the Company and do not participate in any business dealings and are not involved in any other relationship with the Company. This is to facilitate the Independent Non-Executive Directors to discharge their duties and responsibilities effectively, void of conflict of interest situation.

The Board has identified Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid (email address: tsrahman.hamid@gmail.com) as the Senior Independent Non-Executive Director to whom concerns of shareholders, management and others may be conveyed.

Board Meetings

The Board holds scheduled meetings regularly, with additional meetings to be convened as and when necessary. The annual Board meeting calendar is prepared and circulated to Directors at the beginning of each year so that the Directors can plan accordingly and fit the year's meetings into their respective schedules. The calendar provides the scheduled dates for meetings of the Board, Board Committees and shareholders as well as the closed period for dealings in JTH's shares by Directors and principal officers.

A total of five (5) Board of Directors Meetings were held in the financial year ended 30 April 2011. The Board records its deliberations, in terms of issues discussed and the conclusions in discharging its duties and responsibilities.

Details of the attendance of each Directors are as follows: -

Name of Directors	Number of Meetings Attended	Percentage of Attendance (%)
Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid	5/5	100
Dato' Sri Tiong Chiong Hoo	5/5	100
Dato' Sri Dr Tiong Ik King	5/5	100
Mdm Tiong Choon	4/5	80
Mr Tiong Chiong Hee	5/5	100
Mr John Leong Chung Loong	5/5	100
Ms Wong Lee Yun	5/5	100
Datuk Talib Bin Haji Jamal	5/5	100

The Chairman of the Audit Committee informs the Directors at each Board meetings, of any salient matters noted by the Audit Committee and which require the Board's notice or direction. The Board meetings are chaired by the Independent Non-Executive Chairman, Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid, who has the responsibility of ensuring that each of the agenda items is adequately reviewed and thoroughly deliberated within a reasonable timeframe. Directors are given the chance to freely express their views. Any Director who has a direct or deemed interest in the subject matter to be deliberated shall abstain from deliberation and voting on the same during the meeting.

Supply of Information

The Directors have unrestricted access to all information pertaining to the Group's business and affairs whether as a full Board or in their individual capacity in furtherance of their duties.

The agenda for each Board Meeting together with full set of board papers are forwarded to each Director for their perusal well in advance of the date of Board Meeting to facilitate informed decision making.

The Senior Management Staff are invited to attend the Board Meetings to report to the Board on matters relating to their areas of responsibility and also to brief and provide details to the Directors on recommendations or to provide clarification on issue(s) that may be raised by any Director.

All the Directors have direct access to the advice and services of the Company Secretary whether as a full Board or in their individual capacity. The Directors also have the liberty to seek external professional advice if so required by them at the Company's expense.

Board Committees

The following Board Committees have been established to assist the Board in the execution of its duties and responsibilities. The functions and terms of reference of the committees as well as authority delegated by the Board to these Committees are clearly defined and, where applicable, complied with the recommendations of the Code.

a. Audit Committee

The Audit Committee's principal function is to assist the Board in meeting its responsibilities in ensuring a sound and effective system of internal control and for meeting its external financial reporting obligations.

In line with good corporate governance practice, all the members of the Audit Committee are independent non-executive directors.

The composition, terms of reference and summary of the Audit Committee and internal audit activities are presented on pages 35 to 38.

b. Nomination Committee

The Nomination Committee is made up entirely of Non-Executive Directors, of whom two-third (2/3) are independent.

The following Directors are members of the Nomination Committee:-

Chairman - Datuk Talib Bin Haji Jamal (Independent Non-Executive Director)

Members - Mr John Leong Chung Loong (Independent Non-Executive Director)
- Dato' Sri Dr. Tiong Ik King (Non-Independent Non-Executive Director)

The key terms of reference of the Nomination Committee are:-

- to propose and identify new nominees for appointment to the Board of Directors.
- to recommend to the Board, Directors to fill the seats on Board Committees.
- to assess Directors on an on-going basis, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director.
- to review annually the Board's mix of skills, experience and other qualities including core competencies which Non-Executive Directors should bring to the Board; and
- to recommend to the Board for continuation the service of Executive Director(s) and Non-Executive Director(s) who are due for retirement by rotation.

The Nomination Committee upon its annual review carried out, is satisfied that the size of the JTH Board is optimum and that there is appropriate mix of skills, experience and core competencies in the composition of the Board. The Nomination Committee is satisfied that all the Members of the Board are suitably qualified to hold their positions as Directors of the Company in view of their respective academic and professional qualifications, experience and qualities.

The Committee met once and conducted individual director appraisal as well as Board appraisal and recommended to the Board for continuation, the services of the Directors due for retirement by rotation and for re-appointment under Section 129 of the Companies Acts, 1965. The meeting was attended by all the members.

c. Remuneration Committee

The Remuneration Committee is made up entirely of Non-Executive Directors, of whom two-third (2/3) are independent.

The following Directors are members of the Remuneration Committee:-

Chairman - Mr John Leong Chung Loong (Independent Non-Executive Director)

Members - Datuk Talib Bin Haji Jamal (Independent Non-Executive Director)

- Dato' Sri Dr. Tiong Ik King (Non-Independent Non-Executive Director)

The key terms of reference of the Remuneration Committee are: -

- to recommend to the Board the framework, remuneration package and performance related pay schemes for Managing Director; and
- to review the Managing Director's scope of service contracts.

Remuneration packages of both Executive Directors and Non-Executive Directors are a matter to be decided by the Board as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his individual remuneration.

The Remuneration Committee met once during the financial year and recommended to the Board the remuneration package for the Managing Director in all its form. The meeting was attended by all the members.

Directors' Training

All the Directors have continued to attend trainings and development programmes during the year to update their skills and knowledge and to keep abreast of the latest developments on a variety of areas relevant to the Group's business. The conferences, seminars and training programmes attended by each individual Director during the financial year are as follows:-

Director	Course Title	Date
Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid	Corporate Governance - Towards Boardroom Excellence	24 June 2010
	6th Asia Pacific Audit & Governance Summit 2010	29 & 30 June 2010
	Sustainability Programme for Corporate Malaysia : ½ day Directors' Session on Sustainability	9 March 2011
	Half Day Governance Program "Assessing The Risk and Control Environment"	24 March 2011
Dato' Sri Tiong Chiong Hoo	Corporate Governance - Towards Boardroom Excellence	24 June 2010
Dato' Sri Dr Tiong Ik King	Updates of FRSs 2010/11 New and Revised FRSs, Amendments, IC Interpretations and the New Bursa Listing Requirements	14 & 15 March 2011
Tiong Choon	Corporate Governance - Towards Boardroom Excellence	24 June 2010
Tiong Chiong Hee	Corporate Governance - Towards Boardroom Excellence	24 June 2010

Director	Course Title	Date
John Leong Chung Loong	Corporate Governance - Towards Boardroom Excellence	24 June 2010
	Highlights of Newly Issued, Revised & Re-Drafted Clarified Standards	29 & 30 November 2010
Wong Lee Yun	Financial Reporting Standards Workshop	10 June 2010
	Goods & Services Tax : Getting Ready for its implementation in Malaysia	19 July 2010
	Half Day Governance Program "Assessing The Risk and Control Environment"	24 March 2011
Datuk Talib Bin Haji Jamal	Corporate Governance - Towards Boardroom Excellence	24 June 2010

Appointments to the Board

There is in place a formal and transparent procedure for the appointment of new Directors to the Board. The Nomination Committee, as part of its terms of reference, is responsible for the recommendation of new candidates for all directorships to be filled by the Board. The Nomination Committee also recommends to the Board, directors for re-election and reappointment by shareholders at the Annual General Meeting. The Company Secretary will ensure that all appointments are properly made and that legal and regulatory obligations are met.

Re-election of Directors

The Company's Articles of Association requires all Directors appointed by the Board to retire from office and submit themselves for re-election by shareholders at the next Annual General Meeting after their appointment. All Directors, including the Managing Director, are required to retire from office and submit themselves for re-election by rotation at the Annual General Meeting at least once in every three (3) years.

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

DIRECTORS' REMUNERATION

The policy on Directors' remuneration is to provide remuneration packages to attract and retain the Directors of the calibre needed to run the Group successfully. The Remuneration Committee recommends to the Board the remuneration package for the Managing Director. In making its recommendation, the Committee has taken into account the pay as well as employment conditions within the same industry and link the Managing Director's package to corporate and individual performance. It is the ultimate responsibility of the Board to approve the remuneration package of the Managing Director.

In the case of Non-Executive Directors, the level of remuneration relate to contribution and the level of responsibilities undertaken by the individual Non-Executive Director. The Company reimburses expenses incurred by the Directors in the course of their duties as Directors.

The Directors have the benefit of the Directors and Officers (D&O) Insurance in respect of liabilities arising from their acts committed in their capacity as D&O of the Company. However, the said insurance policy does not indemnify a Director or officer if he is proven to have acted fraudulently, dishonestly, maliciously or in willful breach of any statute or regulation. The premium of the D&O policy is borne by the Company.

During the financial year ended 30 April 2011, the remuneration of the Managing Director and Non-Executive Directors are as follows:-

	Salary RM	Fees RM	Bonus RM	Other Emoluments RM	EPF RM	Benefit in kind RM	Total RM
Managing Director							
Dato' Sri Tiong Chiong Hoo	480,000	50,000	400,000		105,600	15,500	1,051,100
Non-Executive Directors							
Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid		61,500		48,000	2,880	13,325	125,705
Dato' Sri Dr Tiong Ik King		54,000					54,000
Tiong Choon		50,000					50,000
Tiong Chiong Hee		50,000					50,000
John Leong Chung Loong		60,500					60,500
Wong Lee Yun		53,500		120,000			173,500
Datuk Talib Bin Haji Jamal		60,500					60,500
Total	480,000	440,000	400,000	168,000	108,480	28,825	1,625,305

Directors' remuneration	Executive Director	Non-Executive Directors
RM50,000	_	2
RM50,001 to RM100,000	_	3
RM100,001 to RM150,000	_	1
RM150,001 to RM200,000	_	1
RM1.000.001 to RM1.050.000	1	_

SHAREHOLDERS

Dialogue Between Companies and Investors

The Board recognises the importance of maintaining transparency and effective communication with the shareholders, stakeholders and the public and reports all material and price sensitive information on a timely basis.

The Company communicates with its shareholders, stakeholders and the general public through the annual report, quarterly financial reports and various announcements made via Bursa LINK. Regular briefing to fund managers, research houses and analysts are held which allow the Management to convey information about the Group's performance, corporate strategy and other matters affecting shareholders, stakeholders and the potential investors. At the same time, it ensures constant communication flow and transparency to members of the investment and media community.

To enhance access and close the gap between the investment community and the Company, the Investor Relation (IR) team maintains a website portal which can be found at www.jayatiasa.net. The IR portal is designed as an additional information channel to give our shareholders and for those who seek corporate information, full and timely access.

To make it easier to obtain news released and notifications, all shareholders and interested investors may sign up to the e-mail alert service via the website. They will also be able to download the latest presentations by the Company to keep themselves regularly updated.

The Annual General Meeting

The Company's Annual General Meeting serves as a principal forum for dialogue with shareholders. Shareholders are given the opportunity to raise questions on the agenda items of the meeting. Members of the Board as well as the external auditors of the Company are present to answer questions raised at the meeting. Shareholders who are unable to attend are allowed to appoint proxies to attend and vote on their behalf.

ACCOUNTABILITY AND AUDIT

Financial Reporting

In presenting the annual audited financial statements and quarterly announcement of results to the shareholders, investors and Regulatory Authorities, the Board aims to present a balanced and understandable assessment of the Group's financial position and prospects.

The Statement of Responsibility by Directors in respect of the preparation of the annual audited financial statements of the Group and the Company is set out on page 39.

Internal Control

The Board acknowledges its responsibilities in and is committed to maintaining a sound system of internal control within the Group to safeguard shareholders' investments and the Group's assets.

The Statement on Internal Control, which provides an overview on the state of Internal Control within the Group, is set out on pages 32 to 34.

Relationship with the Auditors

A transparent and appropriate relationship is maintained with the Company's auditors, both internal and external, through the Audit Committee. The Audit Committee has been explicitly accorded the power to communicate directly with both internal auditors and external auditors.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with Bursa Malaysia Main Market Listing Requirements.

Depository Receipts Programme

The Company did not sponsored any Depository Receipts programmes during the financial year.

Sanctions and/or Penalties

There were no sanctions and/or penalties imposed on the Company or its subsidiaries, directors or management by any relevant authority during the financial year.

Variation in Results

The audited results of the Group and the Company for the financial year did not differ by 10% or more from the unaudited results announced. There were no profit estimates, forecasts or projections issued by the Group during the financial year.

Profit Guarantees

There were no profit guarantees given by the Company and its subsidiaries during the financial year.

Material Contracts

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company or its subsidiaries which involve directors and major shareholders, either still subsisting at the end of the financial year ended 30 April 2010 or entered into since the end of the previous financial year.

Revaluation Policy

The Group did not adopt a policy of regular valuation on its landed properties. As at 30 April 2011, the Company did not carry out any valuation exercise on its landed properties.

Utilisation of Proceeds Raised from Corporate Proposals

Not applicable as there were no fund raising corporate proposals during the financial year.

Options, Warrants or Convertible Securities

The Company has not granted any options nor issued any warrants or convertible securities during the financial year.

Non-audit fees

The non-audit fees paid to the external auditors by the Group and the Company for the financial year amounted to RM156,000 and RM94,000 respectively.

Share Buy-backs

During the financial year, a total of 2,000 of the Company's own shares were purchased and retained as treasury shares. The monthly breakdown of shares bought back is set out below:-

	No. of	Pr	Price		Total	
Month	Shares	Highest RM	Lowest RM	Cost RM	Cost RM	
June 2010 December 2010	1,000 1,000	3.30 4.70	3.30 4.70	3.35 4.75	3,345 4,746	

As at the financial year ended 30 April 2011, a total of 15,544,457 shares were retained as treasury shares. None of the treasury shares held were resold or cancelled during the financial year.

Recurrent Related Party Transactions of A Revenue or Trading Nature

At the Annual General Meeting held on 29 September 2010 the Company obtained a mandate from its shareholders for the Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day to day operations.

The aggregate value of the recurrent related party transactions conducted pursuant to the mandate by the Company and/ or its subsidiaries with related parties during the financial year, where the aggregate value is equal to or more than the threshold prescribed under 10.09(1) of the Main Market Listing Requirements are as follows: -

Transacting Related Parties¹	Nature of Transactions entered into by the Company (JTH) and/or its subsidiary(ies) ²	Amount Transacted RM'000
Binamewah Sdn Bhd	Purchase of logs by JTH	14,510
Petanak Enterprises Sdn Bhd	Purchase of raw materials (glue) by JTP and JTTP	23,367
R H Selangau Palm Oil Mill Sdn Bhd	Sale of fresh fruit bunches by HSB	31,724

Note:-

1. Relationship of Related Parties with the Company

The transacting Related Parties are companies in which directors or major shareholders of JTH Group or person(s) connected with them have substantial interests. Details of the relationships of related parties which are having related party transactions with the Group are stated in Note 33 of the Notes to the Financial statements.

2. Name of subsidiaries of the Company (JTH): -

HSB - Hariyama Sdn Bhd

JTP - Jaya Tiasa Plywood Sdn Bhd

JTTP - Jaya Tiasa Timber Products Sdn Bhd

This statement is made in accordance with a resolution of the Board of Directors dated 22 August 2011.

statement on internal control

Introduction

The Board is pleased to set out below the Statement of Internal Control pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad Listing Requirements. It was prepared in accordance with Bursa Securities' Statement of Internal Control – Guidance for Directors of Public Listed Companies. The Board believes in the practice of good corporate governance and acknowledges the responsibility to maintain a sound system of internal control to safeguard shareholders' investment and the Group's assets in accordance with the Malaysian Code on Corporate Governance.

Board's Responsibility

The Board affirms its overall responsibility for the Group's system of internal control, which includes the establishment of an appropriate control environment and reviewing its adequacy and integrity. This system of internal control covers financial, operational, compliance as well as risk management. Nonetheless, it is imperative to note that any system of internal control can only provide reasonable, but not absolute, assurance against material misstatement, or loss. Hence, the Group's system of internal control is designed to manage rather than to eliminate the risk of failure to achieve business objectives. The effectiveness of the Group's system of internal control should therefore be assessed in this context.

Risk Management

In dealing with its stewardship responsibilities, the Board recognizes that risk management, as part of good business management practice is critical to the Group's continued profitability and enhancement of shareholder value. The Board acknowledges that all areas of the Group's activities involve some degree of risk and is committed to ensuring that the Group has an effective risk management framework to enhance its ability in achieving business objectives.

A formal risk management framework has been in place since January 2003 to ensure that structured and consistent approaches are being practiced in the on-going process of identifying, evaluating, managing and monitoring the business risks faced by the Group. The Board is supported by the Risk Management Committee ("RMC"), headed by the Group's Managing Director. The RMC comprises members of senior management entrusted in overseeing the risk management efforts within the Group.

The risk management process includes identifying key business risks in operating areas, evaluating the likelihood and impact of material exposures and determining its corresponding risk mitigation and treatment measures.

The on-going monitoring processes are co-ordinated by the Risk Management Department ("RMD") in conjunction with all the functional heads within the Group, with periodic reporting to the RMC.

The RMC continues to play a pivotal role in sustaining the risk management process covering periodic review on the Group's risk profiles, major operating concerns as well as presenting the results of risk assessment to the Board.

Control Environment and Activities

The Board recognizes that in order to achieve a sound system of internal control, a conducive environment must be established. The Board is fully committed to the maintenance of such a control environment and in discharging their responsibilities for the proper conduct of the Groups' business operations.

The key elements of internal controls comprise the following:-

The Group has an organization structure with clearly defined reporting lines and accountability to facilitate its
operations.

statement on internal control

- An authority limits document sets out the authorization levels including matters that require Board's approval, segregation of duties and other control elements.
- An annual budgeting process is in place, whereby the major operations are required to prepare budgets for the new financial year. The budgets are further reviewed and revised, if necessary, in order to reflect changes in operating conditions affecting the Group.
- The quarterly and annual financial statements containing key financial results together with operational performance results of the Group are prepared and reported to the Board.
- Monitoring of management accounts results against prior period are conducted bi-monthly with major variances being addressed and remedial management actions taken, where necessary.
- The Group's management meetings are held monthly and attended by the functional heads to review the operational performance in the Group, and to discuss business, operational and management issues.
- Policies and procedures of the business processes, which set out guidelines and the expected standards for the Group's operations are under periodic review and improvement in accordance with changes in the operating environment.
- The Group operates a comprehensive information system which enables transactions to be captured, compiled and reported in a timely and accurate manner. The information system is highly automated and provides management with dependable data, analysis, variations, exceptions and other inputs relevant to the Group's performance.
- There are guidelines for hiring and termination of employees, training and development programs for employees as well as annual performance appraisals in place for employees to maintain the necessary knowledge and competency to meet their performance and job expectations.
- The use of the intranet as an effective means of communications and knowledge sharing.
- Independent reviews by internal audit to ensure ongoing compliance with policies, procedures and standards while assessing the effectiveness of the Group's system of operational and financial controls.
- Regular visits to operating units by the management team to enhance understanding and perspective of the Group's business and operations.

Internal Audit

The Group has an Internal Audit Department ("IAD") which is independent of the business activities or operations of the Group. The IAD provides the Audit Committee and the Board with much of the assurance it requires regarding the adequacy and integrity of the system of the internal control. Its principal responsibility is to undertake regular and systematic reviews of the system of internal control so as to provide reasonable assurance that such system operates satisfactorily and effectively in the Group and reports to the Audit Committee on a quarterly basis.

The IAD conducts operational, financial and compliance reviews within the Group in accordance with the internal audit plan approved by the Audit Committee annually. This plan addresses the core auditable areas of the Group based on the prioritization of the business risks. The audit focuses on the areas with high risk and inadequate controls. As an integral part of the management process, the IAD furnishes management with independent analysis and information on the activities under review. Internal audit findings are discussed at management level and actions are agreed in response to the internal audit recommendations. The IAD also ensures that the management follow up on the implementation of action plans recommended to improve areas where control deficiencies are noted.

statement on internal control

Board Review

The Board is of the view that the aforementioned monitoring, review and reporting arrangements provide reasonable assurance that the system of internal control in place is effective to ensure that the level of business risk to which the Group is exposed to is being appropriately managed. The Board recognizes that the Group operates in a dynamic business environment in which the internal control system must be responsive in order to be able to support its business objectives. Cognizant of this fact, the Board is committed towards keeping abreast with the ever-changing business environment and strives for continuous improvement to put in place appropriate measures, when necessary, to further enhance the Group's system of internal control.

The statement is made in accordance with a resolution of the Board of Directors dated 22 August 2011.

MEMBERS

The Audit Committee has four (4) Independent Non-Executive Directors namely, Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid (Chairman of the Audit Committee), John Leong Chung Loong, Wong Lee Yun and Datuk Talib Bin Haji Jamal.

John Leong Chung Loong, an Approved Company Auditor and a member of several professional bodies, including the Australian Society of Certified Practising Accountants, Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants and Malaysian Institute of Taxation (Associate) and Wong Lee Yun, a Certified Public Accountant with extensive experience in investment banking, finance and strategic planning for large investment projects are considered by the Board as having the relevant financial expertise. Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid and Datuk Talib Bin Haji Jamal have years of experience in the corporate world and they are regarded as financially literate.

The main roles and responsibilities of the Audit Committee are set out in written terms of reference.

TERMS OF REFERENCE

1 Size and Composition

- a. The Audit Committee shall be appointed by the Board of Directors from among their number and shall comprise of not less than three (3) members which fulfils the following requirements:
 - i. all the Audit Committee members must be non-executive directors, with a majority of them being independent directors; and
 - ii. at least one (1) member of the Committee:-
 - (aa) must be a member of the Malaysian Institute of Accountants (MIA); or
 - (bb) if he is not a member of MIA, he must have at least three (3) years' working experience and: -
 - he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967; or
 - he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967.
 - (cc) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad.
 - iii. No alternate director shall be appointed as member of the Audit Committee.
- b. The members of the Audit Committee shall elect a chairman from among their number who shall be an independent director.
- c. The term of office of each member shall be subject to review every three (3) years.
- d. If a member of the Audit Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

2 Authority and Rights

The Committee wherever necessary and reasonable for the performance of its duties, shall in accordance with the procedure determined by the Board and at the cost of the Company:-

- have authority to investigate any matter within its Terms of Reference;
- have the resources which are required to perform its duties;
- have full and unrestricted access to any information relevant to its activities;
- have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
- be able to obtain external legal or other independent professional advice if it considers this necessary; and
- be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance
 of other directors and employees of the Company, whenever deemed necessary.

3 Functions and Duties

The Committee shall, amongst others, discharge the following functions:-

- to assess the adequacy and effectiveness of the systems of internal control and the efficiency of the Group's operations.
- b. to review the following and report the same to the Board of Directors of the Company:-
 - i. with the external auditors:-
 - the audit plan;
 - his evaluation of the system of internal controls;
 - his audit report;
 - the assistance given by the employees of the Company to the auditors;
 - ii. 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 work;
 - iii. the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - iv. the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:-
 - changes in or implementation of major accounting policies and practices;
 - significant and unusual events;
 - the going concern assumption; and
 - compliance with accounting standards and other legal requirements;
 - v. any related party transactions and conflict of interest situations that may arise within the Company or Group; and
 - vi. any letter of resignation from the external auditors of the Company;
- to consider the appointment of external auditors, the audit fees and any questions of resignation or dismissal.
- d. to promptly report to the Bursa Malaysia Securities Berhad on matters which result in a breach of Bursa Malaysia Securities Listing Requirements.
- e. to submit to the Board on a periodic basis a Report on the summary of activities of the Audit Committee in the discharge of its functions and duties in respect of each financial quarter and the financial year.

4 Meetings and Attendance

- a. The Audit Committee shall meet not less than four (4) times in a year. Additional meetings may be called at any time if so requested by any Committee member, management or the internal or external auditors.
- b. A quorum shall consist of a majority of members present who must be independent directors.
- c. Other Directors and employees may attend any particular Audit Committee meeting only at the Audit Committee's invitation, specific to the relevant meeting.
- d. Procedures in relation to giving of notice, voting and proceedings of meeting of the Committee shall be governed by the relevant provisions contained in the Articles of Association of the Company.
- e. The Company Secretary shall act as secretary of the Audit Committee.
- f. The Audit Committee met five (5) times during the financial year. Details of the attendance of the members are as follows:-

Members	Number of Meetings Attended	Percentage of Attendance (%)
Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid	5/5	100
Mr John Leong Chung Loong	5/5	100
Ms Wong Lee Yun	3/5	60
Datuk Talib Bin Haji Jamal	5/5	100

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The Audit Committee's activities during the financial year included the following:-

- a. Reviewed the quarterly financial statements and the annual audited financial statements before recommending the same for approval by the Board;
- b. Reviewed the annual audit plan proposed by the Internal Auditors to ensure the adequacy of the scope and coverage of work;
- c. Reviewed the Group's internal audit reports on the status and progress of internal audit assignments, audit recommendations made and management response to these recommendations;
- d. Reviewed the recurrent related party transactions entered into by the Group;
- e. Reviewed the Audit Committee Report and the Statement on Internal Control prior to publishing the same in the Annual Report;
- f. Considered and recommended External Auditors' re-appointment as auditors of the Company;

- g. Met with the External Auditors twice a year and:-
 - reviewed the External Auditors' area of audit focus and proposed fees for the statutory audit;
 - considered the report by the External Auditors on regulatory as well as accounting developments and their impact on the Group; and
 - reviewed the results of the annual audit and their audit report together with management's responses to the findings of the External Auditors.
- h. Met with the External Auditors without the presence of management to facilitate discussion of additional matters relating to audit findings and the management responses arising from their audit.

INTERNAL AUDIT FUNCTION AND ITS ACTIVITIES

The Audit Committee is supported by the Group's Internal Audit Department. The Group's Internal Audit provides the required assurance on the effectiveness of the system of internal control, risk management and governance framework in the Group. The Group's Internal Audit Department is independent of all operating units and reports directly to the Audit Committee who reviews and approves the annual audit plan. During the financial year under review, the Group's Internal Audit Department has conducted various audit assignments in accordance with the annual audit plan and also covered investigation and special review at the request of the Management. The costs incurred by the internal audit function in respect of the financial year ended 30 April 2011 were RM710,158.

During the financial year under review, the main audit activities were as follows:-

- a. Reviewed the soundness, adequacy and application of accounting, financial, operational, and compliance controls and promoted control awareness in the Group;
- b. Ascertained the extent of compliance with established policies, procedures and statutory requirements;
- c. Ascertained the extent to which the Company's and Group's resources are accounted for and safeguarded from losses of all kinds;
- d. Determined the reliability and usefulness of data and information generated for management reporting purposes;
- e. Reviewed related party transactions that had arisen within the Company and the Group;
- f. Attended the bi-annual physical inventories of finished goods, raw materials and spare parts; and
- g. Performed follow-up audits on the implementation of audit recommendations and action plans agreed upon by management.

This Report is made in accordance with a resolution of the Board of Directors dated 22 August 2011.

directors' responsibility statement

on annual audited financial statements

In preparing the annual financial statements of the Group and the Company, the Directors are responsible for ensuring that these financial statements have been prepared to give a true and fair view of the financial position of the Group and the Company at the end of the financial year and the results and cash flows of the Group and the Company are in accordance with the Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia as well as the Listing Requirements of Bursa Malaysia Securities Berhad.

In preparing the financial statements for the year ended 30 April 2011, the Directors have:

- a) applied the appropriate and relevant accounting policies on a consistent basis;
- b) made judgments and estimates that are reasonable and prudent;
- c) prepared the annual audited financial statements on a going concern basis; and
- d) ensured that proper accounting records are kept which disclose with reasonable accuracy, the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the Companies Act, 1965 and Financial Reporting Standards in Malaysia.

The Directors have overall responsibilities for taking reasonable steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This Statement is made in accordance with a resolution of the Board of Directors dated 22 August 2011.



financial statements

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The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2011.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, provision of management services, extraction and sale of logs.

The principal activities of the subsidiaries extend to the development of oil palm plantations and its related activities. Details of principal activities of subsidiaries are set out in Note 19 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Group and of the Company during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit net of tax	152,706	108,869
Profit attributable to: Owners of the parent Minority interests	151,436 1,270	108,869
	152,706	108,869

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, other than the effects arising from the changes in accounting policies due to the adoption of FRS 139 Financial Instruments: Recognition and Measurement which has resulted in an increase in the Group's and the Company's profit net of tax by RM5,977,000 and RM508,000 respectively as disclosed in Note 2.2 to the financial statements.

DIVIDENDS

The amount of dividend paid by the Company since 30 April 2010 was as follows:

In respect of the financial year ended 30 April 2010 as reported in the directors' report of that year:

RM'000

First and final dividend of 2% less 25% taxation, on 266,986,042 ordinary shares, declared on 29 September 2010 and paid on 24 November 2010 4,004

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 30 April 2011 of 6% less 25% taxation on ordinary shares in issue (net of treasury shares) at book closure date, amounting to a dividend payable of RM12,014,000 (4.5 sen net per ordinary share), will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 April 2012.

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

General (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid Dato' Sri Tiong Chiong Hoo Dato' Sri Dr. Tiong Ik King Tiong Choon Tiong Chiong Hee John Leong Chung Loong Wong Lee Yun Chairman
Managing Director

DIRECTORS' BENEFITS

Datuk Talib Bin Haji Jamal

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Note 10 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 33 to the financial statements.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee carries out the annual review of the Group's remuneration policy in general, and determines the remuneration package of the Executive Director of the Company. The Nomination and Remuneration Committee proposes, subject to the approval of the respective Boards, the remuneration to be paid to each Director for his services as a Member of the Board as well as committees of the Board in respect of the Group.

The members of the Nomination and Remuneration Committee comprising a majority of the independent Non-Executive Directors of the Company who have served since the date of the last report are:

John Leong Chung Loong Dato' Sri Dr. Tiong Ik King Datuk Talib Bin Haji Jamal

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

Number of Ordinary Shares of RM1 Each 1 May 2010 and 30 April 2011

Direct:

Dato' Sri Tiong Chiong Hoo 1,064,583
Dato' Sri Dr. Tiong Ik King 108,505

Indirect:

Tiong Choon 445,725

None of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

SHARE BUY-BACKS

During the financial year, the Company repurchased a total of 2,000 of its issued ordinary shares from the open market for a total cost of RM8,091. The average cost paid for the shares repurchased during the year was RM4.05 per share.

Subsequent to the reporting date and up to the date of this report, the Company repurchased an additional 1,000 shares for a total cost of RM7,153. The average cost paid for the shares repurchased during the period was RM7.15 per share.

The above purchases were financed from the Company's internal funds. The shares repurchased are held as treasury shares in accordance with Section 67A of the Companies Act, 1965. Of the total 282,528,499 (2010: 282,528,499) issued and fully paid ordinary shares as at 30 April 2011, 15,544,457 (2010: 15,542,457) are held as treasury shares by the Company. As at 30 April 2011, the number of outstanding ordinary shares in issue after the set-off is therefore 266,984,042 (2010: 266,986,042) ordinary shares of RM1 each.

MOVEMENTS ON SHARE BUY-BACKS

	Number of shares	Total cost RM'000	Average price per share RM
At 1 May 2010	15,542,457	49,773	3.20
Repurchased during the year ended 30 April 2011	2,000	8	4.05
At 30 April 2011	15,544,457	49,781	3.20
Repurchased subsequent to 30 April 2011	1,000	7	7.15
At the date of this report	15,545,457	49,788	3.20

The directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the share buy-backs plan can be applied in the best interests of the Company and its shareholders.

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
 - to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of
 provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that
 adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business 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 which would render:
 - (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
 - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 August 2011.

General (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid **Dato' Sri Tiong Chiong Hoo**

statement by directors

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

We, General (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid and Dato' Sri Tiong Chiong Hoo, being two of the directors of Jaya Tiasa Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 49 to 134 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2011 and of their financial performance and cash flows for the year then ended.

The information set out in Note 41 to the financial statements have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 August 2011.

General (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid **Dato' Sri Tiong Chiong Hoo**

statutory declaration

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

I, **Hii Khing Siew**, being the officer primarily responsible for the financial management of **Jaya Tiasa Holdings Berhad**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 49 to 134 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed **Hii Khing Siew** at Sibu in the State of Sarawak on 22 August 2011

Hii Khing Siew

Before me,

Belinda Hii Tai King Commissioner for Oaths (Q064) Sibu,Malaysia

independent auditors' report

to the members of Jaya Tiasa Holdings Berhad

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Jaya Tiasa Holdings Berhad, which comprise the statements of financial position as at 30 April 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows 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 49 to 134.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia, and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of the 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 at 30 April 2011 and of their financial performance and cash flows for the year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

independent auditors' report

to the members of Jaya Tiasa Holdings Berhad

OTHER MATTERS

The supplementary information set out in Note 41 on page 135 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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.

ERNST & YOUNG

AF: 0039 Chartered Accountants YONG VOON KAR 1769/04/12 (J/PH) Chartered Accountant

Kuching, Malaysia Date: 22 August 2011

statements of comprehensive income for the financial year ended 30 April 2011

		G	roup	Co	mpany
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Revenue	4	870,912	746,001	329,211	358,572
Cost of sales	5	(586,783)	(626,123)	(267,804)	(313,690)
Gross profit		284,129	119,878	61,407	44,882
Other items of income					
Other income	6	69,977	20,902	114,148	10,256
Other items of expense					
Selling expenses		(63,339)	(46,295)	(15,411)	(19,118)
Administrative expenses		(58,573)	(45,048)	(37,505)	(24,735)
Other expenses		(9,513)	_	_	
Finance costs	7	(16,639)	(9,401)	(7,574)	(2,070)
Profit before tax	8	206,042	40,036	115,065	9,215
Income tax expense	11	(53,336)	(14,961)	(6,196)	(1,015)
Profit net of tax		152,706	25,075	108,869	8,200
Other comprehensive income:					
Foreign currency translation,					
net of tax		3,938	2,259	_	_
Total comprehensive income					
for the year		156,644	27,334	108,869	8,200
Profit attributable to:					
Owners of the parent		151,436	24,372	108,869	8,200
Minority interests		1,270	703	100,009	0,200
		1,270	700		
		152,706	25,075	108,869	8,200

statements of comprehensive income for the financial year ended 30 April 2011 (Cont'd)

		G	roup	Coi	mpany
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Total comprehensive income attributable to:					
Owners of the parent		155,374	26,631	108,869	8,200
Minority interests		1,270	703	_	_
		156,644	27,334	108,869	8,200
Earnings per share attributable to owners of the parent (sen per share):					
Basic, for profit for the year	12	56.72	9.13		

statements of financial position as at 30 April 2011

			Group	A1	Cor	mpany
	Note	2011	2010 (Restated)	As at 1.5.2009	2011	2010 (Restated)
		RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS						
Non-current assets						
Property, plant and equipment	13	686,273	692,047	697,955	249,102	244,461
Land use rights	14	61,924	63,165	60,140	29	31
Investment properties	15	3,292	3,322	2,866	3,292	3,322
Biological assets Goodwill on consolidation	16 17	1,016,876 62,337	866,829 70,505	722,933 70,505	_	_
Other intangible assets	17	62,337 74,395	90,988	107,505	66,381	81,207
Investments in subsidiaries	19	74,393	90,966	107,571	708,612	708,612
Investment in associate	20		_		700,012	700,012
Deferred tax assets	21	15,236	16,566	15,173	_	_
		1,920,333	1,803,422	1,677,143	1,027,416	1,037,633
Current assets						
Inventories	22	111,957	108,186	162,283	32,923	30,005
Trade and other receivables	23	208,960	190,771	198,004	426,568	455,921
Other current assets	24	4,502	14,699	21,757	181	3,046
Derivative assets	25	9,324	_	_	1,882	_
Cash and bank balances	26	44,490	39,748	34,089	1,390	3,992
		379,233	353,404	416,133	462,944	492,964
TOTAL ASSETS		2,299,566	2,156,826	2,093,276	1,490,360	1,530,597
EQUITY AND LIABILITIES						
Current liabilities						
Loans and borrowings	27	243,481	221,317	288,397	155,598	116,333
Trade and other payables	28	184,718	201,141	205,390	616,226	749,130
Income tax payable		2,993	227	4,353	1,142	_
Derivative liabilities	25	8,059	_	_	8,059	_
		439,251	422,685	498,140	781,025	865,463
Net current liabilities		(60,018)	(69,281)	(82,007)	(318,081)	(372,499)
Non-current liabilities						
Loans and borrowings	27	525,820	579,682	490,947	25,423	81,255
Deferred tax liabilities	21	77,328	42,757	19,816	14,893	14,012
		603,148	622,439	510,763	40,316	95,267
TOTAL LIABILITIES		1,042,399	1,045,124	1,008,903	821,341	960,730
Net assets		1,257,167	1,111,702	1,084,373	669,019	569,867

statements of financial position

as at 30 April 2011 (Cont'd)

			Group	As at	Cor	mpany
	Note	2011	2010 (Restated)	1.5.2009 (Restated)	2011	2010 (Restated)
		RM'000	RM'000	RM'000	RM'000	RM'000
Equity attributable to owners						
of the parent						
Share capital	29	282,529	282,529	282,529	282,529	282,529
Share premium	29	282,010	282,010	282,010	282,010	282,010
Treasury shares	29	(49,781)	(49,773)	(49,768)	(49,781)	(49,773)
Other reserves	30	8,690	4,752	2,493	3,684	3,684
Retained earnings	31	724,784	584,519	560,147	150,577	51,417
		1,248,232	1,104,037	1,077,411	669,019	569,867
Minority interests		8,935	7,665	6,962	-	-
TOTAL EQUITY		1,257,167	1,111,702	1,084,373	669,019	569,867
TOTAL EQUITY AND						
LIABILITIES		2,299,566	2,156,826	2,093,276	1,490,360	1,530,597

statements of changes in equity for the financial year ended 30 April 2011

		•		— Attribut	Attributable to owners of the parent	ners of the			^
		-	Equity attributable to owners of						D
		Equity, total	the parent, total	Share capital	Share premium	Treasury shares	Other reserves	Retained earnings	Minority interests
2011 Group	Note	RM'000	RM'000	(Note 29) RM'000	(Note 29) RM'000	(Note 29) RM'000	(Note 30) RM'000	(Note 31) RM'000	RM'000
Opening balance at 1 May 2010		1,111,702	1,104,037	282,529	282,010	(49,773)	4,752	584,519	7,665
Effects of adopting FRS 139		(7,167)	(7,167)	I	I	ı	I	(7,167)	I
		1,104,535	1,096,870	282,529	282,010	(49,773)	4,752	577,352	7,665
Total comprehensive income		156,644	155,374	1	I	1	3,938	151,436	1,270
Transactions with owners									
Purchase of treasury shares Dividends on ordinary shares	38	(8) (4,004)	(8) (4,004)	1 1	1 1	(8)	1 1	(4,004)	1 1
Total transactions with owners		(4,012)	(4,012)	I	I	(8)	I	(4,004)	I
Closing balance at 30 April 2011		1,257,167	1,248,232	282,529	282,010	(49,781)	8,690	724,784	8,935
2010 Group									
Opening balance at 1 May 2009		1,084,373	1,077,411	282,529	282,010	(49,768)	2,493	560,147	6,962
Total comprehensive income		27,334	26,631	I	I	I	2,259	24,372	703
Transactions with owners									
Purchase of treasury shares		(5)	(5)	I	1	(2)	1	1	1
Closing balance at 30 April 2010		1,111,702	1,104,037	282,529	282,010	(49,773)	4,752	584,519	7,665

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

statements of changes in equity for the financial year ended 30 April 2011 (Cont'd)

					oldotudi	1	OldotudistoiO
	Note	Equity, total	Share capital (Note 29)	Share premium (Note 29)	Treasury shares (Note 29)	_	Retained earnings (Note 31)
2011 Company		RM'000	RM'000	RM'000	RM'000	RM′000	RM'000
Opening balance at 1 May 2010		569,867	282,529	282,010	(49,773)	3,684	51,417
Effects of adopting FRS 139		(5,705)	I	I	ı	I	(5,705)
		564,162	282,529	282,010	(49,773)	3,684	45,712
Total comprehensive income		108,869	I	1	I	I	108,869
Transactions with owners							
Purchase of treasury shares Dividends on ordinary shares	38	(8) (4,004)	1 1	1 1	(8)	1 1	(4,004)
Total transactions with owners		(4,012)	I	1	(8)	ı	(4,004)
Closing balance at 30 April 2011		669,019	282,529	282,010	(49,781)	3,684	150,577
2010 Company							
Opening balance at 1 May 2009		561,672	282,529	282,010	(49,768)	3,684	43,217
Total comprehensive income		8,200	I	I	I	I	8,200
Transactions with owners							
Purchase of treasury shares		(2)	I	1	(2)	I	I
Closing balance at 30 April 2010		569,867	282,529	282,010	(49,773)	3,684	51,417

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

statements of cash flows

for the financial year ended 30 April 2011

			Group		ompany
N	ote	2011 RM'000	2010 (Restated) RM'000	2011 RM'000	2010 (Restated) RM'000
Operating activities					
Profit before tax		206,042	40,036	115,065	9,215
Adjustments for:					
Amortisation of	0	00	00	00	00
investment properties	8	30	26	30	26
Amortisation of other intangible assets	8	16,611	16,638	14,844	14,871
Amortisation of land use rights	8	559	485	14,044	14,071
Bad debts written off	8	309	33	_	_
Depreciation of property, plant					
and equipment	8	65,059	62,968	27,808	26,468
Gross dividend income	8			(90,000)	
Impairment of goodwill	8	8,168	_	_	_
Impairment loss on trade and					
other receivables	8	1,345	_	-	-
Interest income	8	(46)	(76)	_	-
Interest expense	8	14,771	7,813	7,186	2,003
Net (gain)/loss on disposal of	0	(50)	407	(54)	00
property, plant and equipment	8	(58)	187	(51)	90
Net unrealised foreign exchange gain Net fair value (gain)/loss on derivatives	8 8	(7,240) (1,265)	(274)	(10,706) 6,177	(6,446)
Property, plant and equipment	0	(1,203)	_	0,177	_
written off	8	33	114	33	114
Reversal of allowance for impairment	Ü				
of trade and other receivables	8	(1,731)	_	(424)	_
Reversal of fair value loss on				' '	
derivatives (net)	8	(4,626)	_	(5,063)	_
Total adjustments		91,919	87,914	(50,164)	37,127
Operating cash flows before changes in working capital		297,961	127,950	64,901	46,342
Changes in working capital					
(Increase)/decrease in inventories		(3,141)	54,354	(2,918)	9,963
(Increase)/decrease in receivables		(24,118)	709	29,135	82,893
Decrease in payables		(16,423)	(4,249)	(132,904)	(76,428)
Decrease/(increase) in prepayments		150	_	(96)	_
Total changes in working capital		(43,532)	50,814	(106,783)	16,428
Cash flows from/(used in) operations		254,429	178,764	(41,882)	62,770
Interest received Interest paid		46 (27.858)	76 (34,864)	(7 106)	(2,002)
Income taxes paid, net of refund		(37,858) (4,622)	9,370	(7,186) (1,212)	(2,003) 379
Net cash flows from/(used in) operating activities	J	211,995	153,346	(50,280)	61,146

statements of cash flows

for the financial year ended 30 April 2011 (Cont'd)

	Note	2011 RM'000	Group 2010 (Restated) RM'000	2011 RM'000	ompany 2010 (Restated) RM'000
Investing activities					
Acquisition of property, plant and equipment (excluding interest charge capitalised) Acquisition of biological assets (excluding amortisation, depreciation, loss on disposal of property, plant and equipment	13	(35,108)	(48,888)	(62)	(21,300)
and interest charge capitalised)	16	(120,258)	(111,300)	_	_
Proceeds from disposal of biological assets Proceeds from disposal of property,	16	-	5	-	-
plant and equipment Acquisition of investment properties Acquisition of other intangible assets Dividend received from subsidiaries	15 18	5,568 - (18) -	4,792 (21) (55)	90 - (18) 90,000	205 (21) (55)
Net cash flows (used in)/from invest activities	ing	(149,816)	(155,467)	90,010	(21,171)
Financing activities					
Dividends paid on ordinary shares Purchase of treasury shares Repayment of finance lease payables Repayment of bankers' acceptances Repayment of revolving credit Proceeds from term loans Repayment of term loans	38 29	(4,004) (8) (21,428) (14,091) (1,180) 51,706 (45,568)	(5) (32,890) (40,218) - 83,755 (16,645)	(4,004) (8) (15,708) (2,119) (1,180) – (13,166)	(5) (26,279) (16,235) - (13,113)
Net cash flows used in financing act	tivities	(34,573)	(6,003)	(36,185)	(55,632)
Net increase/(decrease) in cash and cash equivalents		27,606	(8,124)	3,545	(15,657)
Effects of exchange rate changes		3,797	1,359	_	_
Cash and cash equivalents at the beginning of the year		(15,902)	(9,137)	(10,545)	5,112
Cash and cash equivalents at the end of the year	26	15,501	(15,902)	(7,000)	(10,545)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

for the financial year ended 30 April 2011

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at No. 1 - 9, Pusat Suria Permata, Lorong Upper Lanang 10A, 96000 Sibu, Sarawak, Malaysia.

The principal activities of the Company are investment holding, provision of management services, extraction and sale of logs. The principal activities of the subsidiaries extend to the development of oil palm plantations and its related activities. Details of principal activities of subsidiaries are set out in Note 19 to the financial statements. There have been no significant changes in the nature of the principal activities of the Group and of the Company during the financial year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRS which are mandatory for financial periods beginning on or after 1 May 2010 as described fully in Note 2.2.

The financial statements of the Group and of the Company have also been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 May 2010, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 May 2010.

- FRS 4: Insurance Contracts
- FRS 7: Financial Instruments: Disclosures
- FRS 8: Operating Segments
- FRS 101: Presentation of Financial Statements (Revised)
- FRS 123: Borrowing Costs
- FRS 139: Financial Instruments: Recognition and Measurement
- Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Amendments to FRS 2: Share-based Payment Vesting Conditions and Cancellations
- Amendments to FRS 132: Financial Instruments: Presentation
- Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives
- Improvements to FRS issued in 2009
- IC Interpretation 9: Reassessment of Embedded Derivatives
- IC Interpretation 10: Interim Financial Reporting and Impairment
- IC Interpretation 11: FRS 2 Group and Treasury Share Transactions
- IC Interpretation 13: Customer Loyalty Programmes
- IC Interpretation 14: FRS119 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- TR i-3: Presentation of Financial Statements of Islamic Financial Institutions

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (Cont'd)

Adoption of the above FRS and IC Interpretations did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

FRS 7 Financial Instruments: Disclosures

Prior to 1 May 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132: Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group and the Company's financial statements for the year ended 30 April 2011.

FRS 8 Operating Segments

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114. The Group has adopted FRS 8 retrospectively. These revised disclosures, including the related revised comparative information, are shown in Note 37 to the financial statements.

FRS 101 Presentation of Financial Statements (Revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital (see Note 36).

The revised FRS 101 was adopted retrospectively by the Group and the Company.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (Cont'd)

FRS 117 Leases

Prior to 1 May 2010, for all leases of land and buildings, if title is not expected to pass to the lessee by the end of the lease term, the lessee normally does not receive substantially all of the risks and rewards incidental to ownership. Hence, all leasehold land held for own use was classified by the Group as operating lease and where necessary, the minimum lease payments or the up-front payments made were allocated between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represented land use rights and were amortised on a straight-line basis over the lease term.

The amendments to FRS 117 Leases clarify that leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets. They also clarify that the present value of the residual value of the property in a lease with a term of several decades would be negligible and accounting for the land element as a finance lease in such circumstances would be consistent with the economic position of the lessee. Hence, the adoption of the amendments to FRS 117 has resulted in certain unexpired land leases to be reclassified as finance leases. The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated. The following are the effects to the consolidated statement of financial position as at 30 April 2011 arising from the above change in accounting policy:

		Increas	se/(decrease) 2011 RM'000
Group			
Property, plant and equipment Land use rights			31,708 (31,708)
Company			
Property, plant and equipment Land use rights			4,296 (4,296)
The following comparative have been restated:			
	As previously stated RM'000	Adjustments RM'000	As restated RM'000
Statements of Financial Position			
Group			
As at 30 April 2010 Property, plant and equipment Land use rights	659,877 95,335	32,170 (32,170)	692,047 63,165
As at 1 May 2009 Property, plant and equipment Land use rights	665,321 92,774	32,634 (32,634)	697,955 60,140

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (Cont'd)

FRS 117 Leases (Cont'd)

	As previously stated RM'000	Adjustments RM'000	As restated RM'000
Company			
As at 30 April 2010 Property, plant and equipment Land use rights	240,165	4,296	244,461
	4,327	(4,296)	31
As at 1 May 2009 Property, plant and equipment Land use rights	231,689	-	231,689
	32	-	32

FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS 139 prospectively on 1 May 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard have been accounted for by adjusting the opening balance of retained earnings as at 1 May 2010. Comparatives are not restated. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are discussed below:

Financial guarantee contracts

During the current and prior years, the Company provided financial guarantees to banks in connection with bank loans and other banking facilities granted to its subsidiaries. Prior to 1 May 2010, the Company did not provide for such guarantees unless it was more likely than not that the guarantees would be called upon. The guarantees were disclosed as contingent liabilities. Upon the adoption of FRS 139, all unexpired financial guarantees issued by the Company are recognised as financial liabilities and are measured at their initial fair value less accumulated amortisation as at 1 May 2010.

Non-hedging derivatives

Prior to 1 May 2010, all derivative financial instruments were recognised in the financial statements only upon settlement. These instruments do not qualify for hedge accounting under FRS 139. Hence, upon the adoption of FRS 139, all derivatives held by the Group and the Company as at 1 May 2010 are recognised at their fair values totaling RM4,627,000 and RM5,063,000, respectively and are classified as financial assets at fair value through profit or loss.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (Cont'd)

FRS 139 Financial Instruments: Recognition and Measurement (Cont'd)

Impairment of trade receivables

Prior to 1 May 2010, provision for doubtful debt was recognised when a doubtful debt was considered uncollectible. Upon the adoption of FRS 139, an impairment loss is recognised when there is objective evidence that an impairment loss has been incurred. The amount of the loss is measured as the difference between the receivable's carrying amount and the present value of the estimated future cash flows discounted at the receivable's original effective interest rate. As at 1 May 2010, the Group has remeasured the allowance for impairment losses as at that date in accordance with FRS 139 and the difference is recognised as an adjustment to the opening balance of retained earnings as at that date.

The following are effects arising from the above changes in accounting policies:

	Increas	Increase/(decrease)	
	As at 30 April 2011	As at 1 May 2010	
	RM'000	RM'000	
Statements of Financial Position			
Group			
Derivative assets	9,324	497	
Derivative liabilities	(8,059)	(5,124)	
Trade and other receivables	385	(2,540)	
Retained earnings	1,650	(7,167)	
Company			
Derivative assets	1,882	_	
Derivative liabilities	(8,059)	(5,063)	
Trade and other receivables	424	(642)	
Retained earnings	(5,753)	(5,705)	
	Increase/(decrease)		
	Group 2011	Company 2011	
	RM'000	RM'000	
Statements of Comprehensive Income			
Other income	18,476	8,566	
Administrative expenses	8,519	8,058	
Other expenses	1,345	_	
Profit before tax	8,612	508	
Profit net of tax	8,612	508	

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (Cont'd)

FRS 139 Financial Instruments: Recognition and Measurement (Cont'd)

Increase/(decrease)
Group
2011
Sen per share

Earnings per share:

Basic 3.23

2.3 Standards issued but not yet effective

The Group has not adopted the following FRS and IC Interpretations that have been issued but not yet effective:

Effective for annual periods beginning on or after 1 July 2010

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

Effective for annual periods beginning on or after 30 August 2010

Amendment to IC Interpretation 15: Agreements for the Construction of Real Estate

Effective for annual periods beginning on or after 1 January 2011

- Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
- Amendments to FRS 1: Additional Exemptions for First-time Adopters
- Amendments to FRS 2: Group Cash-settled Share-Based Payment Transactions
- Amendments to FRS 7: Improving Disclosures about Financial Instruments
- Amendments to FRS 'Improvements to FRS (2010)'
- IC Interpretation 4: Determining Whether An Arrangement Contains a Lease
- IC Interpretation 18: Transfers of Assets from Customers
- TR i-4: Shariah Compliant Sale Contracts

Effective for annual periods beginning on or after 1 July 2011

- Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement
- IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Standards issued but not yet effective (Cont'd)

Effective for annual periods beginning on or after 1 January 2012

- FRS 124: Related Party Disclosures
- IC Interpretation 15: Agreements for the Construction of Real Estate

Except for the changes in accounting policies arising from the adoption of the revised FRS 3 and the amendments to FRS 127, as well as the new disclosure required under the Amendments to FRS 7, the directors expect that the adoption of the other standards and interpretation above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the revised FRS 3 and the amendments to FRS 127 are described below.

Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements.

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with minority interests. The standards may be early adopted. However, the Group does not intend to early adopt.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Basis of consolidation (Cont'd)

The cost of a business combination is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the business combination. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill in the statement of financial position. The accounting policy for goodwill is set out in Note 2.9(a). Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the "acquired" entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

2.5 Transactions with minority interests

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statements of financial position, separately from parent shareholder's equity. Transactions with minority interests are accounted for using the entity concept method, whereby, transactions with minority interests are accounted for as transactions with owners. On acquisition of minority interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to minority interests is recognised directly in equity.

2.6 Foreign currency

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Foreign currency (Cont'd)

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rates of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment, except for freehold land, are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Property, plant and equipment (Cont'd)

Office renovation, furniture, fittings and equipment

Freehold land has an unlimited useful life and therefore is not depreciated. Leasehold land is amortised over its remaining lease term. Depreciation is computed on a straight line basis over the estimated useful lives of the assets as follows:

Factories, buildings and quarters 10 - 50 years or over remaining lease period

Aircraft, watercraft, motor vehicles, plant and machinery
Roads and bridges

5 - 20 years
10 years

Capital work-in-progress are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

10 years

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.8 Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. These include land and building held for a currently undetermined future use. Properties that are occupied by the companies in the Group are accounted for as owner-occupied rather than as investment properties.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value. Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.7 up to the date of change in use.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Intangible assets

(a) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

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

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operation on or after 1 May 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 2.6.

Goodwill and fair value adjustments which arose on acquisitions of foreign operations before 1 May 2006 are deemed to be assets and liabilities of the Company and are recorded in RM at the rates prevailing at the date of acquisition.

(b) Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Intangible assets (Cont'd)

(b) Other intangible assets (Cont'd)

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(i) Computer software

The useful life of computer software is amortised on a straight-line basis over the estimated economic useful life of ten years.

(ii) Prepaid timber rights

Rights in timber licences are stated at cost and are amortised on a straight-line basis over the remaining tenure of the respective licence periods. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.14.

2.10 Biological assets

Plantation expenditure incurred on land clearing, upkeep of immature oil palms, administrative expenses and interest incurred during the pre-cropping period are capitalised under biological assets and are not amortised. Upon maturity, all subsequent maintenance expenditure is charged to the statement of comprehensive income. Replanting expenditure incurred on similar crops on formerly developed areas is chargeable to the statement of comprehensive income in the financial year in which it is incurred.

2.11 Land use rights

Land use rights are initially measured at cost. Following initial recognition, land use rights are measured at cost less accumulated amortisation and accumulated impairment losses. The land use rights are amortised over their lease terms.

2.12 Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investments in associates are measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investments. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investments are excluded from the carrying amount of the investments and are instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investments are acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in its associates. The Group determines at each reporting date whether there is any objective evidence that the investments in associates are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates and their carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.14 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Impairment of non-financial assets (Cont'd)

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.15 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss and loans and receivables.

(a) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the settlement date.

(b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Financial assets (Cont'd)

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

2.16 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.17 Derivative financial instruments

The Company uses derivative financial instruments such as cross currency swaps, commodity futures and forward currency contracts to hedge its foreign currency and commodity price risks. Such derivative financial instruments are initially recognised at fair value on the date in which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.19 Inventories

Inventories are stated at lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and conditions are accounted for as follows:

- Raw materials: purchase costs on weighted average cost formula.
- Finished goods and work-in-progress: cost of raw materials, direct labour, an appropriate proportion of fixed and variable factory overheads and all costs attributable to nursery and tree planting expenditure that can be allocated on a reasonable basis to such activities.
- Processed inventories: cost of raw materials, direct labour and an appropriate proportion of fixed and variable production overheads.

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

2.20 Provisions

Provisions are recognised when the Group and the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.21 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.21 Financial liabilities (Cont'd)

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

(b) Other financial liabilities

The Group's and the Company's financial liabilities include trade and other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.22 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2.24 Employee benefits

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employees' Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed or capitalised as biological assets as appropriate.

2.25 Leases

(a) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.26(d).

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.26 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(a) Sale of goods

Revenue from sale of goods is recognised net of sales taxes and discounts upon the transfer of significant risks and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of consideration due, associated costs or the possible return of goods.

(b) Revenue from services

Revenue from services rendered is recognised net of service taxes and discounts as and when the services are performed.

(c) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(d) Rental income

Rental income is accounted for on a straight-line basis over the lease terms.

(e) Dividend income

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

(f) Management fees

Management fees are recognised when services are rendered.

2.27 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.27 Income taxes (Cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates
 and interests in joint ventures, where the timing of the reversal of the temporary differences can
 be controlled and it is probable that the temporary differences will not reverse in the foreseeable
 future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

for the financial year ended 30 April 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.27 Income taxes (Cont'd)

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

2.28 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosure on each of these segments are shown in Note 37, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.29 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.30 Treasury shares

When shares of the Company, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

2.31 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group and the Company.

for the financial year ended 30 April 2011

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Judgments made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments apart from those involving estimation, which have the most significant effect on the amounts recognised in the financial statements.

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on FRS 140 in making judgment whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately, the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Useful lives of plant and machinery

The cost of plant and equipment is depreciated on a straight-line basis over the assets' estimated economic useful lives. Management estimates the useful lives of these plant and machinery to be within 5 to 20 years. These are common life expectancies apllied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful live and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Group's and Company's plant and equipment at the reporting date is disclosed in Note 13. A 5% difference in the expected useful lives of these assets from management's estimates would result in approximately 0.30% (2010: 1.49%) and 0.01% (2010: 0.04%) of variance in the Group's and Company's profit for the year, respectively.

(b) Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value in use of the cash-generating units to which goodwill is allocated.

When value in use calculation is undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment of goodwill and sensitivity analysis to changes in the assumptions are given in Note 17.

for the financial year ended 30 April 2011

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONT'D)

3.2 Key sources of estimation uncertainty (Cont'd)

(c) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at the reporting date is disclosed in Note 23.

(d) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

The carrying value of deferred tax assets of the Group at 30 April 2011 was RM15 million(2010: RM 16 million) and the unrecognised tax losses and capital allowances of the Group was RM4 million (2010: RM4 million).

4. REVENUE

	Group		Co	mpany
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Sale of timber and related products	652,427	666,311	329,211	358,572
Sales of crude palm oil and palm kernel	100,412	26,373	_	_
Sale of fresh fruit bunches	116,765	50,877	_	_
Chartering services	945	1,208	_	_
Others	363	1,232	_	_
	870,912	746,001	329,211	358,572

for the financial year ended 30 April 2011

5. COST OF SALES

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Cost of timber and related products	489,786	566,483	267,804	313,690
Cost of fresh fruit bunches	90,993	53,673	-	-
Cost of Chartering services	5,942	5,965	-	-
Others	62	2	-	-
	586,783	626,123	267,804	313,690

6. OTHER INCOME

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Commission income	1	66	_	20
Freight and handling income	4	9	_	_
Foreign exchange gain				
- realised	31,744	6,894	574	238
- unrealised	11,524	6,446	10,706	6,446
Gain on disposal of property, plant				
and equipment	158	4	51	_
Gross dividend income (Note 8)	_	_	90,000	_
Interest income (Note 8)	46	76	_	_
Logpond facilities income	1,123	1,703	_	_
Power supply income	1,313	1,520	_	_
Rental income (Note 8)	157	145	58	36
Fair value gain on derivatives	11,656	_	3,078	_
Reversal of allowance for impairment of:				
- trade receivables (Note 23)	1,376	_	236	_
- other receivables (Note 23)	355	_	188	_
Reversal of fair value loss on derivatives	5,088	_	5,063	_
Others	5,432	4,039	4,194	3,516
	69,977	20,902	114,148	10,256

for the financial year ended 30 April 2011

7. FINANCE COSTS

	Group		Co	mpany
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Interest expense on:				
Bank loans and bank overdrafts Finance leases	35,428 2,430	32,333 2,531	5,216 1,970	24 1,979
	37,858	34,864	7,186	2,003
Less: Interest expense capitalised in:				
- capital work-in-progress (Note 13)	_	(293)	_	_
- biological assets (Note 16)	(23,087)	(26,758)	_	
Interest expense (Note 8) Add: Other charges	14,771	7,813	7,186	2,003
Bank charges	837	1,153	210	51
Commitment fee	1,067	911	178	16
	1,904	2,064	388	67
	16,675	9,877	7,574	2,070
Less: Bank charges and commitment fee capitalised in:		(0)		
capital work-in-progressbiological assets (Note 16)	(36)	(3) (473)		
	16,639	9,401	7,574	2,070

for the financial year ended 30 April 2011

8. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Group			Company
	2011	2010 (Restated)	2011	2010 (Restated)
	RM'000	` RM'000	RM'000	` RM'000
Amortisation of investment properties (Note 15)		26	30	26
Amortisation of other intangible assets (Note 18		16,638	14,844	14,871
Amortisation of land use rights (Note 14)	559	485	2	1
Auditors' remuneration	468	407	179	159
Statutory audit				
- current year	286	260	75	65
- underprovision in previous year	26	-	10	-
Other services	156	147	94	94
Depreciation of property, plant				
and equipment (Note 13)	65,059	62,968	27,808	26,468
Bad debts written off	309	33	-	-
Employee benefits expense (Note 9)	62,992	52,392	14,225	12,102
Net foreign exchange (gain)/loss				
- realised	(21,110)	(516)	1,674	(235)
- unrealised	(7,240)	(274)	(10,706)	(6,446)
Hiring charges	3,448	436	3,262	2,550
Impairment loss on trade and				
other receivables (Note 23)	1,345	_	_	_
(Gain)/loss on disposal of property,				
plant and equipment	(58)	187	(51)	90
Management fees	21	21	21	21
Non executive directors'				
remuneration (Note 10)	657	619	561	523
Property, plant and equipment written off	33	114	33	114
Rental expense	1,407	328	363	347
Reversal of allowance for impairment				
of trade and other receivables (Note 6)	(1,731)		(424)	
Interest expense (Note 7)	14,771	7,813	7,186	2,003
Interest income (Note 6)	(46)	(76)	-	-
Rental income (Note 6)	(157)	(145)	(58)	(36)
Gross dividend income (Note 6)		_	(90,000)	_
Reversal of fair value loss on derivatives (net)	(4,627)	_	(5,063)	_
Net fair value (gain)/loss on derivatives	(1,265)	_	6,177	_
Impairment of goodwill (Note 17)	8,168	_	_	_

for the financial year ended 30 April 2011

9. EMPLOYEE BENEFITS EXPENSE

	Group		Co	mpany
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Salaries, wages, allowances and bonus Social security contributions	62,566 468	51,504 434	12,610 120	10,469 118
Contributions to defined contribution plan	4,338	3,462	1,431	1,243
Other benefits	284	1,190	64	272
Total employee benefits expenses				
(including executive director)	67,656	56,590	14,225	12,102
Less: Employee benefits expense capitalised in:				
 biological assets (Note 16) 	(4,203)	(3,282)	_	_
- work-in-progress (Note 22)	(461)	(916)	_	-
Total employee benefits expense (Note 8)	62,992	52,392	14,225	12,102

Included in employee benefits expense of the Group and of the Company is an executive director's remuneration amounting to RM1,035,600 (2010: RM1,033,840) as further disclosed in Note 10.

10. DIRECTORS' REMUNERATION

The details of remuneration receivable by directors of the Company and its subsidiaries during the year are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Executive:				
Salaries and other emoluments	880	880	880	880
Fees	50	45	50	45
Defined contribution plan	105	109	105	109
Total executive directors' remuneration				
(excluding benefit-in-kind) (Note 9)	1,035	1,034	1,035	1,034
Estimated money value of benefit-in-kind	16	16	16	16
Total executive directors' remuneration				
(including benefit-in-kind)	1,051	1,050	1,051	1,050
Non-Executive:				
Fees	486	448	390	352
Other emoluments	171	171	171	171
Total non-executive directors' remuneration				
(excluding benefit-in-kind) (Note 8)	657	619	561	523
Estimated money value of benefit-in-kind	13	24	13	24

for the financial year ended 30 April 2011

10. DIRECTORS' REMUNERATION (CONT'D)

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Total non-executive directors' remuneration (including benefit-in-kind)	670	643	574	547
Total directors' remuneration	1,721	1,693	1,625	1,597

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

Number of Directors	2011	2010
Executive director: RM1,000,001 - RM1,050,000	1	1
Non-executive directors: RM0 - RM50,000 RM50,001 - RM100,000 RM100,001 - RM150,000 RM150,001 - RM200,000	2 3 1 1	3 2 1 1

11. INCOME TAX EXPENSE

The major components of income tax expense for the years ended 30 April 2011 and 2010 are:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Statements of comprehensive income:				
Current income tax:				
Malaysian income tax	16,952	938	5,113	622
Under/(over) provision in respect of previous years	483	(7,525)	202	(6,968)
	17,435	(6,587)	5,315	(6,346)
Deferred income tax (Note 21): Origination and reversal of				
temporary differences	34,854	14,550	1,725	3,349
Under/(over) provision in respect of previous years	1,047	6,998	(844)	4,012
	35,901	21,548	881	7,361
Income tax expense recognised in				
profit or loss	53,336	14,961	6,196	1,015

for the financial year ended 30 April 2011

11. INCOME TAX EXPENSE (CONT'D)

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 30 April 2011 and 2010 are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Accounting profit before tax	206,042	40,036	115,065	9,215
Tax at Malaysian statutory tax rate				
of 25% (2010: 25%)	51,511	10,009	28,766	2,304
Adjustments:				
Non-deductible expenses	4,235	5,627	3,398	2,380
Income not subject to tax	(3,900)	_	(24,355)	-
Group tax relief surrendered by subsidiaries	_	_	(971)	(713)
Benefits from previously unrecognised unabsorbed capital allowances, reinvestment allowances and unused tax losses	(114)	(226)		
Deferred tax assets not recognised in respect of current year's unabsorbed	(114)	(326)	_	_
capital allowances and unused tax losses Under/(over) provision of income tax in	74	178	-	_
respect of previous years	483	(7,525)	202	(6,968)
Under/(over) provision of deferred tax in	400	(1,020)	202	(0,000)
respect of previous years	1,047	6,998	(844)	4,012
Income tax expense recognised in profit				
or loss	53,336	14,961	6,196	1,015

Income tax is calculated at the Malaysian statutory tax rate of 25% (2010: 25%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

for the financial year ended 30 April 2011

12. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares held by the Company.

The following table reflects the profit and share data used in the computation of basic earnings per share for the years ended 30 April:

	Group		
	2011 RM'000	2010 RM'000	
Profit net of tax attributable to owners of the parent	151,436	24,372	
	Number of shares '000	Number of shares '000	
Weighted average number of ordinary shares in issue Basic earnings per share (sen)	266,985 56.72	266,987 9.13	

Group Cost At 1 May 2009 As previously stated		land RM'000	quarters RM'000	machinery RM'000	bridges RM'000	equipment RM'000	progress RM'000	Total RM'000
Cost At 1 May 2009 As previously stated								
At 1 May 2009 As previously stated								
	2,407	ı	209,207	767,925	204,625	31,092	150,752	1,366,008
amendments to FRS 117 (Note 14)	7,036	28,732	I	I	1	I	ı	35,768
As restated	9,443	28,732	209,207	767,925	204,625	31,092	150,752	1,401,776
Additions	1	I	772	39,408	12	785	30,347	71,324
Disposals/written off	1	I	1	(5,622)	I	(647)	(2,067)	(8,336)
Reclassifications	i.	I	7,552	11,102	219	206	(19,742)	I
necrassified from blological assets (Note 16)	1	ı	I	I	I	I	133	133
Reclassified to land use rights	ı	1	l	!	l	ı	(900/)	(906 //
Reclassified to investment properties	l	I	I	l	I	l	(067,4)	(067,+)
(Note 15)	1	1	1	1	1	I	(461)	(461)
Exchange differences	1	1	799	18	1	6	278	1,104
At 30 April 2010 (restated)	:						:	:
and 1 May 2011	9,443	28,732	218,330	812,831	205,216	31,748	154,944	154,944 1,461,244
Additions	I	I	4,788	31,943	1	681	33,926	71,338
Disposals/written off	I	1	(1,862)	(11,663)	1	(429)	(717)	(14,671)
Reclassifications	T.	ı	42,569	30,637	691	(415)	(73,482)	I
(Note 14)	1	1	I	I	1	1	(12)	(15)
Exchange differences	ı	I	129	င	I	(4)	45	173
At 30 April 2011	9,443	28,732	263,954	863,751	205,907	31,581	114,701	1,518,069

for the financial year ended 30 April 2011

notes to the financial statements

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Capitalised in work-in-progress (Note 22)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM'000	Leasehold land RM'000	Factories, buildings and quarters RM'000	Aircraft, watercraft, motor vehicles, plant and machinery RM'000	Roads and bridges RM'000	Office renovation, furniture, fittings and equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Group (Cont'd)								
Accumulated depreclation and impairment								
At 1 May 2009 As previously stated	1	I	111,939	478,981	87,032	20,735	2,000	700,687
Effect of adopting the amendments to FRS 117 (Note 14)	1	3,134	1	l	I	I	I	3,134
As restated Depreciation charge for the year	1 1	3,134 464	111,939 11,224	478,981 35,670	87,032 17,824	20,735 2,400	2,000	703,821 67,582
Recognised in profit or loss (Note 8)	1	222	10,426	32,267	17,824	2,229	1	62,968
Capitalised in biological assets (Note 16)	1	242	792	3,238	I	110	I	4,357
Capitalised in work-in-progress (Note 22)	ı	I	31	165	I	61	T .	257
Disposals/written off Exchange differences	1 1	1 1	185	(1,818)	1 1	(592) 8	1 1	(2,410)
At 30 April 2010 (restated) and 1 May 2010	I	3,598	123,348	512,844	104,856	22,551	2,000	769,197
Depreciation charge for the year	ı	464	13,064	37,593	17,108	2,240	I	70,469
Recognised in profit or loss (Note 8)	ı	257	11,427	34,207	17,108	2,060	I	62,059
Capitalised in biological assets (Note 16)	1	207	1,496	2,971	1	106	1	4,780

	Freehold land RM'000	Leasehold land RM'000	Factories, buildings and quarters RM'000	Aircraft, watercraft, motor vehicles, plant and machinery RM'000	Roads and bridges RM'000	Office renovation, furniture, fittings and equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Group (Cont'd)								
Accumulated depreclation and impairment (Cont'd)								
Disposals/written off Reclassification	1 1	1 1	(1,842)	(5,712)	1 1	(348) (151)	1 1	(7,902)
Exchange differences	ı	ı	35	2	ı	(2)	ı	32
At 30 April 2011	1	4,062	134,756	544,727	121,964	24,287	2,000	831,796
Analysed as: Accumulated depreciation Accumulated impairment losses	1 1	4,062	131,756	544,727	121,964	22,730 1,557	2,000	825,239
At 30 April 2011	1	4,062	134,756	544,727	121,964	24,287	2,000	831,796
Net carrying amount								
At 30 April 2010	9,443	25,134	94,982	299,987	100,360	9,197	152,944	692,047
At 30 April 2011	9,443	24,670	129,198	319,024	83,943	7,294	112,701	686,273

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

notes to the financial statements

t, renovation, capital shrings and fittings and work-in-y bridges equipment progress Total RM'000 RM'000 RM'000			9 116,398 15,581 30,198 353,733	4,296	9 116,398 15,581 30,198 358,029	72 – 255 9,615 40,110	1	563 252 (1,315)	(4,296)	(461) (461)	116,961 15,899 33,741 3	217 11,265 32	.9) – (154) (35) (558) -11 – 84 (4.655) –	5	116,961 16,046 40,316 424,744
Aircraft, watercraft, motor vehicles, plant and machinery RM'000			179,629		179,629	30,182	(412)					20	(369) 4 221		234,285
Factories, buildings and quarters RM'000			11,304	I	11,304	58	1	465	I	ı	11,827	40	350		12,217
Freehold land RM'000			623	g the amendments e 14) 4,296	4,919	I			Reclassified to land use rights (Note 14)	estment properties	restated) and 1 May 2010 4,919		ı ı		4,919
	Company	Cost	At 1 May 2009	Effects of adopting the amendments to FRS 117 (Note 14)	As restated	Additions	Disposals/written off	Reclassifications	Reclassified to land	Reclassified to investment propertie (Note 15)	At 30 April 2010 (restated) and 1 I	Additions	Disposals/written off Reclassifications		At 30 April 2011

	Freehold land RM'000	Factories, buildings and quarters RM'000	Aircraft, watercraft, motor vehicles, plant and machinery RM'000	Roads and bridges RM'000	Office renovation, furniture, fittings and equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Accumulated depreciation							
At 1 May 2009 Depreciation charge for the year (Note 8) Disposals/written off	1 1 1	2,995 604 -	55,377 12,692 (32)	53,084 11,671	10,588 1,501 (160)	1 1 1	122,044 26,468 (192)
At 30 April 2010 and 1 May 2010 Depreciation charge for the year (Note 8) Disposals/written off	1 1 1	3,599	68,037 14,123 (347)	64,755 11,696 -	11,929 1,403 (139)	1 1 1	148,320 27,808 (486)
At 30 April 2011	1	4,185	81,813	76,451	13,193	1	175,642
Net carrying amount							
At 30 April 2010	4,919	8,228	141,397	52,206	3,970	33,741	244,461
At 30 April 2011	4,919	8,032	152,472	40,510	2,853	40,316	249,102

for the financial year ended 30 April 2011

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Capitalisation of borrowing costs

The Group's plant and equipment include borrowing costs arising from bank loans borrowed specifically for the purpose of the construction of plant. During the financial year, the borrowing costs capitalised as cost of plant and equipment amounted to Nil (2010: RM293,000).

(b) Acquisition of property, plant and equipment

Acquisitions of property, plant and equipment during the financial year were by the following means:

	G	roup	Co	mpany
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Cash	35,108	49,181	62	21,300
Finance leases	36,230	22,143	32,459	18,810
	71,338	71,324	32,521	40,110

Net carrying amounts of property, plant and equipment held under finance leases are as follows:

		Group		Company
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Motor vehicles	71,935	45,113	62,097	28,972

Leased assets are pledged as security for the related finance lease liabilities (Note 27).

14. LAND USE RIGHTS

	Gro	oup	Com	pany
	RM'000	RM'000	RM'000	RM'000
Cost				
At 1 May 2010/2009				
As previously stated	99,308	100,486	4,332	4,332
Effects of adopting the amendments to				
FRS117 (Note 13)	(35,768)	(35,768)	(4,296)	(4,296)
Reclassification from biological				
assets (Note 16)	25	_	_	_
Reclassification from property,				
plant and equipment (Note 13)	15	-	-	_
At 30 April 2011/2010 (restated)	63,580	64,718	36	36

for the financial year ended 30 April 2011

14. LAND USE RIGHTS (CONT'D)

	Gro RM'000	oup RM'000	Com	pany RM'000
	HIVI OOO	HIVI UUU	HIVI 000	HIVI UUU
Accumulated amortisation				
At 1 May 2010/2009				
As previously stated	3,913	3,416	5	4
Effects of adopting the amendments to FRS117 (Note 13)	(3,537)	(3,134)	_	_
As restated	376	282	5	4
Amortisation for the year	1,280	1,271	2	1
•	, 	· · · · · · · · · · · · · · · · · · ·		
Recognised in profit or loss (Note 8) Capitalised in biological assets (Note 16)	559 721	485 786	2	1
Capitalised in biological assets (Note 10)	121	700		
At 30 April 2011/2010 (restated)	1,656	1,553	7	5
Net carrying amount	61,924	63,165	29	31
Amount to be amortised:				
- Not later than one year	1,296	1,277	1	1
- Later than one year but not later	0.400	0.404	_	_
than five years - Later than five years	6,132 54,496	6,131 55,757	5 23	5 25

The Group and the Company have land use rights over state-owned land in Malaysia. The land use rights of the Group and the Company have a remaining tenure of 1 to 31 years (2010: 1 to 32 years) and 25 years (2010: 26 years), respectively.

15. INVESTMENT PROPERTIES

	Group/C RM'000	Company RM'000
	HIVI 000	HIVI UUU
At 1 May 2010/2009	3,322	2,866
Additions	_	21
Reclassified from property, plant and equipment (Note 13)	_	461
Amortisation for the year (Note 8)	(30)	(26)
At 30 April 2011/2010	3,292	3,322
Analysed as:		
Long term leasehold land	235	240
Buildings	3,057	3,082
	3,292	3,322

The fair value of the Group and the Company's investment properties is RM3,859,800 (2010: RM3,859,800). Based on prevailing market conditions, the directors consider that there is no significant change in the fair value between 30 April 2010 and 30 April 2011.

for the financial year ended 30 April 2011

16. BIOLOGICAL ASSETS

	G	roup
	RM'000	RM'000
At 1 May 2010/2009	866,829	722,933
Additions	150,072	144,034
Disposals	_	(5)
Reclassified to property, plant and equipment (Note 13)	_	(133)
Reclassified to land use rights (Note 14)	(25)	_
At 30 April 2011/2010	1,016,876	866,829

Included in the biological assets are the following costs incurred during the financial year:

	G	roup
	2011 RM'000	2010 RM'000
	HIVI 000	HIVI UUU
Amortisation of land use rights (Note 14)	721	786
Depreciation of property, plant and equipment (Note 13)	4,780	4,357
Employee benefits expenses (Note 9)	4,203	3,282
Interest expense (Note 7)	23,087	26,758
Loss on disposal of property, plant and equipment	1,226	833
Bank charges and commitment fees (Note 7)	36	473

17. GOODWILL ON CONSOLIDATION

		Group	
	2011 RM'000	2010 RM'000	
Cost			
At 30 April	62,337	70,505	

During the year, an impairment loss was recognised to write down the carrying amount of goodwill on a few subsidiaries (Note 8).

The carrying amount of goodwill allocated to the Group's cash-generating units ("CGU") is as follows:

		Group 2010 RM'000	
	2011 RM'000		
Manufacturing	62,337	70,505	

for the financial year ended 30 April 2011

17. GOODWILL ON CONSOLIDATION (CONT'D)

Key assumptions used in value-in-use calculations:

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management covering a five-year period. The assumptions used for value-in-use calculations are:

	Gross Margin		Discount Rates	
	RM'000	RM'000	RM'000	RM'000
Rimbunan Hijau Plywood Sdn. Bhd.	7%	17%	3.83%	4.46%

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

(i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margin achieved in the year immediately before the budgeted year due to the expected change in the business operations.

(ii) Discount rates

The discount rates used are pre-tax and reflect specific risks relating to the segment.

The Group believes that any reasonable possible change in the above key assumptions applied is not likely to materially cause the recoverable amount to be lower than its carrying amount.

18. OTHER INTANGIBLE ASSETS

	Prepaid timber rights RM'000	Computer software RM'000	Total RM'000
Group			
Cost			
At 1 May 2009 Additions	298,447 -	3,645 55	302,092 55
At 30 April 2010 and 1 May 2010 Additions	298,447 –	3,700 18	302,147 18
At 30 April 2011	298,447	3,718	302,165

for the financial year ended 30 April 2011

18. OTHER INTANGIBLE ASSETS (CONT'D)

	Prepaid timber rights RM'000	Computer software RM'000	Total RM'000
Group			
Accumulated amortisation			
At 1 May 2009 Amortisation for the year (Note 8)	191,745 16,278	2,776 360	194,521 16,638
At 30 April 2010 and 1 May 2010 Amortisation for the year (Note 8)	208,023 16,277	3,136 334	211,159 16,611
At 30 April 2011	224,300	3,470	227,770
Net carrying amount			
At 30 April 2010	90,424	564	90,988
At 30 April 2011	74,147	248	74,395
Company			
Cost			
At 1 May 2009 Additions	247,724	3,642 55	251,366 55
At 30 April 2010 and 1 May 2010 Additions	247,724 -	3,697 18	251,421 18
At 30 April 2011	247,724	3,715	251,439
Accumulated amortisation			
At 1 May 2009 Amortisation for the year (Note 8)	152,568 14,511	2,775 360	155,343 14,871
At 30 April 2010 and 1 May 2010 Amortisation for the year (Note 8)	167,079 14,510	3,135 334	170,214 14,844
At 30 April 2011	181,589	3,469	185,058

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18. OTHER INTANGIBLE ASSETS (CONT'D)

	Prepaid timber rights RM'000	Computer software RM'000	Total RM'000
Company			
Net carrying amount			
At 30 April 2010	80,645	562	81,207
At 30 April 2011	66,135	246	66,381

In 1998, the Company acquired nine timber licensee companies and the rights to two timber licences. Apart from one licence which will expire in year 2011, all the other licences will expire in the year 2015.

19. INVESTMENTS IN SUBSIDIARIES

	Cor	mpany
	2011 RM'000	2010 RM'000
Unquoted shares at cost Impairment losses	708,631 (19)	708,631 (19)
	708,612	708,612

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	•	rtion of p interest 2011 %
Direct subsidiaries of the Company				
Rimbunan Hijau Plywood Sdn. Bhd.	Malaysia	Manufacturing and sale of sawn timber, veneer, blockboard and plywood	100	100
Jaya Tiasa Plywood Sdn. Bhd.	Malaysia	Manufacturing and sale of sawn timber, veneer, blockboard and plywood	100	100
Guanaco Sdn. Bhd.	Malaysia	Dormant	100	100
Hak Jaya Sdn. Bhd.	Malaysia	Marketing of timber logs	100	100

for the financial year ended 30 April 2011

19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

	Country of		Proportion of ownership interest	
Name of subsidiaries	incorporation	Principal activities	2010 %	2011 %
Direct subsidiaries of the Company (Cont'd)				
Maxiwealth Holdings Sdn. Bhd.	Malaysia	Dormant	100	100
Kunari Timber Sdn. Bhd.	Malaysia	Marketing of timber logs	100	100
Jaras Sdn. Bhd.	Malaysia	Extraction, purchase and sale of logs	100	100
Maujaya Sdn. Bhd.	Malaysia	Palm oil processing and its related activities	100	100
Mantan Sdn. Bhd.	Malaysia	Dormant	100	100
Curiah Sdn. Bhd.	Malaysia	Extraction and sale of logs	88.91	88.91
Sericahaya Sdn. Bhd.	Malaysia	Extraction and sale of logs	88.91	88.91
Jaya Tiasa Forest Plantation Sdn. Bhd.	Malaysia	Development and maintenance of planted forests and forest plantation contractor	100	100
Jaya Tiasa Aviation Sdn. Bhd.	Malaysia	Provision of air transportation services	100	100
Eastern Timber Ltd.	Federal Territory of Labuan, Malaysia	Dormant	100	100
Eastern Green Company Inc.	U.S.A.	Dormant	100	100
Multi Greenview Sdn. Bhd.	Malaysia	Dormant	100	100
Erajaya Synergy Sdn. Bhd.	Malaysia	Development of oil palm plantations and its related activities	100	100
Hariyama Sdn. Bhd.	Malaysia	Development of oil palm plantations and its related activities	100	100

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19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Country of incorporation	Principal activities		rtion of ip interest 2011
Direct subsidiaries of the Company (Cont'd)				
Jaya Tiasa Timber Products Sdn. Bhd.	Malaysia	Manufacturing and sale of sawn timber, plywood and veneer	100	100
Simalau Plantation Sdn. Bhd.	Malaysia	Development of oil palm plantations and its related activities	100	100
Jaya Tiasa Aquaculture Sdn. Bhd.	Malaysia	Dormant	100	100
Jaya Tiasa R&D Sdn. Bhd.	Malaysia	Research and development and sale of seeds	100	100
Poh Zhen Sdn. Bhd.	Malaysia	Development of oil palm plantations and its related activities	100	100
Eastern Eden Sdn. Bhd.	Malaysia	Development of oil palm plantations and its related activities	100	100
JT Oil Palm Development Sdn. Bhd.	Malaysia	Palm oil processing and its related activities	100	100
Atlantic Evergreen Holdings	Cayman Islands	Investment holding	100	100
Atlantic Timber Holdings Limited	Cayman Islands	Investment holding	100	100
Pacific Timber Holdings Limited	Cayman Islands	Investment holding	100	100
Subsidiary of Atlantic Evergreen Holdings				
Western Timber Resources Limited	Cayman Islands	Investment holding	100	100

for the financial year ended 30 April 2011

19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

	Country of		Proportio ownership ir		
Name of subsidiaries	incorporation	Principal activities	2010 %	2011 %	
Subsidiary of Pacific Timber Holdings Limited					
Selvaplac Verde Ltda. (i) *	Brazil	Investment holding	66	66	

⁽i) The remaining 34% is held by a fellow subsidiary, Atlantic Timber Holdings Limited.

20. INVESTMENT IN ASSOCIATE

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Unquoted shares, at cost Redeemable non-cumulative preference	2,000	2,000	2,000	2,000
shares, at cost	2,400	2,400	2,400	2,400
	4,440	4,400	4,400	4,400
Less: Accumulated impairment losses	(2,400)	(2,400)	(4,400)	(4,400)
	2,000	2,000	_	_
Share of post acquisition losses	(2,000)	(2,000)	_	
	-	_	-	-

Details of the associate are as follows:

	Country of		Propor ownershi	
Name of subsidiaries	incorporation	Principal activities	2010 %	2011 %
Mafrica Trading Sdn. Bhd. *	Malaysia	Dormant	40	40

^{*} Audited by a firm of auditors other than Ernst & Young

^{*} Audited by a member firm of Ernst & Young Global in that country.

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20. INVESTMENT IN ASSOCIATE (CONT'D)

The summarised financial information of the associate are as follows:

	Group	
	2011 RM'000	2010 RM'000
Assets and liabilities: Current assets	7,596	7,620
Current liabilities	2,600	2,623
Results: Revenue Loss for the year	_ 1	- 4
The Group's interest in the associate is analysed as follows:		
Group's share of net tangible assets Premium on acquisition	(335) 335	(335) 335
	_	_

21. DEFERRED TAX

	As at 1 May 2009 RM'000	Recognised in profit or loss RM'000	As at 30 April 2010 RM'000	Recognised in profit or loss RM'000	As at 30 April 2011 RM'000
Group					
Deferred tax liabilities:					
Property, plant, and equipment Biological assets	(32,457) (158,365)	(10,219) (40,971)	(42,676) (199,336)	(4,433) (38,539)	(47,109) (237,875)
	(190,822)	(51,190)	(242,012)	(42,972)	(284,984)

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21. DEFERRED TAX (CONT'D)

	As at 1 May 2009 RM'000	Recognised in profit or loss RM'000	As at 30 April 2010 RM'000	Recognised in profit or loss RM'000	As at 30 April 2011 RM'000
Group					
Deferred tax assets:					
Unused tax losses and unabsorbed capital					
allowances Property, plant and	182,539	28,683	211,222	6,594	217,816
equipment	3,636	111	3,747	663	4,410
Others	4	848	852	(186)	666
	186,179	29,642	215,821	7,071	222,892
	(4,643)	(21,548)	(26,191)	(35,901)	(62,092)
Company					
Deferred tax liability:					
Property, plant and					
equipment	(6,651)	(7,361)	(14,012)	(881)	(14,893)
			Group	Co	mpany
		2011	2010	2011	2010
		RM'000	RM'000	RM'000	RM'000
Presented after appropriat offsetting as follows:	е				
Deferred tax assets Deferred tax liabilities		15,236 (77,328)	16,566 (42,757)	– (14,893)	– (14,012)
		(62,092)	(26,191)	(14,893)	(14,012)

for the financial year ended 30 April 2011

21. DEFERRED TAX (CONT'D)

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

	G	iroup
	2011 RM'000	2010 RM'000
Unused tax losses	4,155	3,882
Unabsorbed capital allowances	63	498
	4,218	4,380

As at 30 April 2011, the deferred tax assets are not recognised as it is not probable that future taxable profit will be available against which the unused tax losses and unabsorbed capital allowances can be utilised. The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the Group is subject to the provisions of the Income Tax Act 1967.

22. INVENTORIES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cost				
Blockboard/sawn timber	628	312	_	_
Crude palm oil	7,110	4,612	_	_
Fresh fruit bunches	776	147	_	_
General stores	20,141	21,881	2,074	2,327
Logs	44,739	44,108	30,849	27,678
Palm kernel	1,230	454	_	_
Plywood	27,902	13,124	_	_
Seeds	294	159	_	_
Veneer	4,253	7,597	_	_
Work-in-progress	2,708	3,247	_	_
	109,781	95,641	32,923	30,005
Net realisable value				
Fancy plywood	4	4	_	_
Sawn timber	2,172	2,428	_	_
Plywood	-	10,113	_	_
	2,176	12,545	_	_
	111,957	108,186	32,923	30,005

for the financial year ended 30 April 2011

22. INVENTORIES (CONT'D)

Included in work-in-progress are the following expenses incurred and capitalised during the financial year:

	Group	
	2011 RM'000	2010 RM'000
Depreciation of property, plant and equipment (Note 13) Employee benefits expense (Note 9)	630 461	257 916

23. TRADE AND OTHER RECEIVABLES

Group		Company	
2011	2010 (Restated)	2011	2010 (Restated)
RM'000	RM'000	RM'000	RM'000
175,316	164,536	30,624	24,413
_	_	74,414	63,789
175,316	164,536	105,038	88,202
(4,032)	(2,180)	(962)	(841)
171,284	162,356	104,076	87,361
35,994	26,897	20,048	20,927
_	-	•	387,568
2,600	2,600	2,600	2,600
38,594	29,497	365,214	411,095
(303)	_	(97)	_
	_	(40,240)	(40,240)
(2,600)	(2,600)	(2,600)	(2,600)
(2,903)	(2,600)	(42,937)	(42,840)
35,691	26,897	322,277	368,255
1,985	1,518	215	305
37,676	28,415	322,492	368,560
208,960	190,771	426,568	455,921
	2011 RM'000 175,316 175,316 (4,032) 171,284 35,994 2,600 38,594 (303) (2,600) (2,903) 35,691 1,985 37,676	2011 (Restated) RM'000 175,316 164,536 175,316 164,536 (4,032) (2,180) 171,284 162,356 35,994 26,897 - 2,600 38,594 29,497 (303) - (2,600) (2,903) (2,600) 35,691 26,897 1,985 1,518 37,676 28,415	2011 2010 (Restated) RM'000 2011 RM'000 RM'000 RM'000 175,316 164,536 30,624 74,414 175,316 164,536 105,038 (4,032) (2,180) (962) 171,284 162,356 104,076 35,994 26,897 2,600 20,048 342,566 2,600 2,600 2,600 2,600 38,594 29,497 365,214 (303) - (97) (40,240) (2,600) (2,600) (2,600) (2,600) (2,903) (2,600) (42,937) 35,691 26,897 1,518 215 322,277 1,985 1,518 215 37,676 28,415 322,492

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23. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of one month. Other credit terms are assessed and approved on a case-by-case basis. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest bearing.

Ageing analysis of trade receivables

The ageing analysis of the Group's and of the Company's trade receivables is as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Neither past due nor impaired	94,089	116,165	73,824	14,974
1 to 30 days past due not impaired	4,367	2,384	_	13,032
31 to 60 days past due not impaired	196	1,276	121	1,862
61 to 90 days past due not impaired	205	402	_	14,904
91 to 120 days past due not impaired More than 121 days past due	894	755	-	409
not impaired	7,195	37,979	23,323	42,180
	12,857	42,796	23,444	72,387
Impaired	68,370	5,575	7,770	841
	175,316	164,536	105,038	88,202

Receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company. None of the Group's and the Company's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group and the Company have trade receivables amounting to RM12,857,000 (2010: RM42,796,000) and RM23,444,000 (2010: RM72,387,000) that are past due at the reporting date but not impaired.

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23. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

Receivables that are impaired

The Group's and the Company's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Individually impaired			
	Group		Co	mpany
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Trade receivables Less: Allowance for impairment	68,370 (4,032)	5,575 (2,180)	7,770 (962)	841 (841)
	64,338	3,395	6,808	_

Movement in allowance accounts:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
At 1 May	2,180	2,180	841	841
Effect of adopting FRS 139 (Note 2.2)	2,089	_	357	_
Charge for the year (Note 8)	1,139	_	_	_
Reversal of impairment loss (Note 6)	(1,376)	_	(236)	_
At 30 April	4,032	2,180	962	841

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments or debtors that have usually settled their debts beyond the prescribed credit terms. These receivables are not secured by any collateral or credit enhancements.

(b) Amount due from subsidiaries

The amount due from subsidiaries are unsecured, non-interest bearing and are repayable on demand.

(c) Amount due from associate

This amount is unsecured, non-interest bearing and is repayable on demand.

for the financial year ended 30 April 2011

23. TRADE AND OTHER RECEIVABLES (CONT'D)

(d) Other receivables

Other receivables that are impaired

Movement in allowance accounts:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
At 1 May	2,600	2,600	42,840	42,840
Effect of adopting FRS 139 (Note 2.2) Charge for the year (Note 8) Reversal of impairment loss (Note 6)	452 206 (355)	- - -	285 - (188)	- - -
At 30 April	2,903	2,600	42,937	42,840

24. OTHER CURRENT ASSETS

	G	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000	
Tax recoverable	2,237	12,284	_	2,961	
Prepayments	2,265	2,415	181	85	
	4,502	14,699	181	3,046	

25. DERIVATIVES

Group	Contract/ Notional Amount	2011 RM'000 Assets	Liabilities	Contract/ Notional Amount	2010 RM'000 Assets	Liabilities
Non-hedging derivatives:						
Forward currency contracts Commodity futures contracts Cross currency swaps	370,077 8,580 50,000	7,422 1,902 -	- - (8,059)	79,718 - 50,000	- - -	- - -
Total held for trading financial assets/(liabilities)	428,657	9,324	(8,059)	129,718	-	_

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25. DERIVATIVES (CONT'D)

	Contract/ Notional Amount	2011 RM'000 Assets	Liabilities	Contract/ Notional Amount	2010 RM'000	Liabilities
Company						
Non-hedging derivatives:						
Forward currency contracts Cross currency swaps	95,677 50,000	1,882 -	(8,059)	_ 50,000	- -	
Total held for trading financial assets/(liabilities)	145,677	1,882	(8,059)	50,000	_	-

The Group uses cross currency swaps, forward currency contracts and commodity futures contracts to manage some of the transaction exposure. These contracts are not designated as cash flow nor fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

(i) Cross currency swaps

Cross currency swaps are used to hedge the risk of currency fluctuation arising from a floating rate bank loan of RM50 million which was swapped to US Dollar denominated equivalent. This involved swapping an existing bank facility of the Company which bore interest at Ringgit Malaysia cost of funds +0.65% to US Dollar 3 months KLIBOR +0.75%.

(ii) Forward currency contracts

Forward currency contracts are used to hedge the Group and the Company's sales and purchases denominated in USD for which firm commitments existed at the reporting date.

(iii) Commodity futures contracts

The Group sells crude palm oil ("CPO") on an ongoing basis. In view the volatility of CPO prices, the Group has entered into a number of commodity futures contracts based on firm commitments and highly probable forecasted CPO sales to reduce the volatility of cash flows. Commodity futures contracts are entered for firm and highly probable forecasted sales extending to November 2011.

During the financial year, the Group and the Company recognised a net gain of RM3,598,000 (2010: Nil) and a net loss of RM4,981,000 (2010: Nil), respectively arising from fair value changes of derivative contracts. The fair value changes are attributable to changes in foreign exchange and commodity spot and forward rates. The method and assumptions applied in determining the fair values of derivatives are disclosed in Note 34.

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26. CASH AND BANK BALANCES

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Cash at banks and on hand	43,009	38,305	1,390	3,992
Short term deposits with licensed banks	1,481	1,443	–	
Cash and bank balances	44,490	39,748	1,390	3,992

Short-term deposits are made for approximately one month (2010: one month to twelve months) depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates. The weighted average effective interest rates as at 30 April 2011 for the Group was 2.75% (2010: 1.94% to 2.02%) per annum.

Short term cash and bank balances with licensed banks of the Group amounting to RM1,481,170 (2010: RM1,442,793) have been pledged to banks as security for bankers' guarantees granted and hence, are not available for general use.

Included in cash and bank balances of the Group is an amount of RM9,971,400 (2010: Nil) being deposit placed with an investment bank for Malaysian Derivatives Exchange ("MDEX") of Futures Crude Palm Oil ("MDEX FCPO").

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the reporting date:

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Cash and short term deposits	44,490	39,748	1,390	3,992
Bank overdrafts (Note 27)	(28,989)	(55,650)	(8,390)	(14,537)
Cash and cash equivalents	15,501	(15,902)	(7,000)	(10,545)

for the financial year ended 30 April 2011

27. LOANS AND BORROWINGS

Group		Company	
2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
17,694	15,354	15,020	11,565
28,989	55,650	8,390	14,537
34,436	48,527	17,826	19,945
40,000	40,000	40,000	40,000
48,000	31,500	_	_
14,760	15,940	14,760	15,940
59,602	14,346	59,602	14,346
225,787	205,963	140,578	104,768
243,481	221,317	155,598	116,333
28,162	15,700	25,423	12,127
497,658	544,854	_	_
_	19,128	_	69,128
497,658	563,982	_	69,128
525,820	579,682	25,423	81,255
769,301	800,999	181,021	197,588
	2011 RM'000 17,694 28,989 34,436 40,000 48,000 14,760 59,602 225,787 243,481 28,162 497,658 - 497,658 525,820	2011 RM'000 2010 RM'000 17,694 15,354 28,989 34,436 40,000 48,000 14,760 59,602 55,650 15,940 15,940 15,940 15,940 225,787 225,787 205,963 243,481 221,317 28,162 15,700 497,658 - 19,128 544,854 19,128 497,658 563,982 525,820 579,682	2011 RM'000 2011 RM'000 17,694 15,354 15,020 28,989 55,650 8,390 34,436 48,527 17,826 40,000 40,000 40,000 - 14,760 15,940 14,760 59,602 14,346 59,602 - 14,760 15,940 14,760 59,602 225,787 205,963 140,578 243,481 221,317 155,598 28,162 15,700 25,423 497,658 544,854 - 19,128 - 497,658 563,982 - 525,820 579,682 25,423

for the financial year ended 30 April 2011

27. LOANS AND BORROWINGS (CONT'D)

The remaining maturities of the loans and borrowings as at 30 April 2011 are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Maturity period of borrowings:				
Repayable within one year	243,481	218,070	155,598	116,333
One year to five years	441,165	439,663	25,423	81,255
Over five years	84,655	143,266	-	-
	769,301	800,999	181,021	197,588

Obligations under finance leases

These obligations are secured by a charge over the leased assets (Note 13). The interest rates implicit in the leases of the Group and the Company are 2.90% to 5.64% (2010: 2.90% to 5.64%) per annum and 2.90% to 3.35% (2010: 2.90% to 3.35%) per annum, respectively.

The interest rates of the Group and of the Company are as follows:

	(Company		
	2011	2010	2011	2010
	%	%	%	%
Bank overdrafts	6.80 - 8.10	6.55 - 7.30	_	_
Bankers' acceptances	3.40 - 3.96	2.45 - 3.55	_	_
Revolving credit	1.75 - 4.51	2.15 - 3.99	1.75 - 4.51	2.15 - 3.99
Term loans	4.10 - 5.97	4.10 - 6.01	2.00 - 3.73	4.24 - 6.45

28. TRADE AND OTHER PAYABLES

	Group		Company	
	2011	2010 (Restated)	2011	2010 (Restated)
	RM'000	RM'000	RM'000	RM'000
Trade payables				
Third parties	153,327	172,781	54,330	64,386
Amount due to subsidiaries	_	_	29,949	45,277
	153,327	172,781	84,279	109,663
Other payables				
Accruals	18,677	17,580	994	1,716
Sundry payables	12,714	10,780	6,172	5,932
Amount due to subsidiaries	-	_	524,781	631,819
	31,391	28,360	531,947	639,467

for the financial year ended 30 April 2011

28. TRADE AND OTHER PAYABLES (CONT'D)

		Group	Company		
	2011	2010 (Restated)	2011	2010 (Restated)	
	RM'000	RM'000	RM'000	` RM'000	
Total trade and other payables	184,718	201,141	616,226	749,130	
Add: Loans and borrowings (Note 27)	769,301	800,999	181,021	197,588	
Total financial liabilities carried					
at amortised cost	954,019	1,002,140	797,247	946,718	

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company range from 30 to 180 days (2010: 30 to 180 days).

(b) Amount due to subsidiaries

The amount due to subsidiaries are unsecured, non-interest bearing and are repayable on demand.

29. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

		Group and C	ompany		
	•	•	Aı	mount ——	
Share capital (Issued and fully paid) '000	Treasury shares '000	Share capital (Issued and fully paid) RM'000	Share premium RM'000	Total share capital and share premium RM'000	Treasury shares RM'000
282,529 -	(15,540) (2)	282,529 -	282,010 -	564,539 -	(49,768) (5)
282,529 -	(15,542) (2)	282,529 -	282,010 -	564,539 -	(49,773) (8)
282,529	(15,544)	282,529	282,010	564,539	(49,781)
	Shares of Share capital (Issued and fully paid) '000 282,529 -	capital (Issued and fully paid) '000 282,529 - 282,529 (15,540) (2) 282,529 (15,542) (2)	Number of Ordinary Shares of RM1 Each Share capital (Issued and Treasury fully paid) shares '000 '000 RM'000 282,529 (15,540) 282,529 - (2) - 282,529 (2) -	Shares of RM1 Each ✓ All Share capital (Issued capital dand (Issued and fully paid) shares ('000 '000 RM''000 RM''000 CAR''000 CAR''0	Number of Ordinary Shares of RM1 Each ← Amount Share capital Share capital Share capital Share capital Issued capital capital capital and and fully Share share share premium prem

for the financial year ended 30 April 2011

29. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (CONT'D)

	Number of Ordinary Shares of RM1 Each		Am	ount
	'000	'000	RM'000	RM'000
Authorised At 1 May 2010/2009 and 30 April 2011/2010	1,000,000	1,000,000	1,000,000	1,000,000

(a) Share capital

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

(b) Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

The Company acquired 2,000 (2010: 2,000) shares in the Company through purchases on Bursa Malaysia Securities Berhad during the financial year. The total amount paid to acquire the shares was RM8,091 (2010: RM5,108) and this was presented as a component within shareholders' equity. The average cost paid for the shares repurchased during the financial year was RM4.05 (2010: RM2.55) per share.

Subsequent to the balance sheet date and up to the date of this report, the Company repurchased an additional 1,000 shares for a total cost of RM7,153. The average cost paid for the shares repurchased during the period was RM7.15 per share.

The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds. The shares repurchased are held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

Of the total 282,528,499 (2010: 282,528,499) issued and fully paid ordinary shares as at 30 April 2011, 15,544,457 (2010: 15,542,457) are held as treasury shares by the Company. As at 30 April 2011, the number of outstanding ordinary shares in issue after the set-off is therefore 266,984,042 (2010: 266,986,042) ordinary shares of RM1 each.

Movements on share buy-backs

	Number of shares	Total cost RM'000	Average price per share RM
At 1 May 2010	15,542,457	49,773	3.20
Repurchased during the financial year ended 30 April 2011	2,000	8	4.05

for the financial year ended 30 April 2011

29. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (CONT'D)

(b) Treasury shares (Cont'd)

Movements on share buy-backs (Cont'd)

	Number of shares	Total cost RM'000	Average price per share RM
At 30 April 2011	15,544,457	49,781	3.20
Repurchased subsequent to 30 April 2011	1,000	7	7.15
At the date of this report	15,545,457	49,788	3.20

30. OTHER RESERVES

	Capital redemption reserve RM'000	Foreign currency translation reserve RM'000	Total RM'000
Group			
At 1 May 2009	3,684	(1,191)	2,493
Other comprehensive income: Foreign currency translation	-	2,259	2,259
At 30 April 2010 and 1 May 2010	3,684	1,068	4,752
Other comprehensive income: Foreign currency translation	_	3,938	3,938
At 30 April 2011	3,684	5,006	8,690
Company			
At 1 May 2010/2009 and 30 April 2011/2010	3,684	-	3,684

Capital redemption reserve

This relates to the nominal amount of shares arising from the Company's repurchase of its own shares in 1998.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations.

for the financial year ended 30 April 2011

31. RETAINED EARNINGS

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard and opt to pay dividends under the single tier system. The change in the tax legislation also provides for to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the 108 balance. Accordingly, during the transitional period, the Company may utilise the credit as at 31 December 2007 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007.

The Company has tax exempt profits available for distribution of approximately RM35 million (2010: RM35 million) as at 30 April 2011, subject to agreement of the Inland Revenue Board.

As at 30 April 2011 and 2010, the Company has sufficient credit in the 108 balance to pay franked dividends out of its entire retained earnings.

32. COMMITMENTS

(a) Capital commitments

Capital expenditures as at the reporting date are as follows:

	Group	
	2011 RM'000	2010 RM'000
Capital expenditure		
Approved and contracted for:		
Property, plant and equipment	13,854	7,280
Staff quarters and others	1,676	_
	15,530	7,280
Biological assets		
Plantable area	849,615	849,450
Less: Planted area	(607,590)	(546,930)
	242,025	302,520
	257,555	309,800

for the financial year ended 30 April 2011

32. COMMITMENTS (CONT'D)

(b) Operating lease commitments - as lessee

In addition to land use rights disclosed in Note 14, the Group has entered into operating lease agreements for the lease of logpond, residential house, land and building. These leases have an average life of between 1 and 30 years with no renewal or purchase option and escalation clauses and there are no restrictions placed upon the Group by entering into these leases.

The future minimum rental payments under non-cancellable operating leases (excluding land use rights) at the reporting date are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Not later than 1 year Later than 1 year and not later	365	349	338	313
than 5 years	107	144	_	_
Later than 5 years	506	684	-	_
	978	1,177	338	313

(c) Operating lease commitments - as lessor

The Group has entered into non-cancellable operating lease agreements on building, residential house, machinery and equipment. The Group is required to give one to three months notice for the termination of those agreements. These leases have no renewal option, purchase option and escalation clauses and there are no restrictions placed upon the Group arising from leases.

The future minimum lease payments receivable under non-cancellable operating leases at the reporting date are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Not later than 1 year	141	352	56	30

The lease payments recognised in profit or loss during the financial year is disclosed in Note 8.

for the financial year ended 30 April 2011

32. COMMITMENTS (CONT'D)

(d) Finance lease commitments

The Group has finance leases for certain items of property, plant and equipment (Note 13). These leases do not have terms of renewal, but have purchase options at nominal values at the end of the lease term. Hire purchase are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Minimum lease payments:				
Not later than 1 year Later than 1 year but not later	19,872	16,725	16,968	12,611
than 2 years	16,307	8,625	14,351	6,493
Later than 2 years but not later than 5 years	13,429	8,191	12,522	6,529
Total minimum lease payments Less: Amounts representing finance	49,608	33,541	43,841	25,633
charges	(3,752)	(2,487)	(3,398)	(1,941)
Present value of minimum lease payment	45,856	31,054	40,443	23,692
Present value of payments:				
Not later than 1 year Later than 1 year but not later	17,694	15,354	15,020	11,565
than 2 years Later than 2 years but not later	15,103	7,918	13,251	5,935
than 5 years	13,059	7,782	12,172	6,192
Present value of minimum lease payments Less: Amount due within 12 months (Note 27)	45,856	31,054	40,443	23,692
	(17,694)	(15,354)	(15,020)	(11,565)
Amount due after 12 months (Note 27)	28,162	15,700	25,423	12,127

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33. RELATED PARTY TRANSACTIONS

During the financial year, the Group and the Company had, in the normal course of business transacted on normal commercial terms the following transactions:

(a) Sales and purchases of goods and services

		Group		Company
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Sale of timber products to				
- Perpuluhan Jaya Sdn. Bhd. (ii)	_	1,781	_	1,781
- Rimbunan Hijau General Trading		,		,
Sdn. Bhd. (iii)	166	9	_	_
- Subsidiaries	_	_	289,279	302,705
- Subur Group (i)	13,122	2,740	_	_
Interest income received				
from subsidiaries	_	_	_	6,061
Power supplied to				
- Subur Group (i)	819	1,033	_	_
- Perpuluhan Jaya Sdn. Bhd. (ii)	537	540	_	_
Sale of fresh fruit bunches to				
- R.H. Selangau Palm Oil Mill				
Sdn. Bhd. (iv)	31,724	13,414	_	_
- Palmgroup Palm Oil Mill Sdn. Bhd. (v)	3,741	_	_	_
- Subur Group (i)	_	7	_	_
Contract income received from				
- R.H. Forest Corporation Sdn. Bhd. (vi)	363	1,232	_	_
- Tapak Megah Sdn. Bhd. (vii)	7,062	4,832	7,062	4,832
Logpond facilities income received				
from Subur Group (i)	1,123	1,508	_	24
Helicopter chartering services provided to				
- Golden Star Ace Sdn. Bhd. (viii)	_	81	_	_
- Rejang Heights Sdn Bhd. (ix)	76	_	_	_
- R.H. Forest Corporation Sdn. Bhd. (vi)	76	_	_	_
- Subur Group (i)	651	744	_	_
Towage and freight charges received				
from Subur Group (i)	_	70	_	_
Commission income received from				
- Perpuluhan Jaya Sdn. Bhd. (ii)	_	1,924	-	1,924
- Subur Group (i)	_	46	_	_
Rental expense paid to subsidiary	_	_	96	116
Charter fee paid to subsidiary	_	_	3,000	2,550
Interest expense paid to subsidiary	_	_	_	25

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33. RELATED PARTY TRANSACTIONS (CONT'D)

(a) Sales and purchases of goods and services (Cont'd)

	Group		Co	mpany
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Purchase of timber products from				
- Subsidiaries	_	_	9,471	13,163
- Binamewah Sdn. Bhd. (x)	14,510	18,107	14,510	18,107
- Perpuluhan Jaya Sdn. Bhd. (ii)	209	151	, <u> </u>	
- R.H. Forest Corporation Sdn. Bhd. (vi)	388	2,250	388	2,250
- Subur Group (i)	405	305	_	
Purchase of raw materials from				
Petanak Enterprises Sdn. Bhd. (xi)	23,367	21,064	_	_
Purchase of machineries, spare parts,	,	,		
fuel and lubricants from				
- All-Round Tyres Sdn. Bhd. (xii)	11	12	_	_
- Rejang Green Agriculture Supplies				
Sdn. Bhd. (xiii)	7	20	_	_
- Rimbunan Hijau Sdn. Bhd. (xiv)	_	430	_	430
- Rimbunan Hijau Auto Services				
Sdn. Bhd. (xv)	_	480	_	_
- Rimbunan Hijau General Trading				
Sdn. Bhd. (iii)	1,322	1,114	458	298
- Tiong Toh Siong & Sons Sdn. Bhd. (xvi)	_	20,911	_	20,885
Purchase of air tickets from R.H. Tours				
and Travel Agency Sdn. Bhd. (xvii)	177	116	85	73
Purchase of power from Subur Group (i)	43	62	43	62
Hiring of equipment from Rimbunan				
Hijau Sdn. Bhd. (xiv)	_	20	_	_
Logpond/office rental paid to				
Tiong Toh Siong & Sons Sdn. Bhd. (xvi)	180	180	180	180
Hotel accommodation paid to				
Regalia Ritz Enterprise Sdn. Bhd. (xviii)	71	44	71	44
Premium paid to				
- Rejang Heights Sdn. Bhd. (ix)	681	314	_	_
- R.H. Forest Corporation Sdn. Bhd.(vi)	249	64	_	_
- Wealth Houses Development Sdn. Bhd. (xix)	306	147	_	_
Purchase of motor vehicles from				
Rimbunan Hijau Auto Services Sdn. Bhd. (xv)	310	_	_	_

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33. RELATED PARTY TRANSACTIONS (CONT'D)

(a) Sales and purchases of goods and services (Cont'd)

Information regarding outstanding balances arising from transactions with subsidiaries as at 30 April 2011 is disclosed in Note 23 and 28.

Details of the relationships of related parties, which have transacted with the Group and the Company are as follows:

(i) Subur Group

Subur Group includes Subur Tiasa Holdings Bhd. ("STSB") and its wholly-owned subsidiaries, namely, Subur Tiasa Plywood Sdn. Bhd., Subur Tiasa Particleboard Sdn. Bhd., Homet Raya Sdn. Bhd. and Trimogreen Sdn. Bhd.

The following major shareholders of the Company have substantial interests in STSB:

- Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King ("Tan Sri THK") direct interest 0.59% and indirect interest 49.26%.
- Tiong Toh Siong Holdings Sdn. Bhd. ("TTSH") direct interest 32.92% and indirect interest 13.3%.
- Teck Sing Lik Enterprise Sdn. Bhd. ("TSLE") direct interest 2.49% and indirect interest 46.77%.

Dato' Tiong Ing, one of the daughters of Tan Sri THK is the Managing Director of Subur Group.

(ii) Perpuluhan Jaya Sdn. Bhd. ("PJSB")

A director of the Company, Tiong Choon, is a common director of PJSB.

The following major shareholders of the Company have substantial interests in PJSB:

- Tan Sri THK direct interest 3.2% and indirect interest 81.2%.
- TTSH direct interest 60%.
- TSLE direct interest 21.2%.

(iii) Rimbunan Hijau General Trading Sdn. Bhd. ("RHGT")

The following major shareholders of the Company have substantial interests in RHGT:

- Tan Sri THK (a director of RHGT) direct interest 2.46% and indirect interest 68.2%.
- TTSH direct interest 49.4%.
- TSLE indirect interest 18.3%.

(iv) R.H. Selangau Palm Oil Mill Sdn. Bhd. ("RHS")

The following major shareholders of the Company have substantial interests in RHS:

- Tan Sri THK (a director of RHS) direct interest 1.64% and indirect interest 78.85%.
- TTSH direct interest 24.59%.
- TSLE direct interest 29.67%.

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33. RELATED PARTY TRANSACTIONS (CONT'D)

(a) Sales and purchases of goods and services (Cont'd)

(v) Palmgroup Palm Oil Mill Sdn. Bhd. ("PPOM")

A director of the Company, Tiong Chiong Hee, is a common director of PPOM and has indirect interest of 34.2%.

Datuk Tiong Thai King, father of Tiong Chiong Hee, is also a director of PPOM and has indirect interest of 34.2%.

(vi) R.H. Forest Corporation Sdn. Bhd. ("RHFC")

A major shareholder of the Company, Tan Sri THK, is a director of RHFC. He has direct interests of 0.5% and indirect interest of 99.5% in RHFC.

TTSH and TSLE, major shareholders of the Company, have direct interests of 30% each in RHFC.

(vii) Tapak Megah Sdn. Bhd. ("TMSB")

Dato' Sri Dr Tiong Ik King, a director of the Company, has direct interest of 7% in TMSB.

Datuk Tiong Thai King, father of Tiong Chiong Hee, is also a director of TMSB and has direct interest of 7%.

The major shareholders of the Company, namely Tan Sri THK, TTSH and TSLE have direct interests of 6%, 41% and 13%, respectively, in TMSB.

(viii) Golden Star Ace Sdn. Bhd. ("GSA")

A director of the Company, Tiong Choon, is a common director of GSA.

A major shareholder of the Company and father of Tiong Choon, Tan Sri THK, is also a director of GSA and has indirect interests of 100%.

(ix) Rejang Heights Sdn. Bhd. ("RHSB")

A major shareholder of the Company, Tan Sri THK, is a director of RHSB. He has direct interests of 1% and indirect interest of 99% in RHSB.

(x) Binamewah Sdn. Bhd. ("BSB")

Dato' Sri Dr Tiong Ik King, a director of the Company, has direct interest of 7% in BSB.

Tiong Chiong Hee, a director of the Company, has indirect interest of 7% in BSB.

Datuk Tiong Thai King, father of Tiong Chiong Hee, is also a director of BSB and has indirect interest of 7%.

The major shareholders of the Company, namely Tan Sri THK, TTSH and TSLE have direct interests of 6%, 41% and 13%, respectively, in BSB.

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33. RELATED PARTY TRANSACTIONS (CONT'D)

(a) Sales and purchases of goods and services (Cont'd)

(xi) Petanak Enterprises Sdn Bhd ("PESB")

The major shareholders of the Company, namely Tan Sri THK and TTSH have indirect interests of 51% each in PESB.

Dato' Tiong Ing and Tiong Chiong Ong, one of the daughters and sons of Tan Sri THK are directors of PESB.

(xii) All-Round Tyres Sdn. Bhd. ("ART")

Tan Sri THK, a major shareholder of the Company, is a director of ART and has direct interest of 2% and indirect interest of 47%.

(xiii) Rejang Green Agriculture Supplies Sdn. Bhd. ("RGA")

A major shareholder of the Company, Tan Sri THK, is a director of RGA and has indirect interest of 100%.

(xiv) Rimbunan Hijau Sdn. Bhd. ("RHSB")

The following major shareholders of the Company have substantial interests in RHSB:

- Tan Sri THK (a director of RHSB) direct interest 0.48% and indirect interest 74.6%.
- Tiong Toh Siong Holdings Sdn. Bhd. direct interest 7.8% and indirect interest 56.6%.
- Teck Sing Lik Enterprise Sdn. Bhd. direct interest 10.2%.

(xv) Rimbunan Hijau Auto Services Sdn. Bhd. ("RHAS")

The directors of the Company, Dato' Sri Dr Tiong Ik King and Tiong Chiong Hee, have direct interest of 10% and indirect interest of 30%, respectively, in RHAS.

The following major shareholders of the Company have substantial interests in RHAS:

- Tan Sri THK indirect interest 50%
- TSLE direct interest 10% and indirect interest 40%.

(xvi) Tiong Toh Siong & Sons Sdn. Bhd. ("TTSS")

A director of the Company, Tiong Choon, is a director of TTSS.

Tan Sri THK, a major shareholder of the Company, is a director of TTSS and has indirect interest of 100%.

(xvii) R.H. Tours and Travel Agency Sdn. Bhd. ("RHTT")

A director of the Company, Tiong Choon, is a common director of RHTT.

Tan Sri THK, a major shareholder of the Company, is a director of RHTT and has direct interest of 11% and indirect interest of 33.3%.

A major shareholder of the Company, TTSH, holds direct interest of 42.8% in RHTT.

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33. RELATED PARTY TRANSACTIONS (CONT'D)

(a) Sales and purchases of goods and services (Cont'd)

(xviii) Regalia Ritz Enterprise Sdn. Bhd. ("RRE")

A director of the Company, Tiong Choon and Tan Sri THK (major shareholder of the Company and father to Tiong Choon) are directors of RRE.

A major shareholder of the Company, TTSH, holds the entire equity interest in RRE.

(xix) Wealth Houses Development Sdn. Bhd. ("WHD")

Tan Sri THK, a major shareholder of the Company, is a director of WHD and has indirect interest of 85%.

A major shareholder of the Company, TTSH, holds direct interest of 25% and indirect interest of 30% in WHD.

Information regarding outstanding balances arising from transactions with related parties as at 30 April 2011 are as follows:-

	Related parties	Nature of transactions	Outstanding balances
(i)	Subur Tiasa Holdings Bhd.	 Towage and freight charges received Contract to supply of transportation services General trading Contract for the supply of logpond facilities 	2011:RM3,317,157 (2010: RM2,119,875)
(i)	Subur Tiasa Plywood Sdn. Bhd.	Sale of the timber products	2011: RM2,142,010 (2010: RM129,522)
(i)	Subur Tiasa Particleboard Sdn. Bhd.	Sale of the timber products	2011: Nil (2010: Nil)
(i)	Homet Raya Sdn. Bhd.	Received power supply income	2011: RM882,787 (2010: RM513,216)
(i)	Trimogreen Sdn. Bhd.	Purchase of timber products	2011: Nil (2010: Nil)
(ii)	Perpuluhan Jaya Sdn. Bhd.	Sale of power supplyPurchase and sale of timber products	2011: RM325,725 (2010: RM1,605,108)
(iii)	Rimbunan Hijau General Trading Sdn. Bhd.	Purchase of spare parts, fuel and lubricants, chemicals and servicing and maintenance, sale of timber products	2011: RM513,990 (2010: RM528,398)
(iv)	R.H. Selangau Palm Oil Mill Sdn. Bhd.	Sale of fresh fruit bunches	2011: RM2,956,060 (2010: RM1,635,519)
(v)	Palmgroup Palm Oil Mill Sdn. Bhd.	Sale of fresh fruit bunches	2011: RM3,740,878 (2010: Nil)

for the financial year ended 30 April 2011

33. RELATED PARTY TRANSACTIONS (CONT'D)

(a) Sales and purchases of goods and services (Cont'd)

	Related parties	Nature of transactions	Outstanding balances
(vi)	R.H. Forest Corporation Sdn. Bhd.	 Contract income received Supply of transportation services Purchase of timber products Premium paid 	2011: RM6,984,690 (2010: RM15,365,451)
(vii)	Tapak Megah Sdn. Bhd.	Log extraction contract fees received	2011: RM774,220 (2010: RM762,915)
(viii)	Golden Star Ace Sdn. Bhd.	Supply of transportation services	2011: Nil (2010: RM81,000)
(ix)	Rejang Heights Sdn. Bhd.	Premium paid on fresh fruit bunches of oil palm produced and harvested and transportation services	2011: RM735,574 (2010: RM65,074)
(x)	Binamewah Sdn. Bhd.	Log purchase	2011: RM9,501,507 (2010:RM4,205,395)
(xi)	Petanak Enterprises Sdn. Bhd.	Purchase of raw materials	2011: RM2,578,623 (2010: RM1,510,352)
(xii)	All-Round Tyres Sdn. Bhd.	Purchase of machineries, spare parts, fuel and lubricants	2011: Nil (2010: Nil)
(xiii)	Rejang Green Agriculture Supplies Sdn. Bhd.	Purchase of chemicals	2011: RM3,991 (2010: RM1,492)
(xiv)	Rimbunan Hijau Sdn. Bhd.	Purchase of machineries, spare parts, fuel and lubricants	2011: RM889,778 (2010: RM689,798)
(xv)	Rimbunan Hijau Auto Services Sdn. Bhd.	Purchase of motor vehicles and spare parts	2011: Nil (2010: Nil)
(xvi)	Tiong Toh Siong & Sons Sdn. Bhd.	Purchase of machineries, spare parts, fuel and lubricants, logpond/office rental	2011: Nil (2010: Nil)
(xvii)	RH Tours & Travel Agency Sdn. Bhd.	Purchase of air tickets	2011: RM70,044 (2010: RM22,499)
(xviii)	Regalia Ritz Enterprise Sdn. Bhd.	Hotel accommodation, annual dinner	2011: RM28,330 (2010: RM6,640)
(xix)	Wealth Houses Development Sdn. Bhd.	Premium paid on fresh fruit bunches of oil palm produced and harvested	2011: RM70,112 (2010: RM124,530)

for the financial year ended 30 April 2011

33. RELATED PARTY TRANSACTIONS (CONT'D)

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	G	roup	Cor	mpany
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Short-term employee benefits Post-employment benefits:	3,971	2,868	3,403	2,488
Defined contribution plan	459	328	382	288
	4,430	3,196	3,785	2,776
Included in total key management personnel are:				
Directors' remuneration	1,035	1,034	1,035	1,034

34. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

(a) Cash and bank deposits, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short term nature.

(b) Trade receivables and trade payables

The carrying amounts of trade receivables and trade payables approximate their fair values because they are subject to normal trade credit terms.

(c) Amounts due from/to related companies

The carrying values of amounts due from/to related companies approximate their fair values due to the short term nature.

(d) Loans and borrowings

The carrying values of bank borrowings and term loans approximate their fair values as they bear interest rates which approximate the current incremental borrowing rates for similar types of lending and borrowing arrangements.

(e) Derivatives

The fair values of cross currency swaps, forward currency contracts and commodity futures contracts are the amounts that would be payable or receivable on termination of the outstanding position arising and are determined by reference to the difference between the contracted rate and forward exchange rates or commodity prices quoted at the reporting date for contracts with similar maturity profiles.

for the financial year ended 30 April 2011

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

(f) Financial guarantees

Fair value is determined based on the probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- The likelihood of the guaranteed party defaulting within the guaranteed period;
- The exposure on the portion that is not expected to be recovered due to the guaranteed party's default;
- The estimated loss exposure if the party guaranteed were to default.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The Group's overall risk management strategy seeks to minimise potential adverse effects of financial performance of the Group. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and commodity price risk.

Financial risk management policies are reviewed and approved by the Board of Directors and executed by the management of the respective operating units. The Group Risk Management Committee provides independent oversight to the effectiveness of the risk management process.

During the year, the Group and the Company entered into cross currency swaps, forward currency contracts and commodity futures contracts. Control and monitoring procedures include, amongst others, setting of trading limits and the manner and timing of management reporting. Such derivative trading is also under the close supervision of an executive director. These control procedures are periodically reviewed and enhanced where necessary in response to changes in market conditions.

The following sections provide details regarding the Group and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. At the reporting date, the Group and the Company's exposure to credit risk arises primarily from trade and other receivables.

The Group and the Company manage their credit risk by trading only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis and the Group and the Company's exposure to bad debts is not significant. Since the Group and the Company trade only with recognised and creditworthy third parties, there is no requirement for collateral.

Exposure to credit risk

At the reporting date, the Group and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position, including derivatives with positive fair values. There was no significant concentration of credit risk with any entity.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired and ageing analysis are disclosed in Note 23. Management believes that no additional credit risk beyond that provided for is inherent in the Group and the Company's trade and other receivables.

for the financial year ended 30 April 2011

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet their financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group adopts a prudent approach to managing its liquidity risk. The Group always maintains sufficient cash and cash equivalents, and has available funding through a diverse source of committed and uncommitted credit facilities from various banks.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
2011				
Group Financial liabilities: Trade and other payables,				
excluding financial guarantees *	184,718	_	_	184,718
Loans and borrowings	276,650	536,872	122,920	936,442
Derivatives				
- Cross currency swap	8,059	_	_	8,059
Total undiscounted financial liabilities	469,427	536,872	122,920	1,129,219
Company				
Financial liabilities:				
Trade and other payables,				
excluding financial guarantees*	616,226	_	_	616,226
Loans and borrowings	158,648	26,893	-	185,541
Derivatives				
- Cross currency swap	8,059	-	_	8,059
Total undiscounted financial liabilities	782,933	26,893	-	809,826

^{*} At the reporting date, the counterparties to the financial guarantees do not have a right to demand cash as the defaults have not occurred. Accordingly, financial guarantees under the scope of FRS 139 are not included in the above maturity profile analysis.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group and the Company's financial instruments will fluctuate because of changes in market interest rates.

As the Group and the Company have no significant interest-bearing financial assets, the Group and the Company's income and operating cash flows are substantially independent of changes in market interest rates.

for the financial year ended 30 April 2011

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Interest rate risk (Cont'd)

The Group and the Company's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group and the Company to cash flow interest rate risk. Borrowings obtained at fixed rates expose the Group and the Company to fair value interest rate risk.

Interest on financial instruments at fixed rates are fixed until the maturity of the instruments. The other financial instruments of the Group and of the Company that are not shown above are not subject to interest rate risks.

The Group's policy is to manage interest cost using a mix of fixed and floating rate borrowings.

Sensitivity analysis for interest rate risk

At the reporting date, it is estimated that a 20 basis points increase in interest rate, with all other variables held constant, would decrease the Group's profit net of tax by approximately RM1,045,604 (2010: RM1,005,358), arising mainly as a result of higher interest expense on net floating borrowing position. A decrease in interest rate would have had the equal but opposite effect on the aforesaid amount, on the basis that all other variables remain constant.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group and the Company have exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising from normal trading activities. It is the Group's policy to hedge these risks where the exposures are certain and cost-efficient.

The currency giving rise to this risk is primarily United States Dollars (USD). Exposure to foreign currency risk is monitored on an on-going basis to ensure that the exposure is at an acceptable level.

The Group and the Company use forward currency contracts to minimise the currency exposures arising from sales and purchases after a firm commitment has been entered. It is the Group's policy not to enter into forward contracts until firm commitment is in place.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group and the Company's profit net of tax to a reasonably possible 5% strengthening of the USD exchange rates against the functional currency of the Group and the Company, with all other variables held constant.

		roup net of tax		mpany net of tax
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
United States Dollars	4,030	2,199	1,624	2,471

A 5% weakening of the above foreign currencies against the underlying functional currencies at the reporting date would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

for the financial year ended 30 April 2011

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(e) Commodity price risk

Commodity price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in commodity prices.

The Group is exposed to commodity price risk arising from the commodity futures contracts entered into to hedge its forecasted sales of Crude Palm Oil ("CPO"). Changes in the spot and forward prices of CPO will cause corresponding changes in the fair value of the commodity futures contracts.

These instruments are classified as fair value through profit or loss.

Sensitivity analysis for commodity price risk

At the reporting date, if the value of the derivatives as stated below had been 5% higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM5,900,000 higher/lower, arising as a result of higher/lower fair value of commodity future contracts, and the Group's retained earnings would have been higher/lower by the same amount, arising as a result of an increase/decrease in the fair value of the aforementioned commodity futures contracts.

36. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that it maintains healthy capital ratios to support its business and maximise shareholder value. No changes were made in the objective, policies and processes during the years ended 30 April 2011 and 2010.

The Group reviews its capital structure and makes adjustments to reflect economic conditions, business strategies and future commitments on a continuous basis.

The Group monitors capital using a gearing ratio. The gearing ratio is calculated as loans and borrowings divided by equity attributable to owners of the parent.

The Group and the Company are in compliance with all externally imposed capital requirements in respect of certain external borrowings for the financial years ended 30 April 2011 and 2010.

		G	Group	Cor	mpany
	Notes	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Loans and borrowings Less: Cash and	27	769,301	800,999	181,021	197,588
bank balances	26	(44,490)	(39,748)	(1,390)	(3,992)
Net debt		724,811	761,251	179,631	193,596
Equity attributable to owners of the parent		1,248,232	1,104,037	669,019	569,867
Capital and net debt		1,973,043	1,865,288	848,650	763,463
Gearing ratio		37%	41%	21%	25%

for the financial year ended 30 April 2011

37. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- i. Logs trading extraction and sales of logs and development and maintenance of planted forests;
- ii. Manufacturing manufacturing and trading of sawn timber, plywood, veneer, blockboard and laminated wood;
- iii. Oil palm development of oil palm plantation and its related activities; and
- iv. Others mainly comprise the provision of air transportation services and investment holding.

Except as indicated above, no operating segment has been aggregated to form the above reportable operating segments.

Segmental operating results are reviewed on a regular basis by the Group's key management personnel in order to make decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss before tax.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

for the financial year ended 30 April 2011

	_	1			•	100	đ		Adjustn	Adjustments and	1	Percor	Per consolidated
	2011 2011 RM'000	2011 2010 \$100 RM'000	줊	Maintiacturing 2011 2010 1'000 RM'000	2011 RM'000	11 2010 00 RM'000	2011 RM'000	Outers 11 2010 30 RM'000	2011 RM'000	011 2010 000 RM:000	Notes	2011 RM'000	2011 2010 RM'000 RM'000
Revenue: External customers Inter-segment	296,584 398,038	330,862 409,281	356,206 70,026	336,681 60,375	217,177 92,142	77,250 25,569	945	1,208	(565,783)	- (489,636)	∢	870,912	746,001
Total revenue	694,622	740,143	426,232	397,056	309,319	102,819	6,522	5,619	(565,783)	(499,636)		870,912	746,001
Results: Interest income	18	13	4 6	4	24	5		44	1 6	1		46	92
Dividend income Depreciation and amortisation	50,451	49,838	90,000 19,495	20,576	6,109	3,505	3,946	3,713	(90,000)	2,485		82,259	80,117
Segment profit/(loss)	150,078	30,083	(11,887)	4,448	107,060	21,584	61,219	(1,962)	(100,428)	(14,117)		206,042	40,036
Assets: Additions to non-current assets Segment assets	39,880 1,961,148	37,499 1,325,551	2,641 1,007,716	2,645 1,255,196	178,197 1,292,565	174,102 1,117,211	6 61,802	367 60,525	686 (2,023,665)	745 (1,601,657)	шU	221,410 2,299,566	215,358 2,156,826
Segment liabilities	1,078,872	568,333	422,614	559,004	917,876	819,389	114,215	177,994	(1,491,178)	(1,079,596)	Ω	1,042,399	1,045,124

for the financial year ended 30 April 2011

37. SEGMENT INFORMATION (CONT'D)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

- A Inter-segment revenues are eliminated on consolidation.
- B Additions to non-current assets consist of:

	2011 RM'000	2010 RM'000
Property, plant and equipment Biological assets	71,338 150,072	71,324 144,034
	221,410	215,358

C The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2011 RM'000	2010 RM'000
Deferred tax assets Inter-segment assets	15,236 (2,038,901)	16,566 (1,618,223)
	(2,023,665)	(1,601,657)

D The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2011 RM'000	2010 RM'000
Deferred tax liabilities	77,328	42,757
Income tax payable	2,993	227
Loans and borrowings	769,301	800,999
Inter-segment liabilities	(2,340,800)	(1,923,579)
	(1,491,178)	(1,079,596)

for the financial year ended 30 April 2011

37. SEGMENT INFORMATION (CONT'D)

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Re	venue	Non-cı	irrent assets
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Malaysia	870,912	746,001	1,912,376	2,081,482
Brazil	-	-	7,924	11,785
Other countries	-	-	33	40
	870,912	746,001	1,920,333	2,093,307

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position.

	2011 RM'000	2010 RM'000
Property, plant and equipment	686,273	692,047
Land use rights	61,924	63,165
Investment properties	3,292	3,322
Other intangible assets	74,395	90,988
	825,884	849,522

38. DIVIDENDS

	Group and	l Company
	2011 RM'000	2010 RM'000
ecognised during the financial year:		
ividends on ordinary shares:		
irst and final dividend for 2010: 1.5 sen		
2009: Nil) per share	4,004	_

for the financial year ended 30 April 2011

38. DIVIDENDS (CONT'D)

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 30 April 2011 of 6% less 25% taxation on ordinary shares in issue (net of treasury shares) at book closure date, amounting to a dividend payable of RM12,014,000 (4.5 sen net per ordinary share), will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 April 2012.

39. COMPARATIVE FIGURES

Certain comparative figures have been restated to conform with the current year's presentation:

	As		A -
	previously stated	Adjustments	As restated
	RM'000	RM'000	RM'000
Group			
Стоир			
Property, plant and equipment	659,877	32,170	692,047
Land use rights	95,335	(32,170)	63,165
Prepaid timber rights	90,424	(90,424)	_
Other intangible assets	564	90,424	90,988
Trade and other receivables	193,186	(2,415)	190,771
Other current assets	_	14,699	14,699
Tax recoverable	12,284	(12,284)	_
Company			
Property, plant and equipment	240,165	4,296	244,461
Land use rights	4,327	(4,296)	31
Prepaid timber rights	80,645	(80,645)	_
Other intangible assets	562	80,645	81,207
Trade and other receivables	44,889	411,032	455,921
Amount due from related companies	411,117	(411,117)	_
Other current assets	-	3,046	3,046
Tax recoverable	2,961	(2,961)	_
Trade and other payables	(72,034)	(677,096)	(749,130)
Amount due to related companies	(677,096)	677,096	_

40. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 30 April 2011 were authorised for issue in accordance with a resolution of the directors on 22 August 2011.

supplementary information

41. BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained profits of the Group and of the Company as at 30 April 2011 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group 2011 RM'000	Company 2011 RM'000
Total retained profits of the Company and its subsidiaries: - Realised - Unrealised	895,185 (45,543)	171,144 (20,567)
Less: Consolidation adjustments	(124,858)	_
Retained profits as per financial statements	724,784	150,577

analysis of shareholdings

as at 10 August 2011

Authorised share capital : RM1,000,000,000 Issued and fully paid-up share capital : RM282,528,499 Class of share : "

Class of share : Ordinary share of RM1-00 each Voting Rights : 1 vote per ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	%	No. of Shares Held	%
Less than 100	189	9.76	7,317	0.00
100 – 1,000	287	14.82	177,344	0.07
1,001 – 10,000	1,120	57.82	3,277,195	1.23
10,001 – 100,000	254	13.11	7,410,269	2.77
100,001 – 13,349,151				
(less than 5% of issued shares)	81	4.18	134,110,071	50.23
13,349,152				
(5% and above of issued shares)	6	0.31	122,000,846	45.70
TOTAL	1,937	100.00	266,983,042*	100.00

Excluding a total of 15,545,457 shares bought-back by the Company and retained as treasury shares.

TOP 30 SECURITIES ACCOUNT HOLDERS

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

No.	Name	No. of Shares Held	%
1	RHB Capital Nominees (Asing) Sdn Bhd		
	RHB Bank (L) Ltd for Genine Chain Limited	33,350,846	12.49
2	EB Nominees (Tempatan) Sendirian Berhad		
	Pledged Securities Account for Tiong Toh Siong Holdings Sdn Bhd	25,000,000	9.36
3	CIMSEC Nominees (Tempatan) Sdn Bhd		
	The Bank of Tokyo-Mitsubishi UFJ Ltd Singapore for Asanas Sdn Bhd	18,000,000	6.74
4	EB Nominees (Tempatan) Sendirian Berhad		
	Pledged Securities Account for Amanas Sdn Bhd	17,000,000	6.37
5	Malaysia Nominees (Tempatan) Sendirian Berhad		
	Pledged Securities Account for Tiong Toh Siong Holdings Sdn Bhd	15,000,000	5.62
6	RHB Capital Nominees (Tempatan) Sdn Bhd		
	Pledged Securities Account for Tiong Toh Siong Holdings Sdn Bhd	13,650,000	5.11
7	Tiong Toh Siong Holdings Sdn Bhd	12,005,767	4.50
8	Asanas Sdn Bhd	9,733,125	3.65
9	Insan Anggun Sdn Bhd	9,054,125	3.39
10	HSBC Nominees (Asing) Sdn Bhd Gold Palace Profits Limited	8,941,477	3.35

analysis of shareholdings as at 10 August 2011

No.	Name	No. of Shares Held	%
11	Nustinas Sdn Bhd	8,623,125	3.23
12	HSBC Nominees (Asing) Sdn Bhd Double Universal Limited	6,477,809	2.43
13	Mayban Nominees (Asing) Sdn Bhd DBS Bank for Bloomswick Ltd	5,330,239	2.00
14	HSBC Nominees (Asing) Sdn Bhd		
	Exempt An for Credit Suisse (HK BR-TST-ASING)	5,210,800	1.95
15	HSBC Nominees (Asing) Sdn Bhd		
	Exempt An for JPMorgan Chase Bank, National Association		
	(JPMINTL BK LTD)	4,954,849	1.86
16	CitiGroup Nominees (Asing) Sdn Bhd		
	Exempt An for UBS AG Singapore (Foreign)	3,514,669	1.32
17	RHB Capital Nominees (Asing) Sdn Bhd		
	RHB Bank (L) Ltd for Gold Palace Profits Limited	3,500,000	1.31
18	Pertumbuhan Abadi Asia Sdn Bhd	3,329,655	1.25
19	Amanas Sdn Bhd	3,120,625	1.17
20	Huang Tiong Sii	3,094,000	1.16
21	Kenanga Nominees (Tempatan) Sdn Bhd		
	Pledged Securities Account for Tiong Thai King	2,968,996	1.11
22	Huang Tiong Sii	2,856,600	1.07
23	Diong Hiew King @ Tiong Hiew King	2,801,738	1.05
24	Cartaban Nominees (Asing) Sdn Bhd		
	Exempt An for Credit Agricole (Suisse) SA, Singapore (Trust Account)	2,704,600	1.01
25	Tiong Toh Siong Enterprises Sdn Bhd	2,682,225	1.00
26	Zaman Pemimpin Sdn Bhd	2,275,845	0.85
27	CIMSEC Nominees (Asing) Sdn Bhd		
	Bank of Singapore Limited for Profit Centre Asset Management Limited	2,214,050	0.83
28	Olive Lim Swee Lian	1,768,000	0.66
29	HSBC Nominees (Asing) Sdn Bhd		
	Exempt An for Credit Suisse (SG BR-TST-ASING)	1,290,450	0.48
30	Wong Kieh Nguk	1,218,846	0.46

SUBSTANTIAL SHAREHOLDERS BASED ON THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Dire	ect	Indi	rect
	No. of		No. of	
Name	Shares Held	%	Shares Held	%
Tiong Toh Siong Holdings Sdn Bhd	65,655,767	24.59	926,494(a)	0.35
Genine Chain Limited	33,350,846	12.49	27,733,125(b)	10.39
Asanas Sdn Bhd	27,733,125	10.39		
Amanas Sdn Bhd	20,120,625	7.54		
Double Universal Limited	6,477,809	2.43	37,797,875(c)	14.16
Tan Sri Datuk Sir Tiong Hiew King	2,816,321	1.05	72,997,341(d)	27.34
Teck Sing Lik Enterprise Sdn Bhd	403,200	0.15	69,264,486(e)	25.94
Ho Cheung Choi			61,083,971(f)	22.88
Chang Meng			61,083,971(f)	22.88
Ho Sau Ling, Ella			44,275,684(g)	16.58
Tomoyuki Tatsuno			44,275,684(g)	16.58

analysis of shareholdings

as at 10 August 2011

Notes: -

- a. Deemed interested by virtue of its substantial shareholdings in Tiong Toh Siong & Sons Sdn Bhd and Kuntum Enterprises Sdn Bhd.
- b. Deemed interested by virtue of its substantial shareholding in Asanas Sdn Bhd.
- c. Deemed interested by virtue of its substantial shareholdings in Insan Anggun Sdn Bhd, Nustinas Sdn Bhd and Amanas Sdn Bhd.
- d. Deemed interested by virtue of his substantial shareholdings in Teck Sing Lik Enterprise Sdn Bhd, Tiong Toh Siong Holdings Sdn Bhd, Tiong Toh Siong Enterprises Sdn Bhd, Tiong Toh Siong & Sons Sdn Bhd, Pertumbuhan Abadi Asia Sdn Bhd and Kuntum Enterprises Sdn Bhd.
- e. Deemed interested by virtue of its substantial shareholdings in Tiong Toh Siong Holdings Sdn Bhd, Tiong Toh Siong Enterprises Sdn Bhd, Tiong Toh Siong & Sons Sdn Bhd and Kuntum Enterprises Sdn Bhd.
- f. Deemed interested by virtue of their substantial shareholdings in Genine Chain Limited.
- g. Deemed interested by virtue of their substantial shareholdings in Double Universal Limited.

DIRECTORS' SHAREHOLDINGS BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDING

Shares held in the Company

	Dire	ect	Indi	rect
	No. of		No. of	
Name	Shares Held	%	Shares Held	%
Gen (Rtd) Tan Sri Abdul Rahman				
bin Abdul Hamid	_	_	_	_
Dato' Sri Tiong Chiong Hoo	1,064,583	0.40	_	_
Dato' Sri Dr. Tiong Ik King	108,505	0.04	_	_
Mdm Tiong Choon	_	_	445,725*	0.17
Mr Tiong Chiong Hee	_	_	_	_
Mr John Leong Chung Loong	_	_	_	_
Ms Wong Lee Yun	_	_	_	_
Datuk Talib Bin Haji Jamal	_	_	_	_

^{*} Deemed interested in shares held by her spouse.

Shares held in Subsidiary Company

None of the Directors holds any shares in subsidiary Company.

properties owned by the group

		SIA	

Description	Tenure	Existing use	Land Area	Approximate age of building	Net Book Value as at 30-Apr-11 (RM'000)	% of consolidated total assets	Date of Acquisition
Tanjung Ensurai, Sibu							
Engkilo L.D. Blk 8 Lot 804	Leasehold land expiring on 05.09.2062	Factory, warehouse and staff quarter	sq metres 112,256	24 years	1966	1.4%	19-Jun-96
Sibu O.T.838 1-Jan-97	Leasehold land expiring on 31.12.2024						
Sibu Grant No. 2383	Leasehold land expiring on 31.12.2018	Factory, warehouse and staff quarter	157,746 sq metres	19 years	7315	5.1%	31-Mar-93
Engkilo L.D.Blk 8 Lot 803	Leasehold land expiring on 05.09.2062						31-Mar-93
Sibu O.T 655 and 837	Leasehold land expiring on 31.12.2024			-			31-Mar-93
Engkilo L.D Blk 8 Lot 819	Leasehold land expiring on 31.12.2911	Vacant Agricultre land	8966 sq metres	-	27	0.0%	24-Mar-04
Sibu O.T.12262	Leasehold land expiring on 13.06.2027	Vacant Agricultre land	16,183 sq metres	-	144	0.1%	26-Jul-00
Putai, Kapit							
Concession land		Factory, warehouse and staff quarter		19 years	8953	6.3%	-
Sibu Town District Blk 10 Lots 650 & 520 (Sub 120-132)	Pending issuance of Land Title	Building	103,943 sq metres	8 years	15605	10.9%	30-Apr-05
Salim, Sibu							
Seduan L.D. Blk 10 Lot 1393	Leasehold land expiring on 31.12.2915	warehouse	19,981 sq metres	13 years	2492	1.7%	14-Nov-95
Ulu Oya Raod, Sibu							
Seduan L.D. Blk 10 Lot 1161	Leasehold land expiring on 07.08.2054	semi-detached residential house	430.2 sq metres	15 years	120	0.1%	19-Oct-99

properties owned by the group

Description	Tenure	Existing use	Land Area	Approximate age of building	Net Book Value as at 30-Apr-11 (RM'000)	% of consolidated total assets	Date of Acquisition
Tanjung Manis, Sarikei							
Sare L.D. Blk 3, Lot 25	Rented land exipiring on 22.09.2052	Factory, warehouse and staff quarter	209,756 sq metres	13 years	53 20521	0.0%	-
Sare L.D. Blk 3, Lot 71, 86 and 87	Freehold land	Vacant Agriculture land	40,961 sq metres	-	307	0.0%	19-Jan-98
Sare L.D. Blk 3 Lot 138	Leasehold land expiring on 19.06.2062	Vacant Industrial land	15,699.50 sq metres	-	1618	1.1%	1-Sep-02
Sare L.D. Blk 3, Lot 135, 136,137 and 52	Freehold land	Vacant Agriculture land	46,578 sq metres	-	327	0.0%	1-Sep-03
Sare L.D. Blk 3, Lot 53,54,56,57, 58,59,60 and 61	Freehold land	Vacant Agriculture land	230,747 sq metres	-	623	0.4%	14-Nov-96
Sungei Terus, Niah, Miri							
Lot 161, Suai Land District	Provisional leasehold expiring on 6.12.2060	Oil Palm Estate	23,629,286 sq metres	-	1576	1.1%	30-Apr-01
District	expiring on 6.12.2000	Building & Quarter	Sq metres		2253	1.6%	
Lot 934, Niah Land District	Provisional leasehold expiring on 6.12.2060	Oil Palm Estate	26,369,203 sq metres	-	1724	1.2%	30-Apr-01
District	expiring on 0.12.2000	Building & Quarter	34 menes		4505	3.1%	
Retus, Mukah Lot 1, Block 362 Oya-Dalat District	Leasehold land expiring on 23.2.2063	Oil Palm Estate	72,331,816 sq metres	-	2298	1.6%	28-Aug-03
oya balar bisinor	expiring on Esteleous	Building & Quarter	oq monoo		9999	7.0%	
Lot 9, Block 362 Oya-Darat District	Leasehold land expiring on 23.2.2063	Oil Palm Estate	34,547,957 sq metres	-	4822	3.4%	28-Aug-03
Oya-Darat District	expiring on 25.2.2005	Building & Quarter	34 menes		4502	3.1%	
Pulau Bruit, Daro, Mukah							
Lot 5 Block 11 Bruit LD Lot 6 Block 11 Bruit LD	Provisional leasehold expiring on 18.05.2064	Oil Palm Estate	100,002,946 sq metres	-	6426	4.5%	9-Dec-04
Lot 8 Block 11 Bruit LD	expiring on 16.05.2004	Building & Quarter	54 menes		264	0.2%	
Lot 92 Block 6 Bruit LD Lot 93 Block 6 Bruit LD Lot 96 Block 6 Bruit LD Lot 98 Block 6 Bruit LD	Provisional leasehold expiring on 18.05.2064	Vacant Agriculture land	50,001,473 sq metres	-	3217	2.2%	9-Dec-04

properties owned by the group

Description	Tenure	Existing use	Land Area	Approximate age of building	Net Book Value as at 30-Apr-11 (RM'000)	% of consolidated total assets	Date of Acquisition
OT 30632 Pulau Bruit Land District	Provisional leasehold expiring on 30.10.2038	Vacant Agriculture land	16.17 Acres	-	35	0.0%	1-May-07
LOT 920 & 1373, Block 16, Seduan Land District	Provisional leasehold expiring on 31.12.2015	Agriculture land Building & Quarter	1.12 hactares	-	2740 23556	1.9% 16.5%	14-Mar-08 31-May-08
Sungai Pantak, Batang Iga	an, Sibu						
Lot 3418, Pasai-Siong Land District	Leasehold land expiring on 31.012.2068	Vacant Agriculture land	33,791 sq metres	-	80	0.1%	28-Jun-04
Sungai Buloh, Oya Lot 113, Block 7 Oya-Dalat Land District	Leasehold land expiring on 11.04.2036	Vacant Agriculture land	8,660 sq metres	-	29	0.0%	12-Aug-05
Kuching							
Lot 269, Salat Land District Kasuma Resort Condo	Leasehold land	U 1901 & U 1902 Condominium	9150 sq feet	5 year	1584	1.1%	10-Sep-05
Lot 9961, Block 16 Kuching Central Land District	Three-Storey Shophouse		167.4 Sq meters	4 year	1708	1.2%	1-Apr-08
Lot 22, 26 & 27 Borneo Highland	BUNGALOW LOTS	Vacant		2 year	4296	3.0%	22-Dec-09
Brazil Selvaplac Verde Ltda							
Moju, Para M. 4199, F.99, L.2-AV	Freehold Rural Land		1,160.000 hectares		52	0.0%	1-Jul-97
Portel, Para M.951, F.99, L. 2	Freehold Forest Land		7,090.000 hectares		1098	0.8%	1-Jul-97
Icoaraci, Para Ind. Plant (M. 473, L.2-AM)	Freehold	Factory building	47,076 sq.metres		5458	3.8%	1-Jul-97
Icoaraci, Para M.236, F.236, L.2-GV, M.47, F.47, L.2-GV	Freehold Urband land		106,323 sq.metres		817	0.6%	1-Jul-97

NOTICE IS HEREBY GIVEN that the Fifty-First Annual General Meeting of the Company will be held at the Auditorium, Ground Floor, No.62, Lorong Upper Lanang 10A, 96000 Sibu, Sarawak on Thursday, 29 September 2011 at 12.00 noon for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

To receive the Audited Financial Statements for the financial year ended 30 April 2011 together with the Reports of the Directors and Auditors thereon.
 To declare a first and final dividend of 6% less tax for the financial year ended 30 April Resolution 2

3. To re-elect the following Directors who retire by rotation pursuant to Article 78 of the Company's Articles of Association: -

i. Dato' Sri Tiong Chiong Hoo
 ii. Mr Tiong Chiong Hee
 iii. Mr John Leong Chung Loong
 Resolution 4
 Resolution 5

4. To consider and if thought fit, pass the following resolution:-

"THAT Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid, retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the next Annual General Meeting."

5. To approve the payment of Directors' fees for the financial year ended 30 April Resolution 7 2011.

6. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration.

AS SPECIAL BUSINESS

7. To consider and if thought fit, pass the following resolutions:-

ORDINARY RESOLUTIONS

(i) Proposed Renewal of Authority for the Company to Purchase its Own Shares ("Proposed Share Buy-Back")

Resolution 9

Resolution 6

"THAT subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and any other relevant authorities, the Directors be and are hereby authorised to utilise an amount not exceeding the total audited share premium and retained profits of the Company as at 30 April 2011 of RM282 million and RM150.6 million respectively to purchase such number of ordinary shares of the Company provided that the ordinary shares so purchased shall [in aggregate with the treasury shares as defined under section 67A of the Act then still held by the Company] not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being;

AND THAT such authority shall commence upon the passing of this resolution until the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting;

AND THAT authority be and is hereby given to the Directors to decide in their absolute discretion to either retain the ordinary shares purchased by the Company pursuant to the Proposed Share Buy-Back as treasury shares subsequently to be distributed as share dividends or resold on Bursa Malaysia, or to cancel the shares so purchased, or a combination of both **AND FURTHER THAT** the Directors be and are hereby authorised to act and to take all steps and do all things as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Share Buy-Back with full power to assent to any conditions, modifications, variations and amendments as may be imposed by the relevant authorities."

(ii) Proposed Shareholders' Mandate for Recurrent Related Party Transactions

"THAT approval be and is hereby given to the Company and/or its subsidiary companies to enter into any of the recurrent related party transactions of a revenue or trading nature as set out in Section 2.2 of Part B of the Circular to Shareholders dated 7 September 2011 with specific classes of Related Parties which are necessary for the day-to-day operations and in the ordinary course of business on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders;

AND THAT such mandate shall commence upon the passing of this resolution until the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting;

AND THAT the Directors of the Company be authorised to complete and do all such acts and things as they may consider expedient or necessary to give full effect to the transactions authorised by this resolution."

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

Resolution 10

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT the first and final dividend of 6% less tax for the financial year ended 30 April 2011, if approved at the Fifty-First Annual General Meeting, will be paid on 25 November 2011 to Depositors whose names appear in the Record of Depositors on 10 November 2011.

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

- Securities deposited into the Depositor's securities account before 12.30 p.m. on 8 November 2011 in respect of securities exempted from mandatory deposit;
- b) Securities transferred into the Depositor's securities account before 4.00 p.m. on 10 November 2011 in respect of transfers; and
- Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

JAYA TIASA HOLDINGS BERHAD

NGU UNG HUONG (MAICSA 7010077) Company Secretary

Sibu, Sarawak 7 September 2011

NOTES ON APPOINTMENT OF PROXY

- 1. A member of the Company entitled to attend and vote at the meeting is also entitled to appoint one or more proxies in his/her stead. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- 2. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- 3. The instrument appointing a proxy must be deposited at the Company's Registered Office at No.1-9, Pusat Suria Permata, Lorong Upper Lanang 10A, 96000 Sibu, Sarawak not less than forty-eight (48) hours before the time for holding the meeting or at any adjournment thereof.
- 4. If the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of its attorney. If the proxy form is executed by an attorney, supporting documents has to be produced on the day of the Annual General Meeting for verification by the Company Secretary.

EXPLANATORY NOTES ON SPECIAL BUSINESS

- (a) Proposed Renewal of Authority for the Company to Purchase its Own Shares
 - The Proposed Ordinary Resolution No. 9 if passed, will authorise the Company to purchase up to 10% of the issued and paid-up share capital of the Company through Bursa Malaysia Securities Berhad.
- (b) Proposed Shareholders' Mandate for Recurrent Related Party Transactions
 - The Proposed Ordinary Resolution No. 10 if passed, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions involving the interests of Related Parties, which are of a revenue or trading nature necessary for the Group's day-to-day operations and the transactions being carried out are in the ordinary course of business on terms not to the detriment of the minority shareholders of the Company.
- (c) Please refer to the Circular to Shareholders dated 7 September 2011 which is circulated together with this Annual Report for further information on the Proposed Share Buy-Back and the Proposed Shareholders' Mandate for Recurrent Related Party Transactions.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

The Directors standing for re-election pursuant to Article 78 of the Company's Articles of Association are:-

- (a) Dato' Sri Tiong Chiong Hoo
- (b) Mr Tiong Chiong Hee
- (c) Mr John Leong Chung Loong

The Director standing for re-appointment pursuant to Section 129(6) of the Companies Act, 1965, is Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid.

The profiles of the above Directors are set out in the section entitled 'Directors' Profile' on pages 5 to 8. Their shareholdings in the Company are set out in the section entitled 'Analysis of Shareholdings' on pages 136 to 138.



PROXY FORM



Number of shares held									
CDS Account No.		-		-					

I/We	(FULL NAME IN BLOCK LETTERS)		
as my/o	NRIC No NRIC No Pur proxy/proxies to attend and vote for me/us and on my/our behalf at the npany to be held at the Auditorium, Ground Floor, No.62, Lorong Upper Lary, 29 September 2011 at 12.00 noon and at any adjournment thereof.	Fifty-First Annual	General Meeting of
	,,		
	RESOLUTIONS	FOR	AGAINST
No.1		FOR	AGAINST
No.1	RESOLUTIONS Adoption of the Audited Financial Statements for the financial year ended 30	FOR	AGAINST
	RESOLUTIONS Adoption of the Audited Financial Statements for the financial year ended 30 April 2011 together with the Reports of the Directors and Auditors thereon. Declaration of a first and final dividend of 6% less tax for the financial year	FOR	AGAINST
No.2	RESOLUTIONS Adoption of the Audited Financial Statements for the financial year ended 30 April 2011 together with the Reports of the Directors and Auditors thereon. Declaration of a first and final dividend of 6% less tax for the financial year ended 30 April 2011.	FOR	AGAINST
No.2 No.3	RESOLUTIONS Adoption of the Audited Financial Statements for the financial year ended 30 April 2011 together with the Reports of the Directors and Auditors thereon. Declaration of a first and final dividend of 6% less tax for the financial year ended 30 April 2011. Re-election of Dato' Sri Tiong Chiong Hoo.	FOR	AGAINST
No.2 No.3 No.4	RESOLUTIONS Adoption of the Audited Financial Statements for the financial year ended 30 April 2011 together with the Reports of the Directors and Auditors thereon. Declaration of a first and final dividend of 6% less tax for the financial year ended 30 April 2011. Re-election of Dato' Sri Tiong Chiong Hoo. Re-election of Mr Tiong Chiong Hee.	FOR	AGAINST
No.2 No.3 No.4 No.5	RESOLUTIONS Adoption of the Audited Financial Statements for the financial year ended 30 April 2011 together with the Reports of the Directors and Auditors thereon. Declaration of a first and final dividend of 6% less tax for the financial year ended 30 April 2011. Re-election of Dato' Sri Tiong Chiong Hoo. Re-election of Mr Tiong Chiong Hee. Re-election of Mr John Leong Chung Loong.	FOR	AGAINST
No.2 No.3 No.4 No.5 No.6	RESOLUTIONS Adoption of the Audited Financial Statements for the financial year ended 30 April 2011 together with the Reports of the Directors and Auditors thereon. Declaration of a first and final dividend of 6% less tax for the financial year ended 30 April 2011. Re-election of Dato' Sri Tiong Chiong Hoo. Re-election of Mr Tiong Chiong Hee. Re-election of Mr John Leong Chung Loong. Re-appointment of Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid.	FOR	AGAINST
No.2 No.3 No.4 No.5 No.6 No.7	RESOLUTIONS Adoption of the Audited Financial Statements for the financial year ended 30 April 2011 together with the Reports of the Directors and Auditors thereon. Declaration of a first and final dividend of 6% less tax for the financial year ended 30 April 2011. Re-election of Dato' Sri Tiong Chiong Hoo. Re-election of Mr Tiong Chiong Hee. Re-election of Mr John Leong Chung Loong. Re-appointment of Gen (Rtd) Tan Sri Abdul Rahman Bin Abdul Hamid. Approval of Directors' Fees for the financial year ended 30 April 2011.	FOR	AGAINST

	Number of shares he	eld	
First proxy			
Second proxy			
Total			
Dated this	day of	2011	Signature / Common Seal of Member

- If you do not wish to appoint the Chairman of the Meeting as your proxy/one of your proxies, please strike out the words "the Chairman of the Meeting" and insert the name(s) of the proxy/proxies you wish to appoint in the blank space provided.
- ** Please delete as applicable.

Notes

- 1. A member of the Company entitled to attend and vote at the meeting is also entitled to appoint one or more proxies in his/her stead. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- 2. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- 3. The instrument appointing a proxy must be deposited at the Company's Registered Office at No.1-9, Pusat Suria Permata, Lorong Upper Lanang 10A, 96000 Sibu, Sarawak not less than forty-eight (48) hours before the time for holding the meeting or at any adjournment thereof.
- 4. If the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of its attorney. If the proxy form is executed by an attorney, supporting documents has to be produced on the day of the Annual General Meeting for verification by the Company Secretary.



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STAMP

The Secretary

JAYA TIASA HOLDINGS BERHAD

No.1-9, Pusat Suria Permata, Lorong Upper Lanag 10A, 96000 Sibu, Sarawak, Malaysia.

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