100 Years of establishment

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY
990261-M

INCORPORATED IN SCOTLAND

100TH ANNUAL REPORT 2009

Gold is the colour that associates with wealth and prosperity. This colour signifies the old soul of IKK yet a very bold spirit for an even brighter and more sustainable future ahead. By having the willpower to emerge from turbulent challenges and to endure valuable experiences, we gain courage and confidence to stand strong over the past ten decades. The cover is kept simple yet elegant, representing our voice as a legacy that had a very humble beginning, having weathered through countless storms and celebrated many glorious days to become the company that we are today.

This is a celebration to be proud of. As a family of quite a few generations by now, we carry high hopes and great ambitions to making another 100 years of triumphs through mobilising our resources and energies based on a common direction, lasting commitment and solid foundation.

Foreword

Dear Valued Shareholders,

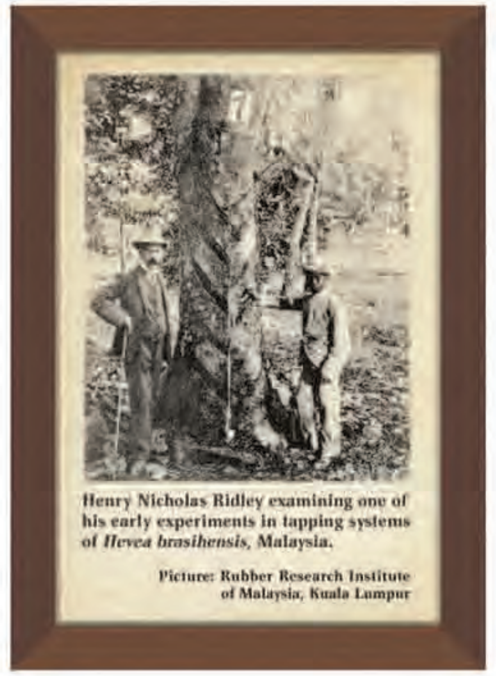
It gives us great pleasure to present the 100th Annual Report of Inch Kenneth Kajang Rubber Public Limited Company ("IKK").

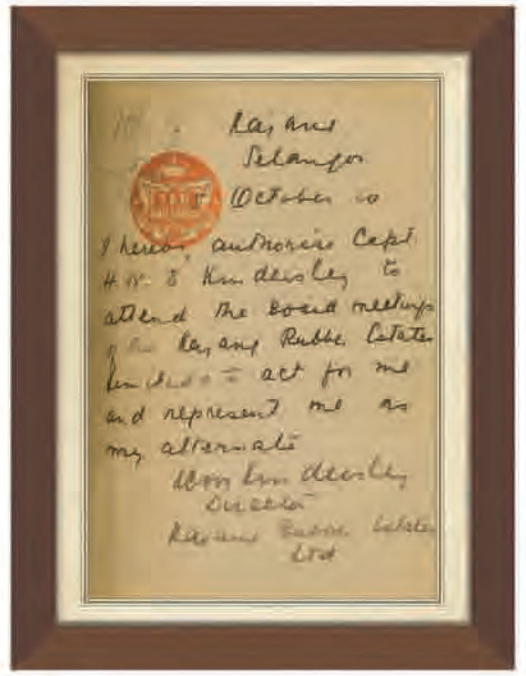
We were the first to plant rubber as a commercial enterprise in Malaya back in 1896. Over the past century, the Company had endured world wars, depression and economic recession, commodities slump, oil crisis, crop diseases, insurgency, confrontation and fight for independence. Yet, it remained intact and came out of it all without a scratch simply because the Company's value was always backed up by assets and gearing always remained negligible.

Over the years, we have gone from growing coffee to rubber to oil palm. We have also gone into other businesses such as hospitality, via our subsidiary company, and construction, via our associate company. Recently we have gone into the mid stream rubber products with the purchase of a manufacturing company in Thailand, where rubber industry is booming. Based on the current scenario, we will, in the near future, go into property development, a natural transition for most of the plantation companies in Malaysia. We foresee the expected returns from this sector to be quite substantial as our property location is very strategic. We will, however, maintain plantation as our core business, as we intend to use a major portion of the proceeds from the impending sale of our Bangi land to purchase green and brown field plantation, and plantation related businesses within the Asean region.

It is therefore in our vision that the IKK Group of Companies will be a much bigger corporate entity in the near future as we strongly believe that there is always room to grow. The doors of opportunities will open, not only for those who seek, but mainly for those who are well prepared.

Stay with us, and witness the new era of IKK.





Founder The Honorary Mr. Ronald Charles Murray Kindersley

Ronald Charles Murray Kindersley was born in 1870, at Carisbrooke, Isle of Wight, before his family moved to Scotland. He studied at Edinburgh Academy and acquired business principles knowledge in an accountant's office before enlisting in the Black Watch regiment and served in it for three years.

Kindersley played a great part in the pioneering of rubber industry in Malaya when he and his brother came to the Malay State in 1893. They acquired planting experience on a coffee estate near Kuala Lumpur. A year later, they opened up Inch Kenneth Estate in Kajang as a coffee plantation. In 1896, after obtaining supply of rubber plants from Mr. H. N. Ridley of the Botanical Gardens, Singapore, they planted five acres of them on the coffee estate. This became the first rubber plantation field in the country.

R.C.M. Kindersley was among the first Directors on board of Kajang Rubber Estates, Limited when the Company was incorporated on 14 June 1910.

He was appointed Chairman of the Planters' Association of Malaya in 1917-1918 and served on Trade Commission body in 1921. He retired and returned to England in 1929, and later died of pneumonia on 8 March 1939, in London, at the age of 68.

Milestones

Inch Kenneth Rubber Estates, Ltd, in Kajang, Selangor, was initially opened as a coffee plantation in 1894 by the Kindersley brothers from Scotland. In 1896, as rubber industry began to develop, they planted five acres of rubber trees on the coffee estate, and subsequently turned it into rubber plantation. The Company was generally credited with being the first to plant rubber on a commercial scale in Malaya.

On 20 May 1904, Inch Kenneth Rubber Estates, Ltd, was floated on Edinburgh Stock Exchange, United Kingdom.

Inch Kenneth Kajang Rubber Public Limited Company

Date	Description
14 June 1910	Kajang Rubber Estates, Limited was incorporated with a capital of £75,000 sterling divided into 75,000 shares of £1 each with power to increase or reduce the capital. The purpose of incorporation was for acquiring properties in Kajang, Selangor namely - Sungei Reko Estate, Kajang Town Estate and Raja Allang Estate which belonged to Inch Kenneth Rubber Estates, Ltd, Carey United, Ltd and Glenshiel Rubber Estates, Ltd. The first Board of Directors were David Harris as Chairman, Henry Moubray Cadell, Arthur Galbraith Thornton, William Greenhill, and Ronald Charles Murray Kindersley. Nature of business was planting rubber trees, trading rubber and manufacturing of rubber products.
4 October 1910	First Directors Statutory Meeting held at the Company's registered office in Edinburgh to announce the issue of 36,534 shares was fully subscribed, bringing the issued capital of the Company to £50,000.
27 April 1911	First Annual General Meeting held in Edinburgh to adopt the accounts for the period 31 December 1910. The property's acreage increased from 1,900 at the formation of the Company to 2,292 acres. A further increased in capital by an issue of 25,000 shares was carried out.
18 April 1912	Second Annual General Meeting was held. More lands were acquired bringing the estate to 2,487 acres. Share capital increased to £75,000.
17 June 1912	David Harris, the first Chairman, passed away. William Greenhill was appointed as the next Chairman on 10 July 1912.
2 July 1914	Inch Kenneth Rubber Estates, Ltd was awarded silver medal in Class I at the London Exhibition.
28 July 1933	Extraordinary meeting to announce the amalgamation of Kajang Rubber Estates, Limited and Inch Kenneth Rubber Estates, Ltd with an issue of 50,000 £1 shares with 15s. per share credited as paid and adopted its new name - Inch Kenneth Kajang Rubber Limited. The two companies had been conducted as one since 1 July 1933.
29 May 1940	Listed on Main Market of London Stock Exchange.
20 August 1957	The purchase of Kemasul Rubber Estates - 455-hectare freehold estate in Mengkarak, Pahang.

Date	Description
15 March 1972	Sale of 1,000 acres division which contained tin ore. The Company, being foreign and classified as agricultural, was not allowed to be turned into an industrial site.
8 March 1973	Straits Trading Co Limited became the beneficial owner of 1,156,500 shares (28%). Its representative, Mr. Charles Hooley Fell, was appointed as Director on 6 June 1973.
1974	Started replanting 111 acres of Kajang Dunedin estate with oil palm.
15 April 1974	Listed on Main Board of Bursa Securities Malaysia Berhad (then known as Kuala Lumpur Stock Exchange).
28 April 1978	EGM to announce that future Board meetings would be held, and the Company be controlled in Malaysia, on condition that an attorney be appointed in UK and security be given for payment of income tax. The Royal Bank of Scotland PLC remained as Principal Registrars and was authorised to issue share certificates. Registered office in Malaysia was 5th Floor Straits Trading Building, 4 Leboh Pasar Besar, Kuala Lumpur and Malayan Tin Smelting and Finance Company Sdn Bhd was appointed as Branch Registrars and Secretaries.
5 September 1978	OCBC group of companies held 44.10% shares of issued capital.
4 March 1982	Re-registration of the Company as a public limited company and its name changed to - Inch Kenneth Kajang Rubber Public Limited Company. The Company had both oil palm and rubber, the latter being a major help in the Company's growth.
29 April 1982	OCBC Group increased its holding to 45.05%.
31 October 1983	Sale of Kemasul Rubber Estates to Kuala Lumpur Kepong Berhad.
30 June 1984	Sale of 600 acres of Kajang land to Malaysian Resources Corporation Berhad.
3 September 1988	The Stock Exchange of Singapore allowed the Company's shares to be traded in smaller lots of 200 shares each in addition to the existing 1,000 share lots.
August 1990	Bonus Issue of 4,125,000 new ordinary shares to increase the capital to 8,250,000 shares of 10 pence each.
20 February 1993	The Straits Trading Co Ltd sold 2,471,666 shares representing 29.96% of issued shares. Charles William Tresise and Dr. Ng Wing Kong resigned as Directors. Tan Sri Haji Abdul Kadir Talib and Haji Mohamed Ariff Taib were appointed as new Directors together with I.T. Johnstone and Syed Yassin Syed Abdul Kadir.

Date	Description
13 April 1993	Malayan Tin Smelting Company Sdn Bhd resigned as the Company Secretaries, Agents and Registrars. Mestika Projek (M) Sdn Bhd was appointed as Malaysian Branch Registrars.
25 April 1994	The Company's wholly owned subsidiary, Common Focus (M) Sdn Bhd ("Common Focus"), acquired 70% interest in Perhentian Island Resort Sdn Bhd ("PIR") - a company operating a beautiful island resort located just off the coast of Kuala Besut in Terengganu.
3 April 1998	Computershare Investor Services PLC was appointed as Principal Registrars as a result of an acquisition of the Registrars Division of The Royal Bank of Scotland PLC.
25 August 2001	The Company received the approval to convert its 350 acres Kajang land from plantation to mixed development.
16 November 2001	The Company entered into a conditional Sale & Purchase Agreement (SPA) with the Purchaser, a wholly-owned subsidiary of Island & Peninsular Berhad, for the disposal of a portion of three (3) parcels of freehold land held under Geran 44133 Lot No. 5319, 571 and 1196 in the Mukim of Semenyih, District of Ulu Langat, Selangor, measuring approximately 405.636 acres.
7 June 2002	Common Focus acquired 100% interest in PIR.
28 June 2004	The Company announced a Bonus Issue of 412,500,000 new ordinary shares of 10p each on the basis of fifty (50) bonus shares for every one (1) existing ordinary share. The authorised share capital of the Company increased from 10,000,000 shares to 1,000,000,000 shares of 10p each.
30 December 2004	Concrete Engineering Products Berhad became an associate company when IKK's shareholding in it increased to 20.02%.
16 May 2005	Both Kajang and Bangi lands were revalued to RM7.02psf and RM5.79psf respectively, giving the total revalued value of both lands to RM258 million.
27 August 2007	600 acres Bangi land acquired the approval for conversion to mixed development status.
24 August 2009	The Company entered into a Share Sale Agreement to acquire 1,000,000 ordinary shares of RM1.00 each representing 100% equity interest in the issued and paid-up share capital of Innobird (M) Sdn Bhd for a purchase consideration of RM8,300,000.
30 October 2009	Common Focus entered into a Share Sale Agreement to acquire 2,431,623 ordinary shares of RM1.00 each representing 100% equity interest in the issued and paid-up share capital of Motel Desa Sdn Bhd, together with 50,000 ordinary shares of RM1.00 each of Motel Desa's wholly owned subsidiary, Actualpadu Tours Sdn Bhd, for a purchase price of RM18.5 million.

CONTENTS




NOTICE IS HEREBY GIVEN THAT the One Hundredth Annual General Meeting of the Company will be held at Auditorium Integriti, Aras 2, Institut Integriti Malaysia, Persiaran Duta, Off Jalan Duta, 50480 Kuala Lumpur on Tuesday, 22 June 2010 at 10.00 a.m. for the following purposes:

Resolution 1 To receive and adopt the audited financial statements for the year ended 31 December 2009 and the Reports of the Directors and Auditors thereon.

Resolution 2 To approve the payment of Directors' fees in respect of the year ended 31 December 2009.

Resolution 3 To re-elect Datuk Kamaruddin bin Awang who retires under Article 91 of the Company's Articles of Association and being eligible, offers himself for re-election.

Resolution 4 To re-elect Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman who retires under Article 91 of the Company's Articles of Association and being eligible, offers himself for re-election.

Resolution 5 To re-elect Dr. Radzuan bin A. Rahman who retires under Article 86 of the Company's Articles of Association and being eligible, offers himself for re-election.

Resolution 6 To re-appoint Messrs UHY Hacker Young LLP, as Auditors of the Company and to authorise the Directors to fix their remuneration.

AS SPECIAL BUSINESS - SPECIAL RESOLUTION
To consider and if thought fit, to pass the following Special Resolution:

Resolution 7 **PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY ("IKKR" OR "THE COMPANY") OF ITS OWN SHARES**

"THAT, subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company and the requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be generally and unconditionally authorised to make market purchases (within the meaning of Section 163(3) of the UK Companies Act 1985) of ordinary shares of 10p each in the capital of the Company ("IKKR Shares") provided that:

(a) the maximum number of IKKR Shares hereby authorised to be purchased is 42,075,000 (representing 10% of the Company's issued ordinary share capital at 25 May 2010);

(b) the maximum amount of funds to be allocated by the Company shall not exceed the audited retained profits and the share premium account of the Company as at 31 December 2009 of RM9,152,798 and RM8,434 respectively;

(c) the minimum price, exclusive of any expenses, which may be paid for an IKKR Share is the prevailing market share price;

(d) the maximum price, exclusive of any expenses, which may be paid for any such share is an amount not more than 15% above the weighted average share price for the five (5) market days immediately preceding the date of the purchase(s);

(e) upon the full implementation of the Proposed Share Buy-Back, the Directors of the Company be and hereby authorised to decide in their absolute discretion to either retain the IKKR Shares purchased by the Company pursuant to the Proposed Share Buy-Back ("Purchased Shares") as treasury shares to be resold on the stock exchanges where IKKR Shares are listed; or the Purchased Shares may be cancelled; or the Purchased Shares may in part be retained as treasury shares and the remainder cancelled;

(f) the authority hereby conferred shall be in force immediately upon the passing of this resolution until the earlier of 21 December 2011 (the date which is 18 months after the meeting) or the close of the next annual general meeting of the Company or the authority is revoked or varied by ordinary resolution passed by the shareholders in a general meeting; and

(g) the Company may make a contract for the purchase of IKKR Shares under this authority before the expiry of this authority which would or might be executed wholly or partly after the expiry of such authority, and may make purchases of IKKR Shares in pursuance of such a contract as if such authority had not expired.

To transact any other business of which due notice shall have been given.

By order of the Board

LEE THAI THYE (LS 0000737)
Company Secretary

Kuala Lumpur, Malaysia
1 June 2010

Notes:

1. A member of the Company entitled to attend and vote is entitled to appoint a proxy or proxies with a maximum of two (2) to attend and vote in his stead. A proxy need not be a member of the Company.

2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or signed by an officer or attorney duly authorised.

3. Where a member appoints more than one proxy, the appointment shall not be valid unless he specifies the proportion of his holding to be represented by each proxy.

4. The instrument appointing a proxy must be deposited at the Registrar's Office, 22nd Floor Menara Promet, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof. For shareholders residing outside Malaysia, the Proxy Form could also be forwarded by fax at +603 2141 9650 or email to chrislee@ikkr.com.my.

BOARD OF DIRECTORS

Dato' Adnan bin Maaruf
Non-Independent Director/Executive Chairman

Datuk Kamaruddin bin Awang
Independent Non-Executive Director

Dato' Haji Muda bin Mohamed
Independent Non-Executive Director

Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman
Independent Non-Executive Director

Dr. Radzuan bin A. Rahman
Independent Non-Executive Director

Tengku Mohamed Fauzi bin Tengku Abdul Hamid
Independent Non-Executive Director

Alan Maitland Dewar McWilliam
Alternate Director to Tengku Mohamed Fauzi bin Tengku Abdul Hamid

AUDIT COMMITTEE

Datuk Kamaruddin bin Awang
Chairman

Dato' Haji Muda bin Mohamed
Member

Tengku Mohamed Fauzi bin Tengku Abdul Hamid
Member

COMPANY SECRETARY

Lee Thai Thye (LS 0000737)

UK COMPANY NUMBER
SC007574

MALAYSIA COMPANY NUMBER
990261-M

STOCK EXCHANGE LISTINGS
- Bursa Malaysia Securities Berhad
- London Stock Exchange plc
- Singapore Exchange Securities Trading Limited

REGISTERED OFFICE IN UK
No. 2 Lochrin Square
96 Fountainbridge
Edinburgh EH3 9QA, Midlothian
United Kingdom
Tel: 44 0131 226 5541
Fax: 44 0131 226 2278

PRINCIPAL REGISTRAR IN UK
Computershare Investor Services PLC
P.O. Box 82, The Pavillions
Bridgwater Road, Bristol BS99 7NH
United Kingdom
Tel: 44 0870 702 0003
Fax: 44 0870 703 6101

AUDITORS
UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW
United Kingdom

PRINCIPAL OFFICE IN MALAYSIA
22nd Floor Menara Promet
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50250 Kuala Lumpur
Malaysia
Tel: 603-2144 4446
Fax: 603-2141 8463

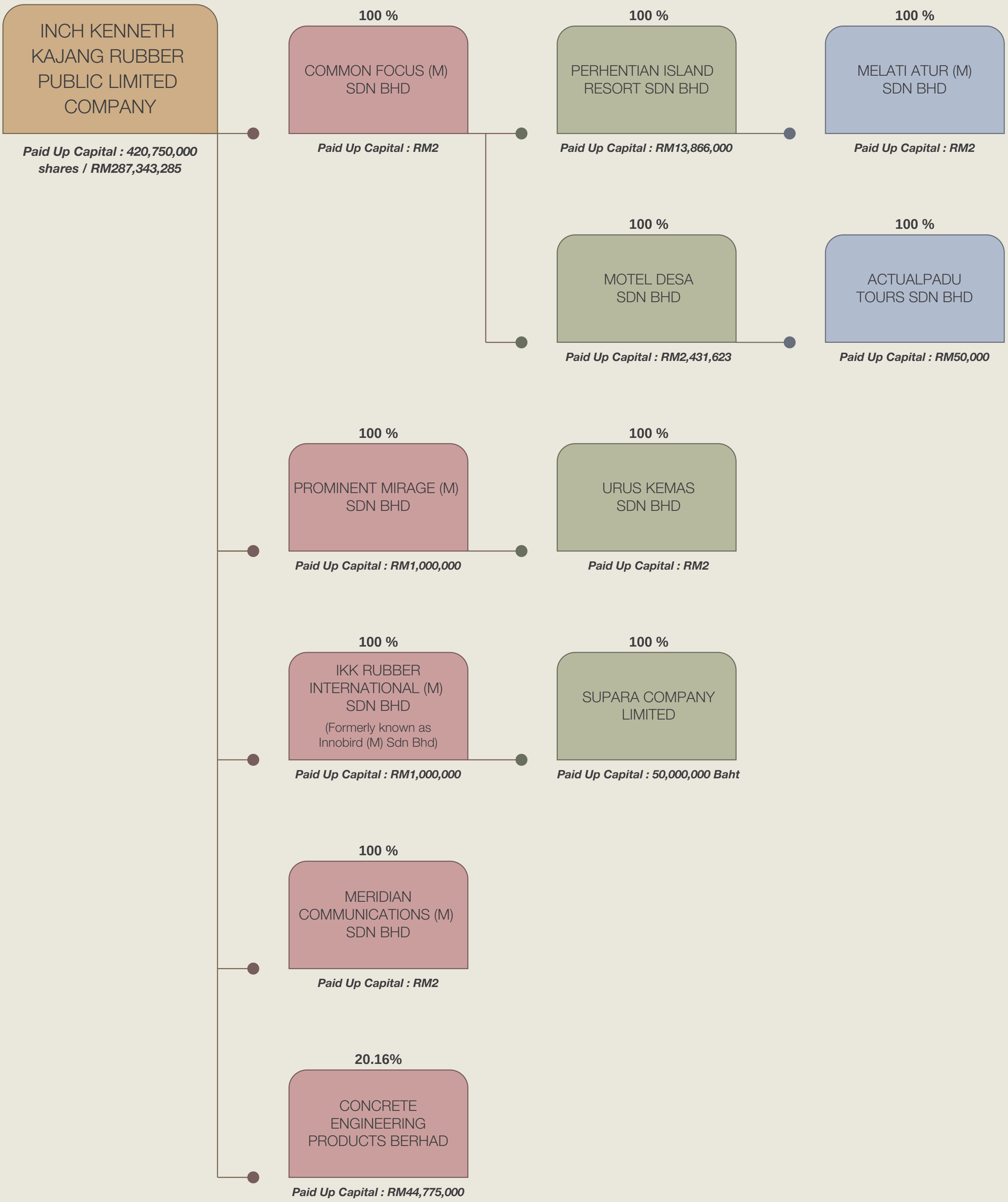
REGISTRAR IN MALAYSIA
Mestika Projek (M) Sdn Bhd (225545-V)
22nd Floor Menara Promet
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Tel: 603-2144 4446
Fax: 603-2141 8463

WEBSITE
www.ikkr.com.my

MANAGING AGENTS
Sime Darby Seeds and Agricultural Services Sdn Bhd (44603-H)
14th Floor Wisma Consplant 1
No. 2 Jalan SS 16/4
47400 Subang Jaya
Selangor, Malaysia

PRINCIPAL BANKERS
- Kuwait Finance House (Malaysia) Berhad, Malaysia
- Bank Islam Malaysia Berhad, Malaysia
- OCBC Bank (Malaysia) Berhad, Malaysia
- RHB Bank Berhad, Malaysia
- CIMB Bank Berhad, Malaysia

Corporate Structure



DATO' ADNAN BIN MAARUF

Non-Independent Director
Executive Chairman
Malaysian, aged 67

Dato' Adnan bin Maaruf was appointed to the Board on 22 April 2000.

He graduated from University of Malaya with a Bachelor of Arts (Honours) degree and a Masters in Management from AIM Philippines. He started his career in the Government sector and after 18 years, became the Deputy Secretary General in the Ministry of National and Rural Development. He then became the Managing Director of Mara Holdings Sdn Bhd for 5 years. Subsequently, he became the Chairman of Malaysia Cooperative Insurance Society (MCIS) for 10 years.

He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He attended all the Board Meetings held in the financial year ended 31 December 2009.

He has had no convictions for any offences within the past 10 years.

DATUK KAMARUDDIN BIN AWANG

Independent Non-Executive Director
Chairman of Audit Committee
Malaysian, aged 61

Datuk Kamaruddin bin Awang was appointed to the Board on 17 July 2009. He is the Chairman of the Audit Committee.

He obtained his Bachelor of Commerce and Administration from Victoria University of Wellington, New Zealand in 1973. He is a member of the Chartered Accountant of New Zealand (ACA) and Institute of Chartered Secretaries & Administrator, UK since 1977. He is also a member of the Malaysian Institute of Accountants (MIA) from 1982. He was the Executive Chairman of Metacorp Berhad and had previously held directorships in a few listed companies.

He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He attended two (2) of the Board Meetings held in the financial year ended 31 December 2009.

He has had no convictions for any offences within the past 10 years.

DATO' HAJI MUDA BIN MOHAMED

Independent Non-Executive Director
Member of the Audit Committee
Malaysian, aged 66

Dato' Haji Muda bin Mohamed was appointed to the Board on 15 February 2000. He is also a member of the Audit Committee.

He graduated with a Diploma in Civil Engineering and subsequently a Bachelor of Science (Honours) degree. A Fellow in the Institution of Engineers Malaysia, he started his career as an engineer in two government agencies and an international oil company. After 13 years, he joined Sime UEP Properties Bhd and left 10 years later after becoming its Operation Director. He then went on to TTDI Development Sdn Bhd, and after 7 years, left after serving as its Group Chief Executive Officer. He is now an Executive Chairman of a company dealing in civil engineering contracting jobs. He does not sit on the board of any other listed company.

He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He attended four (4) of the Board Meetings held in the financial year ended 31 December 2009.

He has had no convictions for any offences within the past 10 years.

TAN SRI DATO' BENTARA ISTANA NIK HASHIM BIN NIK AB. RAHMAN

Independent Non-Executive Director
Malaysian, aged 67

Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman was appointed to the Board on 2 November 2009.

He started his career in the Government service in 1963 as a Clerical Officer and later as a Police Inspector until 1968 when he read law at the Inner Temple London as a Barrister-at-Law. In 1970 he joined the Judicial and Legal Service where he served 25 years in various posts: Magistrate, President Sessions Court, Deputy Director Legal Aid Bureau, Deputy Public Prosecutor, State Legal Advisor Terengganu, Senior Federal Counsel, Deputy Parliamentary Draftsman, Director General, Judicial and Legal Training Institute and Chairman, Advisory Board.

From 1995 to 2009 he served as a Judicial Commissioner and a Judge of the High Court, Court of Appeal and the Federal Court until his retirement on 1 July 2009.

He was a member of the Royal Police Force Commission from 2004 to 2008. He has been a member of the Syariah Appeal Court Kelantan since 1998 and an Adjunct Professor in the Faculty of Law and International Relations University Darul Iman from 1 February 2009 to 31 January 2011. He also sits on the Board of Olympia Industries Berhad and Baswell Resources Berhad and two private companies.

He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He attended one (1) of the Board Meetings held in the financial year ended 31 December 2009.

He has had no convictions for any offences within the past 10 years.

DR. RADZUAN BIN A. RAHMAN

Independent Non-Executive Director
Malaysian, aged 67

Dr. Radzuan bin A. Rahman was appointed to the Board on 24 March 2005.

He graduated with a Bachelor in Agricultural Science from University Malaya, and later pursued his Masters in Science and Doctorate in Resource Economics at Cornell University. He was a lecturer and Dean at the faculty of Resource Economics and Agribusiness, Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia) until March 1980. He then went to Sime Darby Plantations Berhad and in 1984, joined Golden Hope Plantations Berhad as a Director of Corporate Planning and worked his way up to be Group Director of the plantation division. He was later appointed as the Managing Director of Island & Peninsular Berhad and Austral Enterprises Berhad and retired in 2004. He was a Director of Fraser & Neave Holdings Berhad. He also sits on the boards of Idaman Unggul Berhad, Kuwait Finance House (Malaysia) Berhad, Kulim (Malaysia) Berhad and several private companies.

He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He attended four (4) of the Board Meetings held in the financial year ended 31 December 2009.

He has had no convictions for any offences within the past 10 years.

TENGKU MOHAMED FAUZI BIN TENGKU ABDUL HAMID

Independent Non-Executive Director
Member of the Audit Committee
Malaysian, aged 58

Tengku Mohamed Fauzi bin Tengku Abdul Hamid was appointed to the Board on 23 January 2009. He is also a member of the Audit Committee.

He is the founding partner of the law firm Messrs Tengku Mohamed & Alan Lim, Kuala Lumpur, and has been practising as Corporate and Commercial Lawyer since 1985. He is currently a Non-Independent Non-Executive Director in Formosa Prosonic Industries Berhad and Chairman of Crawford & Company Insurance Adjusters (Malaysia) Sdn Bhd, part of the global company Crawford & Co which is listed on the New York Stock Exchange.

He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He attended four (4) of the Board Meetings held in the financial year ended 31 December 2009.

He has had no convictions for any offences within the past 10 years.

ALAN MAITLAND DEWAR MCWILLIAM

Alternate Director to Tengku Mohamed Fauzi bin Tengku Abdul Hamid
Scottish, aged 57

Alan Maitland Dewar McWilliam was appointed to the Board on 16 February 2009.

He graduated from Oxford University with a Bachelor of Arts degree and subsequently a Masters of Arts degree from the same university. He also has a LLB from Edinburgh and was admitted as a Solicitor in Scotland in 1980 and later Writer to the Signet in 1982. He was a partner in a firm in Scotland for 14 years before starting his own sole principal practice for the past 10 years. He does not hold a Director's position in any other listed entity.

He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He did not attend any of the Board Meetings held in the financial year ended 31 December 2009.

He has had no convictions for any offences within the past 10 years.

DIRECTORS STANDING FOR RE-ELECTION AT THE ONE HUNDREDTH ANNUAL GENERAL MEETING

i. Pursuant to Article 91:
   - Datuk Kamaruddin bin Awang
   - Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman

ii. Pursuant to Article 86:
   - Dr. Radzuan bin A. Rahman

Dear Valued Shareholders,

On behalf of the Board of Inch Kenneth Kajang Rubber Public Limited Company, I present herewith the One Hundredth Annual Report and Financial Statements of the Company and the Group for the financial year ended 31 December 2009.

PERFORMANCE REVIEW

The Group recorded a profit before taxation ("PBT") of RM1.483 million for the financial year ended 31 December 2009 as compared to the preceding year ended 31 December 2008 loss before taxation of RM1.459 million. The increase is mainly attributable to a higher share of profit from the associate company, Concrete Engineering Products Berhad ("Cepco") of RM5.727 million (2008: loss RM0.177 million). The Group holds 20.16% of Cepco shares as at 31 December 2009 (2008: 24.65%). For the year under review, Cepco has recorded a significant profit of RM24.712 million as compared to a loss of RM0.718 million in 2008. Despite the rise of its main raw materials, particularly steel, improvements in operational efficiency and competitive pricing has contributed significantly towards achieving the better results of Cepco.

The Group's turnover remains almost the same at RM17.582 million in 2009 (2008: RM17.550 million), as the Group's plan to embark in new plantation areas and property development has yet to materialise.

The plantation division's revenue decreased to RM2.761 million in the 2009 financial year as compared with RM4.073 million in the previous financial year due to a decrease of 30.4% in price for fresh fruits bunches ("FFB"). On its tourism division, Perhentian Island Resort delivered a higher revenue growth of 5.35% in 2009 to RM6.031 million, driven by 11% increase in the average room rate and 6% increase in number of rooms sold. Overall, the total profit before tax of the resort improved strongly by 194.1% to RM1.259 million from RM0.430 million in 2008, due to aggressive marketing activities and management efforts in cost efficiency.

CORPORATE DEVELOPMENT

On 24 August 2009 the Company entered into a Share Sale Agreement to acquire 1,000,000 ordinary shares of RM1 each, representing 100% of the equity interest in the issued and paid-up share capital of Innobird (M) Sdn Bhd ("Innobird"), now known as IKK Rubber International (M) Sdn Bhd, for a purchase consideration of RM8,300,000. Innobird is the beneficial owner of 5,000,000 ordinary shares of Thai Baht Ten (THB 10) each, comprising the entire issued and paid up share capital of Supara Company Limited ("Supara"), a private company limited by shares incorporated in Thailand with its principal business in producing constant viscosity (CV) rubber blocks in Thailand. This acquisition was completed on 24 August 2009. In 2009, these companies contributed a turnover of RM7.704 million from August to December 2009 with a profit before taxation of RM0.753 million.

On 30 October 2009 the Company entered into a Share Sale Agreement through its wholly owned subsidiary, Common Focus (M) Sdn Bhd, to acquire 2,431,623 ordinary shares of RM1 each, representing 100% of the equity interest in the issued and paid-up share capital of Motel Desa Sdn Bhd together with 50,000 ordinary shares of RM1 each of Motel Desa's wholly owned subsidiary, Actualpadu Tours Sdn Bhd ("Actual Padu"). The purchase price was determined later on 23 November 2009 to be RM18,500,000. This acquisition was completed on 22 December 2009 and therefore did not contribute to the Group's revenue and profits for 2009.

FUTURE OUTLOOK

The Group's financial performance for the forthcoming year, again, will largely be dependent on its plan to dispose the 600 acres of land near Bangi. We have been receiving encouraging responses from respectable parties and we hope the deal that we have been eagerly waiting for can come to a final conclusion.

For the year 2010, the Group's future will depend on the oil palm, rubber and tourism. The outlook for palm oil prices continues to remain strong in view of the global oils and fats tightness, coupled with the increase in vegetable oils demand amid the improving global economic situation (www.mpob.gov.my). Similarly, the near-term outlook for the rubber market is still encouraging. The combination of inclement weather and firm crude oil prices would play a major role in terms of price determination, while sustained demand in a tight supply situation is expected to support the market (www.lgm.gov.my).

In the tourism sector, prospects for the services sector are expected to remain favourable, as the Government continues to intensify its efforts in developing the sector as the key driver of growth. A total of RM200 million was allocated to upgrade tourism infrastructure, diversify tourism products, improve the homestay programme as well as host more international conferences and exhibitions (Economic Report 2009/2010).

In property, the Group has yet to start developing the Kajang land due to the various outstanding issues with the few compulsory acquisitions on the land. Despite the economic uncertainties, there is a lot of optimism that the economy is set to climb back on the growth path which should augur well for the property market next year.

Looking forward, the prospects for the Group in the coming financial year remain positive in the light of an encouraging domestic global economic outlook. The Board of Directors is confident that the Group's recent acquisitions of Supara and Motel Desa as subsidiaries will contribute positive results to the Group's financial performance and help cushion any impact should there be another economic downturn in 2010. We are continuously looking for new investments and opportunities that can provide the Group with sustainable earnings in the future.

APPRECIATION

On behalf of the Board of Directors, I wish to thank the management and staff for their loyalty, dedication, support and commitment in carrying out their duties over the past year. I would also like to record my deepest appreciation to our business associates and shareholders, customers, bankers and the regulatory authorities for their continued support and cooperation extended to the Group.

On behalf of the Board, I would like to record our utmost appreciation to Encik Ahmad Zakie bin Haji Ahmad Shariff and Encik Abdul Khudus bin Mohd. Naaim for their invaluable contributions during their tenure as Directors with the Group. I am also pleased to welcome Datuk Kamaruddin bin Awang and Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman as new members of the Board of Directors and seek their leadership, experience and advice in guiding the Group in its move forward. Last but not least, my personal thanks to my fellow colleagues on the Board for their astute guidance and wise counsel.

DATO' ADNAN BIN MAARUF
Executive Chairman

28 April 2010

THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

The Board of Inch Kenneth Kajang Rubber Public Limited Company is committed to applying the recommendations of the Malaysian Code on Corporate Governance (revised 2007) ("the Code") and the principles of Best Practices recommended in the Code to ensure that good corporate governance is practiced throughout the Group to effectively discharge its responsibilities to protect and enhance shareholder value. The Board is also committed to strive to maintain a high level of corporate governance within the Group by ensuring that the highest standards of corporate culture are practiced throughout. Good corporate governance is the foundation of the culture and business practices of the Group.

Set out below is a statement on how the Group has applied the principles and adopted the best practices as laid down in the Code. This statement describes how the Principles of Good Governance and provisions of the Code are applied by the Group.

A. DIRECTORS

I THE BOARD

The Board plays a primary role in the conduct and control of the Group's business affairs. The Board is primarily responsible for the Group's overall strategic plans for business performance, succession planning, risk management, investor relations' programmes, internal control, management information and statutory matters. The Board has an effective working partnership with management in establishing the strategic direction and goals and in monitoring its achievement. Five (5) Board meetings were held during the financial year ended 31 December 2009. In between scheduled meetings, and where appropriate, Board decisions may be effected via circular resolutions.

The Board delegates certain responsibilities to the Board Committees in order to enhance business and operational efficiency as well as efficacy. The Committees are:

Audit Committee

The terms of reference of the Audit Committee are in accordance with the Bursa Securities Listing Requirements. The terms of reference, which outline the Committee's functions and duties, are furnished separately in the Annual Report.

The Committee has reviewed the Group's quarterly and annual financial statements as well as any related party transactions prior to their approval by the Board. It reviews with the external auditors, Messrs UHY Hacker Young LLP, the scope of their engagement, their fees as well as the accounting and reporting matters emanating from their examination of the annual financial statements. The Committee has also been appraised on significant risk, control, regulatory and financial matters that have come to the attention of the external auditors in the course of their audit.

The Committee is aware of the risk management, control and governance processes relating to critical corporate and operational areas. It also closely monitors the recommendations made in order to obtain assurance that all key risk and control concerns have been duly addressed.

More information on the Audit Committee is given in the Audit Committee Report on pages 24 to 25.

Remuneration Committee

The Remuneration Committee was established on 20 February 2003 and is headed by Dato' Haji Muda bin Mohamed. The members of the Committee are Datuk Kamaruddin bin Awang and Tengku Mohamed Fauzi bin Tengku Abdul Hamid.

A policy framework will be implemented to assess all elements of the remuneration and other terms of employment for the Executive Chairman. The Executive Chairman abstains from the deliberations and voting on decisions in respect of his remuneration at the Board level.

The remuneration of the Non-Executive Directors will be a matter to be decided by the Board and approved by the shareholders. A full statement on Directors' remuneration is included on pages 17 to 19.

Nominating Committee

The Nominating Committee was established on 20 February 2003 and is headed by Dato' Adnan bin Maaruf. The members of the Committee are Tengku Mohamed Fauzi bin Tengku Abdul Hamid and Datuk Kamaruddin bin Awang.

It is responsible for making recommendations to the Board on all new Board and Board Committee appointments. The Committee reviews the required mix of skills and experience of the Directors of the Board in determining the appropriate Board balance and size of non-executive participation.

II BOARD BALANCE

The Board complies with paragraph 15.02 of the Bursa Securities Listing Requirements which requires that at least two (2) Directors or one-third of the Board of the Company, whichever is the higher, are Independent Directors. The Board has six (6) members and one (1) alternate member, of whom five (5) are Independent Non-Executive Directors.

The balance between Independent Non-Executive and Executive Directors, together with the support from Management, is to ensure that there is an effective representation for the shareholders. It further ensures that issues of strategy, performance and resources are fully addressed and investigated to take into account long-term interest of shareholders, relevant stakeholders and the community in which the Group conducts its business. The Non-Executive Directors also bring independent judgement and challenge standards of conduct. The Independent Non-Executive Directors fulfill a pivotal role in corporate accountability. None of these Directors participate in the day to day management in the Group.

The Directors, with their different backgrounds and specialisations, collectively bring considerable knowledge, judgement and experience to the Board that has been vital to the direction of the Group.

No individual or group of individuals dominates the Board's decision making and the number of Directors reflects fairly the investment of the shareholders. The Executive Chairman at the Board is Dato' Adnan bin Maaruf.

A statement by the Directors and their responsibilities for preparing the financial statements is included on page 21.

Board Meetings

The Board meets on a regular basis, and also on other occasions as required, to approve the annual financial results and any other matters that require the Board's approval. Due notice is given for all scheduled meetings for all matters reserved specifically for its decision. Regular and ad-hoc reports and presentations to the Board and its Audit Committee ensure that the Directors are supplied timely information on financial, operational, legal, regulatory, corporate and strategic matters.

During the financial year ended 31 December 2009, the Board held five (5) meetings, the attendances of which were as follows:

Directors	Meetings Attendance
Dato' Adnan bin Maaruf	5/5
Datuk Kamaruddin bin Awang #	2/5
Dato' Haji Muda bin Mohamed	4/5
Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman ##	1/5
Dr. Radzuan bin A. Rahman	4/5
Tengku Mohamed Fauzi bin Tengku Abdul Hamid ✦	4/5
Alan Maitland Dewar McWilliam ✣ (Alternate to Tengku Mohamed Fauzi bin Tengku Abdul Hamid)	0/5
Ahmad Zakie bin Haji Ahmad Shariff *	3/5
Abdul Khudus bin Mohd. Naaim **	3/5

Datuk Kamaruddin bin Awang appointed on 17 July 2009

* Ahmad Zakie bin Haji Ahmad Shariff resigned on 17 July 2009

** Abdul Khudus bin Mohd. Naaim resigned on 22 October 2009

Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman appointed on 2 November 2009

✦ Tengku Mohamed Fauzi bin Tengku Abdul Hamid ceased as an Alternate Director on 27 June 2008 and was re-appointed as a Director on 23 January 2009

✣ Alan Maitland Dewar McWilliam vacated office as a DIrector on 27 June 2008 and was re-appointed as an Alternate Director on 16 February 2009

Four (4) meetings were held at 22nd Floor Menara Promet, Jalan Sultan Ismail, 50250 Kuala Lumpur.

One (1) meeting was held at Perhentian Island Resort, Pulau Perhentian Besar, Daerah Besut, 22200 Kuala Besut, Terengganu.

Directors' Training

All the Directors have attended and completed the Mandatory Accreditation Programme conducted by the Bursatra Sdn Bhd.

Under the revised Bursa Securities Listing Requirements, the Board assumes the onus of determining or overseeing the training needs of their Directors from 2005 onwards. Directors are encouraged to attend various external professional programmes necessary to ensure that they are kept abreast on various issues facing the changing business environment within which the Group operates.

During the year, all the Directors have attended various training programmes under the Continuing Education Programmes pursuant to the requirements of Bursa Securities. The Directors will continue to undergo other relevant training programmes to further enhance their skills and knowledge.

III SUPPLY OF INFORMATION TO THE BOARD

All Directors have full and timely access to information, with Board papers distributed prior to the scheduled Board meetings. The Board papers are comprehensive and encompass both quantitative and qualitative information so that informed decisions are made. These Board papers include the agenda and information covering strategic, operational, financial and compliance matters. The Board requests additional information or variations to regular reporting, as it requires. In most instances, the senior management of the Company are invited to be in attendance at Board meetings to furnish clarification on issues that may be raised by the Board.

The Directors also have direct access to the advice and services of the Company Secretary in furtherance of their duties and may take independent professional advice where necessary and in appropriate circumstances at the Group's expense.

IV APPOINTMENTS TO THE BOARD

Responsibility for making recommendations to the Board for Board appointment lies with the Nomination and Remuneration Committees. This includes subsidiaries and associated companies. The Nomination and Remuneration Committees consider the required mix of skills and experience that the Directors should bring to the Board in making these recommendations. The Nomination Committee is responsible, inter alia, for making recommendations to the Board on new nominees for the Board including Board Committees and for assessing Directors on an ongoing basis. The Nomination Committee also reviews the Board's required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board.

V RE-ELECTION

All Directors offer themselves, on a rotation basis, for re-election by shareholders at the Annual General Meetings at least once every three (3) years.

According to the Company's Articles of Association, an election of Directors shall take place each year. At each Annual General Meeting one-third of the Directors for the time being (or if, their number is not a multiple of three, the number nearest to but no greater than one-third) shall retire from office provided always that all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

At the forthcoming Annual General Meeting, the following Directors who retire have offered themselves for re-election:

i. Pursuant to Article 91:
   - Datuk Kamaruddin bin Awang
   - Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman

ii. Pursuant to Article 86:
   - Dr. Radzuan bin A. Rahman

B. DIRECTORS' REMUNERATION

I THE LEVEL AND MAKE-UP OF REMUNERATION

The Remuneration Committee ("the Committee") endeavours to ensure that the remuneration package offered is competitive to attract, retain and motivate Executive Directors and senior executives of high caliber who will strive to achieve the Group's objectives.

The package may include basic salary, benefits and annual bonuses that will be based on the individual performance and dependent upon the achievement of predetermined targets. The Directors' fees and meeting allowances paid to all Directors, individually and per meeting respectively, are disclosed in note 11 to the financial statements.

Remuneration packages for the Executive Directors are subject to annual reviews by the Committee, based on the Group's performance, economic conditions and the need to reward individual performance. Annual bonuses are reviewed by the Committee on an annual basis and are determined based on the financial performance of the Group against the backdrop of the Group's business objectives.

There were no performance-related bonuses or other benefits given to any of the Directors during the 2009 financial year.

The fees for the Non-Executive Directors are determined by the Board and approved by the shareholders. The only other remuneration of the Non-Executive Directors is meeting allowances, which are set by the Board having taken advice on appropriate levels. The Company's policy is for all Executive Directors to have service contracts of employment of one year's duration and with provision for termination on not more than twelve (12) months notice. There is a provision in the service contracts for Executive Directors with regard to compensation in the event of loss of office whereby early termination is subject to payment in lieu of the notice period. There are no other provisions in the service contracts that would affect any liability of the Company in the event of early termination.

The relevant terms in the service contract of the Executive Director is as follows:

Name:	Dato' Adnan bin Maaruf
Date of contract:	5 September 2009
Unexpired terms:	12 months
Notice period:	12 months

The Company does not have any pension scheme for its employees and Directors. The Company does, however, make the statutory contribution for its employees to the relevant regulatory body, the Employees Provident Funds Board of Malaysia. The Fund operates as a defined contribution scheme. The Company does not have any long term incentive plans or share option schemes for its employees and Directors.

II PROCEDURE

The remuneration packages are determined by the Remuneration Committee which was set up on 24 February 2003. The Committee is chaired by Dato' Haji Muda bin Mohamed and its other members are Datuk Kamaruddin bin Awang and Tengku Mohamed Fauzi bin Tengku Abdul Hamid.

The Committee is responsible for making recommendations to the Board, within agreed terms of reference, on an overall remuneration package for Executive Directors and other senior executives. The Committee has not engaged any person to advise and assist on any matters relating to the Directors' remuneration during 2009.

III DISCLOSURE – INFORMATION SUBJECT TO AUDIT

The Directors' total remuneration comprises the following:

	Basic Salary & Fees (RM)	Benefits & Bonuses (RM)	Meeting Allowances (RM)	Total 2009 (RM)	Total 2008 (RM)
Executive Director					
Dato' Adnan bin Maaruf	12,000	-	3,000	15,000	15,000
Non-Executive Director					
Datuk Kamaruddin bin Awang	3,667	-	1,500	5,167	-
Ahmad Zakie bin Haji Ahmad Shariff	4,667	-	2,750	7,417	12,250
Dato' Haji Muda bin Mohamed	8,000	-	3,500	11,500	12,250
Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman	1,333	-	500	1,833	-
Abdul Khudus bin Mohd. Naaim	6,667	-	2,750	9,417	12,250
Dr. Radzuan bin A. Rahman	8,000	-	2,500	10,500	11,000
Tengku Mohamed Fauzi bin Tengku Abdul Hamid	8,000	-	2,750	10,750	2,000
Alan Maitland Dewar McWilliam	-	-	-	-	9,000
	52,334	-	19,250	71,584	73,750

Pension entitlements

As the Company does not have a pension scheme in place, none of the Directors have pension entitlements.

Long-term incentive plans

As the Company does not have a long-term incentive plan in place, no Directors have any interest in a long-term incentive plan.

Interest in share options

As the Company does not have a share option scheme in place, no Directors have any interest in share options.

Excess retirement benefits of Directors and past Directors

As the Company does not have a retirement benefit scheme in place, no Directors have any retirement benefits.

Compensation for past Directors

There was no compensation made to the past Directors in respect of loss of office and pensions.

IV PERFORMANCE GRAPH

The Company's performance graph as required by the Directors' Remuneration Report Regulations 2002 in the United Kingdom is shown in the Five-Year Group Financial Highlights section on page 28.

C SHAREHOLDERS

I DIALOGUE BETWEEN THE COMPANY AND ITS INVESTORS

The Group believes in clear communications with its shareholders. The Annual Report and the quarterly announcements are the primary methods of communication to report the Group's business activities and financial performance to all shareholders. All such reporting information can be obtained from the website of Bursa Securities or the Group's website www.ikkr.com.my. Shareholders also have the opportunity to put questions at the Annual General Meeting where the Directors are available to discuss aspects of the Group's business activities and performance. The shareholders may also forward their questions to us via e-mail ir@ikkr.com.my or contact us at the Principal Office in Malaysia.

II THE ANNUAL GENERAL MEETING

The Annual General Meeting is the principal platform for dialogue with shareholders, wherein, the Board presents the operations and performance of the Group. During the meeting, shareholders are given every opportunity to enquire and comment on matters relating to the Group's business. The Chairman, members of the Board and senior management personnel are available to respond to shareholders' queries during this meeting.

D ACCOUNTABILITY AND AUDIT

I FINANCIAL REPORTING

The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements and quarterly announcements of results to shareholders as well as the Chairman's Statement in the Annual Report. The Audit Committee assists the Board by reviewing the disclosure information to ensure completeness, accuracy and validity.

II INTERNAL CONTROL

The Directors acknowledge their responsibility for the Group's system of internal controls covering not only financial controls but also operational and compliance controls, as well as risk management. The internal control system involves each subsidiary business and is designed to meet the needs of each subsidiary, to ensure that the risks faced by the business in pursuit of its objectives are identified and managed at known acceptable levels. The Group will be continuously reviewing the adequacy and integrity of its system of internal control. A full statement on internal control is included in pages 26 and 27.

The Board also acknowledges the internal audit function as an integral part of an effective system of corporate governance. In this regard, the Board has taken steps to establish a proper internal audit division to undertake the internal audit functions within the Group.

III RELATIONSHIP WITH AUDITORS

The Board, via the establishment of the Audit Committee, maintains a formal and transparent relationship with the Company's auditors. The roles of the Audit Committee in relation to the auditors are detailed in the Audit Committee Report in this Annual Report.

ADDITIONAL COMPLIANCE INFORMATION

Share Buy-backs

During the 2009 financial year, there were no share buy-backs by the Company.

Options, Warrants or Convertible Securities

There was no grant or exercise of options, warrants or convertible securities during the 2009 financial year.

American Depository Receipt ("ADR") or Global Depository Receipt ("GDR") Programme

The Company did not sponsor any ADR or GDR programme during the 2009 financial year.

Imposition of Sanctions and/or Penalties

There were no public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by any regulatory bodies during the 2009 financial year.

Non-Audit Fees

There were no fees payable to the auditors, Messrs UHY Hacker Young LLP for non-audit services, during the financial year ended 31 December 2009.

Profit Estimate, Forecast, Projection and Variation in Results

The Company did not make any release on profit estimates, forecasts or projections for the financial year.

There was a variation of 10% or more between the audited results for the financial year ended 31 December 2009 and the unaudited results previously released by the Company, whereby the profit after tax is now stated at RM982,000 as compared to RM362,000 reported earlier, all of which were due to the additional gain on disposal from a compulsory acquisition.

Profit Guarantee

The Company did not give any profit guarantees during the 2009 financial year.

Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors and major shareholders' interests.

Revaluation Policy on Landed Properties

The Group revalues its landed properties whenever the market value of the revalued assets has changed materially from their carrying values and at least every five years.

Employee Share Option Scheme ("ESOS")

There were no ESOS offered during the financial year ended 31 December 2009.

Corporate Social Responsibility ("CSR")

The Group is aware of its responsibility to its shareholders, human capital, environment and the community. Details of CSR are disclosed in pages 22 and 23.

Recurrent Related Party Transactions

There were no transactions with related parties undertaken by the Group during the period under review except as disclosed in note 29 to the financial statements.

COMPLIANCE STATEMENT

The Board is satisfied that the Company has in 2009 complied with the best practices of the Code.

RESPONSIBILITY STATEMENT FOR PREPARING THE ANNUAL AUDITED FINANCIAL STATEMENTS

The Board has seen and approved the Annual Report and Audited Financial Statements for the year ended 31 December 2009 and collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making reasonable enquiries to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement or information therein misleading.

This corporate governance statement, including the information on Directors' Remuneration, is made in accordance with the resolution of the Board of Directors dated 28 April 2010.

DATUK KAMARUDDIN BIN AWANG
Director

As a socially responsible corporate citizen, the Board recognises the importance of implementing its corporate social responsibility within the workplace and community.

ENVIRONMENT

Our management is aware of the impact of the Group's business activities on the environment and strives to reduce the level of pollution. The Group seeks to ensure its activities do not result in any adverse long-term impact on the environment by observing good agricultural practices, proper waste discharge and using more renewable resources. In view of that the employees have also developed a culture of reducing paper and electricity usage, reuse waste plastic materials as well as adopt a paperless system for selected processes.

WORKPLACE

Employees are viewed as the key drivers of strength to the Group. In this regard, the Group has placed great emphasis on the welfare of employees especially in providing them with a safe and conducive working environment. The Group has also been emphasising on employee development through adequate training and learning opportunities to enhance its employees' skills and knowledge in preparation for future challenges. When it is required or when requested by the employees, the Group has provided training either in-house or outsourced. We also strive to create a workplace that is free of any form of discrimination and harassment where all employees have equal opportunity to realise their full potential and encourages more interaction amongst employees with Company trips and dinners held during the year. We also provide a safe and clean quarters for the staff together with all the required amenities.

COMMUNITY

As a good corporate citizen, we are very conscious of our responsibilities and we often interact with the local communities in the areas of our business operations. The Group has made contributions to the village committee at Perhentian Island as and when the need arises and also makes it a priority to employ workers from the nearby village.

The Group also provides internship training programmes to local degree and diploma students for knowledge enrichment and to enable such students to better prepare and position themselves for future employment.

MARKETPLACE

The Group recognises the importance of market perception and confidence on the sustainability of our businesses. In view of that, the Company website provides easy access to information on the Group's financials and operations with an email link for stakeholders to provide feedback and make enquiries.

The Group's adopted best business ethics and values ultimately ensure consumer satisfaction and optimum returns to shareholders. In line with these objectives, the Group diligently pursues such best practices as the timely delivery of quality services and products.

Under the patronage of Princess Ubolratana Rajakanya, the “To Be Number One” anti-drug campaign that aims to promote the prevention of drug traffic spreading at the workplace throughout the Kingdom of Thailand, Supara has been a participant in this project from the year 2003. In the year 2009, the Company was awarded as overall runner-up in the country-wide competition held in Bangkok for companies in the manufacturing sector.

Listed below are some of the events that Supara has participated in 2009:

Indoor activities:

1. Being the first smoke-free plant in Phangnga Province or may be in all of Thailand;

2. Morning talk and meditation before commencing work;

3. After work activities:

    a) Aerobic exercise
    b) Planting of vegetables
    c) Mushroom farming
    d) “Baan Kai” local chicken breeding
    e) Handicraft dolls etc.
    f) Producing our own inhalers
    g) Producing curry powder and paste

    (Items b to g are for sale. The proceeds go to the “To Be Number One” fund.)

Outdoor activities:

1. Help in cleaning up public beaches

2. Planting of trees at Naval Base

3. Joint participation with Provincial Governor in Songkran Festival

4. A visit with Governor to old folks home

5. Participating in Vegetarian Festival

6. Participating in 5th Anniversary of Tsunami on 26 December 2009 prayers by 1000 Monks

The Directors are pleased to present the Audit Committee Report of the Company in respect of the financial year ended 31 December 2009.

A. COMPOSITION

The composition of the Audit Committee and designation of the Directors are as follows:

Members of the Committee

Datuk Kamaruddin bin Awang
Chairman (Independent Non-Executive Director)

Dato' Haji Muda bin Mohamed
Member (Independent Non-Executive Director)

Tengku Mohamed Fauzi bin Tengku Abdul Hamid
Member (Non-Independent Non-Executive Director)

Secretary to the Committee

Lee Thai Thye (LS 0000737)

B. TERMS OF REFERENCE

The terms of reference of the Audit Committee comprise mainly the constitution, membership, authority, duties and responsibilities of the Audit Committee.

1. Constitution

The Board of Directors has established a Committee of the Board known as the Audit Committee.

2. Membership and Meetings

The Committee was appointed by the Directors and shall at all times comprise not less than three (3) members of whom the majority are independent. All members of the Audit Committee shall also be Non-Executive Directors, financially literate, and at least one of the members is a member of an accounting association or body. The Chairman of the Committee must be an Independent Non-Executive Director and shall be appointed by the Committee members. The Company Secretary shall act as the secretary for the Committee. There shall be at least four (4) meetings per year.

3. Attendance at Audit Committee Meetings

Attendance at Audit Committee Meetings during 2009 was as follows:

Directors	Meetings Attendance
Datuk Kamaruddin bin Awang #	2/5
Dato' Haji Muda bin Mohamed	4/5
Tengku Mohamed Fauzi bin Tengku Abdul Hamid ##	1/5
Ahmad Zakie bin Haji Ahmad Shariff *	3/5
Abdul Khudus bin Mohd. Naaim **	3/5

appointed on 17 July 2009
* resigned on 17 July 2009
** resigned on 22 October 2009
appointed on 22 October 2009

4. Authority

The Audit Committee has the authority to investigate any activity within its terms of reference, and shall obtain the cooperation of the other Board members, employees and external auditors, and any other external professional bodies which it considers necessary.

5. Duties and Responsibilities

The Audit Committee's main duties and responsibilities are as follows:

a) Review the audit plan with the external auditors.

b) Review with the external auditors, the adequacy and effectiveness of the accounting and internal control systems.

c) Act upon problems and reservations arising from interim and final audits.

d) Review the financial statements prior to the Directors' approval to ensure a fair and full presentation of the financial affairs of the Company and the Group.

e) Assist in establishing appropriate control procedures.

f) Review internal audit reports and highlight to the Board any significant issues.

g) Assist in conducting of management audits or other sensitive matters.

h) Recommendations to retain or replace the firm of external auditors and the agreement of the audit fee for the ensuing year.

6. Summary of Activities

The Committee met five (5) times during the year for the following purposes:

a) To review the financial statements before the quarterly announcements to the Bursa Securities, Singapore Exchange Securities Trading Limited ("SGX-ST") and London Stock Exchange plc ("LSE");

b) To review the year-end financial statements;

c) To discuss with the external auditors the audit plan and scope for the year as well as the audit procedures undertaken; and

d) To review reports prepared by estate managers on the state of internal controls of the estates.

7. Internal Audit Function

The Group's internal control systems are reviewed by the internal auditor, together with external consultants. Their principal responsibility is to assist the Audit Committee in providing independent assessments for the adequacy, efficiency and effectiveness of the internal control systems to ensure compliance with the systems and standard operating procedures in the Group.

The Board is pleased to make the following disclosures pursuant to Paragraph 15.27(b) of the Bursa Securities Listing Requirements, which requires the Board of Directors of public listed companies to include in its annual report "a statement about the state of internal control of the listed issuer as a group". The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group, and that the process will be regularly reviewed by the Board and accords with 'The Statement on Internal Control - Guidance For Directors of Public Listed Companies'.

BOARD'S RESPONSIBILITY

In accordance with Principle D II in Part 1 of the Malaysian Code on Corporate Governance, the Board is committed to maintaining a sound system of internal control to safeguard shareholders' investments and the Group's assets. Accordingly, the Board acknowledges its responsibility for the Group's overall system of internal control which includes the establishment of an appropriate control environment and framework as well as reviewing its adequacy and integrity. However, it should be noted that due to the limitations that are inherent in any system of internal control such a system is designed to manage rather than eliminate the risk of failure to achieve the Group's business objectives. Accordingly, it can only provide reasonable and not absolute assurance against material misstatement or loss.

REVIEW PROCESS FOR INTERNAL CONTROL SYSTEM

In view of the size and nature of the Group's operations, the Group has an in-house function for the review of the Group's internal control system, which forms part of the internal audit function. Currently the functions are focused on the most active subsidiary. An external consultant was also contracted to conduct certain system checks on the revenue earned by Perhentian Island Resort Sdn. Bhd.

The reports will be presented to the Audit Committee. Being an independent function, the reports presented must be with impartiality, proficiency and due professional care.

The internal audit function facilitates the Board, through the Audit Committee, in carrying out its responsibility to review and evaluate the adequacy and integrity of the Group's internal control systems. The Board reviews matters pertaining to internal control which among others, includes the adequacy and integrity of the internal control systems of the Group. Reviews are carried out annually to provide independent assessments on the adequacy, efficiency and effectiveness of the Group's internal control systems in anticipating potential risk exposures over key business systems and processes and in controlling the proper conduct of businesses within the Group.

The internal audit function adopts a risk-based approach whereby the strategies and plans are prepared based on the risk profile of the Group. The plans will be presented to the Audit Committee for approval annually. The resulting reports will be reviewed by the Audit Committee and forwarded to the management for attention and necessary corrective actions. The management is responsible for ensuring any corrective actions on reported weaknesses are taken within the required time frame.

OTHER CONTROL PROCEDURES

Apart from internal audit, there is an organisational structure with formally defined lines of responsibility and delegation of authority. This will provide a process of hierarchical reporting for an auditable trail of accountability.

The monitoring and management of the Group is delegated to the Executive Board member and senior operational management. The Executive Board member, through his involvement in the business operations and attendance at senior management level meetings, manages and monitors the Group's financial performance, key performance indicators, operational effectiveness and efficiency, discusses and resolves significant business issues and ensures compliance with applicable laws, regulations, rules, directives and guidelines. These senior management meetings serve as a two-way platform for the Board, through the Executive Board member, to communicate and address significant matters in relation to the Group's business and financial affairs and provide updates on significant changes in the businesses and the external environment that may result in any significant risks to the Group.

Internal control procedures are set out in standard operating practice and business process manuals and internal memos to serve as internal control guidance for proper measures to be undertaken and are subject to regular review, enhancement and improvement by the Internal Auditor.

This statement on internal control is made in accordance with the resolution of the Board of Directors dated 28 April 2010.

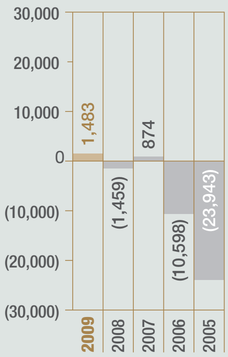
DATUK KAMARUDDIN BIN AWANG
Director

Financial Performance		2009	2008	2007	2006	2005
Revenue	RM'000	17,582	17,550	19,736	19,073	9,787
Profit/(loss) before taxation	RM'000	1,483	(1,459)	874	(10,598)	(23,943)
Profit/(loss) for the year	RM'000	982	(1,540)	697	(10,878)	(24,045)
Earnings/(losses) per share	Sen	0.23	(0.37)	0.17	(2.59)	(0.10)
Total Assets	RM'000	516,412	513,774	571,152	373,325	393,494
Share Capital	Shares '000	420,750	420,750	420,750	420,750	234,277*
Shareholder's Equity	RM'000	486,826	486,017	540,263	338,974	349,852
Total Liabilities	RM'000	29,586	27,757	30,889	34,351	43,642
Borrowings	RM'000	22,727	20,030	23,840	11,300	20,300
Debt-equity ratios	times	0.05	0.04	0.04	0.03	0.06
Net assets per share	RM	1.16	1.15	1.28	0.81	0.83

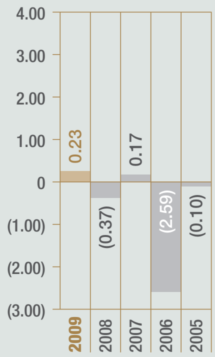
* weighted average

All figures are in RM thousands unless otherwise stated.

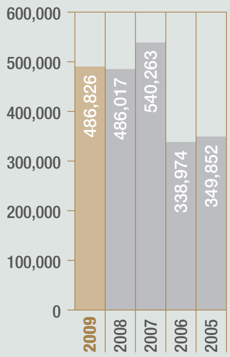
Profit/(Loss) Before Tax (RM'000)



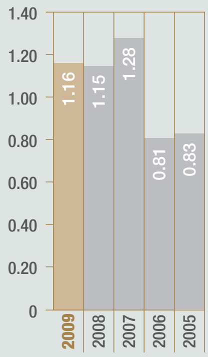
Earnings/(Losses) Per Share (Sen)



Shareholders' Equity (RM'000)



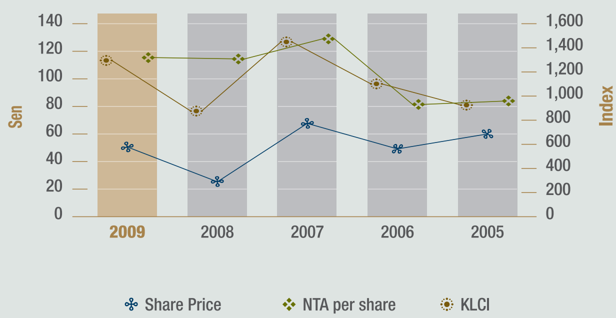
Net Assets Per Share (RM)



SHARE PRICE PERFORMANCE GRAPH

The graph shows the movement of the Company's share price on Bursa Securities against the corresponding change in the Kuala Lumpur Composite Index ("KLCI") and the Group's Net Tangible Assets per share ("NTA per share"). The KLCI was selected as it represents a broad equity market index in which the Company is a constituent member.

Share Price Performance



FINANCIAL STATEMENTS

The Directors have pleasure in presenting their report, together with the audited financial statements of Inch Kenneth Kajang Rubber Public Limited Company ("the Company") and its subsidiaries (together "the Group") for the financial year ended 31 December 2009.

Principal activities

The Company is incorporated in Scotland with company number SC007574, as a public company limited by shares.

The Company is involved in investment holding and carries on the business of an oil palm grower in Selangor, Malaysia.

The subsidiary undertakings are engaged in the operations of a block rubber manufacturer, tourist resort, retailing building supplies, property development and leasing of properties in Malaysia.

A more detailed review of the Group's operations is set out in the Chairman's Statement.

Group structure

The Group operates through its parent and subsidiary companies, details of which are set out in note 16 to these financial statements. During the year the Group completed two acquisitions, details of which are discussed below.

Estates

The total area of the Group's estates as at 31 December 2009 is as follows:

	Hectares	
	2009	**2008**
Oil Palm (Mature)	368	372
Roads, buildings, gardens, nurseries and wasteland	12	12
Total	380	384

The yields from the plantation activity for the year ended 31 December 2009 were as follows:

Harvested crops	**Fresh fruit bunches**	**Oil**	**Kernel**
2009 (tonnes)	5,994	1,231	314
2008 (tonnes)	6,034	1,261	311

Results and dividends

The Group's results for the year are set out on page 41. The Group's profit attributable to shareholders of the Company for the financial year ended 31 December 2009 amounted to RM982,000 (2008: loss of RM1,540,000).

The Directors do not recommend the payment of a dividend for the financial year ended 31 December 2009 (2008: Nil).

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.

Significant events

On 24 August 2009 the Company entered into a Share Sale Agreement to acquire 1,000,000 ordinary shares of RM1 each, representing 100% of the equity interest in the issued and paid-up share capital of Innobird (M) Sdn Bhd ("Innobird"), now known as IKK Rubber International (M) Sdn Bhd, for a purchase consideration of RM8,300,000. Innobird is the beneficial owner of 5,000,000 ordinary shares of Thai Baht Ten (THB 10) each, comprising the entire issued and paid up share capital of Supara Company Limited ("Supara"), a private company limited by shares incorporated in Thailand with its principal business in producing constant viscosity (CV) rubber blocks in Thailand. In 2009, these companies contributed a turnover of RM7.704 million from August to December 2009 with a profit before taxation of RM0.753 million.

On 30 October 2009 the Company entered into a Share Sale Agreement through its wholly owned subsidiary, Common Focus (M) Sdn Bhd, to acquire 2,431,623 ordinary shares of RM1 each, representing 100% of the equity interest in the issued and paid-up share capital of Motel Desa Sdn Bhd ("Motel Desa") together with 50,000 ordinary shares of RM1 each of Motel Desa's wholly owned subsidiary, Actual Padu Tours Sdn Bhd ("Actual Padu"). The purchase price was determined later on 23 November 2009 to be RM18,500,000. This acquisition was completed on 22 December 2009 and therefore did not contribute to the Group's revenue and profits for 2009.

Review and performance of the business

The Group's operating results for the year and financial position at 31 December 2009 are considered by the Directors to be better than the previous year.

The plantation division saw a decline in revenue of 32.2% to RM2.761 million (2008: RM4.073 million) and our production of FFB of 5,994 metric tonnes (2008:6,034 metric tonnes) was slightly lower than the previous year. The tourism division saw revenue growth of 5.3% to RM6.031 million (2008: RM5.725million) due to higher average room rates and number of rooms sold. The property division has not starterd due to bad market sentiments and lack of funding. The building material trading division's revenue decreased from RM7.568 million in 2008 to RM1.086 million in 2009 due to a temporary period of no trading due to very thin margins. The main increase in overall results for 2009 is due to the share of profit of the associate of RM5.727 million compared to share of loss of RM0.177 million in 2008.

Future developments and prospects

The sale of the Bangi land should be finalised within the first half of 2010, if all conditions meet our requirements. Our focus of expansion is still in the plantation related activities in Malaysia, Thailand and Indonesia as we strongly feel that these business activities will bring us up to another level.

Financial position of the Company and Group at the year end

Despite the business activities of the Group remaining at about the same level as last year, the cash position at the end of the 2009 financial year was lower at RM1.5 million. We believe that the financial position will significantly improve once the land sale is completed.

At 31 December 2009, the Group had total assets of RM516.412 million which was higher compared to RM513.774 million in 2008, due to increases in fixed assets after the acquisitions of the two new subsidiaries. The Group had higher levels of liabilities of RM29.586 million in 2009 compared to RM27.757 million in 2008. The resulting net assets were RM486.826 million at 31 December 2009 (2008: RM486.017 million).

Post balance sheet events

No events have occurred since the balance sheet date which significantly affects the Company or the Group.

Directors

The Directors of the Company who held office during the year and at the date of this report are:

Dato' Adnan bin Maaruf	
Datuk Kamaruddin bin Awang	(Appointed on 17 July 2009)
Ahmad Zakie bin Haji Ahmad Shariff	(Resigned on 17 July 2009)
Dato' Haji Muda bin Mohamed	
Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman	(Appointed on 2 November 2009)
Abdul Khudus bin Mohd. Naaim	(Resigned on 22 October 2009)
Dr. Radzuan bin A. Rahman	
Tengku Mohamed Fauzi bin Tengku Abdul Hamid	(Resigned on 27 June 2008; Reappointed on 23 January 2009)
Alan Maitland Dewar McWilliam *(alternate to Tengku Mohamed Fauzi bin Tengku Abdul Hamid)*	(Resigned on 27 June 2008; Reappointed on 16 February 2009)

In accordance with Article 91 of the Company's Articles of Association, Datuk Kamaruddin bin Awang and Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman retire from the Board at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

In accordance with Article 86 of the Company's Articles of Association, Dr. Radzuan bin A. Rahman retires from the Board at the forthcoming Annual General Meeting, and being eligible, offers himself for re-election.

Directors' interests

Neither at the end of the financial year ended 31 December 2009, nor at any time during that year, was there any arrangement to which the Company was a party, whereby the Directors could acquire benefits by means of the acquisition of shares in or debentures of, the Company or Group undertakings.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than benefits included in the aggregate amount of emoluments received by the Directors as shown in the financial statements) by reason of a contract made by the Company or Group undertakings 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.

None of the Directors who held office during the financial year and to the date of this report, together with their immediate families, had any interests in the shares of the Company or Group undertakings.

Substantial shareholders

The Company has been notified, in accordance with Rule 5 of the United Kingdom's FSA's Disclosure and Transparency Rules, of the under noted interests in its ordinary shares as at 15 April 2010 by 3% shareholders and above:

Name	Number of shares of 10p each	% of issued capital
Concrete Engineering Products Berhad	55,032,400	13.08
Hamptons Property Sdn Bhd	49,327,700	11.72
FA Securities Sdn Bhd	29,672,500	7.05
Euston Technologies Sdn Bhd	22,662,066	5.39

No other person has notified an interest in the ordinary shares of the Company required to be disclosed to the Company in accordance with the UK's Companies Act 2006.

Creditor payment policy and practice

It is the Group's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Group and its suppliers, provided that all trading terms and conditions have been complied with.

At 31 December 2009, the Group had an average of 19 days (2008: 67 days) purchases outstanding in trade creditors.

Health and Safety

All aspects of health and safety at the Group's plantations are handled by our agent, Sime Darby Seeds and Agricultural Services Sdn Bhd, and reviewed by the Board. The Company also places a high level of importance on health and safety aspects, at its subsidiaries, Perhentian Island Resort Sdn Bhd and Supara. Any health and safety issues at these subsidiaries may be detrimental to its image and hence may affect revenues achieved.

Employees

The number of staff employed by the Group at the year end was 155 (2008: 113). Increases in staff are due to additional staff from the acquisitions of the new subsidiaries. At the resort, factory and estates, we provide employees with full quarters and required facilities, to provide a conducive environment, both for work and entertainment.

Political and charitable donations

There were no political or charitable donations made by the Group during the year ended 31 December 2009 except for community support by the subsidiary, Perhentian Island Resort Sdn Bhd, to the village committee, as and when the need arises.

Derivatives and other financial instruments

The Group's financial instruments consist of cash and short term deposits, equity investments, borrowings, receivables and payables. The main purpose of these financial instruments is to finance the Group's operations and investments. The Group has other financial instruments, such as trade debtors and trade creditors that arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and market price risk. The magnitudes of these risks are detailed in note 28 to the financial statements. The Board reviews and agrees policies for managing each of these risks as and when they arise.

Interest rate risk

The Group's primary interest rate risk relates to short term borrowing interest bearing debt.

The Group also has cash and bank balances and deposits placed with creditworthy licensed banks. The Group manages its interest rate risks by placing such balances on varying maturities and interest rate terms.

Liquidity risk

The Group's objective is to maintain a balance of funding and flexibility through the use of finance leases and short term borrowings.

The Group's policy is to arrange revolving credit for working capital and finance leases for purpose of asset acquisition.

Foreign currency risk

The Group has investments in foreign operations whose net assets are exposed to foreign currency translation risk. The exposure to foreign currency risks arising from currency exposures primarily with respect to the Thai Baht and US Dollar.

The Group is also exposed to foreign currency transaction risks. The Group receives proceeds from the sales of CV rubber blocks in US Dollars and purchases the raw materials in Thai Baht. The Group does not enter into any forward currency contracts.

The Group's plantation activities are not affected by foreign currency risks as the crude palm oil prices are quoted, and proceeds are received, in Malaysian Ringgit.

Market price risk

It is the Group's objective to hold investments in quoted equity shares for long term purposes and maximise returns from these investments.

The Group manages its market risks associated with the quoted equity shares on its own and does not engage the services of fund managers. The Group monitors the fluctuation of the indices on the Bursa Securities, and trading is kept at a minimum.

Principal risks and uncertainties facing the businesses

The principal risks and uncertainties facing the Group are:

i) *Exposure to the risks inherent in the property development industry*

The Group is getting involved in property development. It will be exposed to the cyclical performance caused by the changes in the domestic and global economic conditions, which give rise to intense competition among the local players and new entrants in the property market. In addition, its profitability may also be affected by the changes in the economic and political environment such as changes in taxation, inflation, foreign exchange rates, government policies, population growth and accounting policies.

ii) *Exposure to the risks inherent to the oil palm and rubber industry*

The Group is also susceptible to certain business risks inherent to the oil palm and rubber industries as well as general business risks, which include but are not limited to:

(i) constraints and rising costs of labour supply and raw materials;
(ii) effects of poor weather;
(iii) commodity price fluctuations;
(iv) threat of substitute products; and
(v) change in the regulatory, economic and business conditions.

iii) *Exposure to the risks inherent to the tourism industry*

The Group is also subject to risks inherent to the hotel and tourism sector. These may include, amongst others, general economic downturns in the global and regional economies, rise of uncertainties from terrorism activities and war, socio-political instability, a decrease in demand and an oversupply of hotel and resort rooms, an increase in the operating costs due to inflation and other factors such as an increase in energy and labour costs, labour supply shortages, changes in credit conditions, changes in customers' tastes and preference and the collectibility of debts that may have adverse effects on our resort business and operations.

Our financial risk management objectives are to ensure sufficient working capital for the Company and the Group. This is achieved by careful management of our cash balances and, where necessary, by obtaining short term bank finance.

Information to shareholders

The Group has its own website www.ikkr.com.my for the purposes of improving information flow to shareholders and potential investors.

Going concern

After making appropriate enquiries and examining those areas which could give rise to financial exposure the Directors are satisfied that no material or significant exposures exist and that the Group has adequate resources to continue its operations for the foreseeable future. For this reason, and as further discussed in note 2.1, the Directors continue to adopt the going concern basis in preparing the Company's and Group's financial statements.

Auditors

In accordance with Section 489 of the United Kingdom's Companies Act 2006, a resolution proposing that UHY Hacker Young LLP be re-appointed as auditors of the Company and that the Directors be authorised to fix their remuneration will be put to the next Annual General Meeting.

On behalf of the Board

Datuk Kamaruddin bin Awang
Director

Dato' Haji Muda bin Mohamed
Director

Kuala Lumpur, Malaysia
28 April 2010

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom company law and International Financial Reporting Standards as adopted by the European Union ("IFRS").

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company and of the profit or loss and cash flows of the Group and of the Company for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- state that the Group and the Company has complied with IFRSs, subject to any material departures disclosed and explained in the financial statements.

The Directors confirm that the financial statements comply with the above requirements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the UK's Companies Act 2006 and Article 4 of the International Accounting Standards (IAS) Regulation. The Directors are also responsible for safeguarding the assets of the Group and of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditors

The Directors who were members of the Board at the time of approving this report are listed on page 4. Having made enquiries of fellow Directors and of the Company's auditors, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no relevant audit information of which the Company's auditors are unaware; and

- each Director has taken all the steps a Director might reasonably be expected to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Exemption from the provisions of the UK Combined Code

The Financial Services Authority in the UK has confirmed that, in view of the primary listing of the Company being on the Bursa Securities, the Company is permitted to comply with the Listing Rules in respect of an overseas company, and accordingly is not required to disclose a Statement on Compliance with the Combined Code.

Disclosures in respect of the Malaysian Code of Corporate Governance

As required by the Bursa Securities Listing Requirements, the Annual Report contains a Corporate Governance Statement pursuant to the Malaysian Code on Corporate Governance.

Statutory Declaration

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

I, **HUSSAIN AHMAD BIN ABDUL KADER**, being the officer primarily responsible for the financial management of **Inch Kenneth Kajang Rubber Public Limited Company**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 41 to 86 are in my opinion correct and make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the above named **HUSSAIN AHMAD BIN ABDUL KADER**
at Kuala Lumpur in the Federal Territory on
28 April 2010

HUSSAIN AHMAD BIN ABDUL KADER

Before me,

ARSHAD ABDULLAH (W550)
Commissioner for Oaths

Kuala Lumpur
28 April 2010

We have audited the Group and Parent Company financial statements of Inch Kenneth Kajang Rubber Public Limited Company for the year ended 31 December 2009 which comprised the Group and Parent Company Income Statements, the Group and Parent Company Statements of Comprehensive Income, the Group and Parent Company Statements of Financial Position, the Group and Parent Company Statements of Changes in Equity, the Group and Parent Company Statements of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibility set out on pages 21 and 37, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKP.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2009 and of the Group's profit and the Parent Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the EU; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Corporate Governance Statement relating to Directors' remuneration to be audited has been properly prepared in accordance with the Companies Act 2006;
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Corporate Governance Statement relating to Directors' remuneration to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Colin Wright (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young,
Chartered Accountants and Statutory Auditors

Quadrant House
4 Thomas More Square
London E1W 1YW

28 April 2010

	Notes	GROUP 2009 RM'000	GROUP 2008 RM'000	COMPANY 2009 RM'000	COMPANY 2008 RM'000
Revenue	4	17,582	17,550	2,761	4,073
Cost of sales		(10,632)	(11,029)	(1,704)	(1,526)
Gross profit		6,950	6,521	1,057	2,547
Other income	5	546	459	243	74
Administrative expenses		(9,007)	(6,905)	(5,093)	(2,877)
Selling and marketing expenses		(114)	-	-	-
Operating (loss)/profit	6	(1,625)	75	(3,793)	(256)
Finance income		58	3	55	3
Finance costs	7	(1,470)	(1,360)	(1,461)	(1,351)
Gain on sale of land	5	1,019	-	1,019	-
Loss on sale of investment in associate	17	(2,224)	-	(2,224)	-
Loss on sale of investments		(2)	-	(2)	-
Share of results of associate	17	5,727	(177)	-	-
Profit/(loss) before taxation		1,483	(1,459)	(6,406)	(1,604)
Taxation	8	(501)	(81)	-	-
Profit/(loss) for the year		982	(1,540)	(6,406)	(1,604)
Attributable to:					
Equity holders of the Company		982	(1,540)	(6,406)	(1,604)
Earnings/(losses) per share (Sen):	9				
Basic		0.23	(0.37)		
Diluted		0.23	(0.37)		
Net dividend per share (Sen)		-	-		

The results for 2009 and 2008 relate entirely to continuing and acquired operations.

Statements Of Comprehensive Income

for the financial year ended 31 December 2009

	GROUP		COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Profit/(loss) for the year	982	(1,540)	(6,406)	(1,604)
Other comprehensive income:				
Revaluation of available-for-sale investments	18	(286)	19	(264)
Deficit on revaluation of properties	-	(52,420)	-	(52,420)
Exchange differences on translating foreign operations	(191)	-	-	-
Other comprehensive income, net of tax	(173)	(52,706)	19	(52,684)
Total comprehensive income/(loss) for the year	809	(54,246)	(6,387)	(54,288)

	Notes	GROUP 2009 RM'000	GROUP 2008 RM'000	COMPANY 2009 RM'000	COMPANY 2008 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	413,746	396,982	209,821	209,834
Prepaid land lease payments	13	46	48	-	-
Intangible assets	14	4	5	4	5
Deposits for purchases of investments	15	5,928	54,928	-	-
Investments in subsidiaries	16	-	-	188,152	181,476
Investment in associate	17	42,136	45,073	38,543	47,407
Available-for-sale investments	18	116	117	14	73
Goodwill	19	4,504	-	-	-
		466,480	497,153	436,534	438,795
Current assets					
Inventories	20	3,677	39	129	11
Trade and other receivables	21	11,706	11,806	1,499	4,003
Deposits for purchases of investments	15	33,000	2,500	-	-
Short-term deposits	22	-	805	-	805
Cash and cash equivalents	22	1,549	1,471	734	299
		49,932	16,621	2,362	5,118
TOTAL ASSETS		516,412	513,774	438,896	443,913

		GROUP		COMPANY	
	Notes	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
EQUITY AND LIABILITIES					
Equity attributable to shareholders of the Company					
Share capital	23	287,343	287,343	287,343	287,343
Share premium		8	8	8	8
Property revaluation reserve		194,552	196,240	117,725	117,725
Investment revaluation reserve		12,825	12,807	(2,888)	(2,907)
Foreign currency translation reserve		(191)	-	-	-
Retained (losses)/earnings		(7,711)	(10,381)	9,153	15,559
Total Equity		486,826	486,017	411,341	417,728
Current liabilities					
Trade and other payables	24	6,474	7,707	4,832	6,215
Bank borrowings	25	7,998	19,955	7,998	19,955
Finance lease creditors	26	19	56	-	-
Taxation payable		360	5	-	-
		14,851	27,723	12,830	26,170
Non-current liabilities					
Deferred taxation	8	10	-	-	-
Bank borrowings	25	14,710	-	14,710	-
Employee entitlements	27	15	15	15	15
Finance lease creditors	26	-	19	-	-
		14,735	34	14,725	15
Total liabilities		29,586	27,757	27,555	26,185
TOTAL EQUITY AND LIABILITIES		516,412	513,774	438,896	443,913

The financial statements of Inch Kenneth Kajang Rubber Public Limited Company (registered numbers: SC007574 (Scotland) and 990261-M (Malaysia)) were approved by the Board of Directors on 28 April 2010 and signed on its behalf by:

Datuk Kamaruddin bin Awang
Director

Dato' Haji Muda bin Mohamed
Director

	Share Capital RM'000	Share Premium RM'000	Property Revaluation Reserve RM'000	Investment Revaluation Reserve RM'000	Foreign Currency Translation RM'000	Retained Losses RM'000	Total Equity RM'000
Year ended 31 December 2009							
At 1 January 2009	287,343	8	196,240	12,807	-	(10,381)	486,017
Total comprehensive income for year	-	-	-	18	(191)	982	809
Transactions with owners	-	-	-	-	-	-	-
Disposal of lands	-	-	(1,688)	-	-	1,688	-
At 31 December 2009	287,343	8	194,552	12,825	(191)	(7,711)	486,826
Year ended 31 December 2008							
At 1 January 2008	287,343	8	248,660	13,093	-	(8,841)	540,263
Total comprehensive income for year	-	-	(52,420)	(286)	-	(1,540)	(54,246)
Transactions with owners	-	-	-	-	-	-	-
At 31 December 2008	287,343	8	196,240	12,807	-	(10,381)	486,017

Company Statement Of Changes In Equity

for the financial year ended 31 December 2009

	Share Capital RM'000	Share Premium RM'000	Property Revaluation Reserve RM'000	Investment Revaluation Reserve RM'000	Retained Losses RM'000	Total Equity RM'000
Year ended 31 December 2009						
At 1 January 2009	287,343	8	117,725	(2,907)	15,559	417,728
Total comprehensive income for year	-	-	-	19	(6,406)	(6,387)
Transactions with owners	-	-	-	-	-	-
At 31 December 2009	287,343	8	117,725	(2,888)	9,153	411,341
Year ended 31 December 2008						
At 1 January 2008	287,343	8	170,145	(2,643)	17,163	472,016
Total comprehensive income for year	-	-	(52,420)	(264)	(1,604)	(54,288)
Transactions with owners	-	-	-	-	-	-
At 31 December 2008	287,343	8	117,725	(2,907)	15,559	417,728

	GROUP		COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash flows from operating activities				
Group operating (loss)/profit	(1,625)	75	(3,793)	(256)
Adjustments for items not requiring an outflow of funds:				
Profit on sale of investments	-	(71)	-	(71)
Write-back of provision of diminution value in investment	(22)	-	-	-
Unrealised loss from foreign exchange	(241)	-	-	-
Depreciation and amortization	924	1,017	18	24
Operating (loss)/profit before changes in working capital	(964)	1,021	(3,775)	(303)
Changes in working capital:				
Decrease in current assets	19,642	2,030	3,645	955
(Decrease)/increase in current liabilities	(8,822)	773	(1,382)	(1,117)
Taxation refund	38	-	-	-
Taxation paid	(210)	(181)	-	-
Net cash from/(used in) operating activities	9,684	3,643	(1,512)	(465)
Investing activities				
Proceeds from disposal of investment in associate	6,640	-	6,640	-
Proceeds from disposal of investments	76	213	76	213
Proceeds from disposal of land	2,000	-	-	-
Purchases of available-for-sale investments	-	(11)	-	(1)
Interest and dividends received	58	3	55	3
Loans (granted to)/repaid by subsidiaries	-	-	(775)	3,580
Acquisition of subsidiaries (note 33)	(20,488)	-	(5,338)	-
Cash acquired on acquisition of subsidiaries	1,394	-	-	-
Purchase of shares in associate	-	(6)	-	(6)
Payments to acquire property, plant and equipment and software	(513)	(167)	(3)	(2)
Net cash (used in)/from investing activities	(10,833)	32	655	3,787
Financing activities				
Interest paid	(1,470)	(1,360)	(1,461)	(1,351)
Repayments of finance leases	(47)	(56)	-	-
Repayments of bank borrowings	(261)	(3,754)	(252)	(3,754)
Net cash used in activities	(1,778)	(5,170)	(1,713)	(5,105)
Decrease in cash and cash equivalents	(2,927)	(1,495)	(2,570)	(1,783)
Cash and cash equivalents at 1 January	1,471	2,966	299	2,082
Cash and cash equivalents at 31 December	(1,456)	1,471	(2,271)	299

1. Corporate information

The consolidated financial statements of Inch Kenneth Kajang Rubber Public Limited Company ("the Company") and its subsidiaries (together "the Group") for the year ended 31 December 2009 were authorised for issue by the Directors on 28 April 2010. Inch Kenneth Kajang Rubber Public Limited Company is a public limited company incorporated in Scotland. Its shares are publicly traded on Bursa Securities, Singapore Exchange Securities Trading Limited and the London Stock Exchange. The principal activities of the Group are oil palm plantation owners, tourism resort operators, manufacturers of constant viscosity (CV) block rubber, retailers of building supplies and property development. Further information on the Company's subsidiaries is in note 16.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated below.

2.1 Basis of preparation and going concern

The Group's financial statements are prepared on a going concern basis and in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the EU and in accordance with those parts of the UK's Companies Act 2006 applicable to companies preparing their accounts in accordance with IFRS.

The Company's financial statements have also been prepared in accordance with IFRS and the Companies Act 2006.

The financial statements of the Group and Company are also prepared on an historical cost basis as modified by the revaluation of freehold land and available-for-sale investments.

The Group's financial statements are presented in Ringgit Malaysia and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated. The exchange rate of Ringgit Malaysia to Pounds Sterling at 31 December 2009 was £1 : RM5.5311 (RM1 : £0.1808).

Going concern

During the year ended 31 December 2009 the Group made a profit of RM0.982 million (2008: loss of RM1.540 million) and at the balance sheet date the Group had net current assets of RM35.081 million (net current liabilities 2008: RM11.102 million) and net assets of RM486.826 million (2008: RM486.017 million). The operations of the Group are currently being financed by funds raised from the Group's operations and short and long term bank and overdraft facilities. The Group has adequate resources to continue its operations for the foreseeable future as there are assets available that could be converted to cash or cash equivalents, should the need arise. The revolving credit facilities were renewed in June 2009 to a medium term loan for 3 years. The Directors are therefore satisfied that the bankers will continue to support the Group for the foreseeable future. The financial statements have, therefore, been prepared on the going concern basis.

2. Accounting policies (continued)

2.2 New IFRS Standards and Interpretations

In preparing the financial statements of the Group for the current year, the Group has adopted the following pronouncements of the IASB for the first time. These pronouncements have not had a material impact on the results or net assets of the Group.

- IFRS 8 'Operating Segments' was issued in October 2006 and defines operating segments as components of an entity about which separate financial information is available and is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The new standard sets out the required disclosures for operating segments and is effective for annual periods beginning on or after 1 January 2009. The new standard has had no impact on the Group's reported income or net assets. The required disclosures are set on in note 4.

- In September 2007, the IASB issued Amendments to IAS 1 'Presentation of Financial Statements' – A Revised Presentation, which requires separate presentation of owner and non-owner changes in equity by introducing the statement of comprehensive income. Whenever there is a restatement or reclassification, an additional balance sheet, as at the beginning of the earliest period presented, will be required to be published. The revised standard is effective for annual periods beginning on or after 1 January 2009. There has been no effect on the Group's reported income or net assets from the adoption of IAS 1 Revised.

At the date of approval of these financial statements, the following Standards and Interpretations, which have not been applied in these financial statements, were in issue but not yet effective. These new Standards, Amendments and Interpretations are effective for accounting periods beginning on or after the effective dates shown below:

		Effective date
IFRS 3	Business Combinations (Revised)	1 July 2009
IAS27	Consolidation and Separate Financial Statements (Revised)	1 July 2009
IFRIC 17	Distributions of non-cash assets to owners	1 July 2009
IFRIC 18	Transfers of assets from customers	1 July 2009

Revised IFRS 3 'Business Combinations' incorporates the following changes that are likely to be relevant to the Group's operations:

- The definition of a business has been broadened, which is likely to result in more acquisitions being treated as business combinations;
- Contingent consideration will be measured at fair value, with subsequent changes therein recognised in profit or loss;
- Transaction costs, other than share and debt issue costs, will be expensed as incurred;
- Any pre-existing interest in the acquiree will be measured at fair value with the gain or loss recognised in profit or loss; and
- Any non-controlling (minority) interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction by transaction basis.

Revised IFRS 3, which becomes mandatory for the Group's 2010 consolidated financial statements, will be applied prospectively and therefore, there will be no impact on prior years.

2. Accounting policies (continued)

2.2 New IFRS Standards and Interpretations (continued)

Amended IAS 27 'Consolidated and Separate Financial Statements' requires accounting for changes in ownership interests by the group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The amendments to IAS 27, which become mandatory for the Group's 2010 consolidated financial statements, are not expected to have a significant impact on the consolidated financial statements.

2.3 Basis of consolidation and goodwill

The Group financial statements consolidate the financial statements of Inch Kenneth Kajang Rubber Public Limited Company and all its subsidiary undertakings drawn up to 31 December each year.

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The consolidated financial statements have been prepared by using the principles of acquisition accounting ("the purchase method") which includes the results of the subsidiaries from their date of acquisition.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated fully on consolidation.

Goodwill is the difference between the amount paid on the acquisition of a subsidiary company or a business and the aggregate fair value of the identifiable assets and liabilities acquired. Goodwill is capitalised as an intangible asset. In accordance with IFRS 3 'Business Combinations', goodwill is not amortised but tested for impairment annually or when there are any other indications that its carrying value is not recoverable. Goodwill is therefore stated at cost less any provision for impairment in value. If a subsidiary undertaking is subsequently sold, goodwill arising on acquisition is taken into account in determining the profit and loss on sale. Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

2.4 Investment in associated undertaking

Companies, other than subsidiary undertakings, in which the Group has an investment and over which it exerts significant influence but does not control, are treated as associated undertakings.

Investments in associated undertakings are equity accounted and carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate, less any impairment in value.

2. Accounting policies (continued)

2.4 Investment in associated undertaking (continued)

Any goodwill arising on the acquisition of an associate, representing the excess of the cost of the investment compared to the Group's share of the net fair value of the associate's identifiable assets and liabilities, is included in the carrying amount of the associate. Goodwill on the acquisition of associates is not amortised.

The income statement includes the Group's share of the associate's profit after tax. To the extent that losses of an associate exceed the carrying amount of the investment, the Group discontinues including its share of further losses and the investment is reported at nil value. Additional losses are only provided if the Group has an obligation to a third party.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss of the Group's investment in its associate at each balance sheet date. The Group calculates the amount of impairment as being the difference between the fair value of the associate and the carrying value and recognises the amount in the income statement.

Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the associate are changed where necessary to ensure consistency with the accounting policies of the Group.

The Parent Company's investment in its associate is included in the Company balance sheet at cost, less any provision for impairment.

2.5 Intangible assets

Intangible assets of the Group consists of computer software and are capitalised at their cost and are amortised on a straight-line basis over their expected useful lives of 5 years.

The carrying value of intangible assets is tested for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

2.6 Property, plant and equipment

Freehold lands are stated at their fair values less impairment losses. Fair value is based on periodic valuations made at least once in every five years and an interim valuation every three years. Valuations are carried out by an independent external licensed valuer on an open market value basis. Any surplus or deficit arising on valuation is transferred directly to equity as a revaluation surplus in the property revaluation reserve, except for those deficits expected to be permanent, which are charged to the income statement. Freehold lands are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

2. Accounting policies (continued)

2.6 Property, plant and equipment (continued)

Depreciation is calculated on a straight-line basis to write off the costs, less estimated residual values of each asset over its estimated useful lives, as follows:

Buildings	10 – 15 years
Land improvements	5 – 20 years
Other assets	5 – 10 years

The carrying values of property, plant and equipment are tested for impairment if events or changes in circumstances indicate the carrying values may not be recoverable. Any impairment losses are recognised in the income statement.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the income statement.

When revalued assets are sold, the amounts included in property revaluation reserves are transferred to retained earnings.

2.7 Financial assets

The Group classifies its financial assets in the following categories: fair value through profit or loss, held-to-maturity, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. At 31 December 2009 and 2008 the Group only had available-for-sale financial assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Available-for-sale financial assets are subsequently carried at fair value.

Changes in the fair value of available-for-sale assets are recognised directly in equity in the investment revaluation reserve. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the Group's right to receive payments is established.

2. Accounting policies (continued)

2.7 Financial assets (continued)

Available-for-sale financial assets (continued)

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired. A significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

2.8 Parent Company investments in subsidiaries

The Parent Company's investments in subsidiary and associated undertakings are included in the Company balance sheet at cost less any provisions for impairments.

2.9 Inventories

Stores and materials inventories are stated at the lower of weighted average cost and net realisable value. Weighted average cost includes all purchase costs and overheads. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and sale. At Supara, inventories are stated at the lower of cost (first-in, first-out basis) and net realisable value.

No harvested fresh fruit bunches are held at year end and therefore, the requirement under IAS 41 'Agriculture' to value agricultural produce at market value does not apply.

2.10 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost and comprise cash in hand, cash at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are included within borrowings in current liabilities on the balance sheet. For the purposes of the cash flow statement, cash and cash equivalents also include any bank overdrafts.

2. Accounting policies (continued)

2.11 Impairment of 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 annual impairment testing 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 or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

2.12 Trade receivables

Trade receivables are carried at original invoice amount less any provision made for impairment. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. Provisions for impairment of receivables are included in the income statement.

2.13 Trade payables

Trade payables are recognised initially at fair values and subsequently measured at amortised cost using the effective interest method.

2.14 Equity interests

Equity interests are classified as equity. Costs directly attributable to the increase of new shares or options are shown in equity as a deduction from the proceeds.

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings 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 balance sheet date.

2. Accounting policies (continued)

2.16 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 net of value added tax, returns, rebates or discounts and after eliminating sales with the Group.

Revenue derived from plantation activities represents the sale of oil palm fresh fruit bunches and is recognised on the accruals basis.

Revenue derived at manufacturing activities is recognised from sales when the goods are delivered, and the risks and rewards of ownership of the goods are transferred to buyers.

Revenue derived from resort activities represents room rentals, net of hotel room tax, and the sale of food and beverages. Accommodation revenue is recognised on the arrival of customers. Payments received in advance of the arrival of guests are included in current liabilities as accommodation rental received in advance.

Interest and dividend income is recognised when the right to receive payments is established.

2.17 Leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

2.18 Employee entitlements

The liability for employees' compensation for unutilised leave is accrued in relation to services rendered by employees and relates to rights which have been vested. These amounts are not discounted.

The Group's contribution to a defined contribution plan is charged to the income statement in the period to which the contribution relates.

2.19 Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance policy, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. Where discounting is used, the increase in the provision due to unwinding of discount is recognised as a finance cost.

2. Accounting policies (continued)

2.20 Dividend distributions

Dividend distributions proposed by the Board of Directors and unpaid at the year end are not recognised in the financial statements as a liability until they have been approved by the Company's shareholders at the Annual General Meeting.

2.21 Biological assets

The Group's biological assets consist of oil palm tree plantations. According to IAS 41 'Agriculture', biological assets should be valued annually at their fair values. The gain or loss in fair value of biological assets is to be included in the income statement.

The Group has used IAS 41's cost model to value the biological assets because the Directors believe that fair values cannot be measured reliably as the trees on the plantations are mature (greater than 25 years old). At 31 December 2009 the costs of the biological assets have been fully depreciated. Even though the plantations are still producing income the Directors believe that any attempt to revalue the plantations to their fair values would not be reliable as market-determined prices or values are not readily available and alternative estimates of fair value are unreliable. The biological assets (i.e. the oil palm trees) are therefore carried in the Company's and Group's financial statements at a nil net book value.

The freehold estate land is carried at its fair value as discussed in note 2.6 above.

The harvested produce (fresh fruit bunches) are sold within a day or two of being harvested. Therefore the requirement under IAS 41 to value agricultural produce at market value as inventories does not apply.

2.22 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

2. Accounting policies (continued)

2.23 Foreign currency translation

Functional and presentational currency

Items included in the financial statements of each of the Group's entities 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 the Company's and the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

The assets, liabilities and the results of the foreign subsidiary undertakings are translated into Ringgit Malaysia at the rates of exchange ruling at the year end. Exchange differences resulting from the retranslation of net investments in subsidiary undertakings are treated as movements on reserves.

3. Significant accounting judgements and estimates

In the process of applying the Group's accounting policies, which are described in note 2 above, the Directors have made the following judgments and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of available-for-sale financial assets

The Group follows the guidance of IAS 39 to determine when an available-for-sale financial asset is impaired. This determination requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow. If all of the declines in fair value below cost were considered significant or prolonged, the Group would suffer an additional loss of RM2.9 million in its 2009 financial statements, being the transfer of the accumulated fair value adjustments recognised in equity on the impaired available-for-sale financial assets to the income statement.

Carrying value of associate

The directors assess the value of the Group's investment in its associated undertaking, Concrete Engineering Products Berhad ("Cepco") is not less than the carrying value. The assessment was made by reference to the value in use of the associate to the Group. If the assessment was made by reference to the market price of the shares of the associate the Group would suffer an additional loss of RM18.9 million, being the difference between the carrying value and the market price at 31 December 2009.

3. Significant accounting judgements and estimates (continued)

Goodwill

The Group follows the requirements of IAS 36 'Impairment of assets' and tests goodwill annually to determine when goodwill is impaired (see accounting policy in note 1 above and goodwill in note 19 below). This determination requires significant judgment. In making this judgment, the Group estimates the recoverable amount of the cash generating units to which goodwill has been allocated based on value-in-use calculations.

Depreciation, useful lives and residual values of property, plant & equipment

The Directors estimate the useful lives and residual values of property, plant & equipment in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the statements of comprehensive income and the carrying values of the property, plant & equipment in the statements of financial position.

Fair value of freehold lands

The Group revalued its freehold lands based on independent external valuations on February and March 2009. The valuations were reviewed at 31 December 2009, no indications of impairment were identified.

Deferred tax asset

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 judgment and measurement is required to determine the amount of deferred tax asset that can be recognised, based on the likely timing of future taxable profit together with future tax planning strategies. The carrying value of deferred tax assets recognised as at 31 December 2009 is RM Nil (2008: RM Nil) and the unrecognised tax losses as at 31 December 2009 is RM1,752,000 (2008: RM1,875,000). Further details are shown in note 8 below.

Judgments

In the process of applying the Group's accounting policies, management has made the following significant judgments, apart from those involving estimations, which may have a significant effect on amounts recognised in the financial statements: impairment of assets, valuation of biological assets and of property, plant and equipment.

4. Segmental information

This year, the Group adopted IFRS 8 'Operating Segments', which replaces IAS 14 'Segment Reporting'. The standard is applied retrospectively. The accounting policy for identifying segments is now based on internal management reporting information that is regularly reviewed by the chief operating decision maker. In contrast, IAS 14 required the Group to identify two sets of segments (business and geographical) based on risks and rewards of the operating segments.

In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group.

4. Segmental information (continued)

The Group's operating businesses are organised and managed separately according to the nature of products produced and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

At 31 December 2009, the Group was organised into four main business segments as follows:

- Plantations – sale of fresh fruit bunches;
- Manufacturing – producing constant viscosity (CV) rubber blocks;
- Tourism – operation of two tourist resorts and sale of food and beverages;
- Others being:

  i) Property development and leasing – development and sale of land and properties and leasing of buildings;
  ii) Trading – trading of building materials; and
  iii) Investment – holding of equity interests in quoted shares.

There are no geographical segments as the Group operates in one geographical region, being the Far East (Malaysia and Thailand).

The segment results for the year ended 31 December 2009 are as follows:

	Plantation RM'000	Tourism RM'000	Manu-facturing RM'000	Others RM'000	Total RM'000
Revenue					
From external customers	2,761	6,031	7,704	1,086	17,582
Segment revenues	2,761	6,031	7,704	1,086	17,582
Finance income	-	3	-	55	58
Finance expenses	-	(9)	-	(1,461)	(1,470)
Gain on disposal of assets	1,019	-	-	-	1,019
Loss on sales of investment	-	-	-	(2,224)	(2,224)
Share of profit of associate	-	-	-	5,727	5,727
Depreciation and amortisation	(15)	(849)	(58)	(2)	(924)
Other expenses	(2,252)	(3,917)	(6,893)	(5,223)	(18,285)
Segment profit/(loss)	1,513	1,259	753	(2,042)	1,483
Segment assets	218,540	25,956	9,095	262,821	516,412
Segment liabilities	7,852	1,202	500	20,032	29,586
Other disclosures					
Investment in associate	-	-	-	42,136	42,136
Capital expenditure	3	364	7	-	374

4. **Segmental information (continued)**

The segmented results for the year ended 31 December 2008 are as follows:

	Plantation RM'000	Tourism RM'000	Trading RM'000	Others RM'000	Total RM'000
Revenue					
From external customers	4,073	5,725	7,568	184	17,550
Segment revenues	4,073	5,725	7,568	184	17,550
Finance income	3	-	-	-	3
Finance expenses	-	(9)	-	(1,351)	(1,360)
Share of profit and associate	-	-	-	(177)	(177)
Depreciation and amortisation	(34)	(887)	-	(106)	(1,027)
Other expenses	(4,295)	(4,399)	(7,836)	82	(16,448)
Segment (loss)/profit	(253)	430	(268)	(1,368)	(1,459)
Segment assets	213,794	7,923	3,614	288,443	513,774
Segment liabilities	5,067	814	39	653	6,573
Other disclosures					
Investment in associate	-	-	-	45,073	45,073
Capital expenditure	2	165	-	-	167

Geographic information

Revenues from external customers

	Group	
	2009 RM'000	2008 RM'000
Malaysia	9,878	17,550
Europe	6,656	-
Brazil	646	-
Thailand	402	-
Total revenue per consolidated income statement	17,582	17,550

The revenue information above is based on the location of the customer.

4. **Segmental information (continued)**

Non-current assets

	Group	
	2009 **RM'000**	**2008** **RM'000**
Malaysia	463,413	497,153
Thailand	3,067	-
Total	466,480	497,153

Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible assets.

5. **Other income**

	Group		Company	
	2009 **RM'000**	**2008** **RM'000**	**2009** **RM'000**	**2008** **RM'000**
Gain on disposal investment	-	71	-	71
Sundry income	27	19	3	3
Road toll income	300	96	-	-
Rental income	162	273	-	-
Management fee to subsidiary	-	-	240	-
Gain on foreign exchange	57	-	-	-
	546	459	243	74
Gain on disposal of land (Comment 1)	1,019	-	1,019	-

Comment 1 - The company disposed of two blocks of land for total consideration of RM5,312,000, realising a total profit on disposal of RM1,019,000.

6. Operating (loss)/profit

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
The operating loss is stated after charging:				
Auditors' remuneration:				
- Parent Company auditor	170	150	170	150
- Subsidiaries' auditor	86	121	-	-
Depreciation	921	1,009	17	17
Amortization of intangible assets	4	8	4	7
Rental expense				
- land and buildings	341	895	272	184
Staff costs (note 10)	1,856	2,157	838	1,153
Provision for doubtful debts	2,437	167	2,437	-

No fees were payable to the Company's auditors for non-audit services in 2009 and 2008.

7. Finance costs

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Bank loan interest	1,461	1,351	1,461	1,351
Finance lease charges	9	9	-	-
	1,470	1,360	1,461	1,351

8. Taxation

The tax charge is made up as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
In Malaysia				
- Current taxation	610	120	-	-
- Over provision in prior years	(109)	(31)	-	-
Deferred taxation – credit	-	(8)	-	-
	501	81	-	-

The Group is not subject to taxation in the United Kingdom. The Group's effective tax rate differs from the standard rate of corporation tax in Malaysia of 25% (2008: 26%) as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Profit/(loss) before taxation	1,483	(1,459)	(6,862)	(1,604)
Tax at the rate in Malaysia of 25% (2008: 26%)	(271)	(379)	(1,715)	(417)
Effect on differential tax rate of 20%	(7)	15	-	-
Tax effects of:				
Expense not deductible for tax purposes	1,798	269	1,762	210
Income not subject to tax	(1,062)	(2)	(141)	(2)
Deferred tax assets not recognised	112	209	94	209
Difference in foreign subsidiary income tax rate	40	-		
Over provision in prior years	(109)	(31)	-	-
Total tax charge for year	501	81	-	-

8. Taxation (continued)

Deferred taxation

The deferred tax included in the balance sheet is as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Other temporary differences	10	-	-	-
Surplus on revaluation of freehold land	-	-	-	-
	10	-	-	-
At 1 January	-	-	-	-
Acquisition of subsidiary company	10	-	-	-
Recognised in income statement	-	-	-	-
Write back to equity (see below)	-	-	-	-
At 31 December	10	-	-	-

The estimated deferred tax benefits not provided in these financial statements are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Arising from:				
Unrecognised tax losses	1,703	1,772	1,620	1,770
Utilised capital allowances	49	103	49	103
	1,752	1,875	1,669	1,873

The key factors that may affect future tax charges include the ability to claim capital allowances in excess of depreciation, utilisation of unrelieved tax losses and changes in tax legislation. The Group expects to be able to claim capital allowances in excess of depreciation in future years based on its capital investment plans. The Group also has unused tax losses. The availability of the unused tax losses for offsetting against future taxable profits of the Company and its subsidiaries are subject to no substantial changes in shareholdings of the Company and its subsidiaries under Section 44 (5A) & (5B) of Income Tax Act, 1967.

9. Earnings/(losses) per share

The calculation of earnings per share is based on the Group's profit for the year of RM0.982 million (2008: loss of RM1.540 million) and the weighted average number of shares in issue during the year of 420,750,000 (2008: 420,750,000). There are no potential dilutive shares or share options outstanding and therefore, the diluted earnings per share is the same as basic earnings per share.

10. Employee information

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Staff costs comprises:				
Wages and salaries	1,755	2,030	795	1,092
Contribution to a statutory employees' provident fund	101	127	43	61
	1,856	2,157	838	1,153

The average monthly number of employees employed by the Group during the year was as follows:

	Group		Company	
	2009 Number	2008 Number	2009 Number	2008 Number
Plantation	26	58	26	58
Tourism	84	51	-	-
Manufacturing	41	-	-	-
Property development and leasing	2	2	-	-
Investment	2	2	2	2
	155	113	28	60

The statutory employees' provident fund is a defined contribution scheme funded by a government body in Malaysia.

11. Directors' emoluments

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Directors' fees & allowances	72	74	72	74
Highest paid Director	15	15	15	15

The above emoluments are made up as follows:

	Basic Salary & Fees (RM)	Benefits & Bonuses (RM)	Meeting Allowances (RM)	Total 2009 (RM)	Total 2008 (RM)
Executive Director					
Dato' Adnan bin Maaruf	12,000	-	3,000	15,000	15,000
Non-Executive Director					
Datuk Kamaruddin bin Awang	3,667		1,500	5,167	-
Ahmad Zakie bin Haji Ahmad Shariff	4,667	-	2,750	7,417	12,250
Dato' Haji Muda bin Mohamed	8,000	-	3,500	11,500	12,250
Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman	1,333		500	1,833	-
Abdul Khudus bin Mohd. Naaim	6,667	-	2,750	9,417	12,250
Dr. Radzuan bin A. Rahman	8,000	-	2,500	10,500	11,000
Tengku Mohamed Fauzi bin Tengku Abdul Hamid	8,000	-	2,750	10,750	2,000
Alan Maitland Dewar McWilliam	-	-	-	-	9,000
	52,334	-	19,250	71,584	73,750

12. Property, plant and equipment

Group	Freehold lands RM'000	Land improvements RM'000	Buildings RM'000	Others RM'000	Total RM'000
Cost or valuation					
At 1 January 2008	443,250	-	14,452	5,679	463,381
Additions in 2008	-	-	12	155	167
Revaluations in 2008	(52,420)	-	-	-	(52,420)
At 1 January 2009	390,830	-	14,464	5,834	411,128
Additions in 2009	-	-	-	374	374
On acquisition of subsidiary companies	19,086	1,024	4,894	3,676	28,680
Disposal	(4,293)	-	-	-	(4,293)
Exchange differences	(2)	(3)	(14)	(19)	(38)
At 31 December 2009	405,621	1,021	19,344	9,865	435,851
Accumulated depreciation					
At 1 January 2008	-	-	8,317	4,820	13,137
Depreciation for 2008	-	-	702	307	1,009
At 1 January 2009	-	-	9,019	5,127	14,146
Depreciation for 2009	-	7	692	222	921
On acquisition of subsidiary companies	-	923	2,801	3,345	7,069
Exchange differences	-	(2)	(10)	(19)	(31)
At 31 December 2009	-	928	12,502	8,675	22,105
Net book values					
At 31 December 2009	405,621	93	6,842	1,190	413,746
At 31 December 2008	390,830	-	5,445	707	396,982

12. Property, plant and equipment (continued)

In order to establish the 31 December 2008 valuation of the the Group's freehold valuations were obtained in February and March 2009 by JB Jurunilai Bersekutu, International Asset Consultants, independent valuers, using the open market basis method. The total valuation of the lands at 31 December 2008 was RM390.830 million. The valuations were reviewed at 31 December 2009, no indications of impairment were identified.

The Group's lands are currently being used for the Group's plantation activities for growing and the sales of oil palm fresh fruit bunches. The Group has been given consent for the change of use of the lands. Further commentary on the Group's plans for its land is included in the Chairman's Statement.

There is no indication of any significant difference between the book and market values of land and buildings shown above at 31 December 2009. There are no restrictions on the title of the Group's property, plant and equipment.

Included in the property, plant and equipment are resort tools and equipment amounting to RM117,540 which were financed under financial leases and freehold land which is secured against the bank borrowings.

Company	**Freehold lands RM'000**	**Buildings RM'000**	**Others RM'000**	**Total RM'000**
Cost or valuation				
At 1 January 2008	262,100	477	844	263,421
Additions in 2008	-	-	2	2
Revaluations in 2008	(52,420)	-	-	(52,420)
At 1 January 2009	209,680	477	846	211,003
Additions in 2009	-	-	3	3
Transfers from subsidiaries	4,293	-	-	4,293
Disposals in 2009	(4,293)	-	-	(4,293)
At 31 December 2009	209,680	477	849	211,006
Accumulated depreciation				
At 1 January 2008	-	339	813	1,152
Depreciation for 2008	-	10	7	17
At 1 January 2009	-	349	820	1,169
Depreciation for 2009	-	10	6	16
At 31 December 2009	-	359	826	1,185
Net book values				
At 31 December 2009	209,680	118	23	209,821
At 31 December 2008	209,680	128	26	209,834

13. Prepaid land lease payments

	Group	
	2009 RM'000	2008 RM'000
At 1 January	48	49
Amortization for the year	(2)	(1)
At 31 December – non-current asset	46	48

14. Intangible assets

	Computer software	
Group and Company	2009 RM'000	2008 RM'000
Cost		
At 1 January	32	32
Additions	-	-
At 31 December	32	32
Accumulated amortization		
At 1 January	27	20
Amortization for the year	1	7
At 31 December	28	27
Net book value		
At 31 December	4	5

15. Deposits for purchases of investments

The deposits for purchases of investments of RM38.928 million (2008: RM57.428 million), represent amounts paid to vendors for deposits for the purchase of shares.

	Group	
	2009 RM'000	2008 RM'000
At 1 January	57,428	57,428
Used for acquisition of Motel Desa Sdn. Bhd	(3,350)	-
Refunds of deposits	(15,150)	-
At 31 December	38,928	57,428

During 2009 the Directors decided not to proceed with the acquisitions. Based upon repayment terms set out in a deed of recission RM33 million has been reclassified to current assets (2008: RM2.5 million) with RM5.928 million (2008: RM54.928 million) shown in non-current assets.

16. Investment in subsidiaries

	Company	
	2009 RM'000	2008 RM'000
Cost		
Shares in subsidiary undertakings	6,338	1,000
Loans to subsidiary undertakings	181,814	180,476
	188,152	181,476

The loans to subsidiary undertakings have no fixed repayment terms but are repayable in more than one year.

16. Investment in subsidiaries (continued)

The subsidiaries of the Group are as follows:

Name of company	Country of incorporation	Nature of business	Type of holding	Percentage of share capital held 2009 %	2008 %
Common Focus (M) Sdn. Bhd.	Malaysia	Investment holding	Ordinary shares	100	100
Perhentian Island Resort Sdn. Bhd.#	Malaysia	Operation of tourist resort	Ordinary shares	100	100
Prominent Mirage (M) Sdn. Bhd	Malaysia	Property development and leasing	Ordinary shares	100	100
Urus Kemas Sdn. Bhd.#	Malaysia	Trading of building materials	Ordinary shares	100	100
Meridian Communications (M) Sdn. Bhd.	Malaysia	Dormant	Ordinary shares	100	100
Melati Atur (M) Sdn. Bhd.#	Malaysia	Dormant	Ordinary shares	100	100
IKK Rubber International (M) Sdn Bhd	Malaysia	Trading of rubber blocks	Ordinary Shares	100	-
Supara Company Limited#	Thailand	Manufacturing of rubber blocks	Ordinary Shares	100	-
Motel Desa Sdn Bhd#	Malaysia	Operation of motel	Ordinary shares	100	-
Actualpadu Tours Sdn Bhd#	Malaysia	Dormant	Ordinary shares	100	-

these subsidiaries are held indirectly by the Company.

17. Investments in associated undertaking

Group

The Group's investment in its associated undertaking represents a 20.16% (2008: 24.65%) interest in Concrete Engineering Products Berhad ("Cepco"), a public company incorporated in Malaysia. The principal activity of Cepco is the manufacture and distribution of prestressed spun concrete piles and poles. The Group's investment in Cepco is accounted for under the equity accounting method as follows:

	2009 RM'000
Shares	
At 1 January 2009	48,126
Additions of shares in Cepco in 2009	201
Disposal of shares in Cepco in 2009	(8,864)
At 31 December 2009	39,463
Share of retained profits/(losses)	
At 1 January 2009	273
Share of profit for 2009	5,727
At 31 December 2009	6,000
Impairment of goodwill	
At 1 January 2009	(3,327)
Impairment in year	-
At 31 December 2009	(3,327)
Net book value	
At 31 December 2009	42,136
At 31 December 2008	45,073

During the year shares in Cepco were disposed of for RM 6,640,000, realising a loss on disposal of RM2,224,000.

17. Investments in associated undertaking (continued)

Group (continued)

The Group's share of the net assets of Cepco as at 31 December 2009 comprised:

	2009 RM'000
Share of assets	
Share of non-current assets	13,656
Share of current assets	18,032
	31,688
Share of liabilities	
Share of non-current liabilities	(2,848)
Share of current liabilities	(13,072)
	(15,920)
Share of net assets	15,768
Goodwill (net of impairment) arising on the acquisition of Cepco	26,368
Carrying value of associate	42,136

The Group's share of the results of Cepco for the year ended 31 December 2009 was as follows:

	2009 RM'000
Share of revenue	46,452
Share of operating profits	7,700
Share of finance costs	(595)
Share of taxation	(1,378)
Share of profits for the year – included in Group income statement	5,727

Cepco's shares are quoted on the Bursa Malaysia and the market value of the Group's investment in Cepco at 31 December 2009 was RM23.212 million.

17. Investments in associated undertaking (continued)

Company

The movement in the Company's investment in its associated undertaking is as follows:

	2009 RM'000
Carrying value at 1 January 2009	47,407
Additions in 2009	-
Disposal in 2009	(8,864)
Carrying value at 31 December 2009 – historical cost	38,543

During the year shares in Cepco were disposed of for RM6,640,000, realising a loss on disposal of RM2,224,000.

18. Available-for-sale investments

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Quoted shares:				
At 1 January 2009	117	534	73	478
Purchase of investments	251	11	-	1
Disposal of investments	(78)	(142)	(78)	(142)
Fair value adjustments	(174)	(286)	19	(264)
At 31 December 2009	116	117	14	73

The above available-for-sale investments are stated at their fair values. The historical cost of the above investments of the Group is RM46.582 million and of the Company is RM46.264 million.

19. Goodwill

Group

Goodwill on consolidation arose from acquisition of subsidiary companies (see note 33) during the current financial year. There is no impairment of goodwill recognised in the income statements of the Group for the current financial year.

	2009 RM'000	2008 RM'000
At 1 January 2009	-	-
Arising from acquisition of a subsidiary companies	4,504	-
At 31 December 2009	4,504	-

20. Inventories

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Estate stores	129	10	129	11
Resort stores	36	29	-	-
Rubber blocks	3,512	-	-	-
	3,677	39	129	11

No harvested fresh fruit bunches are shown as inventory at the year end because they are all sold within a day or two of being harvested.

21. Trade and other receivables

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade receivables	7,288	7,791	218	790
Provision for impairment	(110)	(110)	-	-
	7,178	7,681	218	790
Other receivables and prepayments	3,832	3,429	585	2,517
Corporation tax recoverable	696	696	696	696
	11,706	11,806	1,499	4,003

Amounts falling due after more than one year and included in the debtors above are:

Trade receivables	2,144	3,144	-	-

At 31 December 2009 the trade and other receivables outside their payment terms yet not provided for are as follows:

Within credit terms	2,463	1,543	237	796
Outside credit terms but not impaired:				
0-1 month	-	-	-	-
1-2 months	-	-	-	-
More than 2 months	8,091	9,567	347	2,511
	10,554	11,110	584	3,307

22. Cash and cash equivalents

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash at bank	1,519	1,464	734	299
Short term deposits	21	805	-	805
Cash in hand	9	7	-	-
	1,549	2,276	734	1,104

Cash and Cash equivalents includes short term deposits totalling to RM21,000 which was pledged with commercial banks as collateral for issuing letters of guarantee. During 2009, a deposit of RM805,000 held by Kuwait Finance House (Malaysia) Bhd as security for the Group's bank borrowings, has been released to the Group's current accounts as part of the restructuring of the Group's borrowings.

23. Share capital

	Group and Company	
	2009 GBP'000	2008 GBP'000
Authorised		
1,000,000,000 ordinary shares of 10p each	100,000	100,000

	2009 RM'000	2008 RM'000	2009 GBP'000	2008 GBP'000
Allotted, called up and fully paid				
420,750,000 ordinary shares of 10p each	287,343	287,343	42,075	42,075

No ordinary shares were allotted in 2008 or 2009 and the Company does not have any share options or share warrants in issue at 31 December 2009.

24. Trade and other payables

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade payables	469	446	157	322
Capital gains tax payable	3,986	3,986	3,986	3,986
Other payables and accounts	2,019	3,275	689	1,907
	6,474	7,707	4,832	6,215

Capital gains tax payable of RM3,986,000 (2008: RM3,986,000) relates to property gains tax payable on the disposal of freehold land in 2002. The normal trade credit terms granted to the Group ranges from 30 to 90 days.

25. Bank borrowings

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current liabilities:				
Term loan	4,993	19,955	4,993	19,955
Overdraft	3,005	-	3,005	-
	7,998	19,955	7,998	19,955
Non-current liabilities:				
Term loan	14,710	-	14,710	-
	22,708	19,955	22,708	19,955

In July 2009 the revolving credit loan known as Murabahah Tawaruq which is payable to Kuwait Finance House (Malaysia) Berhad was restructured to a term loan. The Murabahah profit for the year was 7.25% per annum and is repayable quarterly. Interest incurred during the year was RM1,440,000 (2008: RM1,319,000). This loan facility is secured by:

(a) Lienholders' caveat over a piece of vacant land in Bangi;
(b) Irrevocable Letter of Undertaking from the Company to utilise the proceeds from the proposed sale of certain plots of land to repay the Murabahah facility; and
(c) Pledge over a bank account of RM805,000 with Kuwait Finance House (Malaysia) Berhad.

The Group's overdraft facility is payable to Bank Islam Malaysia Berhad and was obtained for working capital purposes in October 2009. The interest incurred for the year was RM21,462 at 6.80% per annum. The tenure of the facility is for three years. The overdraft facility is secured by a First Legal Charge over land held in Kajang under Lot 204, Geran 50497 within Mukim of Semenyih, District: Hulu Langat, Selangor Darul Ehsan.

25. Bank borrowings (continued)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Maturity of borrowings:				
Not later than 1 year	7,998	19,955	7,998	19,955
Later than 1 year and not later than 2 years	6,000	-	6,000	-
Later than 2 year and not later than 5 years	8,710	-	8,710	-
Later than 5 years	-	-	-	-
	22,708	19,955	22,708	19,955

26. Finance lease creditors

The Group has the following future minimum finance lease obligations:

	2009 RM'000	2008 RM'000
Repayable within one year	22	65
Repayable between one and five years	-	22
	22	87
Future finance charges	(3)	(12)
Present value of finance leases	19	75
Amount included in current liabilities	(19)	(56)
Amount included in non-current liabilities	-	19

The fair value of the Group's finance lease obligations approximates their carrying values. The finance leases are secured by the lessor's rights over the leased assets. The effective interest rate of the finance leases is 5.3% per annum.

27. Employee entitlements

Group and Company	Provision for employee entitlements RM'000
At 1 January 2009 and 31 December 2009	15

28. Financial risk management objectives and policies

The section on "Derivatives and Other Financial Instruments" in the Directors' Report sets out a description of the Board's practices and policies on financial instruments.

The Group's principal financial instruments consist of cash and short-term deposits, bank loans and long term investments. The main purpose of these financial instruments is to finance the Group's operations and investments. The Group has other financial instruments such as receivables and payables that arise directly from its operations.

The Directors recognise that financial risk management is an area in which they may need to develop specific policies should the Group become exposed to further financial risks as the business develops.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, credit risk and market price risk. The Board reviews and agrees policies for managing each of these risks as and when they arise.

Interest rate risk

The Group's primary interest rate risk relates to short term interest bearing debt.

The Group also has cash and bank balances and deposits placed with creditworthy licensed banks. The Group manages its interest rate risks by placing such balances on varying maturities and interest rate terms.

Liquidity risk

The Group's objective is to maintain a balance of funding and flexibility through the use of medium term loans. The Group's policy is to arrange for revolving credit as working capital and medium term loans for future acquisition of assets.

Credit risk

The Group and the Company trade only with recognised creditworthy third parties. The Group and the Company manages the exposures to credit risk by performing credit evaluations on all of their major customers requiring credit.

As the Group trades only with recognised creditworthy third parties, there is no requirement for collateral.

Foreign currency risk

The Group has some structural currency exposure as some of its investments and operations are in Thai Baht. Apart from the proceeds derived in Ringgit Malaysia, the Group also receives proceeds from the rubber block sale in US Dollars.

28. **Financial risk management objectives and policies (continued)**

Market price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified as available-for-sale investments.

Hedges

The Group did not enter into any interest rate swaps or forward currency contracts to hedge against interest rate risk or foreign currency risk.

Interest rate risk profile of the financial liabilities and financial assets

The interest rate profile of the financial liabilities (bank borrowings and finance lease creditors) of the Group as at 31 December was as follows:

	Fixed rate financial liabilities RM'000	Financial liabilities on which no interest is paid RM'000	Total RM'000
2009			
Ringgit Malaysia	22,727	-	22,727
2008			
Ringgit Malaysia	20,030	-	20,030

The interest rate profile of the financial assets (cash and cash equivalents and available-for-sale investments) of the Group as at 31 December was as follows:

	Floating rate financial assets RM'000	Financial assets on which no interest is paid RM'000	Total RM'000
2009			
Ringgit Malaysia	1,543	116	1,659
Pound sterling	5	-	5
2008			
Ringgit Malaysia	2,271	117	2,388
Pound sterling	5	-	5

28. Financial risk management objectives and policies (continued)

Maturity of fixed rate financial liabilities

The maturity profile of the Group's and Company's financial liabilities at 31 December 2009 comprises RM8,017,000 (2008: RM20,011,000) due in less than one year from the balance sheet date and RM 14,710,000 (2008: RM19,000) due between one and three years.

Borrowing facilities

The Company and Group do not have any undrawn borrowing facilities.

Fair values of financial assets and financial liabilities

The fair values of financial assets and financial liabilities of the Company and the Group approximates to their carrying amounts, as disclosed in the balance sheets and related notes.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

The gearing ratios at 31 December 2009 and 2008 were as follows:

	2009 RM'000	2008 RM'000
Bank borrowings	22,708	19,955
Finance lease creditors	19	75
Less: cash and cash equivalents	(1,549)	(2,276)
Net debt	21,178	17,754
Total equity	486,826	486,017
Total capital	508,004	503,771
Gearing ratio	4.3%	3.5%

29. Related party transactions

During the year the Group entered into transactions, in the ordinary course of business, with its related party, Concrete Engineering Products Berhad (the Company's associated undertaking). Transactions entered into, and trading balances outstanding at 31 December with the related party, were as follows:

	Sales to related party RM'000	Purchases from related party RM'000	Rental income RM'000	Amount owed by related party RM'000
2009	1,086	-	-	-
2008	7,568	-	132	160

Compensation of key management personnel of the Group

Key management personnel of the Group are defined as those persons having authority and responsibility for the planning, directing and controlling the activities of the Group, directly or indirectly. Key management of the Group are therefore considered to be the Directors of the Company. There were no transactions with the key management, other than their emoluments. The remuneration of key management is set out below in aggregate for the categories specified in IAS24 "Related party disclosures".

The following table summarises remuneration paid to key personnel:

	Group and Company	
	2009 RM'000	2008 RM'000
Short-term employment benefits	72	74

Further information about the remuneration of individual Directors is shown in note 11 above and in the Corporate Governance Statement.

30. Financial commitments under operating leases

The Group and Company have the following future minimum lease obligations payable under operating leases:

	Land and buildings		Plant and machinery	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Group				
Operating leases which expire:				
Within one year	276	-	-	-
Between one and two years	-	272	-	-
Company				
Operating leases which expire:				
Within one year	204	-	-	-
Between one and two years	-	184	-	-

31. Control

The Company and Group are controlled by its shareholders. No one individual has overall control of the Company.

32. Events after the balance sheet date

No significant events have occurred since 31 December 2009.

33. Acquisitions of subsidiary companies

On 24 August 2009, the Company entered into a Share Sale Agreement to acquire 100% equity interest in Innobird (M) Sdn Bhd (subsequently renamed, IKK Rubber International (M) Sdn Bhd) a company incorporated in Malaysia comprising 1,000,000 ordinary shares for a net consideration of RM5,337,677. Innobird (M) Sdn Bhd owns 100% equity interest in Supara Company Limited, a company incorporated in Thailand, comprising 5,000,000 ordinary shares.

33. Acquisitions of subsidiary companies (continued)

Details of net assets acquired are as follows:

	Book and fair values RM'000
Property, plant and equipment	3,062
Inventories	4,058
Receivables	17
Cash and bank balances	1,193
Payables	(7,494)
Identifiable net assets acquired	836
Goodwill	4,502
Purchase consideration – payable in cash	5,338

Details of the cash flows arising from the acquisition are as follows:

	RM'000
Total purchase consideration	(5,338)
Less : Cash and bank balances acquired	1,193
Net cash outflow to the Group	(4,145)

The sub group acquired during the current financial year contributed profit after tax of RM557,227 to the Group for the period from acquisition to 31 December 2009. Had the sub group been acquired on 1 January 2009, the profit after tax attributable to the Group would have been RM638,860.

On 30 October 2009, the Company entered into a Share Sale Agreement with Montvale Sdn. Bhd. to acquire 100% equity interest in Motel Desa Sdn. Bhd. comprising 2,431,623 ordinary shares of RM1 each for a total consideration of RM18,500,000. Motel Desa Sdn. Bhd. wholly owns Actualpadu Tours Sdn. Bhd. having a paid-up capital of 50,000 ordinary shares RM1 each.

The acquisition was completed on 22 December 2009.

33. Acquisitions of subsidiary companies (continued)

Details of net assets acquired are as follows:

	Book and fair values RM'000
Property, plant and equipment	18,408
Other investment	235
Inventories	5
Receivables	120
Cash and bank balances	201
Payables	(377)
Provision for taxation	(84)
Deferred taxation	(10)
Identifiable net assets acquired	18,498
Goodwill	2
Purchase consideration – payable in cash	18,500

Details of the cash flows arising from the acquisition are as follows:

	RM'000
Total purchase consideration	(18,500)
Less : Deposit paid in prior periods	3,350
Less : Cash and bank balances acquired	201
Net cash outflow to the Group in the current period	(14,949)

The result of the acquired sub group is not included in the Group's financial statements due to the completion date being near to the end of December 2009 and therefore having an immaterial impact on the Group's results for 2009. Had the sub group been acquired on 1 January 2009, the profit after tax attributable to the Group would have been RM48,025.

Class of Shares : Ordinary Shares of 10 Pence Each

A. DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	No. of Shares	%
Less than 100	11	426	0.00
100 - 1,000	562	466,668	0.11
1,001 - 10,000	3,752	21,051,957	5.00
10,001 - 100,000	2,605	83,839,684	19.93
100,001 - less than 5% of issued shares	384	168,896,599	40.14
5% and above of issued shares	4	146,494,666	34.82
Total	**7,318**	**420,750,000**	**100.00**

B. SUBSTANTIAL SHAREHOLDERS

	Name	No. of Shares	%
1	Concrete Engineering Products Berhad	55,032,400	13.08
2	Hamptons Property Sdn Bhd	49,327,700	11.72
3	FA Securities Sdn Bhd	29,672,500	7.05
4	Euston Technologies Sdn Bhd	22,662,066	5.39

C. THIRTY (30) LARGEST SHAREHOLDERS

	Name	No. of Shares	%
1	EB Nominees (Tempatan) Sendirian Berhad for Concrete Engineering Products Berhad	55,032,400	13.08
2	Hamptons Property Sdn Bhd	47,405,700	11.27
3	Euston Technologies Sdn Bhd	22,662,066	5.39
4	Mayban Nominees (Tempatan) Sdn Bhd for FA Securities Sdn Bhd	21,394,500	5.08
5	CIMB Group Nominees (Tempatan) Sdn Bhd for FA Securities Sdn Bhd	10,200,000	2.42
6	Kenanga Nominees (Tempatan) Sdn Bhd for Norazlina binti Awang	9,291,300	2.21
7	Singapore Investments (Pte) Limited	5,610,000	1.33
8	Sumber Berkat Sdn Bhd	5,100,000	1.21

C. THIRTY (30) LARGEST SHAREHOLDERS (continued)

	Name	No. of Shares	%
9	EB Nominees (Tempatan) Sendirian Berhad for Che Ismail bin Mohd	5,000,000	1.19
10	Glenmarie Estates Sdn Berhad	4,488,000	1.07
11	JF Apex Nominees (Tempatan) Sdn Bhd for Chee Chik Eng	4,215,300	1.00
12	United Investment Co Sdn Bhd	3,825,000	0.91
13	Muhamad Faris bin Muhamad Fasri	3,255,800	0.77
14	Ahmad Anwar bin Mohd Nor	3,133,800	0.74
15	Ambank (M) Berhad for Sumber Berkat Sdn Bhd	2,805,000	0.67
16	HDM Nominees (Asing) Sdn Bhd DBS Vickers Secs (S) Pte Ltd for Tan Chin Guan	2,652,000	0.63
17	Affin Nominees (Tempatan) Sdn Bhd for Low Teck Beng	2,468,700	0.59
18	Alliancegroup Nominees (Tempatan) Sdn Bhd for Ng Ah Chai	2,102,000	0.50
19	JF Apex Nominees (Tempatan) Sdn Bhd for Ng Ah Chai	1,884,800	0.45
20	TA Nominees (Tempatan) Sdn Bhd for Hassan bin Haji Hussin	1,785,000	0.42
21	Che Yam @ Rusnah binti Hussin	1,683,500	0.40
22	Md Rushdi bin Taib	1,499,400	0.36
23	Cheah See Han	1,340,600	0.32
24	Tee Keng Sing	1,326,000	0.32
25	Ten Yen Mei	1,180,000	0.28
26	Masmanis Sdn Bhd	1,059,400	0.25
27	Farisa binti Che Muhamad Fasir	1,033,300	0.25
28	Kow Kek Leong	1,001,000	0.24
29	Citigroup Nominees (Asing) Sdn Bhd GSI for Mineral Associated Overseas S.A.	1,000,000	0.24
30	Chong Yeen Li	898,000	0.21

	Leasehold/ Title Nos	Tenure	Existing Use	Land Area (Hectare)	Age of Property (Year)	Net Book Value 31/12/2009 (RM'000)	Date of Acquisition/ Last Revaluation
1.	Lot Nos: 204, 1868 505, 1874 1875 1876 626, 1880 653, 1881 1005, 1882 1091,1909 1158, 1910 1912 1204,	Freehold	Oil Palm Plantation	136.92	94	176,857	Acquired on 24.03.1914 - 16.06.1916 and last revalued on 08.04.2010
	Kajang estate, Mukim of Semenyih, Daerah Ulu Langat, Selangor						
2.	Lot Nos: 540, PT 21625 PT 21628 PT 21630	Freehold	Oil Palm Plantation	243.49	94	209,680	Acquired on 24.03.1914 - 16.06.1916 and last revalued on 08.04.2010
	Dunedin estate, Mukim of Semenyih, Daerah Ulu Langat, Selangor						
3.	HS (D) 1470 PT Lot 354	Leasehold expiring in 2051	Resort Land and Buildings	9.947	20	46	Acquired on 18.08.1990
	Mukim of Pulau Perhentian, Daerah Besut, Terengganu						
4.	Title No. 9654	Freehold	Factory and Office building	5.18	10	1,084	Acquired on 24.08.2009
	77/17 Moo 4 Bangmaruan Road, Tambon Bang Muang, Takuapa 82190, Phang-Nga, South Thailand						

	Leasehold/ Title Nos	Tenure	Existing Use	Land Area (Hectare)	Age of Property (Year)	Net Book Value 31/12/2009 (RM'000)	Date of Acquisition/ Last Revaluation
5.	Lot No. 3468	Freehold	Motel Land and Buildings	2.38	25	18,000	Acquired on 30.10.2009
6.	15-06A Amber Tower Seri Mas Condominium Batu 3 ½ Cheras 56000 Kuala Lumpur	Leasehold expiring in 2085	Apartment	91 sq. m.	15	92	Acquired in 30.06.2003
						405,759	

No. of Shares Held	

Proxy Form

I/We ____ Tel No. ____________________

(FULL NAME IN BLOCK LETTERS)

of ____

(ADDRESS)

being a member/members of **Inch Kenneth Kajang Rubber Public Limited Company**, hereby appoint *the Chairman of the Company or ____(__________)

(FULL NAME OF PROXY) %

of ____

(ADDRESS)

*and/or failing whom ____(__________)

(FULL NAME OF PROXY) %

of ____

(ADDRESS)

as *my/our proxy to vote for *me/us on my/our behalf at the 100th Annual General Meeting of the Company to be held at Auditorium Integriti, Aras 2, Institut Integriti Malaysia, Persiaran Duta, Off Jalan Duta, 50480 Kuala Lumpur on Tuesday, 22 June 2010 at 10.00 a.m. for the following purposes:

		FOR	AGAINST
RESOLUTION 1	Receive and adopt the Directors' Report and Financial Statements		
RESOLUTION 2	Approve the payment of Directors' fees		
RESOLUTION 3	Re-elect Datuk Kamaruddin bin Awang		
RESOLUTION 4	Re-elect Tan Sri Dato' Bentara Istana Nik Hashim bin Nik Ab. Rahman		
RESOLUTION 5	Re-elect Dr. Radzuan bin A. Rahman		
RESOLUTION 6	Re-appoint appoint Messrs UHY Hacker Young LLP as Auditors of the Company and authorise the Directors to fix their remuneration		
RESOLUTION 7	**SPECIAL BUSINESS: SPECIAL RESOLUTION** To approve the proposed renewal of authority for the purchase by the Company of its own shares		

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

*Delete whichever is not applicable.

______________________________ Dated this day ______________ of ______________ 2010

Signature/Seal of Member(s)

Note:

A member of the Company entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company. Where a member appoints more than one proxy, the appointment shall not be valid unless he specifies the proportion of his holding to be represented by each proxy. The instrument appointing a proxy must be deposited at the Registrar's Office of the Company, not less than forty-eight (48) hours before the time for holding the meeting.

FOLD THIS FLAP FOR SEALING

AFFIX
STAMP

MESTIKA PROJEK (M) SDN BHD
(225545-V)

22nd Floor Menara Promet
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

2ND FOLD HERE

1ST FOLD HERE

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