JOHORE TIN BERHAD

COMPANY NO:532570-V
INCORPORATED IN MALAYSIA

Annual Report 2012

Contents

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twelfth Annual General Meeting of Johore Tin Berhad will be held at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor on Friday, 28 June 2013 at 9.30 a.m. for the following purposes:

ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2012 and the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note 1)

2. To declare a Single Tier Final Dividend of 4.2% for the financial year ended 31 December 2012. (Resolution 1)

3. To approve the payment of Directors' fees of RM300,000.00 for the year ended 31 December 2012. (Resolution 2)

4. To re-elect the following Directors who retire by rotation pursuant to Article 120 of the Company's Articles of Association:

    (a) Mr. Yeow Ah Seng @ Yow Ah Seng (Resolution 3)

    (b) Mr. Lim Chin Kai (Resolution 4)

5. To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 5)

SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolution, with or without modifications:

6. **ORDINARY RESOLUTION** (Resolution 6)
    AUTHORITY TO DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

    "THAT subject always to the Companies Act, 1965, Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Section 132D of the Companies Act, 1965 to issue and allot not more than ten percent (10%) of the issued capital of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof AND THAT authority be and is hereby given to the Directors to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad."

7. **CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS**

    7.1 LIM CHIN KAI (Resolution 7)

    "THAT subject to the passing of the Ordinary Resolution 4, authority be and is hereby given to Mr. Lim Chin Kai who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company."

    7.2 MUHAMAD FEASAL BIN YUSOFF (Resolution 8)

    "THAT authority be and is hereby given to En. Muhamad Feasal Bin Yusoff who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company."

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

NOTICE OF ENTITLEMENT DATE AND DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT the proposed Single Tier Final Dividend of 4.2% in respect of the financial year ended 31 December 2012, if approved, will be paid on 29 July 2013 to depositors registered in the Record of Depositors at the close of business on 5 July 2013.

A depositor shall qualify for entitlement only in respect of:

(a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 5 July 2013 in respect of ordinary transfers; and

(b) Shares bought on the Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board
JOHORE TIN BERHAD

YONG MAY LI (f) (LS0000295)
Company Secretary

Johor Bahru
5 June 2013

NOTES:-

1. A member of the Company entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy.
3. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, is allowed to appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy, in the case of an individual shall be signed by the appointor or his/her attorney duly authorised in writing and in the case of a corporation, either under seal or under the hand of an attorney or an officer duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
6. The instrument appointing a proxy must be deposited at the Registered Office of the Company situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
7. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Article 72(c) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 20 June 2013 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

EXPLANATORY NOTES:-

ORDINARY BUSINESS :

1. **Item 1 of the Agenda**

   This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

SPECIAL BUSINESS :

2. **Item 6 of the Agenda**

   ORDINARY RESOLUTION
   AUTHORITY TO DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

   The purpose of this Ordinary Resolution proposed under Agenda item 6 will give powers to the Directors to issue up to a maximum ten per cent (10%) of the issued share capital of the Company for the time being for such purposes as the Directors would consider in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

   The general mandate sought for issue of securities is a renewal of the mandate that was approved by the shareholders on 27 June 2012. The Company did not utilise the mandate that was approved last year. The renewal of the general mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

Statement Accompanying Notice of Annual General Meeting

1. Directors who are standing for re-election at the Twelfth Annual General Meeting of Johore Tin Berhad ("The Company"):

   (i) Under Article 120 of the Company's Articles of Association:
   - Mr. Yeow Ah Seng @ Yow Ah Seng
   - Mr. Lim Chin Kai

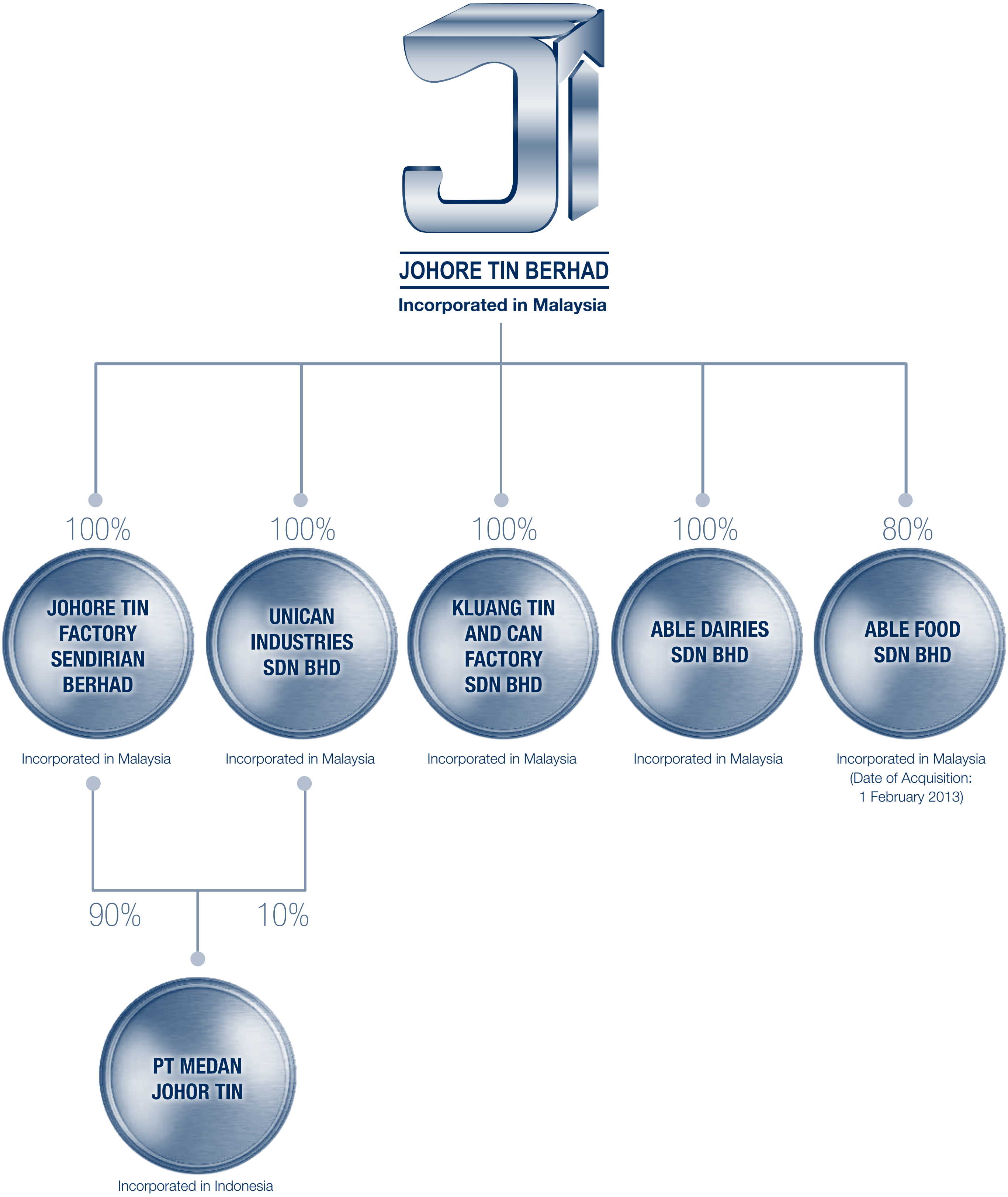
2. Further details of Directors standing for re-election are set out in the Directors' Profile appearing on pages 7 to 9 of this Annual Report.

3. Particulars of Directors' shareholdings are set out on page 108 of this Annual Report.

Corporate Information

Directors	:	Datuk Kamaludin Bin Yusoff (Chairman) Mr. Edward Goh Swee Wang (Chief Executive Officer) Mr. Yeow Ah Seng @ Yow Ah Seng Mr. Lim Chin Kai En. Muhamad Feasal Bin Yusoff Mr. Lim Hun Swee
Audit Committee	:	Mr. Lim Chin Kai (Chairman/Independent Non-Executive Director) En. Muhamad Feasal Bin Yusoff (Senior Independent Non-Executive Director) Datuk Kamaludin Bin Yusoff (Independent Non-Executive Director)
Remuneration Committee	:	Mr. Lim Chin Kai (Chairman/Independent Non-Executive Director) Mr. Edward Goh Swee Wang (Chief Executive Officer) En. Muhamad Feasal Bin Yusoff (Senior Independent Non-Executive Director)
Nomination Committee	:	En. Muhamad Feasal Bin Yusoff (Chairman/Senior Independent Non-Executive Director) Mr. Lim Chin Kai (Independent Non-Executive Director) Datuk Kamaludin Bin Yusoff (Independent Non-Executive Director)
Company Secretary	:	Ms. Yong May Li (LS0000295)
Auditors	:	Crowe Horwath Chartered Accountants 30-04, Level 30, Menara Landmark 12, Jalan Ngee Heng 80000 Johor Bahru, Johor Tel: +60(7) 278 1268 Fax: +60(7) 278 1238
Share Registrar	:	Tricor Investor Services Sdn. Bhd. Level 17, The Gardens North Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel: +60(3) 2264 3883 Fax: +60(3) 2282 1886
Registered Office	:	Suite 1301, 13th Floor City Plaza, Jalan Tebrau 80300 Johor Bahru, Johor Tel: +60(7) 335 4988 Fax: +60(7) 335 4977
Principal Bankers	:	Public Bank Berhad Hong Leong Bank Berhad AmBank (M) Berhad United Overseas Bank (Malaysia) Bhd
Stock Exchange Listing	:	Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities")
Website	:	http://www.johoretin.com.my

Corporate Structure



Profile of Directors

	Datuk Kamaludin Bin Yusoff	Edward Goh Swee Wang
Position	Chairman / Independent Non-Executive Director	Chief Executive Officer
Age	65	50
Nationality	Malaysian	Malaysian
Qualification	Bachelor of Arts (Hons) in History, University Malaya, Kuala Lumpur, 1974	Business Administration and Mechanical Engineering
Working experience & occupation	- Started his career as Administrative & Diplomatic Officer in the public sector in 1974 and has served in various positions with Ministry of Finance, Ministry of Defence, Road Transport Department and Ministry of Entrepreneur Development	- Holds a Bachelor of Science Degree in Mechanical Engineering and a Master Degree in Business Administration from the Oklahoma State University, United States of America - More than 20 years of working experience in tin can industry - Oversees company planning, development, marketing and overall management
Date of Appointment	August 11, 2008 April 26, 2010 (Chairman)	December 31, 2002
Other directorships of public listed companies	Yoong Onn Corporation Berhad	Nil
Membership of Board Committees	Member of Audit Committee and Nomination Committee	Member of Remuneration Committee
Family relationship with any director and/or major shareholder of Johore Tin Berhad ("JTB")	Nil	Son to Mr. Goh Mia Kwong who is a major shareholder of JTB
Conflict of interest with JTB, if any	Nil	Nil
Convictions for offences within the past 10 years other than traffic offences	Nil	Nil
No. of Board Meetings attended in the financial year	5	5

	Yeow Ah Seng @ Yow Ah Seng	Lim Chin Kai
Position	Executive Director	Independent Non-Executive Director
Age	60	55
Nationality	Malaysian	Malaysian
Qualification	Supervision of factory operations and sales	Business Administration and Mechanical Engineering
Working experience & occupation	- Started his career in the tin can manufacturing industry since 1983 - Joined Kluang Tin And Can Factory Sdn. Bhd. in 1988 as Executive Director	- Holds a Bachelor of Science in Mechanical Engineering from the Oklahoma State University, USA and a Master Degree of Business Administration from the University of San Francisco, USA - Joined Walden International Investment Group as Assistant Vice President in 1995. Subsequently, joined Megachem Ltd in 1996 as General Manager and resigned in 2005 as Corporate Services and Investment Director. Later, joined AvantChem Pte Ltd as General Manager / Director and resigned in March 2007 - Currently has ventured into his own business as a Private Investor
Date of Appointment	December 31, 2002	December 31, 2002
Other directorships of public listed companies	Nil	Nil
Membership of Board Committees	Nil	Chairman of Audit Committee and Remuneration Committee, Member of Nomination Committee
Family relationship with any director and/or major shareholder of JTB	Nil	Nil
Conflict of interest with JTB, if any	Nil	Nil
Convictions for offences within the past 10 years other than traffic offences	Nil	Nil
No. of Board Meetings attended in the financial year	5	5

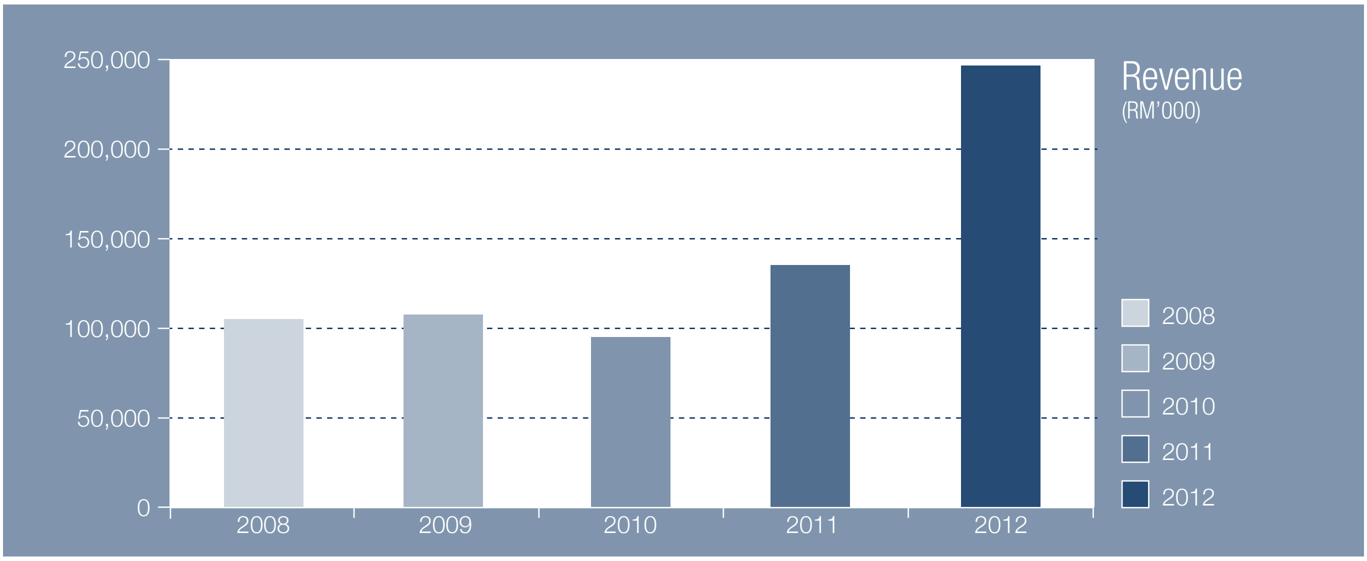
	Muhamad Feasal Bin Yusoff	Lim Hun Swee
Position	Senior Independent Non-Executive Director	Executive Director
Age	43	61
Nationality	Malaysian	Singaporean
Qualification	Chartered Accountancy	Management of factory operation
Working experience & occupation	- Member of the Association of Chartered Certified Accountants ("ACCA") and Malaysian Institute of Accountants ("MIA") - Graduated with a Bachelor of Arts (Hons) majoring in Accounts and Finance from Manchester Metropolitan University, UK - Joined Deloite Touche Tohmatsu in 1995, he then moved to Ernst & Young - Setting up his own practice, Feasal & Co in 2003	- 20 years experience as Managing Director of In-Comix Food Industries Sdn. Bhd. and retired from the position since July 2009 - Presently, he is the managing director of Grand United Marketing Sdn. Bhd. and Taste N Tasty Food Industries Sdn. Bhd.
Date of Appointment	December 31, 2002	August 26, 2010
Date of Resignation	Nil	Nil
Other directorships of public listed companies	Nil	Nil
Membership of Board Committees	Chairman of Nomination Committee, Member of Audit Committee and Remuneration Committee	Nil
Family relationship with any director and/or major shareholder of JTB	Nil	Nil
Conflict of interest with JTB, if any	Nil	Nil
Convictions for offences within the past 10 years other than traffic offences	Nil	Nil
No. of Board Meetings attended in the financial year	5	5

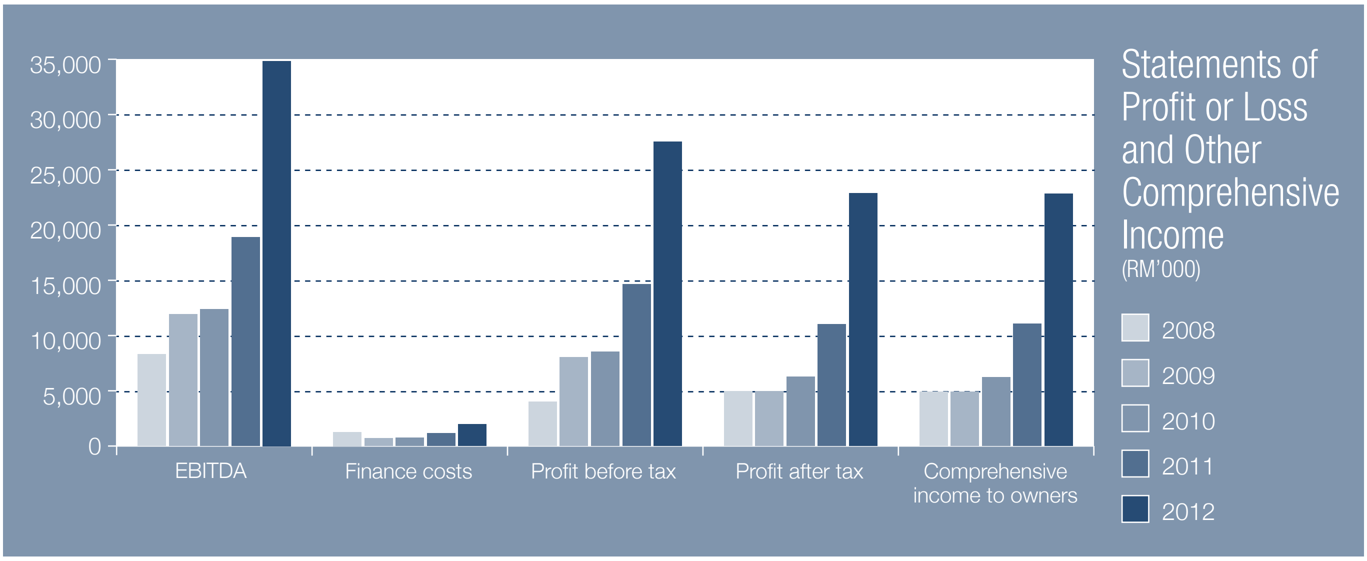
Financial Highlights

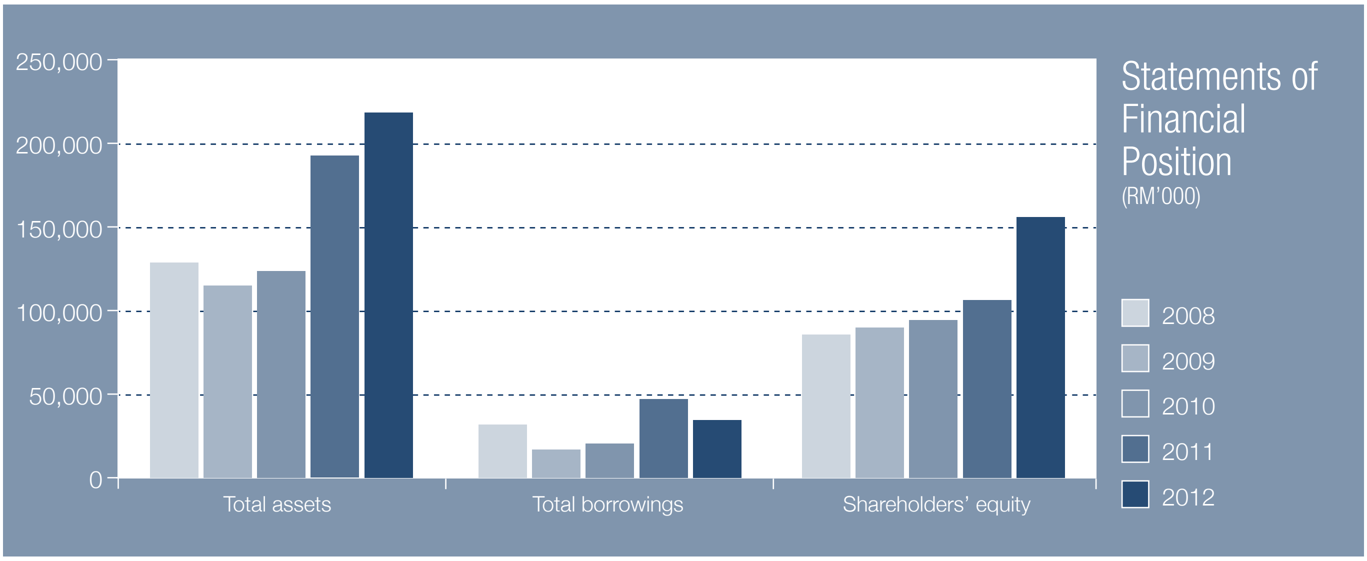
Statements of Profit or Loss and Other Comprehensive Income:	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000	2012 RM'000
Revenue	105,199	107,314	95,563	134,215	246,361
EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)	8,319	11,939	12,378	18,877	34,946
Finance costs	1,269	724	734	1,163	1,982
Profit before tax	3,996	8,033	8,551	14,659	27,555
Profit after tax	4,942	4,965	6,273	11,038	22,891
Comprehensive income attributable to the owners	4,909	4,925	6,211	11,048	22,817

Statements of Financial Position:	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000	2012 RM'000
Total assets	128,653	114,840	123,711	192,577	218,493
Total borrowings	31,938	16,982	20,555	47,131	34,600
Shareholders' equity	85,539	89,846	94,407	106,226	155,871

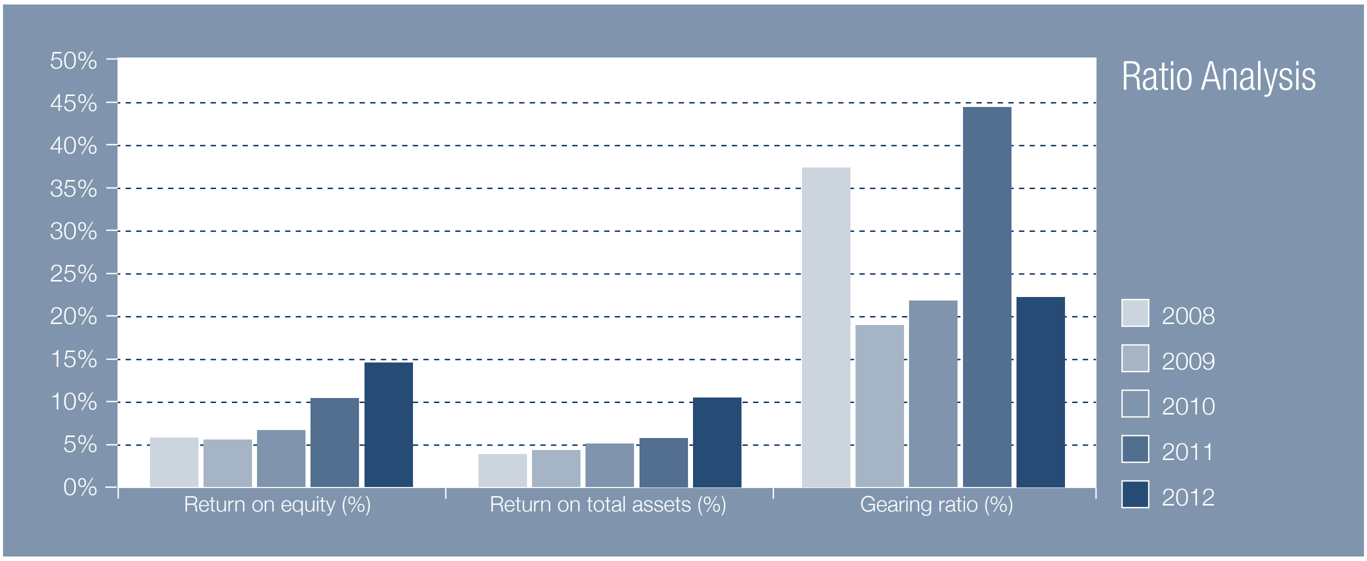
Financial Indicators:	2008	2009	2010	2011	2012
Return on equity (%)	5.78	5.53	6.64	10.39	14.69
Return on total assets (%)	3.84	4.32	5.07	5.73	10.48
Gearing ratio (%)	37.34	18.90	21.77	44.37	22.20
Interest cover (times)	6.56	16.49	16.86	16.23	17.63
Earnings per share (sen)	7.49	7.53	9.51	16.56	30.86
Net assets per share (RM)	1.30	1.36	1.43	1.52	1.67
Gross dividend per share (sen)	1.25	2.50	3.50	3.80	4.20
Gross dividend yield (%)	3.05	4.63	5.38	5.14	2.53
Price Earnings (PE) ratio	5.47	7.18	6.84	4.47	5.38
Share price as at the end of financial year (RM)	0.41	0.54	0.65	0.74	1.66

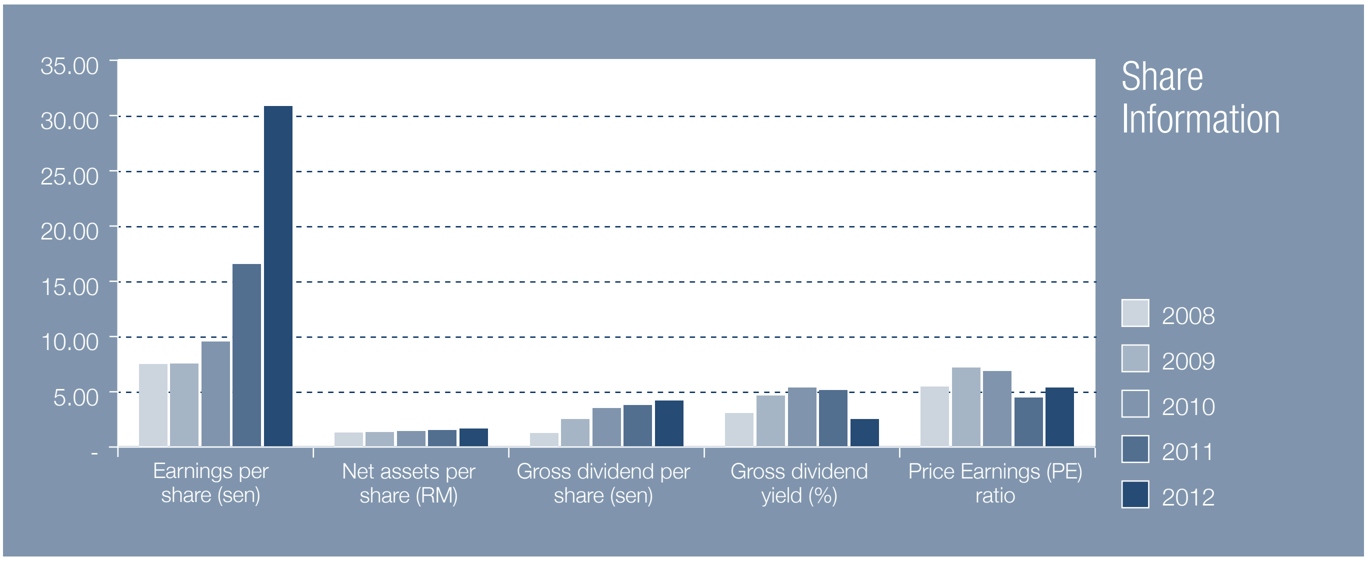

250,000
200,000
150,000
100,000
50,000
0
2008
2009
2010
2011
2012
Revenue
(RM'000)
2008
2009
2010
2011
2012


35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
EBITDA
Finance costs
Profit before tax
Profit after tax
Comprehensive income to owners
Statements of Profit or Loss and Other Comprehensive Income
(RM'000)
2008
2009
2010
2011
2012


250,000
200,000
150,000
100,000
50,000
0
Total assets
Total borrowings
Shareholders' equity
Statements of Financial Position
(RM'000)
2008
2009
2010
2011
2012

Financial Highlights (cont'd)





Chairman's Statement

On behalf of the Board of Directors of Johore Tin Berhad ("JTB"), it is my pleasure to present the Annual Report and Audited Financial Statements for the financial year ended 31 December 2012.

FINANCIAL REVIEW

The JTB Group of companies have achieve a consolidated revenue of RM246 million for the financial year ended 31 December 2012, as compared to RM134.215 million in year 2011.

For the year under review, the profit after tax increased to RM23 million from RM11.038 million a year ago.

DIVIDEND

The Board of Directors is pleased to propose a first and final single-tier dividend of 4.2 sen per ordinary share for the year ended 31 December 2012, subject for the shareholders' approval at the forthcoming Annual General Meeting of JTB.

PROSPECT IN PACKAGING SEGMENT

Steel price remained at a low point in year 2012 and it is expected to rebound slightly in year 2013. The increased in steel price will create a stiffer competition in the can-making business. But I still expect JTB's packaging segment to stay profitable despite the increasing costs.

PROSPECT IN FOOD AND BEVERAGE SEGMENT

The food and beverage ("F&B") segment of the Group has seen a significant growth in the year 2012. Raw materials costs such as milk powder, palm oil and sugar remained at a relatively low level during the year and had contributed to the higher profit margin. However, the market is seeing a surge in the dairy products prices in early of year 2013 due to the severe drought in New Zealand and as such, I expect the costs in this segment to increase this year. Therefore, it will be a more challenging year for the Group to manage its costs in order to retain the profitability of the F&B segment.

APPRECIATION

On behalf of the Board of Directors, I sincerely extend my appreciation to our customers, bankers, business partners and shareholders for their support and cooperation.

Also, I applaud the staffs and members of the Management of each subsidiaries and the holding company for their contributions in the success and growth of the JTB Group in year 2012.

And to the members of the Board, thanks you for your advices in driving JTB to greater heights.

Thank you.

DATUK KAMALUDIN BIN YUSOFF
Independent Non-Executive Chairman

Dated: 5 June 2013

Statement on Management Discussion and Analysis

This statement is to give investors and shareholders a better understanding of the Group's business, operations and financial position. In line with the corporate disclosure guide issued by Bursa Malaysia, the Board is pleased to present the following statement for the financial year ended 31 December 2012.

1. OVERVIEW OF BUSINESS AND OPERATIONS, OBJECTIVES AND STRATEGIES

A. Business and Operations

On the Group's perspective, the principal activity is primarily involved in the manufacturing of various tins, cans and other containers and printing of tinplates.

In year 2011, the Company has initiated a corporate exercise on acquisition of a wholly-owned subsidiary, with the diversification from its core business into the food & beverage ("F&B") industry. The principal activities of the newly acquired subsidiary are that of manufacturing and selling of milk and other related dairy products.

The Group's organisation and corporate structure is included in page 6 of this Annual Report.

For the tin manufacturing business, most of the customer base is in the local market, with a minor portion in Singapore market. They comprise of various industries mainly in biscuit industry, paint and chemical industry, edible oil industry, food processing industry and others.

Whilst for F&B business, the main market of the customer base is in overseas, mainly in Africa Continent, the Middle East and South East Asia Region. The product lines include sweetened condensed milk and evaporated milk of different blend formulations as well as milk powder in both bulk and consumer packs.

B. Objectives and Strategies

The Board should ensure the achievement of short term opportunities without compromising any long term business objectives. Thus, the Board is reviewing and monitoring the financial performance of the Group closely.

The Group's objectives include compliance with local statutory and regulatory requirements, maintain high quality products and high level of customer satisfaction as well as to achieve the Good Manufacturing Practice ("GMP") standards and meet customer product safety requirement are met.

In order to achieve the Group's business objectives, Management is required to oversee the day-to-day operations, ensuring lower wastage and rejection rate. The Management responsibilities include ensuring all the production schedules are planned, periodical maintenance services on equipment and machineries are done accordingly, regular meeting relating to production matters and improvement are carried out as well as continuous innovation of new products.

2. REVIEW OF FINANCIAL RESULTS

For the current year under review, the Group achieved the revenue of RM246.3 million against previous year's revenue of RM134.2 million. The increase in revenue of RM112.1 million was due to the full year contributions from the F&B this year as compared to only two (2) months' contributions in previous year.

For the tin manufacturing segment, the revenue declined by RM23.9 million to RM82.0 million, mainly due to the elimination of inter-companies sales relating to the newly acquired subsidiary. Whereas, the revenue for F&B segment increased by RM136 million to RM164.3 million mainly due to the full year contributions as compared to two (2) months in previous year.

The profit before tax for tin manufacturing segment increased by RM1.9 million to RM10.7 million due to reduction in operating costs and finance costs. Whilst for F&B segment, the profit before tax increased by RM7.0 million to RM19.0 million due to the full year contributions by this business segment.

Other financial and non-financial indicators are highlighted in pages 10 to 12 of this Annual Report.

3. REVIEW OF OPERATING ACTIVITIES

The following are the main factors that may affect the operating activities of the Group:

A. Business Risk

The Group is principally involved in the manufacturing of various tins, cans and other containers and printing of tinplates, as well as the manufacturing and selling of milk and other related dairy products. The revenue and operating results could be adversely affected by many factors which include, amongst others, increases in the cost of raw materials and increases in the cost of labour.

The Group attempts to mitigate these risks by continuously monitoring the prices of key raw materials, expanding the pool of suppliers and customers whilst continuing to establish long term business relationship with the existing suppliers and customers, expanding the existing business by capturing the strength of the Group's reputation and developing new products. There is no assurance that any changes to the above factors will not materially affect the performance of the Group as a whole.

B. Political, Economic and Regulatory Considerations

The Group's business, prospects, financial condition and level of profitability may be affected by developments in the economic, political and regulatory environment in Malaysia and the other countries in which the Group's products have market presence. Any adverse developments or uncertainties in these factors could materially or adversely affect the profitability and business prospects of the Group.

Political and economic uncertainties include (but are not limited to) risk of war, global economic downturn, expropriation, nationalisation, changes in political leadership, changes in investment policies, unfavourable changes in government policies such as changes in interest rates, method of taxation, exchange controls or the introduction of new regulations, import duties and tariffs and re-negotiation or nullification of existing contracts.

The Group will continue to adopt effective measures such as prudent management and efficient operating procedures to mitigate these factors. However, there can be no assurance that adverse economic, political and regulatory changes will not materially affect the Group's business.

C. Competition Risks

The Group faces competition from both new entrants and existing players which offer similar products. High product quality, manufacturing efficiency, marketing, reasonable pricing and range of products are critical factors towards ensuring the success and sustainability of the business.

The Group will continue to take strategic measures and continuous review of the operational efficiency to move ahead of competition by addressing the factors above. Whereas for the F&B segment, the barriers to entry are mainly the relative high capital investment to set up the manufacturing facilities, established distribution channels, compliance with stringent safety standards and strong research and development capabilities.

As the Group already has existing manufacturing plants with established distribution channels, the Group does not foresee immediate threat of new entrants that will significantly affect the Group's business. Notwithstanding the above, there can be no assurance that the Group will be able to maintain its market share.

D. Foreign Exchange Risks

The Group is exposed to foreign exchange risks on sales and purchases that are denominated in a currency other than Ringgit Malaysia ("RM"). The currencies giving rise to this risk are primarily United States Dollar ("USD").

The Group will continue to evaluate the need of utilising financial instruments to hedge the currency exposure, taking into consideration the currency involved, exposure period and transaction costs. There can be no assurance that any change in exchange rates will not have a material or adverse effect on the financial position and performance of the Group.

3. REVIEW OF OPERATING ACTIVITIES (cont'd)

E. Dependence on Key Management and Skilled Personnel

The Group's continued success will depend to a certain extent upon the skills, experiences, abilities and continued efforts of the key management personnel. The loss of key management personnel in the Group may have an adverse impact on the performance of the Group.

The Group recognises the importance of attracting and retaining the key management personnel to support the business operations. The Group presently has in place, human resources strategies which include providing competitive and performance-based remuneration, adopting succession planning for key positions and providing employees with a variety of on-going training programmes to upgrade their knowledge and capabilities.

However, we cannot provide any assurance that the above measures will be successful in attracting and retaining the key management personnel.

4. FORWARD-LOOKING STATEMENTS

Overall, the Group is seeking steady growth in the near future despite the volatility of raw material prices and the economic uncertainties. With the diversification into F&B segment and upgrading of existing machineries, the Group is expected to maintain its market share with the existing customer base and enhance its capacity and product quality for better customer satisfaction.

For the tin manufacturing segment, demand is expected to grow steadily in this matured industry. With the upgrading of existing machineries, the growth is expected to be achieved by enhancing its production capacity and product quality of the products.

For the F&B segment, the revenue and profit are expected to increase in the near future by expanding its production facilities with the purchase of land and the construction of factory and warehouse. From this expansion plan, the production capacity and storage space are able to increase significantly to accommodate the expansion and growth.

With the above, the Group would be able to take up new orders and cater to existing and new customers' demand in both existing markets and new potential markets. The Group sees its competitive edge in penetrating the new foreign markets via trade shows as well as through other traders and distributors.

Barring any unforeseen circumstances, the Board believes that the prospects and future financial performance of the Group is expected to be favourable.

This forward-looking statement is based on current expectations and assumptions made by the Board through the analysis of historical information and trends. The Board is under no obligation to and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, subsequent events or otherwise.

This statement is made in accordance with a Board resolution dated 30 April 2013.

Audit Committee Report

The Audit Committee is pleased to present the report of the Audit Committee for the financial year ended 31 December 2012.

1. COMPOSITION OF MEMBERS

The Committee comprises the following members and details of attendance of each member at Committee Meetings held during the year are as follows:

Composition of Committee *(Designation)*	No. of Committee Meetings Attended
Lim Chin Kai *(Chairman/ Independent Non-Executive Director)*	5/5
Muhamd Feasal Bin Yusoff *(Senior Independent Non-Executive Director - Member of MIA)*	5/5
Datuk Kamaludin Bin Yusoff *(Independent Non-Executive Director)*	5/5

The meetings were appropriately structured through the use of agendas and board papers containing information relevant to the matters for deliberation, which were distributed to members with sufficient notification.

2. MEMBERSHIP

The Audit Committee is appointed by the Board from amongst the directors of the Company and consists of three (3) members comprising of all Audit Committee members being Independent Non-Executive Directors. The Audit Committee included one Director who is a member of the Malaysian Institute of Accountants (MIA).

All members of the Audit Committee shall be financially literate and appropriately qualified with sound knowledge and experience in accounting, business, and financial management. The quorum shall be two (2) members.

3. SECRETARY

The Secretary to the Audit Committee is the Company Secretary.

4. FREQUENCY OF MEETINGS

Meetings shall be held not less than four (4) times a year. The external auditors may request a meeting if they consider that one is necessary.

5. TERMS OF REFERENCE

5.1 Authority

The Committee is authorised by the Board, in accordance with the procedures to be determined by the Board (if any) and at the cost of the Company, to:

(a) Investigate any activity within the Committee's terms of reference;

(b) Have resources which are reasonably required to enable it to perform its duties;

(c) Have full and unrestricted access to any information pertaining to the Company or the Group;

(d) Have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);

(e) Obtain outside legal or other independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers necessary; and

(f) Convene meetings with external auditors, internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary, but at least twice a year.

5. TERMS OF REFERENCE (CONT'D)

5.2 The Duties of the Committee shall be to review the following and report the same to the Board:

(a) Any matters concerning the appointment and dismissal of the external auditors and the audit fee;

(b) The nature and scope of the audit by the external auditors before commencement;

(c) The external auditors' audit report, areas of concern arising from the audit and any other matters the external auditors may wish to discuss (in the absence of management if necessary);

(d) Any financial information for publication, including quarterly and annual financial statements, before submission to the Board, focusing particularly on:
- Changes in implementation of major accounting policy changes
- Significant and unusual events; and
- Compliance with accounting standards and legal requirements

(e) The external auditor's management letter and management's response;

(f) The adequacy of the competency and relevance of the scope, functions and resources of internal audit and the necessary authority to carry out its work;

(g) The audit plan and work programme of internal audit;

(h) Findings of internal audit work and management's response;

(i) Any evaluation on internal controls by auditors;

(j) Extent of cooperation an assistance given by the employee;

(k) The propriety of any related party transactions and conflict of interest of situations that may arise within the Company or the Group; and

(l) Any other matter as directed by the Board.

6. REPORTING PROCEDURES

The Audit Committee shall reports to the Board of Directors.

7. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year, the Audit Committee carried out its duties as set out in its Terms of Reference. The activities undertaken were as follows:

- Reviewed with the External Auditors their scope of work and audit plan for the year;
- Reviewed the results of the external audit, the audit report and the management letter, including management's response;
- Reviewed the annual report and audited financial statements of the Group before submission to the Board for their consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the provision of the Companies Act, 1965 and the applicable Approved Accounting Standards;
- Discussed with the External Auditors on their assessment of the Company's internal control system. Noted that no major weaknesses were reported by them;
- Reviewed the external audit performance, effectiveness and independence before recommending to the Board for their re-appointment and remuneration;
- Reviewed quarterly financial results to ensure compliance with the Listing Requirements of Bursa Malaysia before recommending them for the Board's approval;
- Reviewed the External Auditor's remuneration and made recommendation to the Board for acceptance and for their re-appointment;
- Conducted meetings with the External Auditors without the presence of the Executive Directors and employees of the Company;
- Reviewed and approved the Internal Auditor's audit plans with the Internal Auditor;

7. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR (CONT'D)

During the financial year, the Audit Committee carried out its duties as set out in its Terms of Reference. The activities undertaken were as follows: (cont'd)

- Reviewed and approved the quarterly internal audit reports with the Internal Auditor;
- Reviewed the status report of internal audit activities for the financial year ended 31 December 2012 to ensure all the planned activities were properly carried out;
- Reviewed the recommendations by the Internal Auditors and corrective actions taken by management in addressing and resolving issues as well as ensuring that all issues are adequately addressed on a timely basis;
- Reviewed and assessed the adequacy of the competency and effectiveness of the systems of internal control and the efficiency of the Group's operations in particular those relating to areas of significant risks;
- Reviewed any related party transactions that may arise within the Company or the Group; and
- Reviewed the extent of the Group's compliance with the provisions set out under the Malaysian Code on Corporate Governance 2012 pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

During the Board Meeting, the Chairman of the Audit Committee briefed the Board on the matters discussed at the Audit Committee meetings. The Chairman also briefed the Board on the discussion on the quarterly financial results, the annual Audited Financial Statements and the recommendations of the Committee thereon to the Board to adopt the quarterly financial results and the annual Audited Financial Statements.

8. INTERNAL AUDIT FUNCTION

The Company has outsourced its internal audit function to a professional services firm, which is tasked with the aim of providing assurance and assisting the Audit Committee and the Board in reviewing the adequacy and effectiveness of the internal control systems and risk management in the Company.

The internal audit function also acts as a source to assist the Audit Committee and the Board to strengthen and improve current management and operating style in pursuit of best practices. The costs incurred for the internal audit function in respect of the financial year ended 31 December 2012 was RM49,500.

The main responsibilities of the Internal Auditors are to:

- Assist in reviewing the adequacy, integrity and effectiveness of the Company's internal control system;
- Perform a risk assessment of the Company to identify the business processes within the Company that internal audit should focus on; and
- To perform any ad hoc appraisals, inspections, investigations, examinations, reviews requested by the Audit Committee or senior management as appropriate.

Activities of Internal Audit Function

- Internal audit reports, incorporating audit recommendations and management responses with regards to audit findings relating to the weaknesses in the systems and controls of the respective operations audited, were issued to the Audit Committee and the management of the respective operations.
- The internal audit function also followed up with management on the implementation of the agreed audit recommendations. The extent of compliance is reported to the Audit Committee on a regular basis. The Audit Committee in turn reviews the effectiveness of the system of internal controls in operations and reports the results thereon to the Board.
- Evaluate the relevance, reliability and integrity of financial and management information.
- Assess the means of safeguarding assets and verify their existence.
- Ascertain the extent of compliance with established policies, procedures, plans, laws and regulations.

The Board, in striving for continuous improvement will put in place appropriate action plans, when necessary, to further enhance the Company's systems of internal control.

This report is made with the approval of the Board dated 30 April 2013.

Corporate Governance Statement

The Board of Directors ("the Board") recognises the value of good governance and continuously committed towards improving good corporate governance to achieve the Group's objectives by discharging its duties and responsibilities, to safeguard long term interest of its shareholders and taking into account the interests of other stakeholders.

The Malaysian Code on Corporate Governance 2012 ("MCCG 2012"), which supersedes the 2007 Code, set out the broad principles and specific recommendations on structures and processes which companies should adopt in making good corporate governance an integral part of the business dealings and culture, as well as focuses on strengthening the roles and responsibilities of the Board, audit committee and the internal audit function.

The Board also disclose in below pursuant to paragraph 15.25 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

1. ESTABLISHING THE BOARD

The Board is obligated to play an active role in directing the management but not necessarily involved in operational matters, by overseeing and monitoring the management's actions, ethical conducts and regulatory compliance as well as questions the management on certain key areas based on information provided.

2. PRINCIPAL RESPONSIBILITIES OF THE BOARD

Johore Tin Berhad and its subsidiaries ("The Group") are led and controlled by the Board, which assumes the following responsibilities in discharging its stewardship role:

A. Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed

The Board delegates certain responsibilities to the Board Committees, in which the members of the Board Committees comprises of a wide spectrum of skills, knowledge and expertise from varied business and educational backgrounds which is vital to the continued success of the Group's business.

The responsibilities of the Chairman and the Chief Executive Officer are set out on page 25 of this Annual Report.

B. Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks

The Board established a Risk Management Committee, which mainly comprises Top Management Team and the Heads of Department, to identify, evaluate, monitor and manage significant risks faced by the Group, through the formation of Risk Management Framework. At the same time, the systems of internal control have been implemented to reduce the risks of failure to achieve the Group's objective.

Detail of the Risk Management Framework is set out on page 31 of this Annual Report.

C. Succession planning, including appointing, training, fixing the compensation of and, where appropriate, replacing senior management

The Board has established the Nominating Committee ("NC") and Remuneration Committee ("RC"). NC is responsible for selecting and recommending the candidates for new appointment, whereas RC is to determine the remuneration packages for both Executive Directors and Non-Executive Directors.

Details of the Board Committees are set out on pages 28 and 29 of this Annual Report.

2. PRINCIPAL RESPONSIBILITIES OF THE BOARD (cont'd)

D. Developing and implementing an investor relations programme or shareholder communications policy for the Company

In order to ensure shareholders and investors are well-informed for the latest information and the financial performance of the Group, the Company update all the relevant information through its website at http://www.johoretin.com.my.

E. Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines

The Board has delegated to the Audit Committee ("AC") to examine the effectiveness of the Group's internal control systems and management information systems.

The Statement on Risk Management and Internal Control is set out on pages 31 and 32 of this Annual Report.

3. DIRECTORS' CORE DUTIES

A. Fiduciary Duties

The Directors when discharging their duties must act in good faith and exercise their power in the best interests of the Group as a whole.

It is also important that all information must be disclose to the public in order to avoid conflict of interest and self-dealing, on matters relating to the Directors and persons connected to the Directors, having transactions within the Group, whether or not the transactions are significant favourable to the Directors or persons connected to the Directors, as compared to dealing with external parties.

The Directors must ensure that all the accounting and other records are kept properly for ease of traceability as well as to comply with local rules and regulations. In addition, it is also required by Bursa Securities, under the Listing Requirements, to submit their quarterly results and audited financial statements within the prescribed timeframe.

B. Duty to Use Reasonable Care, Skill and Diligence

The Directors are required to exercise reasonable care, skill and due diligence in accordance with the knowledge, skill and experience. In order to avoid conflict of interest, the Directors must ensure that no significant personal interest for every decision made and is act in the best interests of the Group.

All relevant information are gathered, both operational and financial, and sufficient time is given to the Directors before any decisions are made. Statements by professional or expert advice is required, if necessary.

At the same time, periodically review the risk management framework and internal control system in order to maintain its effectiveness and soundness.

4. BOARD LEADERSHIP AND COMPETENCIES

There is a balanced board which include both Executive Directors and Independent Non-Executive Directors so that no individual or small group of individuals can dominate the board's decision making.

5. BOARD SIZE

Currently, the Board consists of six (6) Directors comprising three (3) Executive Directors, and three (3) Independent Non-Executive Directors, in which fulfills the prescribed requirement for at least two (2) or one-third (1/3) of the Board (whichever is higher) are independent Directors as stated in paragraph 15.02(3) of the Listing Requirements of Bursa Securities.

A. Appointment of New Directors

The appointment of new Director is made based on the discussion, evaluation and recommendation of the NC to the Board when necessary.

According to the Company's Articles and Association, one-third (1/3) of the Directors shall retire from office at every Annual General Meeting. All Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election.

B. Core Competencies

The Board consists of a wide spectrum of industrial knowledge, skills and expertise which are from different businesses and educational backgrounds.

A brief profile of each Director is set out on pages 7 to 9 of this Annual Report.

C. Independent Directors

An Independent Director is one who is not an Executive Director of the Group or any related corporation nor is a relative of any Executive Director, officer or major shareholder of the Group or its related corporation. He should be free from any business or management that would influence the exercise of his independent judgment within the Group.

It is important that the Board comprises of significant number of Independent Non-Executive Director, who act fairly and independently to protect the interests of the shareholders and other stakeholders.

Recommendations on MCCG 2012 states that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. However, the Board has assessed, reviewed and determined that the independence of Mr. Lim Chin Kai and En. Muhamad Feasal Bin Yusoff remain objective and independent in carrying out their roles and responsibilities as members of the Board and Board Committees. The length of their service does not interfere with their ability and exercise of independent judgment as Independent Directors.

D. Senior Independent Non-Executive Directors

As recommended by the MCCG 2012, the Board has appointed a Senior Independent Non-Executive Director.

The roles and responsibilities for the said position are stated in the following:

a) Ensure all Independent Directors have an opportunity to provide input on the agenda or advise the Chairman based on the information submitted by the management to perform their duties and make quality judgment.

b) Sufficient time is given to the Independent Directors for the discussion of all agenda items.

c) Serve as a communication channel between the Board and shareholders, either directly or indirectly, to discuss issues or suggestions that affect the Group as a whole.

6. TERMS OF REFERENCE

A. Formal Schedule of Matters

A formal schedule of matters should be reserved for the Board's deliberation and decision making exercise to ensure that the direction and control of the Group is firmly vested in the Board.

a) Board Meetings and Agenda Settings

The Board delegated certain responsibilities to the Board Committees in order for each committee to discharge their fiduciary duties. Each committee is clearly defined in term of authority, duties and responsibilities. The committee will then communicate with the management to further discuss the matters that are highlighted by the Board and review the actions taken by the management periodically. As for the employees, there are also clearly defined in roles and responsibilities based on their job function.

The Board meetings are scheduled at least once every quarter and additional meetings will be held as and when necessary. During the meetings, the Board discussed any outstanding matters in the previous agenda and reviewed the management's action. At the same time, the Board also discussed and monitored the current financial performance and future prospects of the Group, risk management framework and system of internal control.

Besides meeting up in the conference room to discuss and approved the relevant matters of the Group, the Board also adopts resolutions passed by way of circular resolutions to all the Directors, with all the necessary information and sufficient time for discussion before exercising their judgment and decision.

b) Risk Management and Internal Control

The Statement on Risk Management and Internal Control is set out on pages 31 and 32 of this Annual Report, which provides an overview of the state of risk management framework and system of internal control within the Group.

c) Monitoring of Financial Performance and Disclosure

In presenting the Company's annual audited financial statements and quarterly announcement of financial results to the shareholders, the Board continues to ensure a balanced, understandable and meaningful assessment of the Group's financial performance and prospects. The AC assists the Board by monitoring and reviewing the information to be disclosed in the financial report, which is in compliance with the applicable approved accounting standards and statutory requirements, prior to release to Bursa Securities.

d) Remuneration Reviews

The primary objective of the Remuneration Committee ('RC") is to assist the Board in assessing and reviewing the remuneration packages of the Executive Directors to reflect the responsibility and commitment towards stewardship of the Directors and to enable the Company to recruit and retain the Directors needed to achieve the Group's objectives.

The RC is responsible for determining and developing the remuneration policy for the Executive Directors. The Committee also recommends and assists the Board in determining the policy for the scope of service agreements for the Executive Directors, termination payments and compensation commitments, as well as the appointment of the services of such advisers or consultants as it deems necessary to fulfill its responsibilities.

Whereas, the director fees for both Executive Directors and Non-Executive Directors is recommended by the Board, subject to the shareholders' approval at the Annual General Meeting.

6. TERMS OF REFERENCE (cont'd)

A. Formal Schedule of Matters (cont'd)

d) Remuneration Reviews (cont'd)

Details of the Directors' remuneration for the financial year ended 31 December 2012 are stated as follows:

i) The aggregate remuneration of Directors are as follows:

Salaries and other emoluments	Executive (RM)	Non-Executive (RM)	Total (RM)
Salaries and bonuses	3,114,240	-	3,114,240
Fees	555,000	235,000	790,000
Total	3,669,240	235,000	3,904,240

ii) The number of Directors whose remuneration falls within the successive band of RM50,000 are as follows:

Directors' remuneration	Executive	Non-Executive	Total
RM50,000 and below	-	1	1
RM50,001 – RM100,000	-	3	3
RM100,001 – RM150,000	1	-	1
RM300,001 – RM350,000	1	-	1
RM400,001 – RM450,000	1	-	1
RM650,001 – RM700,000	1	-	1
RM800,001 – RM850,000	1	-	1
RM1,250,001 – RM1,300,000	1	-	1

e) Relationship with External Auditors

The Board through the establishment of an AC, maintains a formal and transparent relationship with the External Auditors in seeking their professional advice and ensuring compliance with applicable approved accounting standards.

The External Auditors are invited to attend the AC meetings at least twice a year to review and discuss the Group's accounting policies, internal control and audit findings that may require the attention of the Board.

The role of the AC in relation to the Auditors is described in the AC Report set out on pages 17 and 18 of this Annual Report.

6. TERMS OF REFERENCE (cont'd)

B. Position Description

There is a clear division of responsibilities between the Chairman and the Chief Executive Officer ("CEO") to ensure a balance of power and authority.

a) Role of Chairman and CEO

The Chairman, who is an independent non-executive director, is responsible for heading the Board, encourage all Directors to play an active role in Board activities, concern matters pertaining to the Board, monitoring overall conduct of the board meetings as well as liaise with CEO and the Company Secretary on the agenda for Board meetings. Whilst the CEO is responsible for overseeing the daily operations, overall management effectiveness, implementation of the policies and strategies adopted by the Board and seeking for long-term growth to achieve the Group's objective.

b) Role of Executive and Non-Executive Directors

The Executive Directors are responsible for formulating the policies and decisions of the Board, monitoring the day-to-day operations as well as coordinating the business development and corporate strategies of the Group as a whole. The roles of the Independent Non-Executive Directors are to provide unbiased and independent judgment, advice and contributing their knowledge and experience towards the formulation of the policies and decision making, taking into account the best interest of all the stakeholders.

C. Board Charter

The objective for the Board to have a Board Charter is to outline the roles and responsibilities of the Directors of the Group. The following are the key matters that are highlighted in the Group's Board Charter:

a) Structure and membership, including a requirement that one-third (1/3) of members or two (2) Directors, whichever is higher, be Independent Non-Executive Directors;

b) A formal schedule of matters reserved for the Board;

c) A position description of the role of Chairman, CEO and Executive Directors as well as Non-Executive Directors;

d) Appointment of Board Committees;

e) Director's education programme; and

f) Taking independent professional advice, if necessary, at the expense of the Company in furtherance of the Directors' duties.

The Board Charter shall be reviewed periodically and updated in accordance with any changes in regulations or listing requirements that may have an impact on the discharge of the Board's responsibilities. The details of the Board Charter are published in our Company's official website.

7. CONDUCT OF BOARD MEETINGS

Board meetings are conducted in the manner that all Directors actively participate in the discussion on all relevant matters affecting the Group's performance and results.

The Chairman, assisted by the Company Secretary, ensure timely circulation of notice of meetings, accuracy of the agenda content, record all the attendance of each individual director, presence of a quorum, compliance with local regulations and listing requirements as well as keeping of proper minutes and other relevant records.

7. CONDUCT OF BOARD MEETINGS (cont'd)

A. Frequency of Meetings

The Board meetings are scheduled at least once every quarter. The dates of the Board meetings held during the financial year are as follows:

1) 29 February 2012
2) 23 May 2012
3) 27 June 2012
4) 29 August 2012
5) 30 November 2012

The attendances of each Director at the Board meetings are in the following:

Name of Directors *(Designation)*	No. of Meetings Attended
Datuk Kamaludin Bin Yusoff *(Chairman, Independent Non-Executive Director)*	5/5
Edward Goh Swee Wang *(Chief Executive Officer)*	5/5
Yeow Ah Seng @ Yow Ah Seng *(Executive Director)*	5/5
Lim Chin Kai *(Independent Non-Executive Director)*	5/5
Muhamad Feasal Bin Yusoff *(Senior Independent Non-Executive Director)*	5/5
Lim Hun Swee *(Executive Director)*	5/5

B. Board Agenda

The agenda are prepared by taking into account the formal schedule of matters reserved for the Board's decision. The Chairman of the Board is primarily responsible for organising information necessary for the Board to deal with the agenda and for providing this information to Directors on a timely basis.

The following are the range of matters that included on the Board agenda:

a) Risk management framework;
b) Effectiveness on system of internal control;
c) Corporate exercise on acquisitions and funding requirements;
d) Corporate disclosures and announcements;
e) Litigation matters against the Group;
f) Review of Group's performance and results; and
g) Enhancing investor and shareholders relations;

Agenda are circulated to the Board in advance of each meeting so as to provide the Directors sufficient time to consider and understand the key issues to be raised at Board meetings.

8. ACCESS TO INFORMATION AND INDEPENDENT ADVICE

All Directors, particularly Non-Executive Directors, who are not involved in the day-to-day operations of the Group, have unrestricted access to all information necessary relating to the Group's business and affairs to discharge their duties. The Directors are also furnished with additional information or clarification on matters tabled at Board meetings.

8. ACCESS TO INFORMATION AND INDEPENDENT ADVICE (cont'd)

Senior Management may be invited to attend Board meetings when necessary, to reports to the Board on matters relating to their areas of responsibility and highlighting relevant issues and latest information.

All Directors have access to the advice and services of the Company Secretary and Senior Management, and if deemed necessary, may seek independent professional or other advice, at the expense of the Group in the discharge of their duties.

9. CONTINUING EDUCATION

All the Directors have completed the Mandatory Accreditation Programme ("MAP"). In order for the Directors to discharge their duties with reasonable skills and knowledge, attending relevant training programmes are necessary to keep abreast with latest developments in the industry, on a continuous basis, in compliance with paragraph 15.08 of the Listing Requirements of Bursa Securities.

During the financial year under review, all Directors have attended the seminars or training which stated in the following:

Name of Directors	Workshops / Courses Attended	Date
Datuk Kamaludin Bin Yusoff	2013 Budget & Tax Planning	4 Oct 2012
Edward Goh Swee Wang	Dairy Industry Outlook Seminar	13 Sep 2012
Yeow Ah Seng @ Yow Ah Seng	2013 Budget & Tax Planning	12 Oct 2012
Lim Chin Kai	2013 Budget & Tax Planning	12 Oct 2012
Muhamad Feasal Bin Yusoff	2013 Budget & Tax Planning	12 Oct 2012
Lim Hun Swee	Dairy Industry Outlook Seminar	13 Sep 2012

Other than attending the seminars and workshops, the Directors are also well-informed for the updated financial and operational performance of the Group as well as changes in regulatory and legislations which will affect the Group as a whole.

10. QUALITY OF INFORMATION

The Board is aware of the importance of timely and accurate material disclosure to the public and is in compliance with Bursa Malaysia's Listing Requirements. This is to avoid confusion to the market and undermine the principle of orderly and fair market if the disclosures are incomplete or inaccurate.

Besides the disclosure of material information, the Board is using information technology or media to disseminate information in order to enhance investor relations of the Group.

A. Communication with Shareholders and Investors Relations

The Board recognises the importance of communication with its shareholders, stakeholders and the public on the affairs of the Group's business. This is done through the circulars to the shareholders, press release and the various announcements made on quarterly financial results to Bursa Securities, as well as the Annual Report which is published after the annual audited financial report submitted to Bursa Securities.

In addition, the Company maintains a website http://www.johoretin.com.my to disseminate up-to-date information and to keep shareholders and investors well-informed on the Group's financial performance and operations.

B. Annual General Meeting ("AGM")

The Company's AGM remains the principal forum for dialogue and communication with the shareholders. The shareholders are encouraged to attend the Company's AGM and participate in the proceedings and take the opportunity to raise questions in relation to the operations of the Group. The Directors and Senior Management are available to respond to shareholders' queries. Shareholders who are unable to attend the Company's AGM are allowed to appoint proxies to attend and vote on their behalf.

11. ROLE OF COMPANY SECRETARY

The Company Secretary, to act as an adviser to the Board on all relevant listing, regulatory and legislatorial requirements, either locally or internationally, ensuring there is no violation or non-compliance issue arise.

The following are the functions of the Company Secretary:

A. Compliance with filing and administrative requirements

- Ensuring compliance with the procedure for conducting meetings and safekeeping of corporate documentation;
- Assisting the Board with interpreting legal and regulatory acts related to the MCCG 2012, listing requirements and local regulations;
- Advising the Board on its obligatory requirements to disclose material information to the shareholders and financial markets on a timely basis; and
- Notifying the Chairman of any possible violations of legal and regulatory acts.

B. Implementation of corporate governance

- Advising the Board and Chairman on the implementation of the MCCG 2012;
- Monitoring compliance with these principles and best practices ; and
- Ensuring high standards of governance by keeping abreast of the latest enhancement in corporate governance, changes in legal and regulatory framework and international best practices.

C. Appointment of New Directors

- Assisting the Board in ensuring a smooth administration of the appointment of new Directors;
- Briefing new Directors on organisational structure of the Group and procedures that regulate the operations of the Board; and
- Ensuring availability of information required by new Directors for the proper discharge of their duties.

D. Supports the Board and Chairman

- Providing advice to the Chairman and Directors as to their duties and responsibilities;
- Preparing the agenda and notifying all Directors of the Board meetings in advance before the meeting;
- Ensuring the meeting flows effectively;
- Minutes the discussion and decision of the meeting, reviewed and monitored the management's action to ensure effective system of internal control; and
- Providing full access of the advice and services to the Board.

12. BOARD COMMITTEES

In discharging their fiduciary duties, the Board has delegated certain responsibilities to Board Committees which operate within clearly defined terms of reference. However, the Board still remains responsible for the overall conducts of the Board Committees.

A. Audit Committee ("AC")

The AC assists the Board in meeting its fiduciary responsibilities regarding financial reporting and strengthens the independence of External Auditors through the ability to communicate with Non-Executive Directors with the absence of Executive Directors and management when necessary. AC also monitors the work of the internal audit function and reviews the management's actions on previous meeting's unresolved matters. If necessary, questions are raised and further explanation from management is required.

The AC Report is set out on pages 17 to 19 of this Annual Report.

12. BOARD COMMITTEES (cont'd)

B. Nomination Committee ("NC")

Apart from identifying, selecting and recommending the candidates for new appointment, the NC is also responsible for assessing the effectiveness of individual Directors, the Board as a whole and the various Committees of the Board.

The members of the NC and the attendance records are as follows:

Name of Directors *(Designation)*	No. of Meetings Attended
Muhamad Feasal Bin Yusoff *(Chairman, Senior Independent Non-Executive Director)*	4/4
Lim Chin Kai *(Independent Non-Executive Director)*	4/4
Datuk Kamaludin Bin Yusoff *(Independent Non-Executive Director)*	4/4

C. Remuneration Committee ("RC")

The RC recommends to the Board the remuneration packages of each Executive Director. The determination of the remuneration packages of the Non-Executive Directors is decided by the Board as a whole. Individual Directors do not participate in the discussion and decision of their own remuneration.

The RC comprises of the following Directors and their attendance records:

Name of Directors *(Designation)*	No. of Meetings Attended
Lim Chin Kai *(Chairman, Independent Non-Executive Director)*	3/3
Edward Goh Swee Wang *(Chief Executive Officer)*	3/3
Muhamad Feasal Bin Yusoff *(Senior Independent Non-Executive Director)*	3/3

13. BUSINESS ETHICS

The Board should have knowledge of potentially unethical and legal issues that adversely impact the Group as a whole. To monitor the ethical and compliance obligations of the Group effectively, the Board should have access to the information and have knowledge of the Group's structure and business process.

A code of ethics ("The Code") usually sits alongside a code of conduct. A code of conduct defines behaviour that is acceptable or unacceptable in the workplace.

A. Directors' Code of Ethics in Malaysia

The Companies Commission of Malaysia ("CCM") has introduced The Code for Directors in formulating standards of corporate behaviour to create an ethical corporate climate.

The principles on which the Code of Ethics adheres by the Group are in the following:

a) To act honesty and integrity;

b) Accountability and responsibility;

c) Compliance with legislation, listing and regulatory requirements;

d) To act in the best interests of the Group; and

e) Corporate social responsibility.

The Code are review periodically by the Board and may require amendments by the Board if deem necessary.

14. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Board acknowledges the significance of CSR and views CSR as an extension to the Group's efforts in promoting a strong corporate governance culture. The Group is committed to the welfare of its employees, the community and the environment.

During the financial year under review, the Group contributes to various societies, associations and other charitable organisations to assists the community. Contributions were made to the following bodies:

1) Sekolah R.J.K. (C) Pei Hwa;
2) Grace Covenant Community Card Bhd;
3) Pusat Kebajikan Kalvari Johor Bahru;
4) Persatuan Kebajikan Amal Kexin, Johor Bahru;
5) Persatuan Bekas Pelajar Sekolah Sultan Ibrahim Kulaijaya; etc

15. OTHER AREAS

A. Conflict of Interest

Conflict of interest may arise when a Director and/or Shareholder has the opportunity to influence the Company's business or other decisions in ways that could lead to personal gain or advantage of any kind.

Situation where may give rise to conflicts of interest include in the following:

a) Where the interested party has interest in a business that competes or likely to compete, either directly or indirectly, with the Group;
b) Where the interested party conducts or has interest in business transactions involving goods or services, either directly or indirectly, with the Group;
c) Where the interested party provide or receive financial assistance from the Group; and
d) Where the interested persons lease property to or from the Group.

The Board is requiring all Directors, on annual basis, to declare themselves of any conflict of interest with the Group's business that may impact any judgment or decision making.

B. Related Parties and Disclosure of Interests

A related party transaction is a transaction entered into by the Group which involves the interest, direct or indirect, of a related party. The related party consists of Directors or substantial shareholders, or persons connected with Directors or substantial shareholders.

The Group recognises the important of related party transactions disclosures. As a result, all the Directors had declared themselves whether they have any interests in other corporations which have transactions with the Group. All necessary announcements will be made if the cumulative transactions amount exceeds the threshold limit.

The Audit Committee is tasked to review and report to the Board any related party transactions and conflict of interest situations that may arise within the Group including any transactions, procedure or course of conduct that raises questions of management integrity.

Detailed of related party transactions are set out in Note 38 to the financial statements on pages 83 and 84 of this Annual Report.

This statement is made in accordance with a Board resolution dated 30 April 2013.

Statement On Risk Management And Internal Control

This Statement is made by the Board, in compliance with the Malaysian Code on Corporate Governance ("the Code") as the best practices of internal control and pursuant to paragraph 15.26(b) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), outlining the nature and scope of risk management and internal control of the Group during the financial year.

1. RISK MANAGEMENT

The Board is committed to maintain a sound risk management and internal control system, to safeguard shareholders' investment and the Group's assets, by ensuring the Risk Management Framework ("RMF") is embedded into the culture, processes and structures of the Group.

In order for the RMF to achieve its effectiveness, communication in relation to the segregation of authority, responsibility and accountability within the Group must be clearly defined to all levels of staff throughout the organisation.

The Board has delegated the RMF to the Risk Management Committee ("RMC") and Audit Committee ("AC") in identifying, evaluating, monitoring as well as managing those significant risks that faced by the Group.

2. INTERNAL CONTROL

The Board affirms its overall responsibility in identifying principal risks and ensuring the implementation of appropriate internal control systems to manage these risks.

The Board also recognises its responsibility for reviewing the adequacy and the integrity of the Group's internal control systems. Due to inherent limitations of the system of internal control, risk cannot be eliminated. The possibility risk of failure in terms of human error, poor judgment in decision-making, control processes being deliberately circumvented by employees and others, and the occurrence of unforeseeable circumstances can only be prevented or reduced in order to achieve the business objectives of the Group. As a result, it can only provide reasonable, but not absolute assurance against material misstatement, loss or fraud.

3. ROLES AND RESPONSIBILITIES

A. Board's Role

The Board has delegated its role of reviewing process to the AC, but remains responsible for all the actions of the AC with regard to the significant risks faced by the Group as a whole.

The AC reported the findings and results of the risk management and internal control to the Board on a quarterly basis. Based on the information and assurance provided, the Board has to carry out their own judgment in justifying whether the findings and outcomes of the risk management and internal control are appropriate.

B. Management's Role

Management is responsible for implementing the processes for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions as needed, and for providing assurance to the Board that the processes have been carried out.

The RMC is set up and comprises representatives from the top Management and the Heads of Department who meet at least twice a year. The RMC is responsible to review and identify any potential risks, in terms of likelihood of occurrence and their impact on the Group's business, and to manage these risks on an on-going basis through the Management's action plans. All the risk management processes are documented in the risk registers.

Meetings have been conducted by the Management to identify key risk areas, and deliberate on the risk management and update the risk register with follow-up action plans at least twice a year.

3. ROLES AND RESPONSIBILITIES (CONT'D)

C. Internal Audit's Role

The internal audit function provides assessments as to whether risks, which may hinder the Group from achieving its objectives, are being adequately evaluated, managed and controlled.

The internal audit function has been outsourced to an independent professional consulting firm. Internal audit is carried out periodically in all the subsidiaries in accordance with the approved annual internal audit plan. The internal audit review findings are reviewed directly by the AC and reported to the Board on a quarterly basis.

The newly acquired subsidiary is in a different industry (ie Food & Beverage) as compared to the existing business (ie Tin Can Manufacturing), the Board is highly concerned about the risks faced and internal control system applied by this new subsidiary. Therefore, internal audit visit had been carried out in accordance to the scheduled audit plan, to review the key risk areas and take necessary corrective actions in respect of any weaknesses identified in the internal control system in order to achieve the Group's objectives.

During the financial year under review, the internal audit function assessed certain risk areas of the Group and did not report any significant weaknesses which would result in material losses, contingencies or uncertainties that would require disclosure in the Annual Report.

4. ASSURANCE FROM CEO AND GROUP ACCOUNTANT

The Board has received reasonable assurance from the CEO and the Group Accountant that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group as a whole.

5. REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Listing Requirements of Bursa Securities, the external auditors have reviewed this Statement for inclusion in the Annual Report for the financial year ended 31 December 2012, and reported to the Board that nothing has come to their attention that cause them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control within the Group.

CONCLUSION

For the financial year under review, all key risk areas highlighted by the Management and Internal Audit Function as well as the External Auditors in relation to the Group's risk management and internal control system has been properly communicated to the Board via the AC. Some of these identified weaknesses were satisfactorily resolved through subsequent corrective actions carried out, while certain identified weaknesses, the management are still in the process of rectifying them.

The Board remains committed towards a sound risk management and internal control system, and Management continues to take appropriate measures to strengthen the risk management and internal control system throughout the Group.

This statement is made in accordance with a Board resolution dated 30 April 2013.

Directors' Responsibility Statement

The Directors are required to prepare the financial statements of the Group and of the Company, in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia, so that to give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have ensured:

- Appropriate accounting policies are adopted and applied them consistently;
- Reasonable and prudent judgments and estimates are made; and
- Applicable approved accounting standards in Malaysia have been followed.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Group and of the Company, and which enables them to ensure that the financial statements comply with the Companies Act, 1965.

The Directors also have overall responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Group, to prevent and detect fraud and other irregularities.

This statement is made in accordance with a Board resolution dated 30 April 2013.

Additional Compliance Information

The information disclosed below is in compliance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

1. UTILISATION OF PROCEEDS RAISED FROM PUBLIC ISSUE

The status of utilisation of proceeds of RM29,857,706 raised from the Rights Issue by way of issuance of 23,326,333 new ordinary shares of RM1.00 each at an issue price of RM1.28 each per share is as follows:

	Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe	Deviation	
		RM'000	RM'000	(Within)	RM'000	%
i)	Purchase of land and construction of new warehouse and factory	15,000	5,000	18 months	10,000	66.67
ii)	Purchase of machineries and equipment	8,000	3,034	18 months	4,966	62.08
iii)	Upgrading works	1,500	-	18 months	1,500	100.00
iv)	Working capital	4,857	-	12 months	4,857	100.00
v)	Rights issue expenses	500	500	1 month	-	0.00
		29,857	8,534		21,323	71.42

(Disclosed in accordance with Appendix 9C, Part A, item 13 of the Listing Requirements of Bursa Securities.)

2. OPTIONS OR CONVERTIBLE SECURITIES

No options or convertible securities were issued or exercised during the financial year.

(Disclosed in accordance with Appendix 9C, Part A, item 15 of the Listing Requirements of Bursa Securities.)

3. AMERICAN DEPOSITORY RECEIPT ("ADR") or GLOBAL DEPOSITORY RECEIPT ("GDR")

The Group did not sponsor any ADR or GDR programme during the financial year ended 31 December 2012.

(Disclosed in accordance with Appendix 9C, Part A, item 16 of the Listing Requirements of Bursa Securities.)

4. SANCTIONS AND/OR PENALTIES

The Company and its subsidiaries, Directors or management have not been imposed any sanctions and/or penalties by the relevant regulatory bodies.

(Disclosed in accordance with Appendix 9C, Part A, item 17 of the Listing Requirements of Bursa Securities.)

5. NON-AUDIT FEES

The amount of non-audit fees payable to external auditors of the Company for review of the Statement on Risk Management and Internal Control for the financial year ended 31 December 2012 amounted to RM3,000.

(Disclosed in accordance with Appendix 9C, Part A, item 18 of the Listing Requirements of Bursa Securities.)

6. VARIATION IN RESULTS

There was no significance variance between the reported results for the financial year and the unaudited results previously announced by the Company for the financial year ended 31 December 2012.

(Disclosed in accordance with Appendix 9C, Part A, item 19 of the Listing Requirements of Bursa Securities.)

7. PROFIT GUARANTEE

During the financial year, the Company has paid RM3.5 million to the Vendor of newly acquired subsidiary, subject to the clauses in the Share Sale Agreement, that the newly acquired subsidiary has achieved the profit after tax (the "profit guarantee") of not less than RM7 million for the financial year ended 31 December 2011.

(Disclosed in accordance with Appendix 9C, Part A, item 20 of the Listing Requirements of Bursa Securities.)

8. MATERIAL CONTRACTS

Since year of 1999, a Director of the Group's subsidiary and the subsidiary of the Group has entered into a tenancy agreement, renewal at every two (2) years, which was mutually agreed by both parties, renewing on 15 November 2011 and expiring on 14 November 2013, at a renewed monthly rental of RM1,400.

There were no other material contracts entered into by the Group involving Directors' and major shareholders' interests either still subsisting at the end of the financial year ended 31 December 2012 or entered into since the end of the previous financial year.

(Disclosed in accordance with Appendix 9C, Part A, item 21 of the Listing Requirements of Bursa Securities.)

9. EMPLOYEE SHARE OPTIONS SCHEME ("ESOS")

The Group did not offer any share scheme for employees during the financial year under review.

(Disclosed in accordance with Appendix 9C, Part A, item 27 of the Listing Requirements of Bursa Securities.)

10. CONTINUING EDUCATION PROGRAMME ("CEP")

All Directors have attended numerous seminars or courses during the financial year ended 31 December 2012.

Details of the seminars or courses attended are disclosed in the Corporate Governance Statement, as set out on page 27 of this Annual Report.

(Disclosed in accordance with Appendix 9C, Part A, item 28 of the Listing Requirements of Bursa Securities.)

11. INTERNAL AUDIT FUNCTION

The internal audit function was outsourced and the cost incurred for the internal audit function in respect of the financial year ended 31 December 2012 was RM49,500. The Statement on Risk Management and Internal Control is set out on pages 31 and 32 of this Annual Report.

(Disclosed in accordance with Appendix 9C, Part A, item 30 of the Listing Requirements of Bursa Securities.)

12. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

During the financial year ended 31 December 2012, the Group does not have a shareholders' mandate for recurrent related party transactions. As a result, all relevant and necessary announcements related to recurrent related party transactions had been made once they reached the threshold limit.

All recurrent related party transactions entered were in the ordinary course of business and were carried out on the terms and conditions that not materially different from those transactions with unrelated parties.

Details of the recurrent related party transactions are disclosed and set out in Note 38 on pages 83 and 84 of this Annual Report.

(Disclosed in accordance with paragraph 10.09(1)(b) of the Listing Requirements of Bursa Securities.)

13. SHARE BUY-BACKS

During the financial year under review, the Company did not enter into any share buy-back transaction.

(Disclosed in accordance with paragraph 12.23, Appendix 12D of the Listing Requirements of Bursa Securities.)

Directors' Report

The directors of Johore Tin Berhad have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2012.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Profit after tax for the financial year	22,891,303	5,881,910
Attributable to:-		
Owners of the Company	22,891,303	5,881,910

DIVIDEND

Since the end of the previous financial year the Company, on 26 July 2012, paid a single tier final tax-exempt dividend of 3.80 sen per ordinary share, amounting to RM2,659,202 in respect of the previous financial year.

The directors now recommend the payment of a single tier final tax-exempt dividend of 4.20 sen per ordinary share amounting to RM3,918,824 in respect of the financial year under review, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year,

(a) the Company increased its authorised share capital from RM100,000,000 to RM200,000,000 by the creation of 100,000,000 new ordinary shares of RM1.00 each;

(b) the Company increased its issued and paid-up share capital by way of a renounceable rights issue of 23,326,333 new ordinary shares of RM1.00 each ("Rights Share(s)") together with 23,326,333 free detachable warrants ("Warrant(s)") at an issue price of RM1.28 per Rights Share on the basis of one Rights Share and one Warrant for every three existing ordinary shares of RM1.00 each held in the Company. The new shares were issued for purchase of land, capital expenditure and working capital purposes. The new shares issued rank pari passu in all respects with the existing shares of the Company; and

(c) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company apart from the issuance of 23,326,333 Warrants pursuant to the Rights Shares.

WARRANTS

The Company had issued 23,326,333 Warrants which were listed on Bursa Malaysia Securities Berhad on 27 November 2012 pursuant to the rights issue on the basis of one Rights Share and one Warrants for every three existing ordinary shares held in the Company.

The Warrants are constituted by a Deed Poll dated 10 October 2012 executed by the Company. Each Warrant entitles the registered holder during the exercise period to subscribe for one new ordinary share at the exercise price of RM2.28 per Warrant, subject to adjustment in accordance with the provisions of the Deed Poll. The Warrants not exercised at the date of the maturity will thereafter lapse and cease to be valid for any purpose.

As at 31 December 2012, the entire 23,326,333 Warrants remained unexercised. The summary of the movements of Warrants is as follows:

		Number of Warrants			
Issue Date	Expiry date	Balance as of 1.1.2012	Granted	Exercised	Balance as of 31.12.2012
27.11.2012	24.11.2017	-	23,326,333	-	23,326,333

The ordinary shares issued from the exercise of Warrants shall rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividend, right, allotment and/or other distribution declared, made or paid prior to the relevant date of allotment and issuance of the new shares arising from the exercise of Warrants. Further details on the Warrants are detailed in Note 16 to the financial statements.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the making of additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their values as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 40 to the financial statements. At the date of this report, there does not exist:-

(i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS

The directors who served since the date of the last report are as follows:-

DATUK KAMALUDIN BIN YUSOFF
EDWARD GOH SWEE WANG
LIM CHIN KAI
LIM HUN SWEE
MUHAMAD FEASAL BIN YUSOFF
YEOW AH SENG @ YOW AH SENG

Pursuant to Article 120 of the Articles of Association of the Company, Lim Chin Kai and Yeow Ah Seng @ Yow Ah Seng retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS

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

	Number Of Ordinary Shares Of Rm1.00 Each			
	At 1.1.2012	Bought	Sold	At 31.12.2012
Direct Interest				
DATUK KAMALUDIN BIN YUSOFF	58,000	20,300	-	78,300
EDWARD GOH SWEE WANG	3,538,407	1,679,469	-	5,217,876
LIM CHIN KAI	24,000	16,000	-	40,000
LIM HUN SWEE	7,402,300	3,639,700	-	11,042,000
YEOW AH SENG @ YOW AH SENG	1,484,000	494,666	-	1,978,666
Indirect Interest				
DATUK KAMALUDIN BIN YUSOFF	3,809,380	1,243,760	325,900	4,727,240
EDWARD GOH SWEE WANG	11,085,739	3,570,246	385,000	14,270,985

By virtue of the directors' shareholdings in the shares of the Company, except for Lim Chin Kai and Yeow Ah Seng @ Yow Ah Seng, the abovementioned directors are deemed to have an interest in shares in the Company and its related corporations to the extent of the Company's interests, in accordance with Section 6A of the Companies Act 1965.

The other director holding office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 38 to the financial statements.

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 44 to the financial statements.

SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

The significant event occurring after the reporting period is disclosed in Note 45 to the financial statements.

AUDITORS

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 26 APRIL 2013

EDWARD GOH SWEE WANG

YEOW AH SENG @ YOW AH SENG

Independent Auditors' Report

To The Members of Johore Tin Berhad (Company No.: 532570-V)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Johore Tin Berhad, which comprise statements of financial position as at 31 December 2012 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 44 to 102.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 December 2012 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, and the requirements of the Companies Act 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act;

(b) We have considered the financial statements and the auditors' reports of the subsidiary of which we have not acted as auditors, which is indicated in Note 5 to the financial statements;

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes;

(d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 48 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

1. As stated in Note 46 to the financial statements, Johore Tin Berhad adopted Malaysian Financial Reporting Standards on 1 January 2012 with a transition date of 1 January 2011. These standards were applied retrospectively by directors to the comparative information in these financial statements, including the statements of financial position as at 31 December 2011 and 1 January 2011 and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the financial year ended 31 December 2011 and related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the financial year ended 31 December 2012 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2012 do not contain misstatements that materially affect the financial position as of 31 December 2012 and financial performance and cash flows for the financial year then ended.

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

Crowe Horwath
Firm No.: AF 1018
Chartered Accountants
26 April 2013

Tan Lin Chun
Approval No: 2839/10/13 (J)
Chartered Accountant

Johor Bahru

Statements Of Financial Position

At 31 December 2012

	NOTE	The Group 31.12.2012 RM	The Group 31.12.2011 RM	The Group 1.1.2011 RM	The Company 31.12.2012 RM	The Company 31.12.2011 RM	The Company 1.1.2011 RM
ASSETS							
NON-CURRENT ASSETS							
Investments in subsidiaries	5	-	-	-	113,352,551	108,352,551	78,709,758
Property, plant and equipment	6	58,094,939	54,198,914	41,352,049	113,173	3,969	5,429
Goodwill	7	10,650,327	10,650,327	-	-	-	-
Other investment	8	16,500	16,500	16,500	-	-	-
		68,761,766	64,865,741	41,368,549	113,465,724	108,356,520	78,715,187
CURRENT ASSETS							
Inventories	9	49,719,662	54,632,567	33,477,169	-	-	-
Trade receivables	10	44,453,816	38,813,570	34,524,231	-	-	-
Other receivables, deposits and prepayments	11	3,529,197	772,291	1,456,293	-	-	-
Amount owing by subsidiaries	12	-	-	-	850,000	850,000	500,000
Tax recoverable		2,219,800	606,658	103,658	138,158	76,658	103,658
Derivative assets	13	24,800	464,630	-	-	-	-
Fixed deposits in licensed banks	14	26,104,837	14,854,545	-	20,821,858	-	-
Cash and bank balances		23,678,850	17,252,920	12,780,837	1,119,862	552,549	172,291
		149,730,962	127,397,181	82,342,188	22,929,878	1,479,207	775,949
TOTAL ASSETS		218,492,728	192,262,922	123,710,737	136,395,602	109,835,727	79,491,136

The annexed notes form an integral part of these financial statements.

	Note	The Group 31.12.2012 RM	31.12.2011 RM	1.1.2011 RM	The Company 31.12.2012 RM	31.12.2011 RM	1.1.2011 RM
EQUITY AND LIABILITIES							
EQUITY							
Share capital	15	93,305,333	69,979,000	65,979,000	93,305,333	69,979,000	65,979,000
Reserves	16	62,565,505	36,246,699	28,428,381	22,214,639	12,831,250	13,170,412
SHAREHOLDERS' EQUITY		155,870,838	106,225,699	94,407,381	115,519,972	82,810,250	79,149,412
NON-CURRENT LIABILITIES							
Long term borrowings	17	12,828,359	14,791,753	7,897,010	7,058,692	8,533,741	-
Contingent consideration	18	-	4,647,143	-	-	4,647,143	-
Retirement benefits	19	335,000	359,000	334,000	-	-	-
Deferred tax liabilities	20	4,006,600	3,660,000	704,000	28,300	-	-
		17,169,959	23,457,896	8,935,010	7,086,992	13,180,884	-
CURRENT LIABILITIES							
Trade payables	21	10,083,310	7,009,418	4,042,520	-	-	-
Other payables and accruals	22	7,021,701	18,291,789	2,835,216	784,893	495,943	341,724
Amount owing to subsidiaries	12	-	-	-	1,928,602	3,505,000	-
Amount owing to directors	23	764,206	1,035,289	388,199	-	-	-
Tax payable		1,163,439	488,147	416,161	-	-	-
Short term borrowings	24	21,614,113	29,749,629	10,284,927	6,428,000	6,428,000	-
Bank overdrafts	27	158,019	2,589,405	2,373,281	-	-	-
Contingent consideration	18	4,647,143	3,415,650	-	4,647,143	3,415,650	-
Derivative liabilities		-	-	28,042	-	-	-
		45,451,931	62,579,327	20,368,346	13,788,638	13,844,593	341,724
TOTAL LIABILITIES		62,621,890	86,037,223	29,303,356	20,875,630	27,025,477	341,724
TOTAL EQUITY AND LIABILITIES		218,492,728	192,262,922	123,710,737	136,395,602	109,835,727	79,491,136

The annexed notes form an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income

For The Financial Year Ended 31 December 2012

	Note	The Group 2012 RM	The Group 2011 RM	The Company 2012 RM	The Company 2011 RM
REVENUE	28	246,361,334	134,215,445	9,519,333	5,582,372
OTHER OPERATING INCOME		3,621,246	1,325,576	26,030	-
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		(1,490,697)	2,096,361	-	-
RAW MATERIALS AND CONSUMABLES USED		(170,636,137)	(87,098,627)	-	-
EMPLOYEE BENEFITS	29	(18,632,972)	(15,153,454)	(816,922)	(463,877)
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT	6	(5,408,621)	(3,363,193)	(7,284)	(1,460)
FINANCE COSTS		(1,982,510)	(1,162,623)	(961,569)	(154,442)
OTHER OPERATING EXPENSES		(24,276,814)	(16,508,979)	(394,690)	(844,397)
PROFIT BEFORE TAX	30	27,554,829	14,350,506	7,364,898	4,118,196
TAX EXPENSE	31	(4,663,526)	(3,312,048)	(1,482,988)	(1,228,093)
PROFIT AFTER TAX		22,891,303	11,038,458	5,881,910	2,890,103
OTHER COMPREHENSIVE INCOME, NET OF TAX					
- Foreign currency translation		(73,976)	9,125	-	-
		(73,976)	9,125	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		22,817,327	11,047,583	5,881,910	2,890,103
PROFIT AFTER TAX ATTRIBUTABLE TO :-					
Owners of the Company		22,891,303	11,038,458	5,881,910	2,890,103
TOTAL COMPREHENSIVE INCOME :-					
Owners of the Company		22,817,327	11,047,583	5,881,910	2,890,103
Earnings per share					
- basic (sen)	32	30.86	16.56		
- diluted (sen)	32	N/A	N/A		

The annexed notes form an integral part of these financial statements.

Statements of Changes in Equity

For The Financial Year Ended 31 December 2012

The Group	Note	Share Capital RM	Non-Distributable: Share Premium RM	Non-Distributable: Translation Reserve RM	Distributable: Retained Profits RM	Total RM
Balance at 1.1.2011		65,979,000	5,520,212	(522,528)	23,430,697	94,407,381
Issuance of shares		4,000,000	(920,000)	-	-	3,080,000
Profit after tax for the financial year		-	-	-	11,038,458	11,038,458
Other comprehensive income for the financial year, net of tax:						
- Foreign currency translation		-	-	9,125	-	9,125
Total comprehensive income for the financial year		-	-	9,125	11,038,458	11,047,583
Distribution to owners of the Company						
- Dividend	33	-	-	-	(2,309,265)	(2,309,265)
Balance at 31.12.2011		69,979,000	4,600,212	(513,403)	32,159,890	106,225,699

The Group	Note	Share Capital RM	Non-Distributable: Share Premium RM	Non-Distributable: Translation Reserve RM	Non-Distributable: Warrants Reserve RM	Distributable: Retained Profits RM	Total RM
Balance at 31.12.2011/1.1.2012		69,979,000	4,600,212	(513,403)	-	32,159,890	106,225,699
Issuance of shares	15 &16	23,326,333	927,924	-	5,232,757	-	29,487,014
Profit after tax for the financial year		-	-	-	-	22,891,303	22,891,303
Other comprehensive income for the financial year, net of tax:							
- Foreign currency translation		-	-	(73,976)	-	-	(73,976)
Total comprehensive income for the financial year		-	-	(73,976)	-	22,891,303	22,817,327
Distribution to owners of the Company							
- Dividend	33	-	-	-	-	(2,659,202)	(2,659,202)
Balance at 31.12.2012		93,305,333	5,528,136	(587,379)	5,232,757	52,391,991	155,870,838

The annexed notes form an integral part of these financial statements.

The Company	Note	Share Capital RM	← Non-Distributable Share Premium RM	Non-Distributable → Fair Value Reserve RM	Distributable Retained Profits RM	Total RM
Balance at 1.1.2011		65,979,000	5,520,212	5,961,641	1,688,559	79,149,412
Issuance of shares		4,000,000	(920,000)	-	-	3,080,000
MFRS transition effect	46	-	-	(5,961,641)	5,961,641	-
Restated balance at 1.1.2011		69,979,000	4,600,212	-	7,650,200	82,229,412
Total comprehensive income for the financial year		-	-	-	2,890,103	2,890,103
Distribution to owners of the Company - Dividend	33	-	-	-	(2,309,265)	(2,309,265)
Balance at 31.12.2011		69,979,000	4,600,212	-	8,231,038	82,810,250

The Company	Note	Share Capital RM	← Non-Distributable Share Premium RM	Non-Distributable → Warrants Reserve RM	Distributable Retained Profits RM	Total RM
Balance at 31.12.2011/1.1.2012		69,979,000	4,600,212	-	8,231,038	82,810,250
Issuance of shares	15 & 16	23,326,333	927,924	5,232,757	-	29,487,014
Total comprehensive income for the financial year		-	-	-	5,881,910	5,881,910
Distribution to owners of the Company - Dividend	33	-	-	-	(2,659,202)	(2,659,202)
Balance at 31.12.2012		93,305,333	5,528,136	5,232,757	11,453,746	115,519,972

The annexed notes form an integral part of these financial statements.

Statements of Cash Flows

For The Financial Year Ended 31 December 2012

	Note	The Group 2012 RM	The Group 2011 RM	The Company 2012 RM	The Company 2011 RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit before tax		27,554,829	14,350,506	7,364,898	4,118,196
Adjustments for:-					
Allowance for impairment losses on receivables		101,070	591,060	-	-
Dividend income		-	-	(8,669,333)	(4,732,372)
Depreciation of property, plant and equipment		5,408,621	3,363,193	7,284	1,460
Gain on disposal of property, plant and equipment		(925,811)	(158,999)	-	-
Gain on foreign exchange - unrealised (non-trade)		-	(54,729)	-	-
Loss/(Gain) on foreign exchange					
- unrealised (trade)		201,409	(150,422)	-	-
Interest expenses					
- bank borrowings		1,508,940	1,059,695	673,327	87,252
- contingent consideration		288,242	67,190	288,242	67,190
Interest income		(321,226)	(221,360)	(26,030)	-
Loss/(Gain) on fair values changes in financial instruments		439,830	(492,672)	-	-
Provision for retirement benefits		-	25,000	-	-
Plant and equipment written off		-	56,229	-	-
Reversal of allowance for impairment losses on trade receivables		(434,816)	(101,652)	-	-
Reversal of provision for retirement benefits		(24,000)	-	-	-
Operating profit/(loss) before working capital changes		33,797,088	18,333,039	(361,612)	(458,274)
Decrease in inventories		3,123,188	4,499,164	-	-
(Increase)/Decrease in trade and other receivables		(6,456,651)	7,401,780	-	-
Net (increase)/decrease in amount owing by subsidiaries		-	-	(1,576,398)	3,155,000
(Decrease)/Increase in trade and other payables		(8,413,039)	(16,094,717)	85,058	87,029
Increase in amount owing to directors		78,917	297,090	-	-
CASH FROM/(FOR) OPERATIONS CARRIED FORWARD		22,129,503	14,436,356	(1,852,952)	2,783,755
Tax paid		(5,573,880)	(3,803,794)	(59,792)	(18,000)
Tax refund		319,105	675,400	-	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES		16,874,728	11,307,962	(1,912,744)	2,765,755

The annexed notes form an integral part of these financial statements.

	Note	The Group 2012 RM	The Group 2011 RM	The Company 2012 RM	The Company 2011 RM
CASH FLOWS FOR INVESTING ACTIVITIES					
Dividend received		-	-	7,212,937	3,549,279
Interest received		321,226	221,360	26,030	-
Payment of contingent consideration		(3,500,000)	-	(3,500,000)	-
Withdrawal/(Placement) of fixed deposits		9,500,000	(9,500,000)	-	-
Proceeds from disposal of property, plant and equipment		1,403,152	161,022	-	-
Quasi loan granted to a subsidiary		-	-	(5,000,000)	-
Acquisition of a subsidiary	34	-	(7,119,081)	-	(18,500,000)
Purchase of property, plant and equipment	35	(8,973,130)	(1,675,644)	(116,488)	-
NET CASH FOR INVESTING ACTIVITIES		(1,248,752)	(17,912,343)	(1,377,521)	(14,950,721)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid		(2,659,202)	(2,309,265)	(2,659,202)	(2,309,265)
Interest expenses		(1,508,940)	(1,059,695)	(673,327)	(87,252)
Drawdown of revolving credit		-	5,000,000	-	5,000,000
Drawdown of term loan		-	10,000,000	-	10,000,000
Drawdown of bankers' acceptances		4,205,885	22,946,000	-	-
Drawdown of bills payable		1,104,681	7,205,163	-	-
Proceeds from issuance of shares	15 & 16	29,857,706	-	29,857,706	-
Rights issue exercise expenses paid	16	(370,692)	-	(370,692)	-
Repayment of advances to directors		(350,000)	-	-	-
Repayment of bankers' acceptances		(12,536,456)	(23,022,000)	-	-
Repayment of hire purchase obligation		(362,242)	(214,221)	-	-
Repayment of term loans		(3,290,085)	(2,427,159)	(1,475,049)	(38,259)
NET CASH FROM FINANCING ACTIVITIES		14,090,655	16,118,823	24,679,436	12,565,224
NET INCREASE IN CASH AND CASH EQUIVALENTS		29,716,631	9,514,442	21,389,171	380,258
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		20,018,060	10,407,556	552,549	172,291
Effects of exchange differences		(109,023)	96,062	-	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	36	49,625,668	20,018,060	21,941,720	552,549

The annexed notes form an integral part of these financial statements.

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	Suite 1301, 13th Floor, City Plaza Jalan Tebrau 80300 Johor Bahru Johor
Principal place of business	:	PTD 124298, Jalan Kempas Lama Kampung Seelong Jaya 81300 Skudai Johor

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 26 April 2013.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs") and the requirements of the Companies Act 1965 in Malaysia.

(a) These are the Group's first set of financial statements prepared in accordance with MFRSs, which are also in line with International Financial Reporting Standards as issued by the International Accounting Standards Board.

In the previous financial year, the financial statements of the Group and the Company were prepared in accordance with Financial Reporting Standards ("FRSs"). The financial impacts on the transition from FRSs to MFRSs are disclosed in Note 46 to the financial statements.

(b) The Group has not applied in advance the following applicable accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and IC Interpretations (including the Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments	1 January 2015
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 12 Disclosure of Interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits	1 January 2013
MFRS 127 Separate Financial Statements	1 January 2013
Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and and Transition Disclosures	1 January 2015

3. BASIS OF PREPARATION (CONT'D)

(b) The Group has not applied in advance the following applicable accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:- (cont'd)

MFRSs and IC Interpretations (including the Consequential Amendments)	Effective Date
Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance	1 January 2013
Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Annual Improvements to MFRSs 2009 – 2011 Cycle	1 January 2013

The above mentioned accounting standards and interpretations (including the consequential amendments) do not have any financial impact on the Group and the Company's financial statements upon their initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(i) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

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

(ii) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

(iii) Impairment of Non-Financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Critical Accounting Estimates and Judgements (cont'd)

(iv) Write down/off of inventories

Reviews are made periodically by management on damaged and obsolete inventories. These reviews require management to consider the future demand for the products, technical assessment and subsequent events. The Group also adopts the write down policy by marking down the carrying amount of those slow-moving inventories using certain percentages on inventories which are aged more than 2 years (food and beverage segment) and 3 years (tin manufacturing segment) respectively. The percentages are derived base on the past historical movement trend of the inventories and judgement of the directors and management.

Where necessary, write off is made for all damaged and obsolete items. The Group writes off its damaged and obsolete inventories based on assessment of the condition and the future demand for the inventories. These inventories are written off when events or changes in circumstances indicate that the carrying amounts may not be recovered.

In general, such an evaluation process requires significant judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

(v) Impairment of Trade and Other Receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loan and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

(vi) Classification of Leasehold Land

The classification of leasehold land as a finance lease or an operating lease requires the use of judgement in determining the extent to which risks and rewards incidental to its ownership lie. Despite the fact that there will be no transfer of ownership by the end of the lease term and that the lease term does not constitute the major part of the indefinite economic life of the land, management considered that the present value of the minimum lease payments approximated to the fair value of the land at the inception of the lease. Accordingly, management judged that the Group has acquired substantially all the risks and rewards incidental to the ownership of the land through a finance lease.

(vii) Impairment of Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December 2012.

A subsidiary is defined as a company in which the parent company has the power, directly or indirectly, to exercise control over its financial and operating policies so as to obtain benefits from its activities.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Basis of Consolidation (cont'd)

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(i) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(ii) Non-controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Transactions with non-controlling interests are accounted for as transactions with owners and are recognised directly in equity. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

At the end of each reporting period, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(iii) Acquisitions of Non-controlling Interests

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to owners of the parent.

(iv) Loss of Control

Upon loss of control of a subsidiary, the profit or loss on disposal is calculated as the difference between:-

(a) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(b) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Basis of Consolidation (cont'd)

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

As part of the transition to MFRSs, the Group elected not to restate those business combinations that occurred before the date of transition (1 January 2011). Such business combinations and the related goodwill and fair value adjustments have been carried forward from the previous FRS framework as at the date of transition.

(c) Goodwill

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised as a gain in profit or loss.

(d) Functional and Foreign Currencies

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(ii) Transactions and Balances

Transactions in foreign currency are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss except for differences arising from the translation of available-for-sale equity instruments which are recognised in other comprehensive income.

(iii) Foreign Operations

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at exchange rates ruling at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under translation reserve. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Functional and Foreign Currencies (cont'd)

(iii) Foreign Operations (cont'd)

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period except for those business combinations that occurred before the date of transition (1 January 2011) which are treated as assets and liabilities of the Company and are not retranslated.

(e) Financial Instruments

Financial instruments are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments recognised in the statement of financial position are disclosed in the individual policy statement associated with each item.

(i) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

- *Financial Assets at Fair Value Through Profit or Loss*

  Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

  Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established.

- *Held-to-maturity Investments*

  Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment loss, with revenue recognised on an effective yield basis.

  As at the end of the reporting period, there were no financial assets classified under this category.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial Instruments (cont'd)

(i) Financial Assets (cont'd)

- *Loans and Receivables Financial Assets*

  Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

- *Available-for-sale Financial Assets*

  Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

  After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

  Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

  Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less accumulated impairment losses, if any.

(ii) Financial Liabilities

All financial liabilities are initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

(iii) Equity Instruments

Instruments classified as equity are measured at cost and are not remeasured subsequently.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(f) Investments

(i) Investments in Subsidiaries

Investments in subsidiaries are stated at deemed cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Investments (cont'd)

(i) Investments in Subsidiaries (cont'd)

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

(ii) Transferable Golf Club Membership

Transferable golf club membership is stated at cost less impairment losses, if any.

(g) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at cost less impairment losses, if any, and is not depreciated.

Depreciation is calculated under the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Leasehold land	over the remaining lease period
Factory buildings	2%
Plant and machinery	10 - 12.5%
Mould, tools and factory equipment	10%
Electrical installations and substation	10%
Motor vehicles	20%
Office equipment, furniture and fittings	10 - 25%
Renovation	10%

The depreciation method, useful life and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

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

(h) Impairment

(i) Impairment of Financial Assets

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. For an equity instrument, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Impairment (cont'd)

(i) Impairment of Financial Assets (cont'd)

An impairment loss in respect of held-to-maturity investments and loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(ii) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 – Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value in use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in profit or loss immediately.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

(i) Assets under Hire Purchase

Assets acquired under hire purchase are capitalised in the financial statements and are depreciated in accordance with the policy set out in Note 4(g) above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in-first-out basis, and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition. Cost of finished goods and work-in-progress includes cost of materials, labour and an appropriate proportion of production overheads.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

(k) Income Taxes

Income tax for the year comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Income Taxes (cont'd)

Deferred 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 financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

(l) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(m) Provisions

Provisions are recognised when the Group has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation.

(n) Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Employee Benefits

(i) Short-term Benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(ii) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

(iii) Defined Benefit Plans

The Group has a non-contributory unfunded retirement benefits scheme for the unionised workers. The retirement benefit provided is based on the terms, which are stated in the agreement signed between the Group and the unionised workers, discounted at the appropriate rate without the application of any actuarial valuation methods.

(p) Related Parties

A party is related to an entity (referred to as the "reporting entity") if:-

(a) A person or a close member of that person's family is related to a reporting entity if that person:-
- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:-
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a) above.
- (vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

(r) Capitalisation of Borrowing Costs

Interest incurred on borrowings to property, plant and equipment is capitalised during the period activities to plan, develop and construct the assets are undertaken. Capitalisation of borrowing costs ceases when the assets are ready for their intended use or sale.

(s) Revenue Recognition And Other Income

(i) Sales of Goods

Sales are recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

(ii) Dividend Income

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

(iii) Management Fee

Management fee is recognised on an accrual basis.

(iv) Interest Income

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

(v) Rental Income

Rental income is recognised on an accrual basis.

5. INVESTMENTS IN SUBSIDIARIES

	The Company 2012 RM	The Company 2011 RM
Unquoted shares, at deemed cost	98,717,850	69,075,057
Addition during the year	-	29,642,793
	98,717,850	98,717,850
Quasi loans	9,634,701	9,634,701
Addition during the year	5,000,000	-
	113,352,551	108,352,551

Quasi loans represent advances of which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts, in substance, form part of the Company's net investment in the subsidiaries. The quasi loans are stated at cost less accumulated impairment losses, if any.

Details of the subsidiaries are as follows:-

Name of Company	Effective Equity Interest (%) 2012	Effective Equity Interest (%) 2011	Country of Incorporation	Principal Activities
Johore Tin Factory Sendirian Berhad ("JTFSB")	100	100	Malaysia	Manufacturing of various tins, cans and other containers and printing of tin plates
Unican Industries Sdn. Bhd.("UISB")	100	100	Malaysia	Manufacturing of various tins, cans and other containers
Kluang Tin And Can Factory Sdn. Bhd.	100	100	Malaysia	Manufacturing of various tins, cans and other containers
Able Dairies Sdn. Bhd.	100	100	Malaysia	Manufacturing and selling of milk and other related dairy products
Subsidiary of JTFSB				
PT Medan Johor Tin * (held through JTFSB-90% & UISB-10%)	100	100	Indonesia	Dormant

* This subsidiary is audited by other firm of chartered accountants.

6. Property, Plant And Equipment

The Group

Net book value	At 1.1.2012 RM	Additions RM	Disposals RM	Translation Difference RM	Depreciation Charge RM	At 31.12.2012 RM
Freehold land	9,188,888	5,794,760	(469,628)	-	-	14,514,020
Leasehold land	252,848	-	-	-	(14,303)	238,545
Factory buildings	19,562,600	-	-	-	(460,026)	19,102,574
Plant and machinery	18,933,391	1,984,025	(3,082)	(1,027)	(3,791,132)	17,122,175
Mould, tools and factory equipment	2,455,579	38,473	-	-	(323,513)	2,170,539
Electrical installations and substation	1,291,478	35,061	-	-	(184,639)	1,141,900
Motor vehicles	1,065,296	1,127,501	-	-	(372,743)	1,820,054
Office equipment, furniture and fittings	583,832	545,245	(4,631)	(116)	(138,974)	985,356
Renovation	865,002	258,065	-	-	(123,291)	999,776
	54,198,914	9,783,130	(477,341)	(1,143)	(5,408,621)	58,094,939

The Group

Net book value	At 1.1.2011 RM	Acquisition of a subsidiary RM	Additions RM	Reclassification RM	Disposals RM	Written off RM	Translation Difference RM	Depreciation Charge RM	At 31.12.2011 RM
Freehold land	9,188,888	-	-	-	-	-	-	-	9,188,888
Leasehold land	267,150	-	-	-	-	-	-	(14,302)	252,848
Factory buildings	20,022,627	-	-	-	-	-	-	(460,027)	19,562,600
Plant and machinery	8,809,831	10,560,300	1,657,043	120,758	(2,022)	(56,229)	474	(2,156,764)	18,933,391
Mould, tools and factory equipment	458,847	2,076,208	52,500	-	-	-	-	(131,976)	2,455,579
Electrical installations and substation	647,039	757,811	402	-	-	-	-	(113,774)	1,291,478
Motor vehicles	842,264	97,532	449,158	-	(1)	-	-	(323,657)	1,065,296
Office equipment, furniture and fittings	546,909	116,890	19,981	-	-	-	20	(99,968)	583,832
Renovation	451,994	479,991	-	(4,258)	-	-	-	(62,725)	865,002
Capital work-in-progress	116,500	-	-	(116,500)	-	-	-	-	-
	41,352,049	14,088,732	2,179,084	-	(2,023)	(56,229)	494	(3,363,193)	54,198,914

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

The Group

At 31.12.2012	At Cost RM	Accumulated Depreciation RM	Accumulated Impairment RM	Net Book Value RM
Freehold land	14,514,020	-	-	14,514,020
Leasehold land	639,585	(401,040)	-	238,545
Factory buildings	22,595,259	(3,492,685)	-	19,102,574
Plant and machinery	59,340,411	(40,800,481)	(1,417,755)	17,122,175
Mould, tools and factory equipment	5,566,531	(3,395,992)	-	2,170,539
Electrical installations and substation	2,115,280	(973,380)	-	1,141,900
Motor vehicles	4,350,070	(2,530,016)	-	1,820,054
Office equipment, furniture and fittings	2,274,852	(1,289,496)	-	985,356
Renovation	1,908,402	(908,626)	-	999,776
	113,304,410	(53,791,716)	(1,417,755)	58,094,939

At 31.12.2011	At Cost RM	Accumulated Depreciation RM	Accumulated Impairment RM	Net Book Value RM
Freehold land	9,188,888	-	-	9,188,888
Leasehold land	639,585	(386,737)	-	252,848
Factory buildings	22,595,259	(3,032,659)	-	19,562,600
Plant and machinery	57,387,046	(37,035,900)	(1,417,755)	18,933,391
Mould, tools and factory equipment	5,528,058	(3,072,479)	-	2,455,579
Electrical installations and substation	2,080,219	(788,741)	-	1,291,478
Motor vehicles	3,222,569	(2,157,273)	-	1,065,296
Office equipment, furniture and fittings	1,737,715	(1,153,883)	-	583,832
Renovation	1,650,337	(785,335)	-	865,002
	104,029,676	(48,413,007)	(1,417,755)	54,198,914

The Company

Net book value	At 1.1.2012 RM	Additions RM	Depreciation Charge RM	At 31.12.2012 RM
Office equipment, furniture and fittings	3,969	116,488	(7,284)	113,173

Net book value	At 1.1.2011 RM	Additions RM	Depreciation Charge RM	At 31.12.2011 RM
Office equipment, furniture and fittings	5,429	-	(1,460)	3,969

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

The Company

At 31.12.2012	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
Office equipment, furniture and fittings	232,274	(119,101)	113,173

At 31.12.2011	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
Office equipment, furniture and fittings	115,786	(111,817)	3,969

Included in the net book value of the property, plant and equipment of the Group are the following assets acquired under hire purchase terms:-

	The Group	
	2012 RM	2011 RM
Motor vehicles	1,445,341	626,849
Plant and machinery	509,386	569,970
	1,954,727	1,196,819

The following assets of the Group at net book value have been pledged to financial institutions for banking facilities as disclosed in Notes 24, 26 and 27 to the financial statements are as follows:-

	The Group	
	2012 RM	2011 RM
Freehold land and buildings	26,527,974	26,938,444

7. GOODWILL

	The Group	
	2012 RM	2011 RM
At 1 January	10,650,327	-
Acquisition of a new subsidiary (Note 34)	-	10,650,327
At 31 December	10,650,327	10,650,327

7. GOODWILL (CONT'D)

(a) The carrying amount of goodwill is allocated to the following cash-generating unit:-

	The Group	
	2012 RM	**2011 RM**
Foods and beverage	10,650,327	10,650,327

(b) The Group has assessed the recoverable amounts of goodwill allocated and determined that no impairment is required. The recoverable amounts of the cash-generating units are determined using the value-in-use approach, and this is derived from the present value of the future cash flows from the operating segments computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amounts are as follows:-

	Gross Margin		Growth Rate		Discount Rate	
	2012	**2011**	**2012**	**2011**	**2012**	**2011**
FOODS AND BEVERAGE	10%	14%	5%	0%	10%	12%

(I) BUDGETED GROSS MARGIN — The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the 2 years immediately before the budgeted period increased for expected efficiency improvements and cost saving measures.

(II) GROWTH RATE — Assume 5 percent growth for the subsequent 5 years.

(III) DISCOUNT RATE — The discount rate used is pre-tax and reflect specific risk relating to that operating segment.

8. OTHER INVESTMENT

	The Group	
	2012 RM	**2011 RM**
Transferable golf club membership, at cost	16,500	16,500

9. INVENTORIES

	The Group 2012 RM	The Group 2011 RM
At cost:-		
Raw materials	29,835,055	37,671,358
Work-in-progress	11,115,276	10,738,136
Finished goods	3,340,711	4,463,377
Goods-in-transit	5,224,150	1,656,423
	49,515,192	54,529,294
At net realisable value:-		
Raw materials	170,570	69,028
Work-in-progress	33,900	29,011
Finished goods	-	5,234
	49,719,662	54,632,567

10. TRADE RECEIVABLES

	The Group 2012 RM	The Group 2011 RM
Trade receivables	45,879,486	40,572,986
Allowance for impairment losses	(1,425,670)	(1,759,416)
	44,453,816	38,813,570

	The Group 2012 RM	The Group 2011 RM
Allowance for impairment losses at 1 January	1,759,416	1,490,992
Addition during the financial year	101,070	591,060
Reversal of allowance for impairment losses during the financial year	(434,816)	(101,652)
Written off during the financial year	-	(220,984)
Allowance for impairment losses at 31 December	1,425,670	1,759,416

The Group's normal trade credit terms range from 30 to 120 days (2011: 30 to 120 days). Other credit terms are assessed and approved on a case-by-case basis.

Included in the trade receivables is an amount of RM1,504,649 (2011: RM706,973) owing by a company in which a director of a subsidiary of the Company has a substantial financial interest.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group	
	2012 RM	2011 RM
Other receivables	172,206	93,028
Deposits	3,183,559	216,109
Prepayments	173,432	463,154
	3,529,197	772,291

Included in the other receivables is an amount of RM27,123 (2011: Nil) owing by a company in which a director of a subsidiary of the Company has a substantial financial interest.

12. AMOUNT OWING BY/(TO) SUBSIDIARIES

	The Company	
	2012 RM	2011 RM
Current		
Trade related balances		
Subsidiaries	850,000	850,000
Current		
Non-trade related balance		
A subsidiary	(1,928,602)	(3,505,000)

Trade balance arises from trade transactions, while non-trade balance represents advances, both of which are unsecured, interest-free and repayable on demand.

13. DERIVATIVE ASSETS

	The Group			
	Contract/ Notional Amount		Assets	Assets
	2012 RM	2011 RM	2012 RM	2011 RM
Forward foreign currency contracts	7,973,000	19,025,950	24,800	464,630

The Group does not apply hedge accounting.

(a) Forward foreign currency contracts are used to hedge the Group's purchases denominated in United States Dollar (USD) for which firm commitments existed at the end of the reporting period. The settlement dates on forward foreign currency contracts range between 1 to 6 months after the end of the reporting period.

(b) In current financial year, the Group recognised a gain of RM24,800 arising from fair value changes of derivative assets. The fair value changes are attributable to changes in foreign exchange spot and forward rate. The method and assumptions applied in determining the fair value of derivative are disclosed in Note 43(d) to the financial statements.

14. FIXED DEPOSITS IN LICENSED BANKS

The fixed deposits in licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 2.17% to 3.45% (2011: 2.19% to 3.15%) per annum. The deposits have maturity period ranging from 1 to 12 months.

In previous financial year, included in deposits in licensed banks of the Group at the end of the reporting period was an amount of RM9,500,000 which had been pledged to licensed banks as security for banking facilities granted to the Group.

15. SHARE CAPITAL

	The Group And The Company			
	2012 No. of shares	2011 No. of shares	2012 RM	2011 RM
ORDINARY SHARES OF RM1.00 EACH:-				
AUTHORISED				
At 1 January	100,000,000	100,000,000	100,000,000	100,000,000
Creation of shares	100,000,000	-	100,000,000	-
At 31 December	200,000,000	100,000,000	200,000,000	100,000,000
ISSUED AND FULLY PAID-UP				
At 1 January	69,979,000	65,979,000	69,979,000	65,979,000
Issuance of shares	23,326,333	4,000,000	23,326,333	4,000,000
At 31 December	93,305,333	69,979,000	93,305,333	69,979,000

During the year, the Company increased its:-

(i) authorised share capital from RM100,000,000 to RM200,000,000 through the creation of 100,000,000 shares of RM1.00 each; and

(ii) issued and paid-up share capital by way of a renounceable rights issue of 23,326,333 new ordinary shares of RM1.00 each ("Rights Share(s)") together with 23,326,333 free detachable warrants ("Warrant(s)") at an issue price of RM1.28 per Rights Share on the basis of one Rights Share and one Warrant for every three existing ordinary shares of RM1.00 each held in the Company.

16. RESERVES

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Non-distributable reserves:-				
- Share premium	5,528,136	4,600,212	5,528,136	4,600,212
- Translation reserve	(587,379)	(513,403)	-	-
- Warrants reserve	5,232,757	-	5,232,757	-
	10,173,514	4,086,809	10,760,893	4,600,212
Distributable reserve:-				
- Retained profits	52,391,991	32,159,890	11,453,746	8,231,038
	62,565,505	36,246,699	22,214,639	12,831,250

16. RESERVES (CONT'D)

Share premium

The share premium arose from the issuance of shares by way of private placement and public offer net of share issue expenses. The share premium reserve is not distributable by way of dividends and may be utilised in the manner as set out in Section 60(3) of the Companies Act 1965.

The movements of the share premium are as follows:-

	The Group And The Company	
	2012 RM	2011 RM
At 1 January	4,600,212	4,600,212
Arising from Rights Issue with Warrants	6,531,373	-
Allocation to warrants reserve	(5,298,540)	-
Applied for share issue expenses pursuant to Rights Shares	(304,909)	-
At 31 December	5,528,136	4,600,212

Translation reserve

Translation reserve represents the exchange differences arising from the translation of the financial statements of a foreign subsidiary and is not distributable by way of dividends.

Warrants reserve

The warrants reserves arose from the allocation of the proceeds from the issuance of the warrants by reference to the fair value of the warrants and net of expenses incurred in relation to the rights issue during the financial year.

During the financial year, 23,326,333 Warrants were issued pursuant to the rights issue of new ordinary shares. The movements in the warrants reserve are as follows:-

	The Group And The Company	
	2012 RM	2011 RM
At 1 January	-	-
Arising from Rights Issue with Warrants	5,298,540	-
Applied for warrant issue expenses	(65,783)	-
At 31 December	5,232,757	-

16. RESERVES (CONT'D)

Warrants reserve (cont'd)

The main features of the Warrants are as follows:-

(a) Each Warrant will entitle its registered holder during the exercise period to subscribe for one new ordinary share at the exercise price, subject to adjustment in accordance with the provision of the Deed Poll as disclosed in the Director's Report.

(b) The exercise price of each Warrant has been fixed at RM2.28, subject to adjustments under circumstances in accordance with the provision of the Deed Poll.

(c) The exercise period shall commence from the date of issue of the Warrants and will expire on 24 November 2017, 5.00pm. Any Warrant which has not been exercised will lapse and cease thereafter to be valid for any purpose.

(d) The new ordinary shares of RM2.28 each pursuant to the exercise of the Warrants will rank pari passu in all respects with the existing issued ordinary shares of the Company.

No warrants were exercised during the financial year ended 31 December 2012. As at the end of the reporting date, 23,326,333 Warrants remain unexercised.

Retained profits

The Company has elected for the irrevocable option for the single tier tax system. Therefore, at the end of the reporting period, the Company will be able to distribute dividends out of its entire retained profits under the single tier tax system.

17. LONG TERM BORROWINGS

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Hire purchase payables (Note 25)	707,356	484,593	-	-
Term loans (Note 26)	12,121,003	14,307,160	7,058,692	8,533,741
	12,828,359	14,791,753	7,058,692	8,533,741

18. CONTINGENT CONSIDERATION

	The Group And The Company	
	2012 RM	2011 RM
Non-current portion	-	4,647,143
Current portion	4,647,143	3,415,650
	4,647,143	8,062,793

18. CONTINGENT CONSIDERATION (CONT'D)

The contingent consideration represents the fair value of the outstanding purchase consideration payable to the vendors of a subsidiary which had been acquired in the financial year ended 31 December 2011. Payment of the outstanding contingent consideration is expected to be completed within 14 days upon receipt of the signed audited financial statements of the subsidiary which reported a profit after tax amount surpasses the required profit guarantee for the financial year ended 31 December 2012.

Key assumption used for computing the fair value of the outstanding purchase consideration:

	The Group	
	2012	**2011**
Discount rate	5%	5%
Outstanding purchase consideration - at cost	RM5,000,000	RM8,500,000

19. RETIREMENT BENEFITS

	The Group	
	2012	**2011**
	RM	**RM**
At 1 January	359,000	334,000
Addition for the financial year	-	25,000
Reversal during the financial year	(24,000)	-
At 31 December	335,000	359,000

Retirement benefits represent the Group's obligation in respect of a non-contributory unfunded retirement benefit plan to unionised workers. The amount as at the end of the reporting period approximates the present value of the unfunded obligation.

Key assumptions used for computing the addition for the year:

	The Group	
	2012	**2011**
Discount rate	4.61%	4.47%
Annual salary increment per worker	RM65.00	RM65.00

20. DEFERRED TAX LIABILITIES

	The Group		The Company	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
At 1 January	3,660,000	704,000	-	-
Recognised in profit or loss (Note 31)	346,600	706,000	28,300	-
Acquisition of a subsidiary (Note 34)	-	2,250,000	-	-
At 31 December	4,006,600	3,660,000	28,300	-

20. DEFERRED TAX LIABILITIES (CONT'D)

(a) Deferred tax liabilities are attributable to the following items:-

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Deferred tax liabilities:-				
- Accelerated capital allowances	4,544,100	4,548,100	28,300	-
- Other temporary differences	-	13,700	-	-
Gross deferred tax liabilities	4,544,100	4,561,800	28,300	-
Deferred tax assets:-				
- Unabsorbed tax losses	(399,700)	(756,000)	-	-
- Other temporary differences	(137,800)	(145,800)	-	-
Gross deferred tax assets	(537,500)	(901,800)	-	-
Net deferred tax liabilities	4,006,600	3,660,000	28,300	-

(b) The components and movements of deferred tax liabilities and assets during the year prior to offsetting are as follows:-

The Group Deferred tax liabilities:-	Accelerated capital allowances RM	Other temporary differences RM	Total RM
Balance at 1 January 2012	4,548,100	13,700	4,561,800
Recognised in profit or loss	(4,000)	(13,700)	(17,700)
Balance at 31 December 2012	4,544,100	-	4,544,100
Balance at 1 January 2011	1,929,600	3,400	1,933,000
Recognised in profit or loss	2,618,500	10,300	2,628,800
Balance at 31 December 2011	4,548,100	13,700	4,561,800

20. DEFERRED TAX LIABILITIES (CONT'D)

(b) The components and movements of deferred tax liabilities and assets during the year prior to offsetting are as follows:- (cont'd)

The Group

Deferred tax assets:-	Unutilised capital allowances RM	Unabsorbed tax losses RM	Other temporary differences RM	Total RM
Balance at 1 January 2012	-	(756,000)	(145,800)	(901,800)
Recognised in profit or loss	-	356,300	8,000	364,300
Balance at 31 December 2012	-	(399,700)	(137,800)	(537,500)
Balance at 1 January 2011	(169,000)	(852,000)	(208,000)	(1,229,000)
Recognised in profit or loss	169,000	96,000	62,200	327,200
Balance at 31 December 2011	-	(756,000)	(145,800)	(901,800)

The Company

Deferred tax liabilities:-	Accelerated capital allowances RM
Balance at 1 January 2012	-
Recognised in profit or loss	28,300
Balance at 31 December 2012	28,300

21. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 120 days (2011: 30 to 120 days).

22. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Other payables	1,401,336	11,981,502	-	-
Accrued expenses	3,841,155	3,218,798	784,893	495,943
Deposits received	1,779,210	3,091,489	-	-
	7,021,701	18,291,789	784,893	495,943

23. AMOUNT OWING TO DIRECTORS

The amount owing to directors is unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

24. SHORT TERM BORROWINGS

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Bankers' acceptances	398,000	11,135,000	-	-
Foreign currency trade loan	7,924,557	2,846,025	-	-
Bills payable	1,728,881	3,084,419	-	-
Foreign currency trust receipts	3,873,254	4,115,831	-	-
Revolving credit	5,000,000	5,000,000	5,000,000	5,000,000
Hire purchase payables (Note 25)	561,344	336,349	-	-
Term loans (Note 26)	2,128,077	3,232,005	1,428,000	1,428,000
	21,614,113	29,749,629	6,428,000	6,428,000

Bankers' acceptances, foreign currency trade loan, bills payable, foreign currency trust receipts and revolving credit are drawn for period ranging from 30 days to 168 days (2011: 30 to 180 days).

Bankers' acceptances, foreign currency trade loan, bills payable, foreign currency trust receipts, revolving credit and term loans are secured by way of:-

(i) legal charges over certain landed properties of the Group; and

(ii) corporate guarantees from the Company.

25. HIRE PURCHASE PAYABLES

	The Group	
	2012 RM	2011 RM
Minimum hire purchase payment:-		
- not later than one year	607,840	373,116
- later than one year and not later than five years	749,670	508,129
	1,357,510	881,245
Less : Future finance charges	(88,810)	(60,303)
Present value of hire purchase payables	1,268,700	820,942

The present value of hire purchase payables is repayable as follows:-

	2012 RM	2011 RM
Current:-		
- not later than one year (Note 24)	561,344	336,349
Non-current:-		
- later than one year and not later than five years (Note 17)	707,356	484,593
	1,268,700	820,942

26. TERM LOANS

	The Group 2012 RM	The Group 2011 RM	The Company 2012 RM	The Company 2011 RM
Current portion:-				
- repayable within one year (Note 24)	2,128,077	3,232,005	1,428,000	1,428,000
Non-current portion:-				
- repayable between one and two years	1,892,290	2,127,542	1,428,000	1,428,000
- repayable between two and five years	5,816,400	7,171,750	4,284,000	4,284,000
- repayable more than five years	4,412,313	5,007,868	1,346,692	2,821,741
Total non-current portion (Note 17)	12,121,003	14,307,160	7,058,692	8,533,741
	14,249,080	17,539,165	8,486,692	9,961,741

The term loans are secured in the same manner as the short term borrowings as disclosed in Note 24 to the financial statements and are repayable as follows:

Term loan 1 at 3 months Cost Of Funds (COF) + 0.75% per annum	Repayable in 28 quarterly instalments of RM250,000, effective from June 2006.
Term loan 2 at Base Lending Rate - 1.75% per annum	Repayable in 180 monthly instalments of RM59,151, effective from March 2008.
Term loan 3 at COF + 1.15% per annum	Repayable in 83 monthly instalments of RM119,000 and final instalment of RM123,000, effective from December 2011.

27. BANK OVERDRAFTS

Bank overdrafts of the Group to a limit of RM3,500,000 (2011: RM3,000,000) are repayable on demand and are secured in the same manner as the short term borrowings as disclosed in Note 24 to the financial statements.

28. REVENUE

	The Group 2012 RM	The Group 2011 RM	The Company 2012 RM	The Company 2011 RM
Sales of goods	246,361,334	134,215,445	-	-
Dividend income	-	-	8,669,333	4,732,372
Management fee income	-	-	850,000	850,000
	246,361,334	134,215,445	9,519,333	5,582,372

29. EMPLOYEE BENEFITS

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Short term employee benefits	17,336,844	14,074,368	773,976	443,530
Contribution to a defined contribution plan	1,320,128	1,054,086	42,946	20,347
Contribution to a defined benefit plan (Note 19)	(24,000)	25,000	-	-
	18,632,972	15,153,454	816,922	463,877

Included in employee benefits is key management personnel compensation as disclosed in Note 38(b) to the financial statements.

30. PROFIT BEFORE TAX

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Profit before tax is arrived at after charging:-				
Allowance for impairment losses on receivables	101,070	591,060	-	-
Audit fee - statutory audit	115,000	77,000	25,000	22,000
- under/(over)provision in previous financial year	7,135	(50)	-	-
- special audit	-	10,000	-	10,000
Directors' remuneration				
- Directors' fee - current year	790,000	336,000	300,000	296,000
- overprovision in previous financial year	-	(24,500)	-	(24,500)
- EPF contributions	289,920	256,320	6,720	-
- other emoluments	2,824,320	2,340,320	112,000	-
Interest expenses				
- bank borrowings	1,508,940	1,059,695	673,327	87,252
- contingent consideration	288,242	67,190	299,242	67,190
Loss on fair values changes in financial instruments - unrealised	439,830	-	-	-
Loss on foreign exchange - realised (trade)	-	445,817	-	-
Loss on foreign exchange - unrealised (trade)	201,409	-	-	-
Property, plant and equipment written off	-	56,229	-	-
Rental expenses				
- copier machine	6,564	4,450	-	-
- factory equipment	239,200	221,700	-	-
- factory premises	83,700	82,800	-	-
- forklift	206,950	110,000	-	-
- hostels	112,930	57,710	-	-
- motor vehicle	59,480	13,831	-	-
- office equipment	5,340	6,385	-	-
- pallet	6,891	2,791	-	-
- warehouse	164,968	40,193	-	-

30. PROFIT BEFORE TAX (CONT'D)

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
and after crediting:-				
Dividend income	-	-	8,669,333	4,732,372
Gain on disposal of property, plant and equipment	925,811	158,999	-	-
Gain on fair values changes in financial instruments - unrealised	-	492,672	-	-
Gain on foreign exchange - realised (non - trade)	20,338	25,405	-	-
Gain on foreign exchange - realised (trade)	657,584	-	-	-
Gain on foreign exchange - unrealised (non - trade)	-	54,729	-	-
Gain on foreign exchange - unrealised (trade)	-	150,422	-	-
Interest income	321,226	221,360	26,030	-
Rental income	144,000	394,000	-	-
Reversal of allowance for impairment losses on trade receivables	434,816	101,652	-	-

31. TAX EXPENSE

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Malaysian income tax				
- Current year	4,363,901	2,609,000	1,456,396	1,228,093
- Over provision in previous financial year	(46,975)	(2,952)	(1,708)	-
	4,316,926	2,606,048	1,454,688	1,228,093
Deferred tax (Note 20)				
- Relating to origination of temporary differences	238,300	668,800	27,300	-
- Under provision in previous financial year	108,300	37,200	1,000	-
	346,600	706,000	28,300	-
	4,663,526	3,312,048	1,482,988	1,228,093

Subject to the agreement with the tax authorities, at the end of the reporting period, the unutilised reinvestment allowances and unutilised tax losses of the Group are as follows:-

	The Group	
	2012 RM	2011 RM
Unutilised reinvestment allowances	5,600,000	2,195,000
Unutilised tax losses	3,044,000	3,030,000
	8,644,000	5,225,000

31. TAX EXPENSE (CONT'D)

A reconciliations of the income tax expense applicable to profit before tax at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:-

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Profit before tax	27,554,829	14,350,506	7,364,898	4,118,196
Malaysian taxation at statutory rate	7,706,630	3,548,977	1,841,225	1,029,549
Tax credit in tax attributable to				
the dividend income	45,805	-	45,805	-
Tax effects of:-				
Expenses disallowed for tax purposes	537,290	467,240	308,142	198,544
Non-taxable income	(941,050)	(10,053)	(711,476)	-
Over provision of income tax				
in previous financial year	(46,975)	(2,952)	(1,708)	-
Underprovision of deferred tax in previous financial year	108,300	37,200	1,000	-
Tax incentive utilised	(2,746,474)	(728,364)	-	-
Tax expense for the financial year	4,663,526	3,312,048	1,482,988	1,228,093

32. EARNINGS PER SHARE

	The Group	
	2012 RM	2011 RM
Basic		
Net profit attribute to ordinary shareholders	22,891,303	11,038,458
Number of shares in issue as at 31 December (weighted average)	74,180,248	66,645,667
Basic earnings per share (sen)	30.86	16.56

The diluted earnings per ordinary share is not presented as there is no dilutive effect noted during the year. The issue of warrants does not have a dilutive effect to the earnings per ordinary share as the average market price of ordinary shares as at the end of the reporting period was below the exercise price of the warrants.

33. DIVIDEND

	The Group And The Company	
	2012 RM	2011 RM
Paid:-		
In respect of previous financial year:-		
Single tier final tax exempt dividend of 3.80 sen (2011: 3.50 sen) per ordinary share	2,659,202	2,309,265

34. ACQUISITION OF A SUBSIDIARY

On 24 October 2011, the Company acquired 100% equity interest in Able Dairies Sdn. Bhd.

Fair value of consideration paid/payable:	**The Company 2011 RM**
Cash	18,500,000
Fair value of shares issued (4,000,000 ordinary shares)	3,080,000
Contingent consideration (Note 18)	8,062,793
	29,642,793

The fair values of the identifiable assets and liabilities of Able Dairies Sdn. Bhd. as at the date of acquisition were:-

	At Date Of Acquisition	
	Carrying Amount RM	**Fair Value Recognised RM**
Property, plant and equipment	14,088,732	14,088,732
Trade and other receivables	12,028,865	12,028,865
Inventories	25,654,562	25,654,562
Cash and cash equivalents	11,380,919	11,380,919
Trade payables and accruals	(35,305,368)	(35,305,368)
Bank borrowings	(6,133,137)	(6,133,137)
Hire purchase payables	(67,110)	(67,110)
Tax payable	(404,997)	(404,997)
Deferred tax liability (Note 20)	(2,250,000)	(2,250,000)
Net identifiable assets and liabilities	18,992,466	18,992,466
Add: Goodwill on acquisition (Note 7)		10,650,327
Total purchase consideration		29,642,793
Less: Issue of shares		(3,080,000)
Less: Cash and cash equivalents of subsidiary acquired		(11,380,919)
Less: Contingent consideration		(8,062,793)
Net cash outflow for acquisition of a subsidiary		7,119,081

The acquired subsidiary has contributed the following results to the Group:-

	2011 RM
Revenue	28,288,719
Profit after tax	6,583,635

If the acquisition had taken place at the beginning of the previous financial year, the Group's revenue and profit after tax would have been RM250,584,803 and RM39,893,291 respectively in the previous financial year.

35. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Cost of property, plant and equipment purchased	9,783,130	2,179,084	116,488	-
Amount financed through hire purchase	(810,000)	(503,440)	-	-
Cash disbursed for purchase of property, plant and equipment	8,973,130	1,675,644	116,488	-

36. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following items:-

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Cash and bank balances	23,678,850	17,252,920	1,119,862	552,549
Fixed deposits in licensed banks	26,104,837	14,854,545	20,821,858	-
Bank overdrafts	(158,019)	(2,589,405)	-	-
	49,625,668	29,518,060	21,941,720	552,549
Less: Fixed deposits pledged to banks (Note 14)	-	(9,500,000)	-	-
	49,625,668	20,018,060	21,941,720	552,549

37. DIRECTORS' REMUNERATION

The aggregate amount of emoluments received and receivable by directors of the Group and of the Company during the financial year are as follows:-

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Non-executive directors				
- fees	235,000	248,500	215,000	228,500
Executive directors				
- fees	555,000	63,000	85,000	43,000
- salaries and bonuses	2,824,320	2,340,320	112,000	-
- defined contribution plan	289,920	256,320	6,720	-
	3,904,240	2,908,140	418,720	271,500

37. DIRECTORS' REMUNERATION (CONT'D)

The details of emoluments for the directors of the Group and of the Company received/receivable for the financial year by category and in bands of RM50,000 are as follows:-

	The Group		The Company	
	2012	2011	2012	2011
Non-executive directors				
Below RM50,000	1	2	-	1
RM50,001 - RM100,000	3	3	3	3
Executive directors				
Below RM50,000	-	1	2	2
RM100,001 - RM150,000	1	-	1	-
RM300,001 - RM350,000	1	1	-	-
RM400,001 - RM450,000	1	-	-	-
RM600,001 - RM650,000	-	1	-	-
RM650,001 - RM700,000	1	-	-	-
RM750,001 - RM800,000	-	1	-	-
RM800,001 - RM850,000	1	-	-	-
RM900,001 - RM950,000	-	1	-	-
RM1,250,001 - RM1,300,000	1	-	-	-

38. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) The Company had the following transactions with related parties during the financial year:-

	The Company	
	2012 RM	2011 RM
Subsidiaries		
Dividends received/receivable	8,669,333	4,732,372
Management fees receivable	850,000	850,000

	The Group	
	2012 RM	2011 RM
Company in which a subsidiary's director has substantial financial interest		
Sales of goods	2,864,338	312,030
Purchases of goods	263,579	36,800
Director of a subsidiary		
Rental of factory premises paid/payable	16,800	16,800
Spouse of a subsidiary's director		
Purchase of land	5,794,760	-

38. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

(b) Compensation of key management personnel

	The Group 2012 RM	The Group 2011 RM	The Company 2012 RM	The Company 2011 RM
Short-term employee benefits	3,603,320	2,403,320	412,000	43,000
Post-employment benefit				
- Defined contribution plan	316,800	256,320	6,720	-
	3,920,120	2,659,640	418,720	43,000

39. CAPITAL COMMITMENTS

	The Group 2012 RM	The Group 2011 RM
Approved and contracted for:-		
Plant and machinery	15,610,560	124,046

40. CONTINGENT LIABILITIES

	The Company 2012 RM	The Company 2011 RM
Corporate guarantee given to licensed banks for banking facilities granted to subsidiaries	20,960,853	21,568,620

41. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Chief Executive Officer as its chief operating decision maker in order to allocate resources to segments and to assess their performance.

The Group is organised into the 3 main business segments as follows:-

(i) Investment holding – involved in the business of investment holding and provision of management services.

(ii) Tin manufacturing – involved in the manufacturing of various tins, cans and other containers.

(iii) Food and beverage – involved in manufacturing and selling of milk and other related dairy products

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the business segments are presented under unallocated items. Unallocated items comprise mainly investments and related income, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses.

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

41. OPERATING SEGMENTS (CONT'D)

Business Segments

2012	Investment Holding RM	Tin Manufacturing RM	Foods & Beverage RM	Group RM
Revenue				
External revenue	-	82,031,411	164,329,923	246,361,334
Inter-segment revenue	850,000	19,357,608	-	20,207,608
Dividend income	8,669,333	-	-	8,669,333
Total revenue	9,519,333	101,389,019	164,329,923	275,238,275
Eliminations				(28,876,941)
Consolidated revenue				246,361,334
Results				
Segment results	9,516,617	15,496,850	17,950,314	42,963,781
Adjustments and eliminations	(9,519,333)	(2,355,854)	3,781,309	(8,093,878)
Finance costs	(951,569)	(500,583)	(520,358)	(1,972,510)
Tax expense	(26,593)	(2,780,005)	(1,856,928)	(4,663,526)
	(980,878)	9,860,408	19,354,337	28,233,867
Other material items of income	26,030	1,700,314	99,509	1,825,853
Depreciation of property, plant and equipment	(7,284)	(3,601,309)	(1,800,028)	(5,408,621)
Other material items of expenses	-	(40,790)	(60,280)	(101,070)
Other non-cash expenses	-	-	(439,830)	(439,830)
	(962,132)	7,918,623	17,153,708	24,110,199
Unallocated expenses				(1,218,896)
Consolidated profit after tax				22,891,303
Assets				
Segment assets	136,144,271	124,756,050	72,189,498	333,089,819
Eliminations				(116,930,064)
				216,159,755
Unallocated assets				2,332,973
Consolidated total assets				218,492,728
Liabilities				
Segment liabilities	7,360,638	11,666,584	18,013,202	37,040,424
Eliminations				(14,188,064)
				22,852,360
Unallocated liabilities				39,769,530
Consolidated total liabilities				62,621,890
Other segment items				
Additions to non-current assets other than financial instruments :-				
- Property, plant and equipment	116,488	898,674	8,767,968	9,783,130

41. OPERATING SEGMENTS (CONT'D)

Business Segments (cont'd)

2011	Investment Holding RM	Tin Manufacturing RM	Foods & Beverage RM	Group RM
Revenue				
External revenue	-	105,926,726	28,288,719	134,215,445
Inter-segment revenue	850,000	6,795,067	-	7,645,067
Dividend income	4,732,372	-	-	4,732,372
Total revenue	5,582,372	112,721,793	28,288,719	146,592,884
Eliminations				(12,377,439)
Consolidated revenue				134,215,445
Results				
Segment results	5,736,814	14,676,945	3,620,609	24,034,368
Adjustments and eliminations	(5,582,372)	(2,211,926)	3,402,574	(4,391,724)
Finance costs	(154,442)	(937,796)	(70,385)	(1,162,623)
Tax expense	(45,000)	(2,852,048)	(415,000)	(3,312,048)
	(45,000)	8,675,175	6,537,798	15,167,973
Other material items of income	-	861,269	507,414	1,368,683
Depreciation of property, plant and equipment	(1,460)	(3,077,151)	(284,582)	(3,363,193)
Other material items of expenses	-	(470,294)	(176,995)	(647,289)
Other non-cash expenses	-	(25,000)	-	(25,000)
	(46,460)	5,963,999	6,583,635	12,501,174
Unallocated expenses				(1,462,716)
Consolidated profit after tax				11,038,458
Assets				
Segment assets	116,362,821	133,629,185	67,236,631	317,228,637
Eliminations				(125,576,342)
				191,652,295
Unallocated assets				610,627
Consolidated total assets				192,262,922
Liabilities				
Segment liabilities	12,063,736	25,556,732	30,548,055	68,168,523
Eliminations				(30,820,829)
				37,347,694
Unallocated liabilities				48,689,529
Consolidated total liabilities				86,037,223
Other segment items				
Additions to non-current assets other than financial instruments :-				
- Plant and equipment	-	1,783,338	395,746	2,179,084

41. OPERATING SEGMENTS (CONT'D)

Business Segments (cont'd)

(a) Other material items of income consist of the following:-

	The Group	
	2012 RM	2011 RM
Gain on disposal of property, plant and equipment	925,811	158,999
Gain on fair values changes in financial instruments	-	492,672
Interest income	321,226	221,360
Rental income	144,000	394,000
Reversal of allowance for impairment losses on trade receivables	434,816	101,652
	1,825,853	1,368,683

(b) Other material items of expenses consist of the following:-

	The Group	
	2012 RM	2011 RM
Allowance for impairment losses on trade receivables	101,070	591,060
Plant and equipment written off	-	56,229
	101,070	647,289

(c) Other non-cash expenses consist of the following:-

	The Group	
	2012 RM	2011 RM
Provision for retirement benefits	-	25,000
Loss on fair values changes in financial instruments	439,830	-

Geographical Segments

	Revenue		Non-Current Assets	
	2012 RM	2011 RM	2012 RM	2011 RM
Africa	44,129,493	5,482,279	-	-
Asia	78,056,442	15,646,834	3,839	18,053
Malaysia	111,532,162	110,999,123	68,757,927	64,847,688
Others	12,643,237	2,087,209	-	-
	246,361,334	134,215,445	68,761,766	64,865,741

Major Customers

The Group has five major customers with individual revenue contribution equal to or more than 5% of Group revenue and cumulatively accounting for 33% (2011: 32%) of Group revenue.

42. MATERIAL LITIGATION

A suit was brought by General Containers Sdn. Bhd. ("GCSB") against the former director of GCSB, Mr. Tan Chin Wah for breach of fiduciary duties and against the subsidiaries of the Company, Johore Tin Factory Sendirian Berhad and Unican Industries Sdn. Bhd. ("Defendants") for conspiring to divest GCSB's vital assets and business. A judgement was ruled in favour of the abovementioned Defendants by the Johor Bahru High Court ("High Court") on 29 October 2010. The suit was dismissed by the High Court with costs.

GCSB appealed against this decision to the Court of Appeal and was dismissed with costs on 8 November 2012.

GCSB has applied for leave to appeal to the Federal Court and the case hearing has been fixed on 28 May 2013.

43. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Financial Risk Management Policies

The Group's policies in respect of the major areas of treasury activity are as follows:-

(i) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currencies giving rise to this risk are primarily United States Dollar, Singapore Dollar and Japanese Yen. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group maintains a natural hedge, whenever is possible, by matching the receivables and the payables in the same currency, any unmatched balance will be hedged by the forward foreign currency contracts.

The Group's exposure to foreign currency is as follows:-

The Group **2012**	**United States Dollar RM**	**Singapore Dollar RM**	**Japanese Yen RM**
Financial assets			
Trade receivables	20,496,961	3,873,361	-
Other receivables, deposits and prepayments	66,608	-	3,034,080
Cash and bank balances	10,070,710	372,829	-
	30,634,279	4,246,190	3,034,080
Financial liabilities			
Trade payables	4,881,889	111,050	-
Other payables and accruals	31,228	(2,693)	-
Bank borrowings	13,924,691	-	-
	18,837,808	108,357	-
Currency exposure	11,796,471	4,137,833	3,034,080

43. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

The Group **2011**	**United States Dollar RM**	**Singapore Dollar RM**
Financial assets		
Trade receivables	13,130,764	4,746,499
Other receivables, deposits and prepayments	20,926	-
Cash and bank balances	867,355	-
	14,019,045	4,746,499
Financial liabilities		
Trade payables	1,509,842	128,800
Other payables and accruals	128,654	(5,216)
Bank borrowings	10,046,275	-
	11,684,771	123,584
Currency exposure	2,334,274	4,622,915

<u>Foreign currency risk sensitivity analysis</u>

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:-

	The Group	
	2012 Increase/ (Decrease) RM	**2011 Increase/ (Decrease) RM**
Effects on profit after tax		
United States Dollar:-		
- strengthened by 6% (2011: 1%)	448,886	19,435
- weakened by 6% (2011: 1%)	(448,886)	(19,435)
Singapore Dollar:-		
- strengthened by 5% (2011: 3%)	183,609	138,711
- weakened by 5% (2011: 3%)	(183,609)	(138,711)
Japanese Yen:-		
- strengthened by 13%	149,293	-
- weakened by 13%	(149,293)	-

43. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

Foreign currency risk sensitivity analysis (cont'd)

	The Company	
	2012 Increase/ (Decrease) RM	2011 Increase/ (Decrease) RM
Effects on equity		
Indonesia Rupiah:-		
- strengthened by 9% (2011: 7%)	(72,772)	(63,514)
- weakened by 9% (2011: 7%)	72,772	63,514

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arising from Group's interest-bearing financial liabilities. The Group's policy is to obtain the most favourable interest rates available.

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2012 Increase/ (Decrease) RM	2011 Increase/ (Decrease) RM	2012 Increase/ (Decrease) RM	2011 Increase/ (Decrease) RM
Effects on profit after tax				
Increase of 100 basis points (bp)	(23,407)	(344,593)	92,514	(112,500)
Decrease of 100 bp	23,407	344,593	(92,514)	112,500

(iii) Equity Price Risk

The Group does not have any quoted investments and hence is not exposed to equity price risk.

43. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (cont'd)

(ii) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by six (2011: five) major customers which constituted approximately 45% (2011: 43%) of its trade receivables as at the end of the reporting period.

The carrying amount of trade receivables represents the Group maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk.

The exposure of credit risk for trade receivables by geographical region is as follows:-

	The Group 2012 RM	The Group 2011 RM
Africa	6,266,346	4,419,488
Asia	11,996,134	6,894,084
Europe	1,400,042	1,197,487
Singapore	3,647,947	4,746,499
Malaysia	21,143,347	21,556,012
	44,453,816	38,813,570

Ageing analysis

The ageing analysis of the Group's trade receivables as at 31 December 2012 is as follows:-

2012	Gross Amount RM	Individual Impairment RM	Carrying Value RM
Not past due	27,194,942	-	27,194,942
Past due:			
- less than 3 months	16,980,071	-	16,980,071
- 3 to 6 months	278,723	-	278,723
- over 6 months	1,425,750	(1,425,670)	80
	45,879,486	(1,425,670)	44,453,816

43. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (cont'd)

(ii) Credit Risk (cont'd)

Ageing analysis (cont'd)

The ageing analysis of the Group's trade receivables as at 31 December 2011 is as follows:-

2011	Gross Amount RM	Individual Impairment RM	Carrying Value RM
Not past due	21,369,374	(131,445)	21,237,929
Past due:			
- less than 3 months	15,556,299	(71,716)	15,484,583
- 3 to 6 months	2,209,009	(232,094)	1,976,915
- over 6 months	1,438,304	(1,324,161)	114,143
	40,572,986	(1,759,416)	38,813,570

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

No collective impairment allowance is provided as based on the past records the irrecoverable amounts from the sale of goods, is very insignificant.

Trade receivables that are past due but not impaired

The Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the trade receivables.

(iii) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practices prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

43. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (cont'd)

(iii) Liquidity Risk (cont'd)

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group 2012	Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
Trade payables		10,083,310	10,083,310	10,083,310	-	-
Other payables and accruals		7,021,701	7,021,701	7,021,701	-	-
Amount owing to directors		764,206	764,206	764,206	-	-
Contingent consideration		4,647,143	5,000,000	5,000,000	-	-
Hire purchase payables	4.48 to 6.10	1,268,700	1,357,510	607,840	749,670	-
Term loans	4.61 to 5.00	14,249,080	17,325,599	2,791,577	9,457,886	5,076,136
Bankers' acceptance	3.83	398,000	398,000	398,000	-	-
Foreign currency trade loan	1.91 to 2.91	7,924,557	7,924,557	7,924,557	-	-
Bills payable	2.50	1,728,881	1,728,881	1,728,881	-	-
Foreign currency trust receipts	2.36 to 2.61	3,873,254	3,873,254	3,873,254	-	-
Revolving credit	4.61	5,000,000	5,000,000	5,000,000	-	-
Bank overdrafts	8.10	158,019	158,019	158,019	-	-
		57,116,851	60,635,037	45,351,345	10,207,556	5,076,136

43. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (cont'd)

(iii) Liquidity Risk (cont'd)

The Group

2011	Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
Trade payables	-	7,009,418	7,009,418	7,009,418	-	-
Other payables and accruals	-	18,291,789	18,291,789	18,291,789	-	-
Amount owing to directors	-	1,035,289	1,035,289	1,035,289	-	-
Contingent consideration	-	8,062,793	8,500,000	3,500,000	5,000,000	-
Hire purchase payables	4.94 to 6.10	820,942	881,245	373,116	508,129	-
Term loans	3.11 to 4.55	17,539,165	21,525,043	4,079,346	10,053,548	7,392,149
Bankers' acceptance	3.33 to 4.50	11,135,000	11,135,000	11,135,000	-	-
Foreign currency trade loan	3.20 to 3.37	2,846,025	2,846,025	2,846,025	-	-
Bills payable	2.25 to 2.45	3,084,419	3,084,419	3,084,419	-	-
Foreign currency trust receipts	2.35 to 2.40	4,115,831	4,115,831	4,115,831	-	-
Revolving credit	4.82	5,000,000	5,000,000	5,000,000	-	-
Bank overdrafts	7.60	2,589,405	2,589,405	2,589,405	-	-
		81,530,076	86,013,464	63,059,638	15,561,677	7,392,149

The Company

2012	Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
Other payables and accruals		784,893	784,893	784,893	-	-
Amount owing to subsidiaries		1,928,602	1,928,602	1,928,602	-	-
Term loan	4.61	8,486,692	9,846,648	1,819,236	6,618,638	1,408,774
Revolving credit	4.61	5,000,000	5,000,000	5,000,000	-	-
Contingent consideration		4,647,143	5,000,000	5,000,000	-	-
		20,847,330	22,560,143	14,532,731	6,618,638	1,408,774

43. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (cont'd)

(iii) Liquidity Risk (cont'd)

The Company 2011	Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
Other payables and accruals	-	495,943	495,943	495,943	-	-
Amount owing to subsidiaries	-	3,505,000	3,505,000	3,505,000	-	-
Term loan	4.82	9,961,741	11,867,459	1,908,156	6,944,328	3,014,975
Revolving credit	4.82	5,000,000	5,000,000	5,000,000	-	-
Contingent consideration	-	8,062,793	8,500,000	3,500,000	5,000,000	-
		27,025,477	29,368,402	14,409,099	11,944,328	3,014,975

(b) Capital Risk Management

The Group manages its capital by maintaining an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt divided by total equity. Net debt is calculated as bank borrowings plus trade and other payables, amount owing to directors and contingent consideration less cash and cash equivalents.

The debt-to-equity ratio of the Group as at the end of the reporting period was as follows:-

	The Group 2012 RM	2011 RM
Borrowings		
- long term	12,828,359	14,791,753
- short term	21,614,113	29,749,629
Bank overdrafts	158,019	2,589,405
Trade payables	10,083,310	7,009,418
Other payables and accruals	7,021,701	18,291,789
Amount owing to directors	764,206	1,035,289
Contingent consideration	4,647,143	8,062,793
	57,116,851	81,530,076
Less: Fixed deposits in licensed banks	(26,104,837)	(14,854,545)
Less: Cash and bank balances	(23,678,850)	(17,252,920)
Net debt	7,333,164	49,422,611
Total equity	155,870,838	106,225,699
Debt-to-equity ratio	4.70%	46.53%

43. FINANCIAL INSTRUMENTS (CONT'D)

(b) Capital Risk Management (cont'd)

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity (total equity attributable to owners of the Company) equal to or not less than the 25% of the issued and paid-up share capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

(c) Classification Of Financial Instruments

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Financial Assets				
Loans and receivables financial assets				
Trade receivables	44,453,816	38,813,570	-	-
Other receivables and deposits	3,355,765	309,137	-	-
Amount owing by subsidiaries	-	-	850,000	850,000
Fixed deposits with licensed banks	26,104,837	14,854,545	20,821,858	-
Cash and bank balances	23,678,850	17,252,920	1,119,862	552,549
	97,593,268	71,230,172	22,791,720	1,402,549
Financial Liabilities				
Other financial liabilities				
Trade payables	10,083,310	7,009,418	-	-
Other payables and accruals	7,021,701	18,291,789	784,893	495,943
Amount owing to subsidiaries	-	-	1,928,602	3,505,000
Amount owing to directors	764,206	1,035,289	-	-
Borrowings				
- long term	12,828,359	14,791,753	7,058,692	8,533,741
- short term	21,614,113	29,749,629	6,428,000	6,428,000
Contingent consideration	4,647,143	8,062,793	4,647,143	8,062,793
Bank overdrafts	158,019	2,589,405	-	-
	57,116,851	81,530,076	20,847,330	27,025,477
Fair value through profit and loss				
Derivative assets	24,800	464,630	-	-

(d) Fair Values Of Financial Instruments

The carrying amounts of the financial assets and financial liabilities reported in the financial statements approximated their fair values except for the following:-

	The Group			
	2012		2011	
	Carrying Amount RM	Fair Value RM	Carrying Amount RM	Fair Value RM
Hire purchase payables	1,268,700	1,335,104	820,942	846,307

43. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair Values Of Financial Instruments (cont'd)

The following summarises the methods used to determine the fair values of the financial instruments:-

(i) The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments.

(ii) The fair value of hire purchase payables is determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the reporting period.

(iii) The carrying amounts of the term loans approximated their fair values as these instruments bear interest at variable rates.

(iv) The fair value of forward foreign currency contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

(v) The interest rates used to discount estimated cash flows, where applicable, is as follows:-

	The Group	
	2012 %	2011 %
Hire purchase payables	1.59 to 5.11	2.37 to 3.34

The fair values of the financial assets and liabilities are analysed into level 1 to 3 as follows:-

Level 1: Fair value measurements derive from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements derive from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Fair value measurements derive from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value hierarchy analysis

The Group **2012**	**Level 1** **RM**	**Level 2** **RM**	**Level 3** **RM**	**Total** **RM**
Financial asset				
Derivative assets:				
- forward foreign currency contracts	-	24,800	-	24,800

The Group **2011**	**Level 1** **RM**	**Level 2** **RM**	**Level 3** **RM**	**Total** **RM**
Financial asset				
Derivative assets:				
- forward foreign currency contracts	-	464,630	-	464,430

Transfer between level 1 and level 2

There were no transfers between level 1 and level 2 fair value measurements during the current financial year.

44. SIGNIFICANT EVENTS DURING THE YEAR

(a) On 17 March 2012, in relation to the Conditional Share Sale Agreement dated 18 August 2011 entered between the Company and Messrs Kua Jin Guang @ Kau Kam Eng, Ng Keng Hoe, Lai Shin Lin and Lock Toh Peng ("Vendors") for the acquisition of 1,500,000 ordinary shares of RM1.00 each in Able Dairies Sdn. Bhd.("ADSB"), the Company released part of the purchase consideration of RM3,500,000 to the vendors upon receipt of ADSB's audited financial statements for the financial year ended 31 December 2011 which showed that the profit after tax of RM7 million for the said financial guarantee.

(b) On 7 December 2012, Johore Tin Factory Sendirian Berhad, a wholly owned subsidiary of the Company, entered into a Sale and Purchase Agreement with an overseas machine supplier to acquire one set of printing & varnishing machinery at the purchase consideration of approximately RM15,611,000. The asset is expected to be received and commissioned in the third quarter of the next financial year.

(c) On 8 August 2012, the Company announced to undertake the following corporate proposals:-

(i) Proposed renounceable rights issue of up to of 23,326,333, new ordinary shares of RM1.00 each ("Rights Share(s)") together with 23,326,333 free detachable warrants ("Warrant(s)") at an issue price of RM1.28 per Rights Share on the basis of one Rights Share and one Warrant for every three existing ordinary shares of RM1.00 each in the Company held on the entitlement date ("Rights Issue").

(ii) Proposed increase in authorised share capital of the Company ("Proposed Alteration to Authorised Capital") to facilitate the Proposed Rights Issue with Warrants; and

(iii) Proposed amendments to the Memorandum and Articles of Association of the Company to facilitate the Proposed Alteration to Authorised Capital.

On 24 October 2012, the Company allotted and issued 23,326,333 Rights Shares together with 23,326,333 Warrants pursuant to the Rights Issue. The Rights Issue was completed upon admission of the Warrants to the Official List of Bursa Malaysia Securities Bhd. ("Bursa") and the listing of and quotation for the Warrants and Rights Shares on Bursa on 27 November 2012.

(d) On 5 December 2012, ADSB, a wholly owned subsidiary of the Company, entered into an Agreement of Sale with Lai Shin Lin ("Vendor") for the acquisition of a parcel of land held under GM 2483, Lot 2263, Mukim Teluk Panglima Garang, District of Kuala Langsat, Selangor Darul Ehsan, for a total cash consideration of RM5,794,760 ("Purchase Consideration"). The Vendor is the spouse to a director in ADSB of whom he is also a substantial shareholder of the Company.

The purchase consideration will be satisfied entirely by cash, of which RM5.0 million will be financed via proceeds raised from the Company's renounceable rights issue exercise which was completed on 27 November 2012 and the remaining RM794,760 will be financed via internally generated funds.

45. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

On 1 February 2013, the Company has subscribed 80 ordinary shares of RM1.00 each representing 80% of the total issued and paid up capital of Able Food Sdn. Bhd. for a total consideration of RM80.00.

46. TRANSITION TO THE MFRS FRAMEWORK

As stated in Note 3(a) to the financial statements, these are the first financial statements of the Group and the Company prepared in accordance with MFRSs. The accounting policies in Note 4 to the financial statements have been applied to all financial information covered under this set of financial statements. The transition to MFRS does not have financial impact to the financial statements of the Group.

While in preparing the opening MFRS statements of financial position at 1 January 2011 (date of transition), the Company has adjusted amounts reported previously in financial statements prepared in accordance with FRSs. The financial impacts on the transition are as below:-

Reconciliation Of Financial Position

		1.1.2011			31.12.2011		
The Company	**Note**	**FRSs RM**	**Transition Effects RM**	**MFRSs RM**	**FRSs RM**	**Transition Effects RM**	**MFRSs RM**
ASSETS							
NON-CURRENT ASSETS							
Investments in subsidiaries	a	78,709,758	-	78,709,758	114,960,272	(6,607,721)	108,352,551
Property, plant and equipment		5,429	-	5,429	3,969	-	3,969
		78,715,187	-	78,715,187	114,964,241	(6,607,721)	108,356,520
CURRENT ASSETS							
Amount owing by subsidiaries		500,000	-	500,000	850,000	-	850,000
Tax recoverable		103,658	-	103,658	76,658	-	76,658
Cash and bank balances		172,291	-	172,291	552,549	-	552,549
		775,949	-	775,949	1,479,207	-	1,479,207
TOTAL ASSETS		79,491,136	-	79,491,136	116,443,448	(6,607,721)	109,835,727

46. TRANSITION TO THE MFRS FRAMEWORK (CONT'D)

Reconciliation Of Financial Position (cont'd)

The Company	Note	1.1.2011 FRSs RM	1.1.2011 Transition Effects RM	1.1.2011 MFRSs RM	31.12.2011 FRSs RM	31.12.2011 Transition Effects RM	31.12.2011 MFRSs RM
EQUITY AND LIABILITIES							
EQUITY							
Share capital		65,979,000	-	65,979,000	69,979,000	-	69,979,000
Share premium		5,520,212	-	5,520,212	4,600,212	-	4,600,212
Fair value reserve	b	5,961,641	(5,961,641)	-	12,569,362	(12,569,362)	-
Retained profits	b	1,688,559	5,961,641	7,650,200	2,269,397	5,961,641	8,231,038
TOTAL EQUITY		79,149,412	-	79,149,412	89,417,971	(6,607,721)	82,810,250
NON-CURRENT LIABILITIES							
Long term borrowings		-	-	-	8,533,741	-	8,533,741
Contingent consideration		-	-	-	4,647,143	-	4,647,143
		-	-	-	13,180,884	-	13,180,884
CURRENT LIABILITIES							
Other payables and accruals		341,724	-	341,724	495,943	-	495,943
Amount owing to subsidiaries		-	-	-	3,505,000	-	3,505,000
Short term borrowings		-	-	-	6,428,000	-	6,428,000
Contingent consideration		-	-	-	3,415,650	-	3,415,650
		341,724	-	341,724	13,844,593	-	13,844,593
TOTAL LIABILITIES		341,724	-	341,724	27,025,477	-	27,025,477
TOTAL EQUITY AND LIABILITIES		79,491,136	-	79,491,136	116,443,448	(6,607,721)	109,835,727

46. TRANSITION TO THE MFRS FRAMEWORK (CONT'D)

Reconciliation Of Profit Or Loss And Other Comprehensive Income

	Note	The Company 2011 FRSs RM	Transition Effects RM	MFRSs RM
REVENUE		5,582,372	-	5,582,372
EMPLOYEE BENEFITS		(463,877)	-	(463,877)
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT		(1,460)	-	(1,460)
FINANCE COSTS		(154,442)	-	(154,442)
OTHER OPERATING EXPENSES		(844,397)	-	(844,397)
PROFIT BEFORE TAX		4,118,196	-	4,118,196
INCOME TAX EXPENSE		(1,228,093)	-	(1,228,093)
PROFIT AFTER TAX		2,890,103	-	2,890,103
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
- Fair value changes in investments in subsidiaries	a	6,607,721	(6,607,721)	-
		6,607,721	(6,607,721)	-
TOTAL OTHER COMPREHENSIVE INCOME		6,607,721	(6,607,721)	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		9,497,824	(6,607,721)	2,890,103

Reconciliation Of Cash Flows

There are no differences between the statements of cash flows presented under FRSs and MFRSs.

Notes To Reconciliations

(a) Investments in Subsidiaries – Deemed Cost Exemption

Under FRSs, the Company measured its investments in subsidiaries at fair value under FRS 139. Upon transition to MFRSs, the Company elected to use the previous FRS carrying amount as deemed cost under MFRSs.

The financial impacts arising from the change are summarised as follows:-

(i) Fair value reserves at 1 January 2011 and 31 December 2011 were transferred to retained profits;

(ii) A decrease in fair value gain that was recognised under other comprehensive income of RM6,607,721 for the financial year ended 31 December 2011.

The aggregate fair value of the investments in subsidiaries at 1 January 2011 approximated the then carrying amount under FRSs.

46. TRANSITION TO THE MFRS FRAMEWORK (CONT'D)

Notes To Reconciliations (cont'd)

(b) Reserves

There were no adjustments to the reserves other than the following:-

		The Company	
	Note	1.1.2011 RM	31.12.2011 RM
Fair value reserve			
Investments in subsidiaries	a	(5,961,641)	(12,569,362)
Retained profits			
Investments in subsidiaries	a	5,961,641	5,961,641
Total adjustments to reserves		-	(6,607,721)

47. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current financial year:-

	The Group	
	As Restated RM	As Previously Reported RM
Consolidated Statement of Financial Position (Extract):-		
Inventories	54,632,567	52,842,849
Other receivables, deposits and prepayments	772,291	2,562,009
Tax recoverable	606,658	920,323
Tax payable	(488,147)	(801,812)
Consolidated Statement of Profit or Loss and Other Comprehensive Income (Extract):-		
Changes in inventories of finished goods and work in progress	2,096,361	1,972,038
Raw materials and consumables used	(87,098,627)	(86,974,304)
Employee benefits	(15,153,454)	(15,128,454)
Other operating expenses	(16,508,979)	(16,533,979)
Consolidated Statement of Cash Flows (Extract):-		
Decrease in inventories	4,499,164	6,288,882
Decrease in trade and other receivables	7,401,780	5,612,062

	The Company	
	As Restated RM	As Previously Reported RM
Statement of Financial Position (Extract):-		
Investments in subsidiaries (Note 46)	114,960,272	105,325,571
Amount owing by a subsidiary	-	9,634,701

48. SUPPLEMENTARY INFORMATION – DISCLOSURE OF REALISED AND UNREALISED PROFITS

The breakdown of the retained profits of the Group and of the Company as at the end of the reporting period into realised and unrealised profits are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	The Group		The Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Total retained profits/(losses):				
- realised	56,540,851	35,122,067	11,482,046	8,231,038
- unrealised	(4,148,860)	(2,962,177)	(28,300)	-
At 31 December	52,391,991	32,159,890	11,453,746	8,231,038

Statement by Directors

We, Edward Goh Swee Wang and Yeow Ah Seng @ Yow Ah Seng, being two of the directors of Johore Tin Berhad, state that, in the opinion of the directors, the financial statements set out on pages 44 to 102 are drawn up in accordance with Malaysian Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2012 and of their results and cash flows for the financial year ended on that date.

The supplementary information set out in Note 48, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
Dated 26 April 2013

EDWARD GOH SWEE WANG

YEOW AH SENG @ YOW AH SENG

Statutory Declaration

I, Edward Goh Swee Wang, I/C No.: 631221-01-5769, being the director primarily responsible for the financial management of Johore Tin Berhad, do solemnly and sincerely declare that the financial statements set out on pages 44 to 102 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declaration Act 1960.

Subscribed and solemnly declared by
Edward Goh Swee Wang, I/C No.: 631221-01-5769,
at Johor Bahru in the state of Johor
on this 26 April 2013

Before me

EDWARD GOH SWEE WANG

MOHDZAR BIN KHALID P.L.P., P.I.S (No. J204)
COMMISSIONER FOR OATHS

List of Properties Held

Registered Owner/ Date of Acquisition	Title No./ Address	Description/ Existing Use	Tenure/ Expiry Date of the Lease	Approximate Age of the Building (years)	Land/ Built-up Area (sq. ft.)	Net Book Value as at 31 Dec 2012 (RM)
JTF/ 19.03.1977	HS(D) 7258, Lot TLO 1883, Mukim Bandar Johor Bahru, Johor Bahru, Johor Darul Takzim/ No. 5, Jalan Gagah, Larkin Industrial Area, 80350 Johor Bahru, Johor.	Single-storey detached factory/ Industry	Leasehold - 60 years/ 13 January 2025	36	43,560/ 21,800	134,668
JTF/ 06.06.1988	HS(D) 108311, Lot TLO 1936, Mukim Bandar Johor Bahru, Johor Bahru, Johor Darul Takzim/ No. 7, Jalan Gagah, Larkin Industrial Area, 80350 Johor Bahru, Johor.	Single-storey detached factory with a double-storey office annexed/ Industry	Leasehold - 60 years/ 8 January 2028	24	43,560/ 14,582	656,046
UNI/ 10.12.2004	HSD 375445, PTD 124298, Mukim Tebrau, Johor Bahru, Johor Darul Takzim/ PTD 124298, Jalan Kempas Lama, Kampung Seelong Jaya, 81300 Skudai, Johor.	Single-storey detached factory/ Industry	Freehold	8	457,380/ 248,533	17,182,976
UNI/ 08.08.2007	GM 2481, Lot 2259, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan/ Lot 2259, Jalan Helang, Off Jalan Kebun Baru, Batu 9, Jalan Klang-Banting, Teluk Panglima Garang, 42500 Kuala Lumpur.	Single-storey detached factory/ Industry	Freehold	6	175,602/ 106,931	9,344,998
KTC/ 27.12.1982	HS(D) 16323, Lot PTD 23759, Mukim Kluang, Kluang, Johor Darul Takzim/ No. 5, Jalan Masyuri Kawasan Perindustrian Kluang 86000 Kluang, Johor.	1 ½-storey detached factory/ Industry	Leasehold - 60 years/ 13 April 2046	27	21,780/ 16,843	386,910
KTC/ 27.02.1993	GM 8988, Lot 781, Mukim Sri Gading VIII Parit Baru, Batu Pahat, Johor Darul Takzim	Agriculture/ Fruits	Freehold	N/A	106,461	73,300
KTC/ 08.01.1996	HS(D) 31714, Lot MLO 42445, Mukim Kluang, Kluang, Johor Darul Takzim/ No. 41, Jalan Lau Kim Teck, 86000 Kluang, Johor.	1 ½-storey semi-detached factory/ Industry	Freehold	17	5,294/ 3,635	281,481
ABD/ 27.12.2012	GM 2483, Lot 2263, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan.	Agriculture/ Vacant	Freehold	N/A	175,602	5,794,760

(Disclosed in accordance with Appendix 9C, Part A, item 25 of the Listing Requirements of Bursa Securities.)

Analysis of Shareholdings

As At 30 April 2013

SHARE CAPITAL

Authorised Share Capital	:	RM200,000,000.00
Issued and Fully Paid-Up Capital	:	RM93,305,333.00
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One (1) Vote per Ordinary Share
Number of Shareholders	:	1,584

DISTRIBUTION OF SHAREHOLDINGS

	(Malaysia and Foreign - Combined)			
Size of Holdings	**No. of Holders**	**% of Holders**	**No. of Shares**	**% of Shares**
Less than 100	31	1.957	993	0.001
101 to 1,000	149	9.406	90,805	0.097
1,001 to 10,000	952	60.101	4,517,790	4.842
10,001 to 100,000	383	24.179	11,247,755	12.055
100,001 to 4,665,265 (*)	65	4.104	47,094,929	50.474
4,665,266 and above (**)	4	0.253	30,353,061	32.531
TOTAL	**1,584**	**100.000**	**93,305,333**	**100.000**

* Less than 5% of Issued Shares

** 5% and above of Issued Shares

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	% of Shares
1	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD FOR NG KENG HOE	8,559,000	9.173
2	GOH MIA KWONG	8,412,324	9.016
3	RHB CAPITAL NOMINEES (ASING) SDN BHD - LIM HUN SWEE	7,531,200	8.072
4	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD FOR EDWARD GOH SWEE WANG	5,217,876	5.592
5	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD FOR GOH MIA KWONG	4,000,000	4.287
6	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD FOR CHUA TAI BOON	3,744,830	4.013
7	ALLIANCEGROUP NOMINEES (ASING) SDN BHD - LIM HUN SWEE	3,400,000	3.644
8	CITIGROUP NOMINEES (ASING) SDN BHD - EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	2,691,933	2.885
9	KUA JIN GUANG @ KAU KAM ENG	2,197,333	2.355

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (cont'd)

No.	Name of Shareholders	No. of Shares	% of Shares
10	ECML NOMINEES (TEMPATAN) SDN BHD		
	- GENTING PERWIRA SDN BHD	2,180,860	2.337
11	GENTING PERWIRA SDN BHD	2,127,880	2.281
12	AMSEC NOMINEES (ASING) SDN BHD		
	- AMBANK (M) BERHAD FOR YEOW AH SENG @ YOW AH SENG	1,772,666	1.900
13	HLB NOMINEES (TEMPATAN) SDN BHD		
	- LIM HUN SWEE	1,609,000	1.724
14	LOCK TOH PENG	1,580,000	1.693
15	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD		
	- LOKE SEE OOI	1,468,800	1.574
16	A.A. ANTHONY NOMINEES (TEMPATAN) SDN BHD		
	- NG YIK TOON @ NG YIK KOON	1,444,100	1.548
17	VERSALITE SDN BHD	1,160,000	1.243
18	LISA GOH LI LING	1,116,000	1.196
19	SIA YOCK HUA	1,085,625	1.163
20	SDS FOOD MANUFACTURING SDN. BHD.	918,000	0.984
21	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD		
	- NG YIK TOON @ NG YIK KOON	854,500	0.916
22	A.A. ANTHONY NOMINEES (TEMPATAN) SDN BHD		
	- ANGKASA AMAN SDN BHD	827,500	0.887
23	RHB MONIMEES (TEMPATAN) SDN BHD		
	- LEE CHENG LOCK	778,000	0.834
24	LAI SHIN LIN	746,666	0.800
25	GOH MIA KWONG	632,661	0.678
26	LOW LIANG POH	602,533	0.646
27	CHONG LEE FONG	562,000	0.602
28	TEE SIEW KAI	530,000	0.568
29	LEE BENG HEOK	499,700	0.536
30	SEAH TIN KIM	471,666	0.506
	TOTAL	**68,722,653**	**73.653**

LIST OF SUBSTANTIAL SHAREHOLDERS

		Direct Interest		Deemed Interest	
No.	Name of Shareholders	No. of Shares	% of Shares	No. of Shares	% of Shares
1	GOH MIA KWONG	13,044,985	13.98	6,333,876	6.79
2	LIM HUN SWEE	12,540,200	13.44	-	-
3	NG KENG HOE	8,559,000	9.17	746,666	0.80
4	EDWARD GOH SWEE WANG	5,217,876	5.59	14,160,985	15.18

LIST OF DIRECTORS' SHAREHOLDINGS

		Direct Interest		Deemed Interest	
No.	Name of Directors	No. of Shares	% of Shares	No. of Shares	% of Shares
1	DATUK KAMALUDIN BIN YUSOFF	78,300	0.08	4,338,040	4.65
2	EDWARD GOH SWEE WANG	5,217,876	5.59	14,160,985	15.18
3	YEOW AH SENG @ YOW AH SENG	1,978,666	2.12	-	-
4	LIM CHIN KAI	40,000	0.04	-	-
5	MUHAMAD FEASAL BIN YUSOFF	-	-	-	-
6	LIM HUN SWEE	12,540,200	13.44	-	-

(Disclosed in accordance with Appendix 9C, Part A, item 23 of the Listing Requirements of Bursa Securities.)

Analysis of Warrant Holdings

As At 30 April 2013

WARRANTS

Number of Warrants (2012/2017)	:	23,326,333
Exercise Price	:	RM2.28 per ordinary share of RM1.00 each
Exercise Rights	:	Each Warrant entitles the holder to subscribe for one (1) new ordinary share of RM1.00 each
Exercise Period	:	27 November 2012 to 24 November 2017
Number of Warrants exercised	:	Nil

DISTRIBUTION OF WARRANT HOLDINGS

	(Malaysia and Foreign - Combined)			
Size of Holdings	**No. of Holders**	**% of Holders**	**No. of Warrants**	**% of Warrants**
Less than 100	25	3.975	1,498	0.006
101 to 1,000	207	32.909	142,484	0.611
1,001 to 10,000	254	40.382	1,032,035	4.424
10,001 to 100,000	104	16.534	3,792,856	16.260
100,001 to 1,166,315 (*)	34	5.405	8,900,285	38.156
1,166,316 and above (**)	5	0.795	9,457,175	40.543
TOTAL	**629**	**100.000**	**23,326,333**	**100.000**

* Less than 5% of Issued Warrants

** 5% and above of Issued Warrants

LIST OF THIRTY (30) LARGEST WARRANT HOLDERS

No.	Name of Warrant Holders	No. of Warrants	% of Warrants
1	GOH MIA KWONG	3,103,081	13.303
2	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD FOR NG KENG HOE	1,980,000	8.488
3	RHB CAPITAL NOMINEES (ASING) SDN BHD - LIM HUN SWEE	1,650,500	7.076
4	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD FOR EDWARD GOH SWEE WANG	1,304,469	5.592
5	ECML NOMINEES (TEMPATAN) SDN BHD - GENTING PERWIRA SDN BHD	1,235,960	5.299
6	ALLIANCEGROUP NOMINEES (ASING) SDN BHD - LIM HUN SWEE	850,000	3.644
7	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD FOR CHUA TAI BOON	835,432	3.581
8	CITIGROUP NOMINEES (ASING) SDN BHD - EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	666,733	2.858
9	KUA JIN GUANG @ KAU KAM ENG	533,333	2.286

LIST OF THIRTY (30) LARGEST WARRANT HOLDERS (cont'd)

No.	Name of Warrant Holders	No. of Warrants	% of Warrants
10	AMSEC NOMINEES (ASING) SDN BHD		
	- AMBANK (M) BERHAD FOR YEOW AH SENG @ YOW AH SENG	443,166	1.900
11	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD		
	- LOKE SEE OOI	382,200	1.638
12	RHB MONIMEES (TEMPATAN) SDN BHD		
	- LEE CHENG LOCK	341,000	1.462
13	A.A. ANTHONY NOMINEES (TEMPATAN) SDN BHD		
	- NG YIK TOON @ NG YIK KOON	300,000	1.286
14	VERSALITE SDN BHD	290,000	1.243
15	LISA GOH LI LING	284,000	1.218
16	SIA YOCK HUA	275,156	1.180
17	FIRST LOOK CORPORATION SDN BHD	260,000	1.115
18	LOCK TOH PENG	225,800	0.968
19	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD		
	- NG YIK TOON @ NG YIK KOON	213,000	0.913
20	SENG SHUN MUN	200,000	0.857
21	LAI SHIN LIN	186,666	0.800
22	GOH MIA KWONG	183,165	0.785
23	HLB NOMINEES (ASING) SDN BHD		
	- LIM HUN SWEE	179,500	0.770
24	TA NOMINEES (TEMPATAN) SDN BHD		
	- LOO SIOW CHING	176,800	0.758
25	LOW LIANG POH	173,333	0.743
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD		
	- TEE SEE KIM	165,000	0.707
27	SDS FOOD MANUFACTURING SDN. BHD.	150,000	0.643
28	TEH SOON SENG	150,000	0.643
29	TAN KIM SENG	140,900	0.604
30	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD		
	- ONG SWEE TAU	139,900	0.600
	TOTAL	**17,019,094**	**72.960**

(Disclosed in accordance with Appendix 9C, Part A, item 23 of the Listing Requirements of Bursa Securities.)

Johore Tin Berhad (532570-V)

CDS Account No. of Authorised Nominee #

applicable to shares held through nominee account

Form of Proxy

I/We ____

of ____

being a member/members of **JOHORE TIN BERHAD,** hereby appoint ______________________

of ____

or failing him/her ____

of ____

or failing him/her/them, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Twelfth Annual General Meeting of the Company to be held at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor, on Friday, 28 June 2013 at 9.30 a.m. for the following purposes and any adjournment thereof.

No.	Agenda			
1.	To receive Audited Financial Statements and Reports			
		Resolution	*For	*Against
2.	To approve a Single Tier Final Dividend of 4.2%	1		
3.	To approve Directors' fees	2		
4.	To re-elect the following Directors who retire by rotation pursuant to the Company's Articles of Association:			
	i) Mr. Yeow Ah Seng @ Yow Ah Seng (Article 120)	3		
	ii) Mr. Lim Chin Kai (Article 120)	4		
5.	To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration.	5		
6.	To approve the authority pursuant to Section 132D of the Companies Act, 1965	6		
7.	Continuing in office for the following Directors as Independent Non-Executive Directors.			
	7.1 Mr. Lim Chi Kai	7		
	7.2 En. Muhamad Feasal Bin Yusoff	8		

(* Please indicate with an "X" in the space provided and to show how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.)

Dated this ______________ day of ______________ 2013.

No. of Ordinary Shares Held	

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

	No. of shares	Percentage
Proxy 1	__________	__________%
Proxy 2	__________	__________%

____

Signature(s)/Common Seal of Shareholder(s)

** Delete if not applicable*

NOTES:

1. A member of the Company entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy.
3. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, is allowed to appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy, in the case of an individual shall be signed by the appointor or his/her attorney duly authorised in writing and in the case of a corporation, either under seal or under the hand of an attorney or an officer duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
6. The instrument appointing a proxy must be deposited at the Registered Office of the Company situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
7. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Article 72(c) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 20 June 2013 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

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Then fold here

AFFIX
STAMP

THE COMPANY SECRETARY
JOHORE TIN BERHAD (COMPANY NO. 532570-V)
SUITE 1301, 13TH FLOOR,
CITY PLAZA, JALAN TEBRAU
80300 JOHOR BAHRU
JOHOR
MALAYSIA

1st fold here

JOHORE TIN BERHAD

COMPANY NO:532570-V

INCORPORATED IN MALAYSIA