

Contents

002	Notice of Annual General Meeting
006	Chairman’s Statement
016	Corporate Information
018	Corporate Highlights
026	Corporate Structure
028	Board of Directors’ Profile
038	Management Team
044	Statement on Corporate Governance
058	Statement on Internal Control
062	Audit Committee Report
070	Corporate Responsibilities
076	Performance Statistics
084	Consolidated Financial Statements
128	Analysis of Shareholdings
134	Properties Owned by the Group
153	Form of Proxy

Notice of
Annual
General
Meeting
002

Proxy Form
153



Notice of Annual General Meeting

TH PLANTATIONS BERHAD

Company No. 12696-M
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN THAT the Thirty-Fifth Annual General Meeting of TH Plantations Berhad ("the Company") will be held at the Pacific Ballroom, Level 2, Best Western Premier Seri Pacific Kuala Lumpur, Jalan Putra, 50746 Kuala Lumpur on Tuesday, 5 May 2009 at 10.00 a.m. for the following purposes :

As Ordinary Business

1. To receive the Audited Financial Statements for the year ended 31 December 2008 and the Reports of Directors and Auditors thereon.
2. To approve a Final Gross Dividend of 7.50 sen per ordinary share less tax at 25% for the year ended 31 December 2008.
3. To approve the payment of Directors' Fees of RM372,000 for the year ended 31 December 2008.
4. To re-elect the following Directors who retire by rotation in accordance with Article 84 of the Company's Articles of Association :
 - 4.1 Dato' Che Abdullah @ Rashidi bin Che Omar
 - 4.2 Datuk Ismee bin Haji Ismail
 - 4.3 Md Yusof bin Hussin
5. To re-appoint Dato' Noordin bin Md Noor as Director who retires in accordance with Article 89 of the Company's Articles of Association.
6. To re-appoint Messrs KPMG Desa Megat & Co., having consented to act as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

As Special Business

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

7. **Specific Authority for the Directors to issue shares pursuant to THP Employees' Share Option Scheme**

"**THAT** pursuant to THP Employees' Share Option Scheme as approved at the Extraordinary General Meeting of the Company held on 25 November 2008, approval

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

Ordinary Resolution 6

Ordinary Resolution 7

Ordinary Resolution 8

Ordinary Resolution 9

Notice of Annual General Meeting



be and is hereby given to the Directors to issue shares in the capital of the Company at any time and in accordance with the terms and conditions of the said scheme.”

8. General Authority for the Directors to issue shares pursuant to Section 132D of the Companies Act, 1965

“**THAT** pursuant to Section 132D of the Companies Act, 1965, authority be and is hereby given to the Directors to issue shares in the capital of the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed 10% of the issued share capital of the Company for the time being, subject to the provision of the Companies Act, 1965, Articles of Association of the Company and approval from Bursa Malaysia Securities Berhad and all the relevant regulatory bodies where such approval is necessary.”

9. Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading in Nature and Proposed New Shareholders’ Mandate for Additional Recurrent Related Party Transactions of a Revenue and/or Trading in Nature

“**THAT**, subject always to the provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue and/or trading in nature with related parties particulars of which are set out in the Circular to Shareholders dated 13 April 2009 which are necessary for day to day operations, provided that :

- i. the transactions are in the ordinary course of business, at arms length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interests of the minority shareholders of the Company; and
- ii. disclosure of the aggregate value of the related party transactions conducted during a financial year will be made in the Annual Report for the said financial year,

AND THAT such approval granted shall commence immediately upon passing of this Resolution until :

- a. the conclusion of the next Annual General Meeting (“AGM”) of the Company following the AGM at which such Ordinary Resolution is passed, at which time it will lapse, unless by a resolution passed at the next AGM, the mandate is again renewed; or

Ordinary Resolution 10

Ordinary Resolution 11

Notice of Annual General Meeting

- b. the expiration of the period within which the next AGM of the Company after the forthcoming AGM is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- c. revoked or varied by a resolution passed by the Company's shareholders in a general meeting before the next AGM,

whichever is earlier.

AND FURTHER THAT the Directors of the Company and/or its subsidiaries be and are hereby authorised to do all such acts and things as they may consider expedient or necessary to give effect to the transactions as authorised by this Resolution."

Any Other Business

10. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965 and the Company's Articles of Association.

Notice of Dividend Entitlement and Book Closure

NOTICE IS HEREBY GIVEN THAT subject to the approval of shareholders at the Thirty-Fifth Annual General Meeting of the Company, a Final Gross Dividend of 7.50 sen per ordinary share less tax at 25% in respect of the year ended 31 December 2008 will be paid on 20 May 2009 to shareholders whose names appear in the Record of Depositors at the close of business on 8 May 2009.

A Depositor shall qualify for entitlement to the Dividend only in respect of :

- i. Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 8 May 2009 in respect of ordinary transfers; and
- ii. Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

Aliatun binti Mahmud (LS 0008841)
Company Secretary

Kuala Lumpur

Date : 13 April 2009



Notice of Annual General Meeting



Notes :

- i. A member entitled to attend and vote at the Annual General Meeting ("AGM"), is entitled to appoint not more than 2 proxies to attend and vote on his/her behalf. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company.
- ii. Where a member appoints 2 proxies, the appointment shall not be valid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. Each proxy appointed, shall represent a minimum of 100 shares. Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- iii. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised in that behalf.
- iv. The instrument appointing a proxy shall be deposited at the Company's Registered Office at Tingkat 26, Bangunan TH Selborn, 153, Jalan Tun Razak, 50400 Kuala Lumpur not less than 48 hours before the time set for the AGM or at any adjournment thereof.

Explanatory Notes on Special Business :

i. Ordinary Resolution 9

The proposed Ordinary Resolution 9, if passed, is to empower the Directors to issue shares in the capital of the Company pursuant to the terms and conditions of THP Employees' Share Option Scheme, which was approved at the Extraordinary General Meeting of the Company held on 25 November 2008.

ii. Ordinary Resolution 10

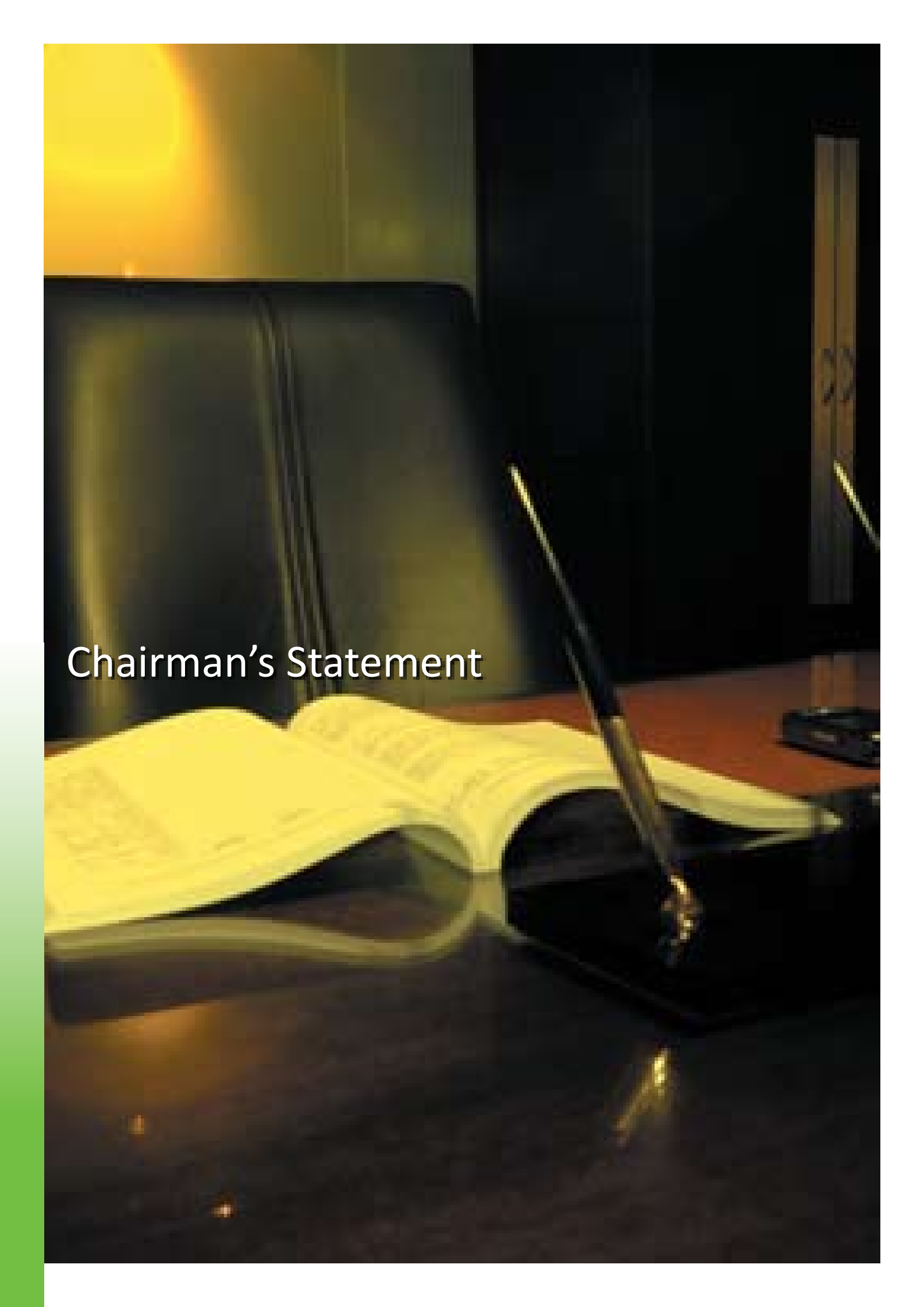
The proposed Ordinary Resolution 10, if passed, is to give the Directors flexibility to issue shares, up to an aggregate amount not exceeding 10% of the issued share capital of the Company, for such purposes as the Directors consider in the best interest of the Company, without having to convene a general meeting. This authority unless revoked or varied at a general meeting will expire at the conclusion of the next AGM.

iii. Ordinary Resolution 11

The explanatory notes on the proposed Ordinary Resolution 11 are set out in the Circular to Shareholders dated 13 April 2009.

STATEMENT ACCOMPANYING NOTICE OF THIRTY-FIFTH ANNUAL GENERAL MEETING

1. The profiles of the Directors who are standing for re-election and re-appointment are set out on pages 30, 31, 36 and 37 of this Annual Report.
2. The details of the Directors' Shareholdings in the Company are set out on page 130 of this Annual Report. None of the Company's Directors hold any interests in the Company's subsidiaries.

A photograph of a dark leather chair at a desk. An open book with yellowed pages lies on the desk, and a silver pen rests on it. The scene is dimly lit, with a warm glow from a lamp in the background. The text "Chairman's Statement" is overlaid in white on the left side of the image.

Chairman's Statement



Chairman's Statement

Assalamualaikum Warahmatullahi Wabarakatuh

On behalf of the Board of Directors, it is my pleasure to present the Annual Report incorporating the Audited Financial Statements of TH Plantations Berhad and its subsidiaries ("THP Group") for the year ended 31 December 2008.

Business Environment

The global economy in 2008 continued to adjust under the impact of a seemingly perpetual uncertainty in the financial market. Against this backdrop, Malaysian economy was resilient in facing the global slowdown as we possessed strong economic fundamentals for growth.

On the local plantation front, the industry recorded a satisfactory performance in 2008. According to the Malaysian Palm Oil Board statistics, the export earnings of oil palm products rose to a record of RM65.2 billion in 2008 compared with RM45.2 billion in 2007. The palm oil stocks closed at 2.0 million metric tonnes (MT), higher by 18.5% compared with 1.7 million MT in 2007 because of the higher supply growth. The crude palm oil (CPO) production expanded further reaching 17.7 million MT in 2008 from 15.8 million MT in 2007 attributed mainly by the recovery in fresh fruit bunches (FFB) yields from the biological stress last year. The average CPO price improved by 9.8% to RM2,778 per MT during the year

under review compared with RM2,531 per MT in 2007. The CPO prices experienced extreme price fluctuation from a high of RM4,179 per MT in early March 2008 to a low of RM1,403 per MT at the end of November 2008.

Financial Highlights

For the year under review, I am proud to announce that THP Group recorded an impressive financial performance despite the unsettling and unstable business climate. THP Group achieved a profit after tax of RM83.4 million from a revenue of RM243.4 million in 2008 compared with a profit after tax of RM61.2 million from a revenue of RM175.6 million in 2007. The basic earnings per share (EPS) for 2008 increased to 42.01 sen per share compared with 31.24 sen per share in 2007.

	2008 RM (mil)	2007 RM (mil)	Variance RM (mil)
Revenue	243.4	175.6	67.8
Profit After Tax	83.4	61.2	22.2
EPS	42.01 sen	31.24 sen	10.77 sen



Chairman's Statement

The increase of THP Group's revenue by 39% was due to improvements in the crop production by 21% coupled with a higher selling price of CPO and palm kernel (PK) realized in the first half of the year which averaged at RM2,760 per MT and RM1,567 per MT respectively in 2008. (2007: CPO price of RM2,387 per MT and PK price of RM1,422 per MT).

Average Commodity Prices	2008 (RM per MT)	2007 (RM per MT)
CPO	2,760	2,387
PK	1,567	1,422

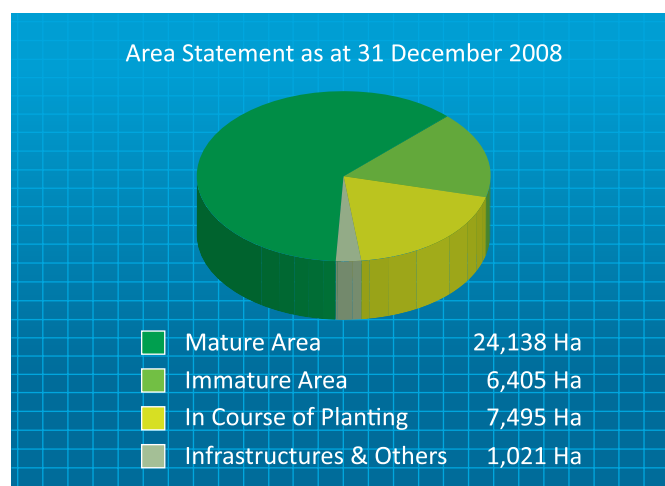
Dividends

The first interim dividend of 10.00 sen per share less tax at 26% totalling RM14.5 million was declared and paid on 28 August 2008.

In tandem with the Company's dividend policy commitment in distributing approximately 50% of THP Group's annual profit after tax and minority interests (PATAMI) to reward the shareholders for their continued support, trust and confidence, the Board of the Company has further recommended for the shareholders' approval, a proposed final dividend of 7.50 sen per share less tax at 25% for the financial year ended 31 December 2008. (2007: 21.10 sen per share less tax at 26%).

Plantation Highlights

THP Group's estates are located in the states of Pahang, Johor, Negeri Sembilan, Terengganu, Sabah and Sarawak. In 2008, the total plantation land bank is 39,059 hectares (Ha) of which 30,543 Ha have been fully planted with palms. Approximately 79% (24,138 Ha) is in the mature stage whilst the remaining 21% (6,405 Ha) is still immature. The plantation land bank in its various stages is shown in the chart below :





Chairman's Statement

For the year under review, THP Group's production of FFB increased by 21% to 347,547 MT compared with 287,136 MT in 2007. The favourable production was largely due to the recovery of the palm trees from the biological tree-stress phenomena experienced nationwide in 2007.

THP Group's four (4) oil palm mills located in Johor, Pahang, Negeri Sembilan and Sabah have a combined FFB processing capacity of 594,000 MT per annum. In addition, a new continuous sterilisation mill with a capacity of 20 MT per hour in Sabah is undergoing trial runs prior to its commission in early 2009. This would result in an increase in the combined FFB processing capacity by 18% to 702,000 MT per annum.

In 2008, approximately 372,528 MT of FFB were processed from THP Group's plantations and external crop purchases, an increase of 29% from 289,890 MT in 2007. The total CPO and PK produced in 2008 were 75,071 MT and 21,000 MT respectively, an increase of 29% for both CPO and PK produced in 2007. Our mills registered an oil extraction rate (OER) and kernel extraction rate (KER) of 20.15% and 5.64% respectively in 2008 (2007: OER of 20.15% and KER of 5.64%).

I am pleased to report that the average oil yield per Ha for the year under review increased by 11% to 4.46 MT per Ha

from 4.01 MT per Ha in 2007.

During the year under review, THP Group faced challenging issues pertaining to the escalating costs of production particularly due to higher costs of fertilisers and transportation. In view of the above, THP Group doubled its effort in strengthening the sustainable Good Agriculture & Milling Practices (GAMP) to proactively manage its plantation operations to manage its production cost and achieve the best quality of products.

In line with this objective, THP Group adopted various strategies to enhance its operational efficiency through its Performance Improvement Programs. These strategies included improvements in the selection process of the planting materials, the integration of technology in the operational decision making, the emphasis on training and re-training of its personnel to accurately implement GAMP, the execution of effective monitoring system through its periodical and operational auditing and the emphasis on delivering the best quality crops to the mills to obtain a premium quality CPO and better OER.

THP Group is committed to achieving a high standard in its environmental management. It considers environmental compliance and protection as playing critical roles in the conduct of its operations. THP Group is steadfast in



Chairman's Statement

conducting comprehensive land evaluation, environmental impact and biodiversity assessments for its new development projects. On the existing estates and mills operations, THP Group maximises the utilisation of palm by-products especially empty fruit bunches, bunch ash and palm oil mill effluent as organic fertilisers and biomass, emphasises on the implementation of integrated pest management, zero-burning planting techniques, as well as soil and water conservation management.

Corporate Developments

A notable achievement by THP Group is in surpassing its medium term Key Performance Indicators (KPIs) by positioning itself as a medium size plantation company of 32,000 Ha, one year ahead of time by achieving a land bank size of 39,059 Ha in 2008. In line with that, the Company has completed the following corporate exercises in 2008 :

- *The acquisitions of 51% and 100% equity interests in Syarikat Sabaco Sdn Bhd and Ladang Bukit Belian Sdn Bhd for a purchase consideration of RM147,468,000 and RM51,944,000 respectively both from Lembaga Tabung Haji on 9 December 2008. These related party acquisitions transacted at market value, determined by independent valuer, have increased THP Group's presence in East Malaysia by 9,930 Ha. These acquisitions would*

contribute positively to future profits by improving the age profile of our palms as 30% of the acquired planted areas consist of young matured palms between 4-9 years whilst 55% of the palms are in their prime state between 10 – 19 years.

- *The issuance of Bai' Murabahah Medium Term Notes of RM200 million in nominal value to Lembaga Tabung Haji as the Sole Subscriber on 10 December 2008. The standby facility is a back-up plan for THP Group's expansion and development initiatives. It also enables THP Group to raise its funding requirements at reasonable cost by capitalizing on Lembaga Tabung Haji's position as a fund manager.*

THP Group has also achieved two (2) out of its three (3) KPIs for 2008 i.e. FFB yield per mature Ha of 22.1 MT per Ha against 21.4 MT per Ha and dividend distribution of approximately 50% of THP Group's annual PATAMI by declaring a first interim dividend of 10.00 sen per share less tax at 26% totalling RM14.5 million and proposing a final dividend distribution of 7.50 sen per share less tax at 25%, subject to the shareholders' approval. However, THP Group's Return on Equity (ROE) fell short to 28% from the targeted ROE of 30% due to the corporate exercises undertaken that involved equity which resulted in a higher shareholders' fund.



Chairman's Statement

Sustainable Growth Initiatives

Our growth continued to be fuelled by the challenging development in the plantation industry. The recent land injection totalling 9,930 Ha has elevated THP Group's position to a medium-size plantation company of 39,059 Ha and represented its strategic investment in enhancing earnings and shareholders' value. It has also resulted in a better age profile with the aim of achieving an optimum yield potential.

The current downtrend in the CPO prices will provide THP Group with an advantage in sourcing for more attractively priced plantation lands. The proposed acquisitions could be financed by the proceeds raised from the Bai' Murabahah Medium Term Notes programme of RM200 million issued to Lembaga Tabung Haji.

THP Group is in a position that it must continue to achieve sustainable growth in a competitive environment whilst fulfilling expectations and governance requirements. In line with that, THP Group is committed in further strengthening its processes covering management of human capital, operations, marketing, financial and risks.

The structured and robust risk management framework under the purview of the Risk Management Committee established in

2007, enables THP Group to improve its decision-making based on a better risk management information to support its strategic objectives.

The initiatives under the Government Linked Companies Transformation Programme have been instrumental in creating economic and shareholders' value through the improved performance of THP Group. The refinement of THP Group's Standard Operating Procedures would position us in a sustaining momentum in the ever changing business environment.

THP Group is poised to enjoy sustainable yield trends with a concerted effort for the on-going development program aimed at fully developing available plantation land banks and the replanting of oil palm trees exceeding 25 years old.

The Company is also keen to fortify its role in providing management services, as a return from this business activity is significant and would enable us to diversify our revenue base. Currently, the Company is the management agent for Lembaga Tabung Haji's oil palm operations in Malaysia and Indonesia as well as teak and rubber plantations in Sabah. The size of the plantations which totalled approximately 112,734 Ha, contributed RM21.4 million to THP Group's revenue for 2008. (2007: RM18.7 million).



Chairman's Statement

Corporate Responsibilities

Although poised to deliver the performance expectations of shareholders and stakeholders, THP Group's commitment towards its corporate responsibilities has not been shunned. While meeting corporate financial objectives remain its major concern, it is keenly geared towards achieving a balance between this and other non-profit oriented endeavours that include environmental and social issues. The tagline of *"Kesinambungan Pembangunan Ummah"* focuses on our approach in business that goes beyond mere financial performance.

THP Group is continuously improving its implementation of good agricultural practices and adopting the principles and criteria of the Roundtable on Sustainable Palm Oil to produce palm oil in an environmentally and economically sustainable manner. This will showcase our commitment towards environmental demands and a Greener Malaysia.

In fulfilling its social responsibility, THP Group endeavours to forge a better rapport with the community at large, aiming at improving their quality of lives, which it performs within its capacity. The continuous support towards Bumiputera entrepreneurs and the supply of better amenities to estates and mills benefitting the people surrounding the areas are some ways by which we execute this responsibility. The

others being donations to various parties and the training of unemployed local graduates under our management trainee programme.

The Company entered into a management agreement with Lembaga Tabung Haji to develop Native Customary Rights land located in Beladin, Sarawak totalling 1,500 Ha into oil palm plantations. The venture is aimed at eradicating poverty and expected to benefit around 700 natives. As a managing agent of Lembaga Tabung Haji's plantations, it is our responsibility to oversee the progress of the plantation developments. In executing this responsibility, we believe that as we are part of a wider community, it is our duty to protect the natural world through sustainable plantation operations.

THP Group believes that the employees are its assets. The real success of a company significantly lies in its team of strong, productive and talented employees. To achieve this, we believe in the betterment of corporate-employee relations which could generate innovations, creativity and a sustainable future. Substantial investments are made to enhance employees' skills and work competencies through formal and on job trainings. In order to attract, develop and retain individuals of high potentials we offer a highly competitive and well-designed compensation and benefit plan for our workforce. We believe this would provide favourable conditions for employee progression within THP



Chairman's Statement

Group via career promotions and succession plans. We are continuously developing a working culture that is conducive and proactive where openness, creativity and commitment are well appreciated and rewarded.

In order to further strengthen investors' confidence and create a sustainable long-term shareholders' value, THP Group commits itself to nurturing sound corporate governance principles throughout and in all aspects of its operations. It hence forth strives to maintain a culture of business integrity, accountability, high standards of excellence and responsible practices.

I am pleased to announce that our unwavering commitment to the shareholders have bagged us the winner of KPMG Shareholder Value Award 2007 under the industry category of Agriculture and Fisheries. The award which was designed to promote corporate excellence through enhancing levels of disclosure and setting exemplary best practices is an annual award where all listed companies in Bursa Malaysia Securities Berhad are evaluated in terms of value creation to their shareholders.

Prospects

The world economy is expected to experience a slowdown in 2009 due to the deepening crisis in financial markets, major corrections in housing markets in a number of advanced economies and slump in the commodity prices. On the domestic front, the Malaysian economy is expected to register a slower but positive growth in 2009 by sustaining private consumption and increasing government expenditures.

Despite the challenging economic landscape, the fundamentals of the plantation industry in 2009 are deemed attractive. The combination of a falling production of CPO underpinned by fertiliser reduction, replanting programme and risks from weather; cheaper fertiliser, Malaysia's policy of consuming 500,000 MT of palm oil annually by 2010 for biodiesel production and improving demands when credit conditions recover are among the factors expected to sustain the oil palm plantation outlook. In view of the prevailing CPO market conditions, the average CPO price in 2009 is expected to soften compared to 2008.



Chairman's Statement

Acknowledgements

On behalf of the Board, I would like to extend a very special thanks to the management and staff of THP Group for their tireless efforts, perseverance, sacrifices and cooperation in contributing to THP Group's success despite an increasingly demanding and challenging environment. My appreciation also extends to our shareholders, associates, government authorities and all other stakeholders for their invaluable support, guidance and confidence in us.

Finally, I would like to record my special thanks to my colleagues on the Board for their wisdom, counsel, and friendship over the time with THP Group. It is the inherent quality of our people that enables us to pursue a more profitable and dynamic organisation.

Assalamualaikum Warahmatullahi Wabarakatuh,

Tan Sri Datuk Dr Yusof bin Basiran

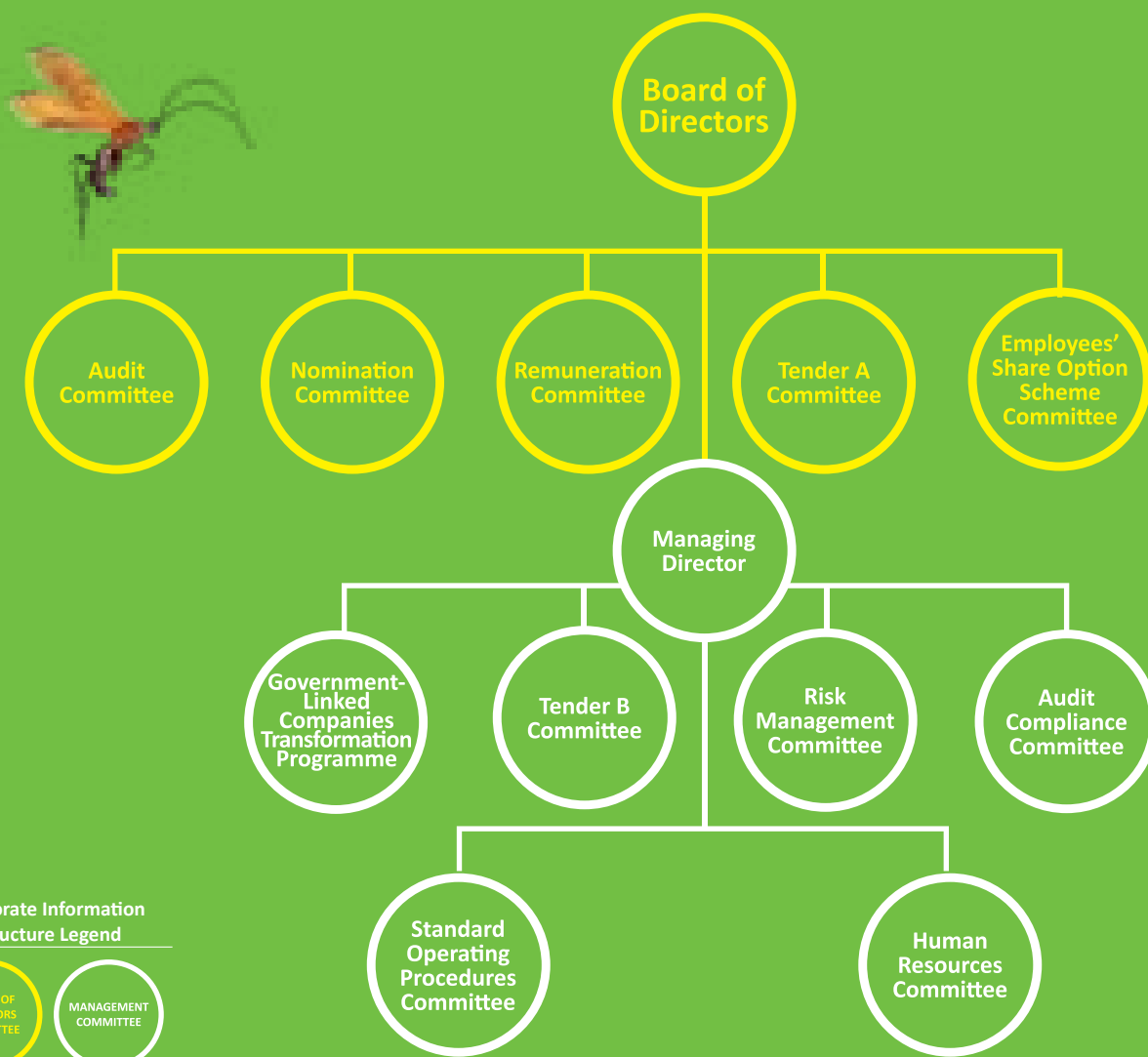


Accolade for THP Group :
The KPMG Shareholder Value Award 2007
under the industry category of
Agriculture & Fisheries





Corporate Information



Corporate Information Structure Legend



BOARD OF DIRECTORS

- Tan Sri Datuk Dr Yusof bin Basiran
(Independent Non-Executive Chairman)
- Dato' Che Abdullah @ Rashidi bin Che Omar
(Managing Director)
- Datuk Dr Abdul Samad bin Haji Alias
(Independent Non-Executive Director)
- Datuk Azizan bin Abd Rahman
(Independent Non-Executive Director)
- Datuk Ismee bin Haji Ismail
(Non-Independent Non-Executive Director)
- Dato' Wan Zakaria bin Abd Rahman
(Independent Non-Executive Director)
- Dato' Noordin bin Md Noor
(Independent Non-Executive Director)
- Md Yusof bin Hussin
(Independent Non-Executive Director)
- Syed Hood bin Syed Edros
(Independent Non-Executive Director)

AUDIT COMMITTEE

- Datuk Dr Abdul Samad bin Haji Alias
Chairman/Independent Non-Executive Director
- Datuk Azizan bin Abd Rahman
Member/Independent Non-Executive Director
- Syed Hood bin Syed Edros
Member/Independent Non-Executive Director

SECRETARY

Aliatun binti Mahmud (LS0008841)

AUDITORS

Messrs KPMG Desa Megat & Co.
Level 10, KPMG Tower,
8, First Avenue, Bandar Utama,
47800 Petaling Jaya, Selangor.
Tel : 03 7721 3388
Fax : 03 7721 3399

PRINCIPAL BANKERS

Bank Islam Malaysia Berhad
CIMB Bank Berhad
Standard Chartered Bank (Malaysia) Berhad

REGISTERED OFFICE

Tingkat 26, Bangunan TH Selborn
153, Jalan Tun Razak
50400 Kuala Lumpur
Tel : 03 2687 6666
Fax : 03 2687 6719

SHARE REGISTRARS

Symphony Share Registrars Sdn. Bhd.
Level 26, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Tel : 03 2721 2222
Fax : 03 2721 2530/2531

STOCK EXCHANGE LISTING

Main Board of Bursa Malaysia
Securities Berhad

STOCK NAME & CODE

THPLANT & 5112

PLACE OF INCORPORATION & DOMICILE

Malaysia

WEBSITE

www.thplantations.com.my

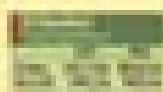


Corporate Highlights 2008



TH Plantations to expand oil palm estates

TH Plantations has announced a plan to expand its oil palm estates in Sabah and Sarawak.



The company's expansion plan involves planting 100,000 hectares of oil palm trees over the next five years.

TH Plantations CEO, Tan Sri Lim Guan Eng, said the expansion is a key part of the company's growth strategy.

We may have to use less fertiliser

TH Plantations CEO Lim Guan Eng says the company is looking for ways to reduce fertiliser use.

Lim Guan Eng

Lim Guan Eng said that the company is currently using 100kg of fertiliser per hectare, but aims to reduce this to 80kg by 2020.



Lim Guan Eng said that the company is currently using 100kg of fertiliser per hectare, but aims to reduce this to 80kg by 2020.

Utusan

TH Plantations mahu tingkat saiz bank tanah

TH Plantations has announced a plan to increase the size of its land bank.

TH Plantations beli dua syarikat perladangan

TH Plantations has announced the acquisition of two agricultural companies.

BIZ

TH Plantations allocates RM82m for capex

TH Plantations has allocated RM82 million for capital expenditure.

THE EDGE

TH Plantations trump

TH Plantations has announced a new initiative.

THE EDGE FINANCIAL DAILY

TH Plantations' RM83m in capex

TH Plantations has allocated RM83 million for capital expenditure.



GOVERNANCE MEDIA

TH Plantations mahu tingkat saiz bank tanah

Najib : Pusa to be oil palm plantation nucleus

By [Name] [Date]



Don't postpone project because of minor problems



Prime Minister Najib Razak today urged the private sector to not postpone the Pusa oil palm plantation project because of minor problems. He said the project is a key component of the government's strategy to diversify the country's economy and create jobs.

THP leads investor bid for 50%

THP has led a consortium of investors to bid for a 50% stake in a joint venture project. The bid is part of a larger initiative to attract foreign investment into the palm oil sector.

THP acquires two plantation companies for RM 200mil

THP has acquired two plantation companies for a total of RM 200 million. The acquisition is expected to significantly increase the company's landholdings and production capacity.

Utusan

TH plantation ambil alih syarikat perladangan

THP has taken over two agricultural companies, marking a significant expansion of its operations. The move is seen as a strategic step towards consolidating the palm oil industry.

Utusan

THP akuisisi syarikat perladangan

THP has acquired two agricultural companies, marking a significant expansion of its operations. The move is seen as a strategic step towards consolidating the palm oil industry.

Eastern Times

THE PREFERRED CHOICE. YEAR AFTER. YEAR AFTER.

THP and Felita undertake joint oil palm plantation development project

THP and Felita have announced a joint venture to develop a large-scale oil palm plantation project. The partnership is expected to bring in significant investment and create thousands of jobs.

The joint project will benefit the people, says Najib

Prime Minister Najib Razak said the joint project between THP and Felita will benefit the people by creating jobs and increasing the country's palm oil production. He emphasized the government's support for such initiatives.

THP leads investor bid for 50%

THP has led a consortium of investors to bid for a 50% stake in a joint venture project. The bid is part of a larger initiative to attract foreign investment into the palm oil sector.

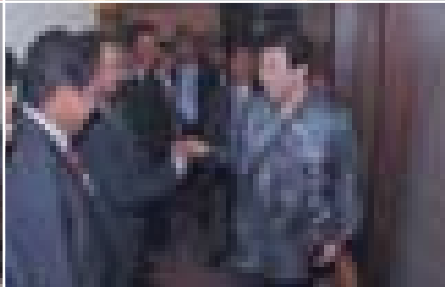
THE EDGE

THP acquires two plantation companies for RM 200mil. The acquisition is expected to significantly increase the company's landholdings and production capacity.

Corporate Events '08

13th May

The 34th Annual General Meeting held at Best Western Premier Seri Pacific Hotel, Kuala Lumpur.



13th June

First Official visit by Y.B. Dato' Seri Dr Ahmad Zahid bin Hamidi, the Minister in the Prime Minister's Department to THP's Head Office.

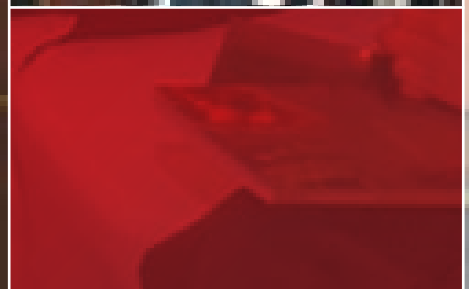
15th August

KPMG 2007 Shareholder Value Award Agriculture & Fisheries Sector Ceremony : THP won the award for the Agriculture & Fisheries Category and the presentation ceremony was held in Mandarin Oriental Hotel, KLCC.



25th November

TH Plantations Berhad's Extraordinary General Meeting (EGM) held at Equatorial Hotel, Kuala Lumpur.



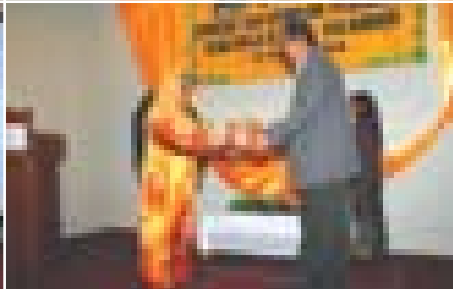
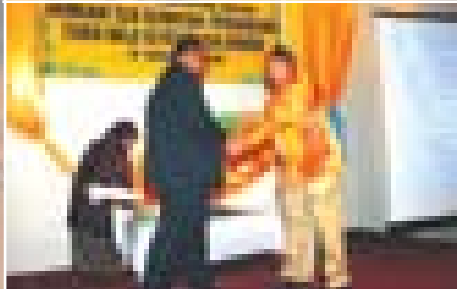
Corporate Responsibilities '08



2nd January

Management Trainee Programme.
A programme that provides opportunities for unemployed graduates to gain working exposure.

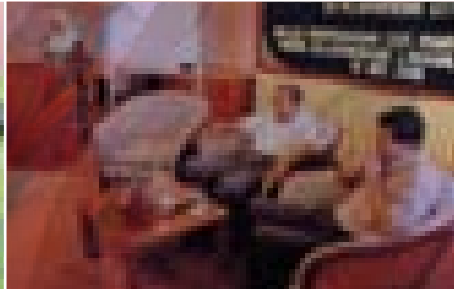
31st January – 10th February
Perkampungan Hadhari Exhibition.
Participated in the state level exhibition in Pulau Wan Man, Kuala Terengganu.



14th February

Farewell to retiree Tuan Hj. Ilyas Sulaiman, General Manager of Operations held in Grand Season Hotel in appreciation of his 27 years of service.

14th May
Payment of Compensation to the beneficiaries of an employee in Sabah who passed away in an accident.



21st – 23rd May, 28th – 30th July and 20th – 23rd October

Malaysian Directors Academy (MINDA) programme held in Shangri-La Rasa Sayang Resort & Spa, Penang.

PROGRAMME FOR BUILDING HIGH PERFORMANCE DIRECTORS (MINDA) 2008 SHANGRI-LA'S RASA SAYANG RESORT & SPA, PENANG

Corporate Responsibilities '08

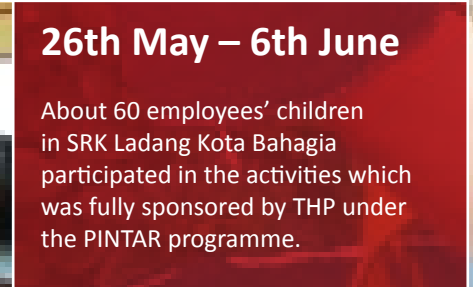
26th – 28th May

In-House IT training programme for employees in Pusa, Sarawak to improve their skills in IT applications.



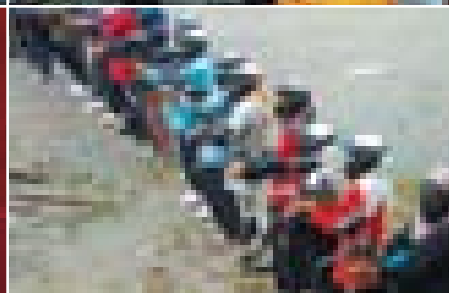
26th May – 6th June

About 60 employees' children in SRK Ladang Kota Bahagia participated in the activities which was fully sponsored by THP under the PINTAR programme.



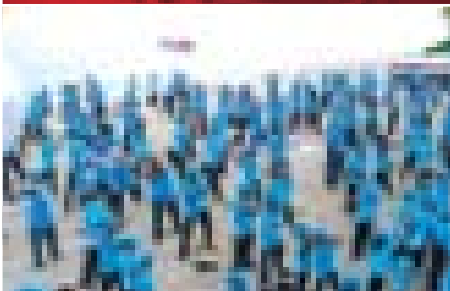
23rd -27th June

20 female employees participated in **Team Building Programme** in Eco Resort, Bentong, Pahang.



15th – 17th August

Family Day : 400 employees together with their families participated in the Family Day at Golden Sands Resort, Batu Feringgi, Penang.



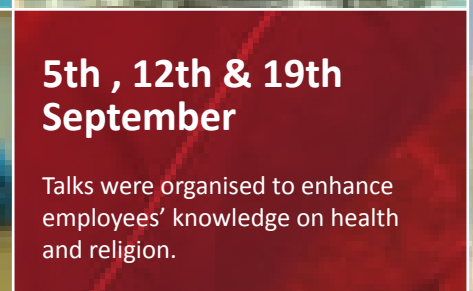
29th August

Luncheon and Citation of Prayers at 'Majlis Sambutan Ramadhan'

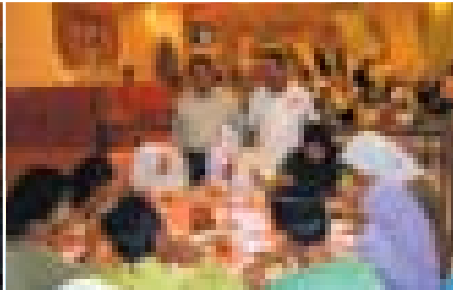


5th , 12th & 19th September

Talks were organised to enhance employees' knowledge on health and religion.



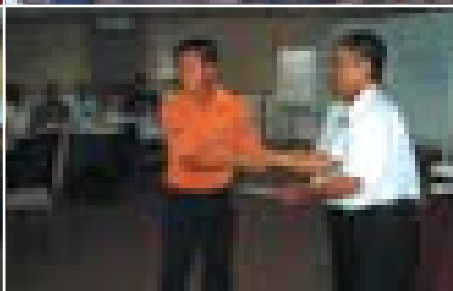
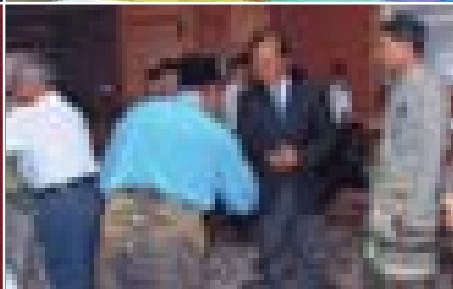
Corporate Responsibilities '08



26th September

"Majlis Berbuka Puasa" with orphans in KL International Hotel.

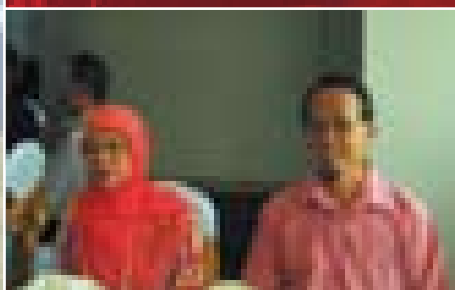
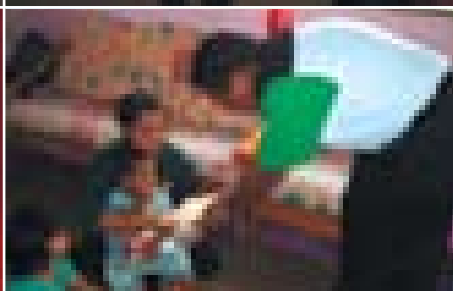
13th October
"Jamuan Hari Raya Aidilfitri THP" held in Crowne Plaza Mutiara Hotel, Kuala Lumpur.



17th – 18th , 20th – 21st October

"Kursus Pengurusan Setor & Aset Berkesan and Kursus Pembangunan Penyeliaan Berkesan" was held for THP's supporting staff.

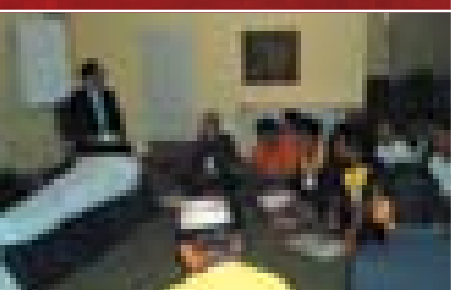
4th November
Financial assistance to the beneficiaries of an employee of Kilang Sawit Pasir Besar who passed away.



6th November

Farewell to retiree Tuan Haji Baharudin Omar, Senior Manager of Health and Safety held in appreciation of his 7 years of service.

17th – 19th November
"Kursus Kesedaran Pencetus Perkasa Diri" held in Seri Pengantin Resort, Pahang.

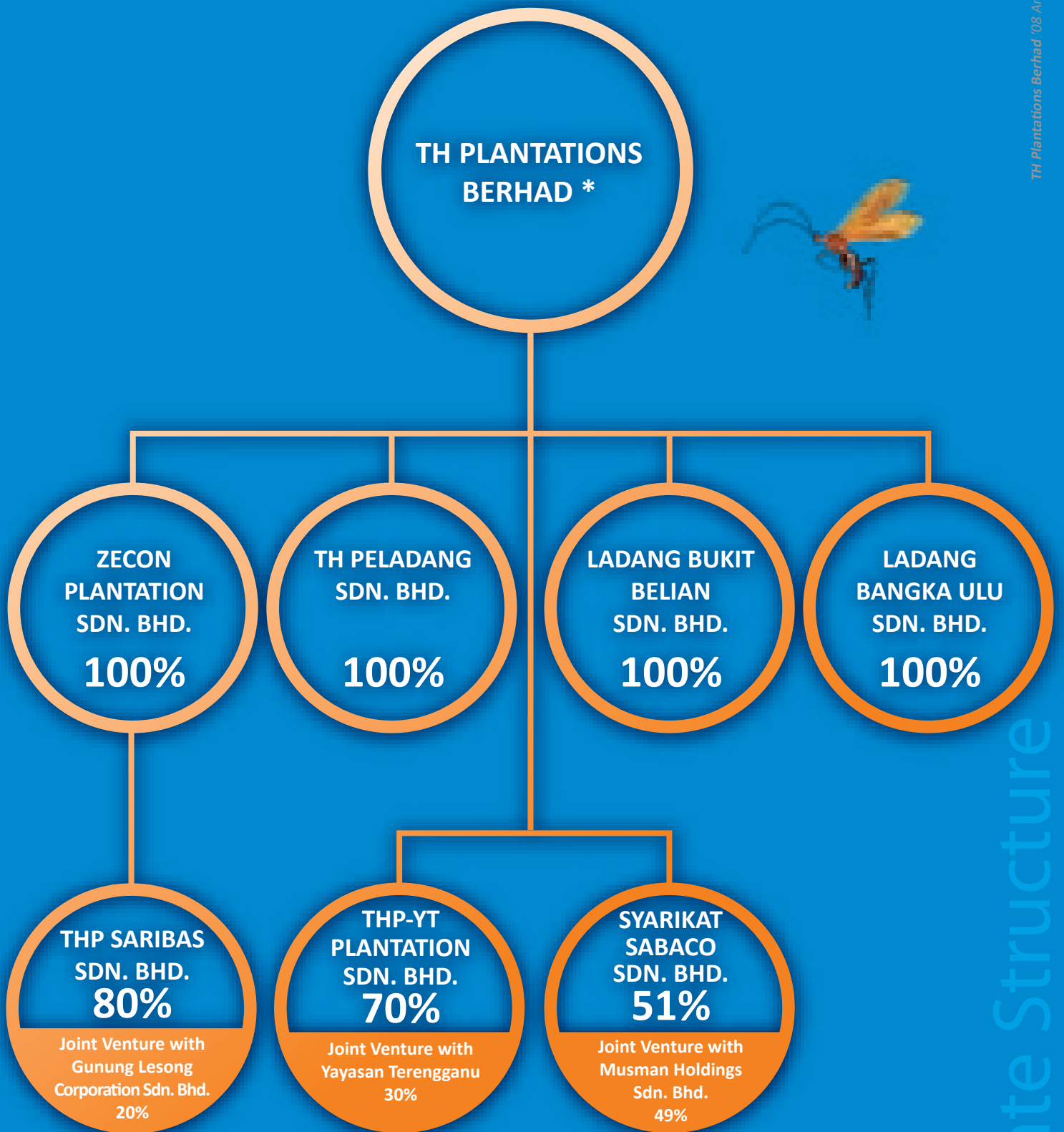




Corporate Structure

TH Plantations Berhad

Corporate Structure as at 31 December 2008



* Listed on the Main Board of Bursa Malaysia Securities Berhad



Board of Directors' Profile

Tan Sri Datuk Dr Yusof bin Basiran
Independent Non-Executive Chairman



Board of Directors' Profile

Tan Sri Datuk Dr Yusof bin Basiran has been with THP as an Independent Non-Executive Chairman for almost 4 years. He was appointed on 1 June 2005.

His notable academic achievements are as follows :

- In 1972, he obtained his Bachelor in Chemical Engineering Degree from the University of Canterbury, New Zealand,
- In 1974, he obtained his Post-Graduate Degree in Rubber Technology (ANCRT) in the United Kingdom,
- In 1976, he obtained his Masters Degree in Engineering specialising in Industrial Management (M.E) and also in Business Administration (MBA) from the Catholic University of Leuven in Belgium.

Before he joined Palm Oil Research Institute of Malaysia (PORIM) in 1979, he held the position of Rubber Technologist/Techno-Economist with the Rubber Research Institute (RRI)/ Malaysian Rubber Research Development Board (MRRDB).

In 1986, he completed his doctorate with a PhD in Applied Economics and Management Science from the University of Stirling, Scotland. He was later appointed as the Director-General of PORIM in 1992. He held the position for 8 years until April 2000 before assuming the role of the Director-General of Malaysia Palm Oil Board (MPOB), an organisation which existed as a result of a PORIM and Palm Oil Registration and Licensing Authority (PORLA) merger, from 1 May 2000 until 18 January 2006.

He is presently holding several important positions which include :

- Chief Executive Officer (CEO) of Malaysian Palm Oil Council (MPOC),

- Director of FELDA Holdings Bhd and 2 of its subsidiaries,
- Chairman and Director of CB Industrial Product Holding Berhad,
- Chairman and Director of TH Ladang (Sabah & Sarawak) Sdn. Bhd.

Apart from holding distinguished corporate positions, he is also involved in other organisations which are :

- President of Academy of Sciences Malaysia,
- Fellow member of Malaysian Scientific Association (MSA),
- Fellow member of Malaysian Oil Scientists' and Technologists' Association (MOSTA),
- Past member of the National Science and Research Development Council of Malaysia. He was involved in the preparation of the National Science Policy II and the National Biofuel Policy.

For all these services, he was conferred the Federal Awards Darjah JOHAN MANGKU NEGARA (J.M.N), Darjah Yang Mulia PANGlima JASA NEGARA (P.J.N) and Darjah Kebesaran PANGlima SETIA MAHKOTA (P.S.M).

He is the Chairman of the Remuneration Committee of the Company.

Tan Sri Datuk Dr Yusof bin Basiran, aged 60, Malaysian, does not have any family relationship with any director and/or major shareholder of the Company. He does not have any material conflict of interest with THP Group other than that which have been disclosed to the Board of Directors. He has not been convicted for offences within the past 10 years. He attended all 6 meetings of the Board of Directors for the year ended 31 December 2008.



Dato' Che Abdullah @ Rashidi bin Che Omar
Managing Director

Board of Directors' Profile

Dato' Che Abdullah @ Rashidi bin Che Omar has been with THP Board for 7 years since 1 January 2002, and was appointed its Managing Director a year later in 2003. After graduating from the University Teknologi Mara (UiTM) with a Diploma in Plantation Management, he worked as a Cadet Planter with the Federal Land Authority (FELDA) in 1968. He left FELDA as a Manager.

His vast experience in the industry saw him being appointed to his current position, which include the following :

- In 1974, he was an Assistant Manager for Kuala Lumpur Kepong Berhad,
- In 1989, he joined Austral Enterprise Berhad as a Senior Manager,
- In 1990, he became the Manager of Tradewinds (M) Berhad in the Plantation Division,
- In 1993, he was promoted as General Manager of Tradewinds (M) Berhad,
- In 1996, he was seconded to Tradewinds Plantation Services Sdn. Bhd. and was later promoted to Senior General Manager,
- In 1999, he was promoted as Executive Director of Tradewinds Plantation Services Sdn. Bhd.,
- In 2002, he was appointed Plantation Director for Lembaga Tabung Haji prior to assuming his current position.

Dato' Che Abdullah @ Rashidi bin Che Omar, aged 60, Malaysian, does not have any family relationship with any director and/or major shareholder of the Company. He does not have any material conflict of interest with THP Group other than that which have been disclosed to the Board of Directors. He has not been convicted for offences within the past 10 years. He attended all 6 meetings of the Board of Directors for the year ended 31 December 2008.





Datuk Ismee bin Haji Ismail
Non-Independent Non-Executive Director

Board of Directors' Profile

Datuk Ismee bin Haji Ismail has been with THP as the Company's Non-Independent Non-Executive Director for about 3 years. He was appointed on 1 January 2006.

His career began when he assumed the post of Management Accountant for Arab Malaysian Development Berhad in 1987. He completed the professional stages of Chartered Institute of Management Accountant (CIMA) at the London School of Accountancy and is currently its associate member and a member of the Malaysian Institute of Accountants (MIA).

He later moved to Shell Group Malaysia. He held several posts in the Group which included the Head of Forex and Banking of Shell Malaysia Ltd and the Group Accountant of Shell Malaysia Trading Sdn. Bhd.

The year 1996 saw him returning to Arab Malaysian Development Berhad Bank as its General Manager. He held the post for two years before joining Pengurusan Danaharta Nasional Berhad as its Chief Accountant/Treasurer.

Subsequently, he made career moves to other organisations that have helped him to build his corporate experience. His other corporate and directorial roles are :

- In 2000, he joined Medical Online (M) Sdn. Bhd. as its Senior Vice-President,

- In 2001, he joined Lembaga Tabung Haji as its Senior General Manager (Finance),
- In 2003, he joined ECM Libra Securities Sdn. Bhd. as its Chief Executive Officer,
- In 2006, he was appointed as Director of Bank Islam Malaysia Berhad and BIMB Holdings Berhad.

Datuk Ismee is the Group Managing Director and the Chief Executive Officer of Lembaga Tabung Haji and sits on the Board of several of its subsidiaries.

He is a member of the Remuneration Committee and the Tender Committee A of the Company.

Datuk Ismee bin Haji Ismail, aged 44, Malaysian, does not have any family relationship with any director and/or major shareholder of the Company. He does not have any material conflict of interest with THP Group other than that which have been disclosed to the Board of Directors. He has not been convicted for offences within the past 10 years. He attended 5 out of 6 meetings of the Board of Directors for the year ended 31 December 2008.





Datuk Azizan bin Abd Rahman
Independent Non-Executive Director

Board of Directors' Profile



Datuk Azizan bin Abd Rahman has been with THP as the Company's Independent Non-Executive Director for almost 4 years. He was appointed on 1 June 2005.

His career began when he assumed the post of a Shipping Executive of Harper Gilfillan (M) Sdn Bhd in 1973 after graduating from the University of Malaya with a Bachelor of Arts Degree. He later moved to Malaysian International Shipping Company Group as its Branch Manager in 1975 and was subsequently appointed as its Tanker Division Marketing Manager.

His other corporate experiences include the following :

- In 1981, he held a position in Panocean Tankers Ltd Chartering Department, London.
- In 1982, he joined JF Apex Securities Berhad (JFASB) as its Director which launched his career in stockbroking and finance.
- In 1995, he was appointed to the Board of Tongkah Holdings Berhad and Bina Darul Aman Berhad.
- In 2000, he joined MBf Group and was subsequently appointed as the Managing Director of MBf Capital Berhad and the Executive Director of MBf Holdings Berhad in 2001.
- In 2005, he became the Chairman of Eastern & Oriental Berhad Group.

While he was a Director of JFASB, he was an active member of the stockbrokers' fraternity and held the post President of the Association of Stockbroking Companies of Malaysia until he left the industry.

Datuk Azizan was also involved in the restructuring of a few public listed companies such as MBf Group of Companies, Tongkah Holdings Berhad (THB) and Bina Darul Aman Berhad (BDAB). Whilst with THB and BDAB, he was instrumental in the two companies' debt restructuring plans and identifying their new business strategies.

Datuk Azizan is the Chairman and Business Development Advisor of Eastern & Oriental Berhad. His other corporate and directorial roles are :

- Chairman of Isyoda Corporation Berhad,
- Chairman of Gefung Holdings Berhad,
- Chairman of the Investment Panel of Lembaga Tabung Haji,
- Director of MBf Holdings Berhad,
- Director of Apex Equity Holdings Berhad,
- Director of Nagamas International Berhad.

He is a member of the Audit Committee and the Nomination Committee of the Company.

Datuk Azizan bin Abd Rahman, aged 59, Malaysian, does not have any family relationship with any director and/or major shareholder of the Company. He does not have any material conflict of interest with THP Group other than that which have been disclosed to the Board of Directors. He has not been convicted for offences within the past 10 years. He attended 5 out of 6 meetings of the Board of Directors for the year ended 31 December 2008.



Datuk Dr Abdul Samad bin Haji Alias
Independent Non-Executive Director

Board of Directors' Profile

Datuk Dr Abdul Samad bin Haji Alias has been with THP as the Company's Independent Non-Executive Director for almost 4 years. He was appointed on 1 June 2005.

He is a Professional Accountant who holds a Bachelor's Degree in Commerce from the University of Western Australia; a Fellow of the Institute of Chartered Accountants, Australia; a member of the Malaysian Institute of Accountants (MIA) and also a member of the Malaysian Institute of Certified Public Accountants (MICPA).

Between 1999 to 2002, he was the President of MICPA and had served as a member of the Malaysian Accounting Standards Board (MASB) and Financial Reporting Foundation. From September 2000 to August 2005, he was the President of MIA. He is the first Malaysian to be elected to the 22-member Board of the International Federation of Accountants.

Datuk Dr Abdul Samad bin Haji Alias is a member of the Lembaga Tabung Haji Board. His other directorial and chairmanship roles are :

- Director of Perbadanan Insurans Deposit Malaysia,
- Director of Perbadanan Kemajuan Iktisad Negeri Kelantan,

- Director of Malaysian Communications and Multimedia Commission,
- Director of Felda Holdings Bhd,
- Chairman of Malaysian Venture Capital Management Bhd,
- Chairman of Malaysia Debt Ventures Berhad,
- Chairman of Bank Pembangunan Malaysia Bhd.

He holds Chairmanship of the Audit Committee, the Nomination Committee and the ESOS Committee of the Company.

Datuk Dr Abdul Samad bin Haji Alias, aged 66, Malaysian, does not have any family relationship with any director and/or major shareholder of the Company. He does not have any material conflict of interest with THP Group other than that which have been disclosed to the Board of Directors. He has not been convicted for offences within the past 10 years. He attended all 6 meetings of the Board of Directors for the year ended 31 December 2008.





Dato' Haji Wan Zakaria bin Abd Rahman
Independent Non-Executive Director

Board of Directors' Profile

Dato' Haji Wan Zakaria bin Abd Rahman has been with THP as the Company's Independent Non-Executive Director of company for almost 4 years. He was appointed on 1 June 2005.

His career began when he assumed the post of a teacher with the Education Department in 1966 after graduating from the University of Malaya with an Honours Degree in Malay Studies. In 1974, he became the Administrative Officer of the Terengganu State Government. The period 1978 to 1982 saw him serving as the Political Secretary of the Terengganu Chief Minister. From 1982 to 1995 he was the Executive Committee Member (Exco) of the Terengganu State Government. He is presently the Chairman of Pertubuhan Peladang Negeri Terengganu.

He is a member of the Remuneration Committee and the Tender Committee A of the Company.

Dato' Haji Wan Zakaria bin Abd Rahman, aged 64, Malaysian, does not have any family relationship with any director and/or major shareholder of the Company. He does not have any material conflict of interest with THP Group other than that which have been disclosed to the Board of Directors. He has not been convicted for offences within the past 10 years. He attended all 6 meetings of the Board of Directors for the year ended 31 December 2008.





Syed Hood bin Syed Edros
Independent Non-Executive Director

Board of Directors' Profile

Syed Hood bin Syed Edros has been with THP as the Company's Independent Non-Executive Director for almost 4 years. He was appointed on 1 June 2005.

He graduated from the International Islamic University with an Honours Degree in Law and a Certificate in Legal Administration from the same university.

In 1995, he was appointed as a Manager by the Chamber of Commerce and the Professional Muslims of Malaysia.

His experiences include the following :

- In 1994, he was appointed as the Administrative and Diplomatic Officer of the Malaysian government until 1995,
- In 1996, he was appointed the Legal Adviser to the Prime Minister's Department and the Timbalan Pendakwaraya for the State of Johor until 1997,
- In 1998, he became the Special Officer for Dato' Seri Hishammudin Tun Hussein Onn until 1999,
- In 2000, he was appointed the General Manager of Yayasan Gerakbakti Kebangsaan after he was called to the Malaysian Bar on 23 October 1999,
- In 2002, he became an Advocate and Solicitor,

- In 2004, he became a Member of Parliament of Parit Sulong until 2008.

He is a member of the Audit Committee of the Company.

Syed Hood bin Syed Edros, aged 39, Malaysian, does not have any family relationship with any director and/or major shareholder of the Company. He does not have any material conflict of interest with THP Group other than that which have been disclosed to the Board of Directors. He has not been convicted for offences within the past 10 years. He attended all 6 meetings of the Board of Directors for the year ended 31 December 2008.





Md Yusof bin Hussin
Independent Non-Executive Director

Board of Directors' Profile



Md Yusof bin Hussin has been with THP as the Company's Independent Non-Executive Director for almost 4 years. He was appointed on 1 June 2005.

His career began when he assumed the post of an Accountant for Robur Tea Co. Ltd. , Australia for a year after graduating with a Bachelor of Economics Degree from the University of Tasmania, Australia in 1973. He later assumed the position of an Audit Supervisor for Coopers & Lybrand, Malaysia in 1975. He was admitted to the Malaysian Institute of Accountants (MIA) as its member in 1977. The following year, he qualified as a member of the Malaysian Institute of Public Accountants (MICPA).

His working experience include the following :


- In 1978, he was a Senior Manager, Banking of Utama Wardley Merchant Bank,
- In 1982, he was the Group Chief Accountant of Harper Gilfillan Group before being promoted to its Director of Corporate and Finance Division,
- In 1987, he was appointed the General Manager of Permodalan Nasional Berhad Corporate Services Division,
- In 1993, he was the Managing Director of Island & Peninsular Berhad until 1999.

He is entrusted with several directorial and chairmanship roles which include :

- Non-Executive Chairman of TPPT Sdn. Bhd. (an associated company of Bank Negara Malaysia),
- Chairman of Debts Restructuring Committee for Small and Medium Scale Industries (SDRC),
- Director of Glenealy Plantations (Malaya) Berhad,
- Director of Tebrau Teguh Bhd.,
- Director of Credit Guarantee Corporation Malaysia Berhad,
- Director of Iskandar Investment Berhad,
- Director of Lafarge Malayan Cement Berhad.

He is the Chairman of the Tender Committee of the Company as well as a member of the Nomination Committee of the Company.

Md Yusof bin Hussin, aged 59, Malaysian, does not have any family relationship with any director and/or major shareholder of the Company. He does not have any material conflict of interest with THP Group other than that which have been disclosed to the Board of Directors. He has not been convicted for offences within the past 10 years. He attended 5 out of 6 meetings of the Board of Directors for the year ended 31 December 2008.



Dato' Noordin bin Md Noor
Independent Non-Executive Director

Board of Directors' Profile

Dato' Noordin bin Md Noor was appointed as the Company's Independent Non-Executive Director on 22 December 2008.

His career began after graduating with a Diploma in Business Studies from the University Technology Mara (UiTM) in 1976. He has 21 years of experience in business, information technology, construction, service and manufacturing and transport industry.

He has been actively involved in the nation's political scene since 1976. He has held various positions in the United Malays National Organisation of Malaysia (UMNO) at the Division, State and National level. He was an UMNO Youth Exco Member (1993-2002), Vice-Chairman of UMNO Youth Education Bureau (1993-1996), UMNO Youth Chief, Pulau Pinang (1993-1998), the Chairman of UMNO Youth Entrepreneur Development Council (1996-1998), the Chairman of UMNO Youth Economy and Entrepreneur Development Council (1998-2002) and a committee member of UMNO Youth Management and Administration.

He is a Director of PLB Engineering Berhad as well as a member of the Audit Committee and Chairman of the Nomination Committee of PLB Engineering Berhad.

Dato' Noordin bin Md Noor, aged 51, Malaysian, does not have any family relationship with any director and/or major shareholder of the Company. He does not have any material conflict of interest with THP Group other than that which have been disclosed to the Board of Directors. He has not been convicted for offences within the past 10 years.





Management Team



Management Team

Our success story in the plantation industry is contributed principally by our highly regarded management team ever since the Company's inception more than 30 years ago. We constantly seek new ways of enhancing our management team to meet the ever changing and challenging needs of the plantation industry and its demand by developing suitable programmes and policies.

Our goal is to maintain this superior, high performance workforce that is focused on a continual performance improvement in developing a more creative, a more supportive and a more formidable team. Hence, the existence of our human resources development plans to manage our people to ensure the goal's speedy and triumphant deliverance.

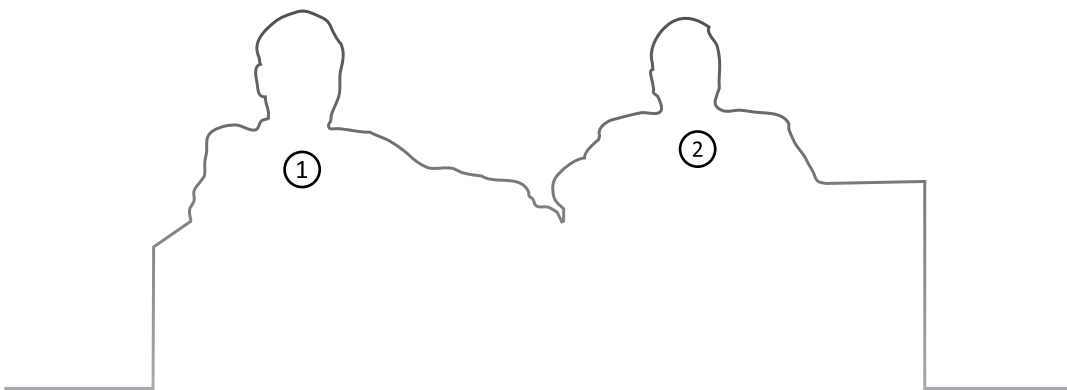
We supplemented the existing related acts of law with our own in-house human development policy to further enhance the already fortified, effective and strong management team. This policy extends beyond top management positions to encompass those at all levels of management from senior management to

departments units and groups, whether at the mills, estates or headquarters.

The essence of our successful management team lies remarkably in the high level of interdependence among its loyal and committed members, preparedness in contributing resourceful ideas, possessing good people skills, knack in developing a relaxed climate for communication, skills in taking calculated risks, capabilities in meeting pre-planned goals and targets, talent in creating constructive ideas and above all, ability in influencing the team's overall agenda. We strive to further enhance this near perfect embodiment of a team that is our management team.



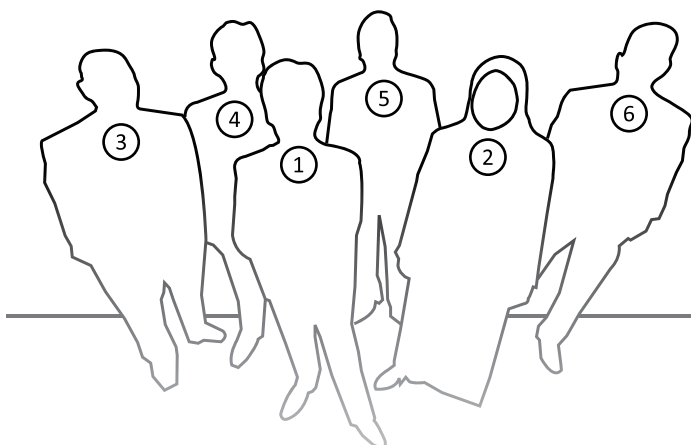
Management



1. **Dato' Che Abdullah @ Rashidi bin Che Omar**
Managing Director
2. **Zainal Azwar bin Zainal Aminuddin**
Deputy Managing Director



Support



1. **Mohamed Azman Shah bin Ishak**
Senior General Manager - Finance
2. **Aliatun binti Mahmud**
General Manager - Legal & Secretarial
3. **Fadzil bin Abdullah**
Deputy General Manager - Human Resource
4. **Othman bin Somadi**
Deputy General Manager - Marketing
5. **Zainal Azwar bin Zainal Aminuddin**
Deputy Managing Director
6. **Megat Rizal Ezzudin bin Abd Maulud**
Senior Manager - Audit



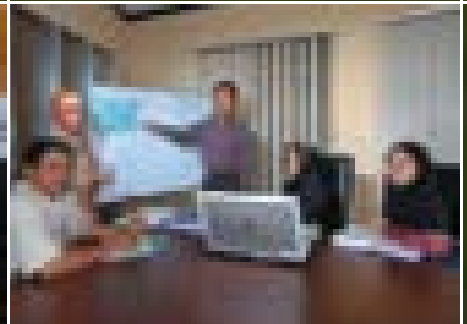


Operations

1. **Hassan Fikri bin Mohamad**
Head of Operations - Domestic
2. **Marzuki bin Abdul Rahman**
Senior General Manager - Group Engineer (Overseas)
3. **Ir Ramli bin Mohd Tahar**
General Manager - Group Engineer (Malaysia)
4. **Syed Ali bin Syed Idrus**
General Manager - Planting Advisor
5. **Aruludin Raj bin Azman Arasu**
Deputy General Manager - Operations
6. **Radin Rosli bin Radin Suhadi**
General Manager - Planting Advisor
7. **Ahmad Anuar bin Sairi**
Deputy General Manager - Agronomy
8. **Muhamad Ariff bin Ariffin**
General Manager - Planting Advisor

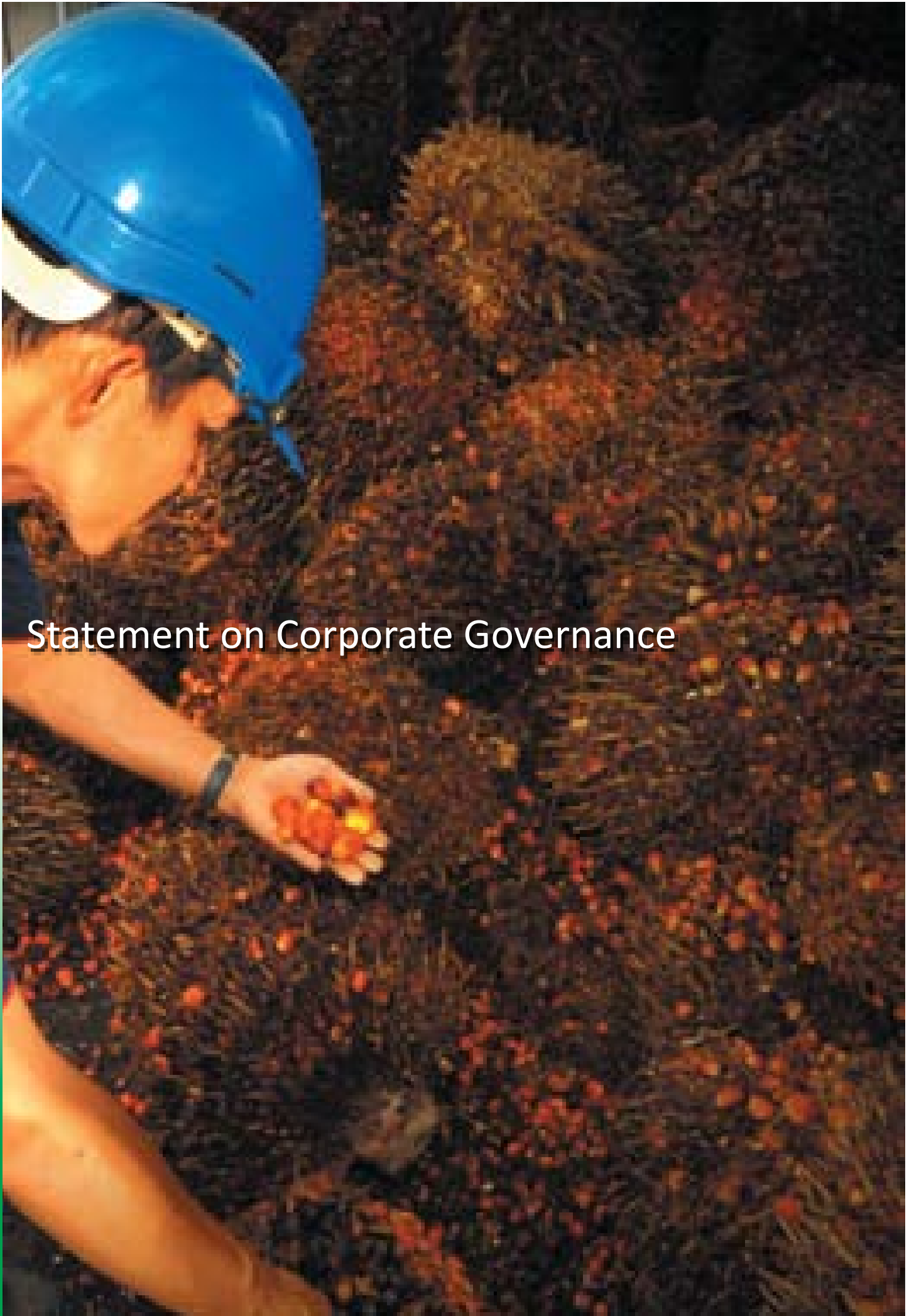


TH Plantations Berhad's Work Force



TH PLANTATIONS BERHAD





Statement on Corporate Governance



Statement on Corporate Governance

(Pursuant to paragraph 15.26 of the Listing Requirements of Bursa Malaysia Securities Berhad)

The Board of Directors (“the Board”) of TH Plantations Berhad (“THP”) subscribes to and supports the Malaysian Code on Corporate Governance (Revised 2007) (“the Code”) as a minimum basis for practices on corporate governance. The Board continuously seeks to improve standards of corporate governance practised throughout THP and its subsidiaries (“THP Group”). The Board is committed to ensuring that all stakeholders’ interest is protected and value increased.

Except for matters specifically identified, the Board, to the best of their knowledge, confirms that the Group has applied the Principles as set out in Part I of the Code and has complied with the Best Practices as set out in Part II of the Code throughout the financial year ended 31 December 2008.

The Board of Directors plays a key role in the governance process through its review and approval of the Group’s direction and strategy, its monitoring of professional standards and business performance, its review of the adequacy and integrity of the Group’s internal control systems, including the identification of principal risks and ensuring the implementation of appropriate systems to manage those risks, and the acceptance of its underlying duty to ensure that the Company and the Group meets its responsibilities to its shareholders.

In August 2008, THP emerged as Sectoral Winner in the 2007 KPMG Shareholder Value Award, an annual event where listed companies are rated in terms of value creation to its shareholders.

In the Corporate Governance Survey Report 2008 jointly conducted by the Minority Shareholder Watchdog Group and the Nottingham University Business School (Malaysia Campus), THP was ranked No. 3 in the plantation sector on its level of compliance with the recommended corporate governance principles and best practices stipulated in the Code and international best practices.

1. THE BOARD OF DIRECTORS

1.1 Composition, Size and Effectiveness of the Board

THP is led by an effective Board of Directors. On 22 December 2008, the Company’s Board composition was further strengthened with the new appointment of Dato’ Noordin bin Md Noor as an Independent Non-Executive Director.

With his appointment, the Board has nine members comprising one Executive Director, one Non-

Statement on Corporate Governance

Independent Non-Executive Director and seven Independent Non-Executive Directors.

The Board views that the number and composition of the current Board members is sufficient and well-balanced for the Company, taking into consideration its present activities and size, to carry out its duties effectively, whilst providing greater assurance that no individual or small group of individuals can dominate the Board's decision making.

The position of Chairman and Managing Director are held by Tan Sri Datuk Dr Yusof bin Basiran and Dato' Che Abdullah @ Rashidi bin Che Omar respectively. The Chairman has never held the post of Managing Director of the Company.

Datuk Ismee bin Haji Ismail, the Non-Independent Non-Executive Director who represents Lembaga Tabung Haji, the substantial shareholder of the Company, brings with him the relevant business, financial and professional backgrounds relevant to the policy formulations and direction of the Group.

The presence of the Independent Non-Executive Directors numbering seven Directors, representing more than one-third of the total members of the Board with the necessary calibre ensures that the Board is well-balanced and could carry sufficient weight on the Board's decisions. Although all the Directors shoulder equal responsibilities for the Group's operations, the role of these Independent Non-Executive Directors have proven to be particularly important in ensuring that all business strategies proposed by the Management are fully discussed and examined, and take into account the long-term interest, not only of shareholders, but also employees, customers, suppliers and other stakeholders in which the Group operates.

The profile of each Board member are contained in page 29 to page 37 of this Annual Report.

1.2 Principal Duties and Responsibilities

The Board assumes six principal stewardship's responsibilities :

- a. Reviewing and adopting a strategic plan for the Company. The Board will review and approve the

five-year rolling strategic plan for the Group.

The Five-Year Strategic Articulation Plan for 2008 to 2012 was tabled, discussed and approved by the Board at its meeting held on 29 February 2008.

Additionally, on an ongoing basis as need arises, the Board has assessed whether projects, acquisitions and disposals as well as other strategic consideration being proposed at Board meetings during the year under review were in line with the objectives and broad outline of the adopted strategic plans.

- b. Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed. At Board meetings, all operations matters were discussed and expert advice were sought where necessary.

The performances of the various operating units of the Group represent the major element of Board agenda. When and where available, data were compared against national trends and performances of similar companies.

The Group uses Key Performance Indicators (KPI's) as the primary driver and anchor to its performance management system, of which is continually refined and enhanced to reflect the changing business circumstances.

- c. Identifying principal risks and ensure the implementation of appropriate systems to manage these risks. The Group has set up a Risk Management Committee comprising senior members of the Management team for this purpose to assist the Board.
- d. Succession planning, including appointing and replacing senior management.

The Board's responsibility in this aspect is being closely supported by the Human Resource Department. After several years of continuous efforts in emphasising and communicating the importance of succession planning, this subject has now become an ongoing agenda being reviewed at various high-level management and operational meetings of THP Group.

Statement on Corporate Governance

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

The Board, assisted by senior members of the Management team has adopted various strategies and approaches including press interviews and investor analyst briefings so as to ensure that investors and shareholders are well-informed about the Group affairs and developments.

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

The Board's function as regard to fulfilling this responsibility is supported and reinforced through the various Committees established at both the Board and the Management levels. Aided by the Internal Audit Department, the active functioning of these Committees through their regular meetings and discussions would provide a strong check and balance and reasonable assurance on the adequacy of the Company's internal controls.

Details on the Internal Audit functions are further discussed in the Internal Control Statement and the Audit Committee Report in this Annual Report.

In addition, the Company has adopted the "Green Book – Enhancing Board Effectiveness" issued by the Putrajaya Committee on GLC High Performance as the Policy Manual of the Board to assist the Board in discharging its duties effectively. Thus, the Board is guided by the Green Book in the following scopes, amongst others :

- The Group Organisation
- Board Organisation
- Board Responsibilities
- Board Procedures
- Director Evaluation Guidelines and Procedures
- Managing Director Evaluation Guidelines and Procedures

At the same time, the Board also ensures the sustenance of a dynamic and robust corporate

climate focused on strong ethical values. This emphasises active participation and dialogues on a structured basis involving key people at all levels, as well as ensuring accessibility to information and transparency on all executive action. The corporate climate is also continuously nourished by value-centred programmes for team-building and active subscription to core values.

2. BOARD MEETINGS

2.1 Board Structures and Procedures

All Board meetings for the year were scheduled by December the year before. The Board received all notices, agenda and minutes of meetings and is supplied with pertinent information in advance of each meeting. All conclusions of the Board meetings were duly recorded and minutes kept by the Company Secretary.

The Board met six times during the financial year 2008. All Directors have complied with the minimum 50% attendance as required under Paragraph 15.05 of the Listing Requirements of Bursa Malaysia Securities Berhad.

In addition to matters relating to the six principal stewardship's responsibilities enumerated in item 1.2 above, other specific topics tabled for Board's deliberation are the key financial and operational results and performances of the Group, Group's strategic and corporate initiatives such as approval of corporate plans and budgets, acquisitions and disposal of material assets, major investments, and changes to management and control structure of the Group, including key policies, procedures and authority limits.

In conjunction with the scheduled meetings or on separate occasions, the Directors also visited locations of operating units, sites of new projects and other operations sites to allow them to have better assessments of the operational progress, status of developments and any important issues to be addressed on new proposals.

Statement on Corporate Governance

The attendances at Board meetings in 2008 of the members of the Board are set out below.

Directors	29.2. 2008	29.4. 2008	14.7. 2008	29.7. 2008	7.11. 2008	19.11. 2008	%
Tan Sri Datuk Dr Yusof bin Basiran Independent Non-Executive Chairman	√	√	√	√	√	√	100
Dato' Che Abdullah @ Rashidi bin Che Omar Managing Director	√	√	√	√	√	√	100
Datuk Ismee bin Haji Ismail Non-Independent Non-Executive Director	√	√	√	√	X	√	83
Datuk Dr Abdul Samad bin Haji Alias Independent Non-Executive Director	√	√	√	√	√	√	100
Datuk Azizan bin Abd Rahman Independent Non-Executive Director	√	√	√	√	X	√	83
Dato' Haji Wan Zakaria bin Abd Rahman Independent Non-Executive Director	√	√	√	√	√	√	100
Syed Hood bin Syed Edros Independent Non-Executive Director	√	√	√	√	√	√	100
Md Yusof bin Hussin Independent Non-Executive Director	X	√	√	√	√	√	83
Dato' Noordin bin Md Noor Independent Non-Executive Director	Not applicable – appointed on 22 December 2008						

Circular Resolutions were used for determination of matters arising in between meetings.

2.2 Relationship of the Board to Management

The Position Description for the Chairman and for the Managing Director is prescribed in the Policy Manual of the Board. At the end of each financial year the Board will set KPI that should be achieved by the Management for the next financial year.

In between meetings, the Managing Director meets regularly with the Chairman and other Board members to keep them abreast of current development.

In addition, relationship of the Board to the Management includes the following :

- a. Access to Information, Advice of a Company Secretary and a Professional

All Directors have unrestricted access to all information within the Company in furtherance of their duties. In addition, all Directors have access to the advice of the Company Secretary and where necessary, in furtherance of their duties, take independent professional advice at the Group's expense.

The Board is always provided with not just

Statement on Corporate Governance

quantitative information but also those of qualitative nature that is pertinent and of a quality necessary to allow the Board to effectively deal with matters that are tabled in the meeting. These include current updates of the Group's performances and external factors that may influence its business.

b. Use of Board Committees

The Group has formed several committees to facilitate the operations of the Group. Each committee has written terms of reference defining their scope, powers and responsibilities.

Pursuant to Paragraph 15.16 of the Listing Requirements of Bursa Malaysia Securities Berhad, the Audit Committee Report for the financial year ended 2008 is contained in page 63 to page 69 of this Annual Report.

Apart from the Board Committees, there are internal committees established by the Management which facilitate the function of the Board.

3. NOMINATION COMMITTEE

3.1 Membership

The members of the Nomination Committee comprised of entirely Independent Non-Executive Directors are as follows :

- i. Datuk Dr Abdul Samad bin Haji Alias
Chairman, Independent Non-Executive Director
- ii. Datuk Azizan bin Abd Rahman
Member, Independent Non-Executive Director
- iii. Md Yusof bin Hussin
Member, Independent Non-Executive Director

3.2 Terms of reference

The terms of reference of the Nomination Committee are as follows :

1. Composition

The Committee shall be appointed by the Board from among the Directors of the Company and

shall comprise exclusively of Non-Executive Directors, a majority of whom are independent. The Committee shall consist of at least three (3) members.

2. Quorum

2 members shall form a quorum for a meeting of the Committee provided that the majority of members present must be independent Directors.

3. Chairman

The members of the Committee shall elect a Chairman from among their members who shall be an Independent Non-Executive Director. In the absence of the Chairman of the Committee, the remaining members present shall elect one of their members as Chairman of the meeting.

4. Secretary

The Company Secretary shall act as Secretary of the Committee.

5. Meetings and Minutes

- a) The Committee shall meet at least once a year or at such other times as the Chairman of the Committee deemed necessary.
- b) The Secretary shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda not less than five (5) days prior to the meeting.
- c) Minutes of each meeting shall be distributed to each member of the Board.
- d) Questions arising shall be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. Provided that where two (2) members form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only 2 members are competent to vote on the question in issue, shall not have a casting vote.

Statement on Corporate Governance

- e) A resolution in writing signed by a majority of the Committee Members which shall consist of the signatures of at least 2 Independent Directors, shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

6. Functions and Responsibilities

The functions and responsibilities of the Committee shall include the following :

- a) To review regularly the Board structure, size and composition and make recommendations to the Board on any adjustments that are deemed necessary;
- b) To identify and propose to the Board suitable candidates to act as Directors of the Company;
- c) To assess Directors on an on-going basis, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director;
- d) To consider and recommend to the Board, candidates for all directorships to be filled in the Company and its Group;
- e) To evaluate and recommend to the Board, Directors to fill the seats on Board Committees;
- f) To consider, in making its recommendations, candidates for directorship proposed by the Chief Executive Officer and, within the bound of practicability by any other senior executive or any Director or shareholder;
- g) To recommend to the Board for continuation (or not) in service of Executive Director(s) and Directors who are due for retirement by rotation;
- h) To review the Board's mix of skills, experience and other qualities including core competencies which non-executive directors should bring to the Board on an annual basis;
- i) To orientate and educate new directors as the nature of the business, current issues within

the Company and the corporate strategy, the expectations of the Company concerning input from the directors and the general responsibilities of directors;

- j) Such other functions as may be delegated by the Board from time to time; and
- k) To review and recommend promotions, extension of contracts, creation of new posts and all other related matters with regards to senior management of the Company and its Group.

7. Reporting Procedures

- a) The actual decision as to who shall be appointed to the Board shall be the responsibility of the Board after considering the recommendation of the Committee.
- b) The Committee should report to the Board for its consideration and implementation.

8. Access to Advice

In furtherance to their duties as Committee members of the Company, there should be an agreed procedure for the members, whether as a full committee or in their individual capacity, to take independent professional advice at the Company's expense, if necessary.

The attendances at the Committee meetings in 2008 are set out below :

Committee Members	16.1.2008	7.8.2008	%
Datuk Dr Abdul Samad bin Haji Alias	X	√	50
Datuk Azizan bin Abd Rahman	√	√	100
Md Yusof bin Hussin	√	√	100

Circular Resolutions were used for determination of matters arising in between meetings.

Statement on Corporate Governance

3.3 Appointment of New Directors

The number and composition of Board membership are reviewed on a regular basis to ensure the effectiveness of the Board for the long term interest of the Company. In any case, the appointment of the Board member(s) is effected only after the official approval by the Board.

4. REMUNERATION COMMITTEE

4.1 Membership

The members of the Remuneration Committee comprised of 2 Independent Non-Executive Directors and one Non-Independent Non-Executive Director as follows :

- i. Tan Sri Datuk Dr Yusof bin Basiran
Chairman, Independent Non-Executive Director
- ii. Datuk Ismee bin Haji Ismail
Member, Non-Independent Non-Executive Director
- iii. Dato' Haji Wan Zakaria bin Abd Rahman
Member, Independent Non-Executive Director

4.2 Terms of reference

The terms of reference of the Remuneration Committee are as follows :

1. Composition

The Committee shall be appointed by the Board from among the Directors of the Company and shall comprise wholly or mainly of Non-Executive Directors. The Committee shall consist of at least 3 members.

2. Quorum

2 members shall form a quorum for each meeting.

3. Chairman

The members of Committee shall elect a Chairman from among their members who shall be an Independent Non-Executive Director. In

the absence of the Chairman of the Committee, the remaining members shall elect one of their members as Chairman of the meeting.

4. Secretary

The Company Secretary shall act as Secretary of the Committee.

5. Meetings and Minutes

- a) The Committee shall meet at least once a year or at such other times as the Chairman of the Committee deemed necessary.
- b) The Secretary shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda not less than 5 days prior to the meeting.
- c) Minutes of each meeting shall be distributed to each member of the Board.
- d) Questions arising shall be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. Provided that where 2 members form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only 2 members are competent to vote on the question in issue, shall not have a casting vote.

6. Functions and Responsibilities

The functions and responsibilities of the Committee shall include the following :

- a) To recommend to the Board the framework of Executive Directors' remuneration and the remuneration package for each Executive Director, based on the Scheme of Service of the Company;
- b) To recommend to the Board the allowance and benefits of the Non-Executive Directors;
- c) To recommend to the Board the seating allowance of the Directors and Committee members; and

Statement on Corporate Governance

- d) To recommend to the Board any review on the Scheme of Services of the Company, whenever deemed necessary and appropriate.

7. Structures and Procedures

- a) The remuneration of Directors shall be the ultimate responsibility of the Board after considering the recommendation of the Committee.
- b) Executive directors do not participate in discussion on their own remuneration.
- c) The determination of remuneration packages of Non-Executive Directors, including Non-Executive Chairman should be a matter for the Board as a whole.
- d) Level of remuneration should be sufficient to attract and retain the Directors needed to run the Company successfully. The component parts of remuneration should be structured so as to link rewards to corporate and individual performance, in the case of executive directors. The level of remuneration should reflect the experience and responsibilities undertaken by the particular Non-Executive Directors concerned.

8. Access to Advice

In furtherance to their duties as Committee members of the Company, there should be an agreed procedure for the members, whether as a full committee or in their individual capacity, to take independent professional advice at the Company's expense, if necessary.

The Committee met once in March 2008 which was attended by a majority of the Committee members.

5. RE-ELECTION OF THE BOARD OF DIRECTORS

In compliance with Paragraph 7.28(2) of the Listing Requirements of Bursa Securities, all Directors shall retire once at least in every 3 years.

In accordance with Article 89 of the Company's Articles of Association, the following Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, have offered themselves for re-election :

- i. Dato' Che Abdullah @ Rashidi bin Che Omar;
- ii. Datuk Ismee bin Haji Ismail; and
- iii. Md Yusof bin Hussin

In accordance with Article 89 of the Company's Articles of Association, Dato' Noordin bin Md Noor, who was appointed during the year under review, retires at the forthcoming Annual General Meeting and, being eligible, offered himself for re-election.

6. ESOS COMMITTEE

THP Employees' Share Option Scheme ("ESOS") Committee was formed by the Board at its meeting held on 29 July 2008.

The Committee is headed by Datuk Dr Abdul Samad bin Haji Alias, an Independent Non-Executive Director and assisted by several members of the Management team.

The establishment of the Company's ESOS was approved by the shareholders at the Company's Extraordinary General Meeting held on 25 November 2008. However, the Company's ESOS will be implemented in early second quarter of 2009.

The Board Option Committee is established primarily to :

- i. To administer the ESOS in accordance with the By-Laws of the ESOS and in such manner as it shall in its discretion deem fit and within such powers and duties as are conferred upon it by the Board.
- ii. To review and amend, at any time and from time to time, any provision of the By-Laws, provided that

Statement on Corporate Governance

the amendments are not prejudicial to the eligible employees and with the prior approval of the shareholders of the Company. Such modification/variation shall be subject to the approvals of the Board and the relevant regulatory authorities.

In 2008, there was no meeting held by the ESOS Committee.

7. TENDER A COMMITTEE

The members of the Tender A Committee comprised of the following Directors :

- i. Md Yusof bin Hussin
Chairman, Independent Non-Executive Director
- ii. Datuk Ismee bin Haji Ismail
Member, Non-Independent Non-Executive Director
- iii. Dato' Wan Zakaria bin Abd Rahman
Member, Independent Non-Executive Director

The primary duties and responsibilities of the Tender A Committee are as follows :

- To ensure that the procurement process complies with the relevant procurement ethics, policies and requirements; and
- To consider, evaluate and approve or recommend awards which are beneficial to THP Group, taking into consideration various price factors, usage of product and services, quantity, duration of service and other relevant factors.

The attendances at the Committee meetings in 2008 are set out below :

Committee Members	24.1.2008	16.6.2008	%
Md Yusof bin Hussin	√	√	100
Datuk Ismee bin Haji Ismail	√	√	100
Dato' Wan Zakaria bin Abd Rahman	√	√	100

8. DIRECTORS' REMUNERATION

The Board believes that the levels of remuneration offered by the Group are sufficient to attract Directors of calibre and with sufficient experience and talents to contribute to performance of the Group. Comparison with similar position within the industry and other major public listed companies is made in order to arrive at a fair rate of remuneration.

The details of the remuneration of each Director for the year ended 31 December 2008 are as follows :

	Executive Director RM	Non-Executive Directors RM
Basic Salary	600,000.00	Nil
Employees' Provident Fund Contribution	200,486.00	Nil
Bonus & Allowances	603,200.00	Nil
Benefit-in-kind	7,200.00	142,130.00
Directors' Fees	36,000.00	336,000.00

Number of Directors whose remuneration falls within the following bands :

	Executive Director	Non-Executive Directors	Total
Below RM50,000	-	1	1
RM50,001 to RM100,000	-	5	5
RM100,001 to RM150,000	-	1	1
Above RM500,000	1	-	1

Statement on Corporate Governance

9. DIRECTORS' TRAINING

The Company complies with the requirements set out in the Listing Requirements in that it regularly assess the training needs of its Directors to ensure that they are equipped with the requisite knowledge and competencies to make effective contribution to the Board's functioning.

All Directors have successfully completed the Mandatory Accreditation Programme prescribed by Bursa Securities. In addition, the Directors were also encouraged to continue attending various training programmes that were relevant to the discharge of their responsibilities.

Particulars of training programmes attended by the Directors are as follows :

Director	Training Programme Title
Tan Sri Datuk Dr Yusof bin Basiran	<ul style="list-style-type: none"> Managing Strategic Change Effectively; Directors' Duties and Amendments to the Companies Act, 1965
Datuk Dr Abdul Samad bin Haji Alias	<ul style="list-style-type: none"> Financial Institutions Directors' Education Programme; National Accountants Conference; Directors' Duties and Amendments to the Companies Act, 1965
Datuk Azizan bin Abd Rahman	<ul style="list-style-type: none"> The Art of Living – Reducing Stress Using Modern and Ancient Techniques; Directors' Duties and Amendments to the Companies Act, 1965
Datuk Ismee bin Haji Ismail	<ul style="list-style-type: none"> Directors' Duties and Amendments to the Companies Act, 1965
Dato' Haji Wan Zakaria bin Abd Rahman	<ul style="list-style-type: none"> The Inside Story of the Annual Report : What You Need To Know Directors' Duties and Amendments to the Companies Act, 1965
Dato' Che Abdullah @ Rashidi bin Che Omar	<ul style="list-style-type: none"> PIPOC 2008 – Malaysian Palm Oil Board International Palm Oil Congress; Directors' Duties and Amendments to the Companies Act, 1965
Md Yusof Hussin	<ul style="list-style-type: none"> Latest Updates of the Companies Act, 1965; National Tax Conference 2008; Directors' Duties and Amendments to the Companies Act, 1965
Syed Hood bin Syed Edros	<ul style="list-style-type: none"> The Inside Story of the Annual Report : What You Need To Know Directors' Duties and Amendments to the Companies Act, 1965

Statement on Corporate Governance

10. INVESTORS AND SHAREHOLDERS COMMUNICATION AND RELATIONSHIP

The Company continually ensures that it maintains a high level of disclosure and communication with its shareholders and stakeholders through various practicable and legitimate channels. The Company is duty bound to keep the shareholders and investors informed of any major developments and changes affecting the Group.

During 2008, communications were primarily effected through the distribution of Annual Reports, announcements released via Bursa-Link, circulars, press releases, briefings and meetings. In addition, the Company has established its official website at www.thplantations.com.my which investors and shareholders can access for information. The website will be continuously improved to include more relevant information to investors and to better facilitate its navigation.

Meetings and briefings were held periodically with shareholders, investors, research analysts, bankers and the press to explain on the Group's latest performance results, current developments and future directions. During meetings, participants were encouraged to pose any question to the Managing Director or the senior management team of the Group to seek any clarification or explanation on any issues raised. Whilst these forms of communications are important, the Company takes full cognisance of its responsibilities not to disclose price-sensitive information.

The board has approved a formal Investor Relations Policy to enable appropriate communications to all stakeholders.

For further information or queries on Investor Relations matters, the following Management personnel may be contacted :

- Mohamed Azman Shah bin Ishak
Senior General Manager - Finance
Contact No. 03 2687 6666
Email : ashah@thplantations.com

- Maizura binti Mohamed
General Manager - Corporate Services
Contact No. 03 2687 6666
Email : maizura@thplantations.com

11. ACCOUNTABILITY AND AUDIT

11.1 Financial Reporting

The Board aims to present a balanced and meaningful assessment of the Group's financial performance and prospects to the shareholders, investors and regulatory authorities. This assessment is primarily provided in the Annual Report through the Chairman's Statement and the accompanying financial statements.

The Audit Committee assists the Board in scrutinizing information for disclosure to ensure accuracy and completeness of information.

11.2 Internal Controls

The review on the systems of internal control is set out under the Statement on Internal Control on pages 59 to 61 of this Annual Report.

In 2008, there were two meetings held between the Audit Committee and the External Auditors without the presence of the Management.

11.3 Relationship with the Auditors

The role of the Audit Committee in relation to the external auditors is described in the Audit Committee Report on pages 63 to 69 of this Annual Report.

The Company has always maintained a close and transparent relationship with its external auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia.

Statement on Corporate Governance



11.4 Relationship with the Management

The Board maintains a close and transparent relationship with all the management staff. The Board is furnished with information relating to the running of THP Group's operations through various financial and operational on monthly and quarterly basis reports prepared by the Management. This will allow them to understand the operations better and make decisions in steering the Company towards a profitable business. In addition, the Managing Director also hold frequent monthly management meetings with the management staff in order to discuss and plan the Group's operations.

12. STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE

The Company continuously strives to achieve high standards of corporate governance throughout the Group and to the highest level of integrity and ethical standards in all its business dealings. The Board considers that it has complied with the principles and best practices as set out in Part I and Part II respectively of the Code throughout the year under review.

13. DIRECTORS' RESPONSIBILITY STATEMENT IN PREPARATION OF AUDITED FINANCIAL STATEMENTS

The Board of Directors is required under Paragraph 15.27(a) of the Listing Requirements to issue a statement explaining their responsibility in the preparation of the annual financial statements. The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year and of the profit and loss of

the Company and of the Group for the financial year. In preparing these financial statements, the Directors have :

- Used appropriate accounting policies and consistently applied them;
- Made judgements and estimates that are reasonable and prudent; and
- Stated whether applicable approved accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and to enable them to ensure that the financial statements comply with the Companies Act, 1965 and applicable approved accounting standards in Malaysia.

The Directors are also responsible for taking such steps that are necessary to safeguard the assets of the Group and to prevent fraud and other irregularities.

14. ADDITIONAL COMPLIANCE INFORMATION

14.1 Utilisation of proceeds from Corporate Proposals

Not applicable.

14.2 Share Buy-Back

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

Statement on Corporate Governance



14.3 Options, Warrants or Convertible Securities

There were no new options, warrants or convertible securities issued during the financial year under review.

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

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

14.5 Imposition of Sanctions and/or Penalties

There were no sanctions and/or penalties imposed on the Company or its subsidiaries, directors or management by any relevant authority for the financial year ended 31 December 2008.

14.6 Non-Audit Fees

There was a total amount of non-audit fees of RM301,000.00 incurred for the financial year ended 31 December 2008.

14.7 Variation in Results

There was no deviation of 10% or more between the profit after taxation and minority interest stated in the fourth quarter announcement of unaudited results for the financial year ended 31 December 2008 and the audited financial statements of the Group for the financial year ended 31 December 2008.

14.8 Profit Guarantee

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

14.9 Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest which were still subsisting at the end of the financial year under review or if not then subsisting, entered into since the end of the previous financial period.

14.10 Related Party Transactions

The Audit Committee reviewed the related party transactions on a quarterly basis. Details of this transactions are set out under page 120 to page 121 of this Annual Report.

14.11 Revaluation Policy on Landed Properties

The Company did not adopt any revaluation policy on landed properties during the financial year under review.

This Statement on Corporate Governance is made in accordance with the Resolution of the Board of Directors dated 6 April 2009.

Tan Sri Datuk Dr Yusof bin Basiran
Independent Non-Executive Chairman

A photograph of a stack of old, yellowed books resting on a wooden surface. The books are arranged in a neat stack, with their spines visible. The lighting is warm, highlighting the texture of the paper and the wood. The background is dark and out of focus.

Statement on Internal Control



Statement on Internal Control

(Pursuant to paragraph 15.27 (b) of the Listing Requirements of Bursa Malaysia Securities Berhad)

Introduction

The Board of Directors (“the Board”) of TH Plantations Berhad (“THP”) is hereby pleased to present its Statement on Internal Control for the year under review, prepared in accordance with the “Statement on Internal Control : Guidance for Directors of Public Listed Companies” issued by Bursa Malaysia Securities Berhad.

Responsibilities

The Board recognises the importance of a sound internal control and risk management practices to support good corporate governance and to safeguard the shareholders’ investment and the Group’s assets.

The Board also acknowledges its overall responsibility for maintaining a sound system of internal control that needs to be continuously reviewed to maintain its adequacy, effectiveness and integrity. The Group’s system of internal control is designed to manage, rather than eliminate the risk of failure to achieve business objectives. Therefore, it can only be expected to provide reasonable but not absolute assurance against misstatement, fraud or loss.

The Management responsibility is to implement the established policies and procedures as approved by the Board, on risks and controls by identifying and evaluating the Group’s risks and in response, design, operate and monitor a suitable system of internal control and formulate relevant policies and procedures to manage those risks.

Statement on Internal Control

Key Internal Control Elements

The important elements of the Group's system of internal control are outlined in the table below :

Organisation Structure & Authorisation Procedures	The Group maintains a formal organisation structure with clear lines of reporting to the Board, Committees and Senior Management with defined roles and responsibilities, authority limits, review and approval procedures and proper segregation of duties. Apart from the Management of the Group, the Board is also assisted by the Audit Committee, the Nomination Committee, the Remuneration Committee, and the Tender Committee, each with a clear Terms of Reference (TOR), to effectively and efficiently manage the operations of the Group.
Standard Operating Procedures (SOP)	The Board acknowledges the importance of documented SOP in managing the operations of the Group, at head office as well as at the Group's estates and mills. The SOPs of various operations are updated as and when required, taking into consideration current requirements and changes. This is to ensure that proper internal control measures are incorporated to manage the risks of fraud and misstatements, which may compromise the goals and objectives of the Group.
Independent Members in Audit Committee	The Audit Committee, whose members are Independent Non-Executive Directors, assesses on a periodic basis, the adequacy and integrity of the system of internal control through various reports it received from the Internal Audit Department, the Management and the Group's External Auditor. Any internal control issues were brought to the attention of the Audit Committee which, in turn, will report to the Board on any matter requiring the latter's attention.
Internal Audit Function	The Internal Audit Department assists the Audit Committee in discharging its responsibilities, by performing regular and systematic reviews of the business processes of the entities within the Group. This review include examining and evaluating the adequacy and effectiveness of the financial and operational controls at each entity.
Information & Communication	Through the use of the TH Plantations Berhad Management Information System (THPMIS), information critical to the management of key business risks and meeting the Group's business objectives are communicated within the Group and ensuring that matters requiring the attention of the Board and Senior Management are highlighted on a timely basis for review, deliberation and decision-making.
Operations Review and Monitoring	Operations of the Group is constantly monitored by the Board with up-to-date reports being presented by Management, which reviews the performance of the Group against budget and prior year performance on a monthly basis. Variances are carefully analysed and corrective actions are taken where necessary. Detailed reports on performance review with steps taken are presented to the Board on a quarterly basis and explanations by Management are sought during the meetings. Management also monitors the performance of the estates and its managers through reports produced internally on a regular basis by the Plantation Advisors (PAs). The role of the PAs is to ensure that the technical aspects of all estates under the Group are using the current good practices in plantation management.

Statement on Internal Control

Human Capital Development and Training	Emphasis is placed on enhancing the quality and ability of employees through continuous training and development. Employees' competencies are assessed annually through reviews of Key Performance Indicators (KPI) and subsequently, potential areas for further development and training are highlighted by Head of Departments and business units.
Group Takaful and Physical Safeguards	Adequate takaful cover on assets of the Group is in place to ensure sufficient protection against mishap that may result in material losses to the Group. Review on the adequacy of coverage is conducted annually by Management.
Procurement and Tender Award System	A clearly defined policy on awarding of tenders is adopted to enhance the control and coordination of procurement of goods and services. Various internal control measures are in place throughout the procurement and tender award process to safeguard the interest of the Group.

Risk Management

An Enterprise-wide Risk Management (ERM) framework identification exercise was initiated and approved by the Board in 2007 that has since been delegated to Management to implement the recommendations as set out in the comprehensive ERM report and action plan.

Management has set up a Risk Management Committee ("RMC") to continuously monitor, evaluate, assess and recommend steps to be taken in managing the risks faced by THP, to be in line with the policy as adopted by the Board per the ERM framework. RMC is headed by the Deputy Managing Director with the other committee members being the respective Head of Departments from Finance, Legal, Operations and Administration.

Conclusion

For the financial year under review, the Board is of the view that the system of internal control that is in place is sound and adequate to safeguard the interest of the shareholders' investments and the Group's assets. Additionally, the Board regards the risks faced by the Group are within tolerable levels in relation to the business environment that the Group operates in.

No major internal control weaknesses were identified that may result in any material loss or fraud that would require disclosure in this Annual Report and the Board and Management are continuously taking measures to improve and strengthen the Group's system of internal control and its framework.

This Statement on Internal Control is made in accordance with the Resolution of the Board of Directors dated 6 April 2009.

Dato' Che Abdullah @ Rashidi bin Che Omar
Managing Directors

Audit Committee Report



Audit Committee Report

(Pursuant to paragraph 15.16 of the Listing Requirements of Bursa Malaysia Securities Berhad)

Introduction

The Board of Directors (“The Board”) of TH Plantations Berhad (“THP”) is pleased to present the Audit Committee’s Report which lays out its activities held throughout the financial year ended 31 December 2008 in compliance with Paragraph 15.16 (1) of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

Composition And Attendance

The Audit Committee currently comprises the following members of which all of them are Independent Non-Executive Directors :

Directors	Number of Meetings Attended
Datuk Dr Abdul Samad bin Haji Alias * <i>Chairman Independent Non-Executive Director</i>	9/9
Datuk Azizan bin Abd Rahman <i>Independent Non-Executive Director</i>	7/9
Syed Hood bin Syed Edros <i>Independent Non-Executive Director</i>	9/9

** A member of the Malaysian Institute of Accountants*

Audit Committee Report

A summary of their respective attendance at the Audit Committee meetings held during the financial year are as follows :

Meeting Number	01/08	02/08	03/08	04/08	05/08	06/08	07/08	08/08	09/08
Directors	29/2/08	25/3/08	31/3/08	29/4/08	29/7/08	29/7/08	5/9/08	7/11/08	7/11/08
Datuk Dr Abdul Samad bin Haji Alias (Chairman)	√	√	√	√	√	√	√	√	√
Datuk Azizan bin Abd Rahman	√	√	√	√	√	√	√	X	X
Syed Hood bin Syed Edros	√	√	√	√	√	√	√	√	√

Meetings were also attended by the Managing Director, Senior General Manager - Finance, the Head of Internal Audit and External Audit teams as well as various members of the Senior Management team as and when required by the Committee.

Terms of Reference

In performing their duties and discharging their responsibilities, the Audit Committee is guided by the Terms of Reference of the Committee as follows :

1. Composition

The Audit Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three (3) members. All members of the Audit Committee shall be non-executive Directors, a majority of whom shall be Independent Directors. An alternate Director must not be appointed as a member of the Audit Committee. In the event of any vacancy in the Audit Committee resulting in the number of members reduced to below three (3), the Board shall within three (3) months appoint a new member to fill the vacancy.

2. Membership

At least one (1) member of the Audit Committee :

- a) must be a member of the Malaysian Institute of Accountants; or
- b) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years' working experience and :
 - i) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967; or
 - ii) he must be a member of one (1) of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967; or
- c) must have a degree/master/doctorate in accounting or finance and at least three (3) years' post qualification experience in accounting or finance; or
- d) must have at least seven (7) years' experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation; or
- e) possess such other requirements relating to financial-related qualifications or experience as prescribed or approved by Bursa Malaysia Securities Berhad.



Audit Committee Report



3. Chairman	The members of the Audit Committee shall elect a Chairman from amongst their members who shall be an Independent Non-Executive Director.
4. Quorum	The quorum of the Audit Committee meeting shall not be less than two (2), the majority of whom shall be Independent Non-Executive Directors.
5. Meeting	<ul style="list-style-type: none"> a) The Committee shall have at least four (4) meetings in a financial year and such additional meetings as the Chairman shall decide in order to fulfil its duties; b) The Committee meeting shall be chaired by the Chairman; or in his absence, another member who is an Independent Director nominated by the Audit Committee; c) The Company Secretary shall act as Secretary of the Committee and shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda and the Notice of meeting, together with supporting explanatory documentation to members not less than five (5) days prior to each meeting; d) The Secretary of the Committee shall be entrusted to record the proceedings of the Committee meeting; e) The Committee may invite any Board member or any member of the senior management or any relevant employees within the Company or the Group whom the Committee thinks fit to attend the Audit Committee Meeting, to assist in resolving and clarifying matters raised in the audit report and/or to brief on their respective reports and findings; and f) The Committee shall report to the full Board from time to time, its recommendation for consideration and implementation and the final decision shall be the responsibility of the Board.
6. Voting and Proceeding of Meeting	The decision of the Committee shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. Provided that where two (2) members form a quorum, the Chairman of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question in issue, the Chairman shall not have a casting vote. Circular Resolutions signed by all the members shall be valid and effective as if it had been passed at a meeting of the Audit Committee.

Audit Committee Report

7. Minutes

The Committee shall cause minutes to be duly recorded and entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. Such minutes shall be signed by the Chairman of the Meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

Minutes of the Committee Meeting will be made available to all Board members. The Chairman of the Audit Committee will provide written or a verbal report of significant matters of each meeting of the Audit Committee at the next Board meeting or as may otherwise be required by the Board.

The books containing the minutes of proceedings of any meeting of the Committee shall be kept by the Company at the registered office of the Company, and shall be opened for the inspection of any member of the Committee and the Board.

8. Authority

The Audit Committee is authorised by the Board to investigate any activity of the Company and its subsidiaries within its terms of reference or as otherwise directed by the Board. The Audit Committee shall have :

- a) the authority to investigate any matter within its terms of reference;
- b) the resources which are required to perform its duties;
- c) full and unrestricted access to any information, records, properties and personnel of the Company and of the Group;
- d) direct communication channels with the external auditors and internal auditors;
- e) the right to obtain independent professional or other advice and to invite any person with relevant experience and expertise to attend the Committee Meeting whenever deemed necessary; and
- f) the right to convene meeting with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.



Audit Committee Report



9. Functions and Responsibilities

The functions and responsibilities of the Audit Committee shall include the following :

- a) to consider the appointment, resignation and dismissal of external auditors and make appropriate recommendations to the Board (including the audit fees);
- b) to review with the external auditors of the Company :
 - i) their audit plan;
 - ii) their audit report;
 - iii) their management letter and management's response; and
 - iv) the assistance given by the employees of the Company and the Group to the external auditors;
- c) to discuss problems and reservations arising from the interim and final audits, and any matter the external auditors may wish to discuss (in the absence of management where necessary);
- d) to review the quarterly financial results and annual audited financial statements of the Group before recommending the same for the Board's approval, focusing particularly on :
 - i) compliance with accounting standard and any other legal requirements;
 - ii) any changes in or implementation of accounting policies and practices;
 - iii) significant and unusual issues and adjustments arising from the audit;
 - iv) the going concern assumption;
- e) to review and consider the adequacy of scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
- f) to review the internal audit programme, the reports prepared by the internal audit department and to ensure that appropriate actions are taken on the recommendations of the internal audit function;
- g) to review any appraisal or assessment of the performance of members of the internal audit function;

Audit Committee Report



- h) to approve any appointment or termination of senior members of the internal audit function;
- i) to be informed of any resignation of internal audit staff members and provide an avenue for the resigning staff member to explain or submit his/her reasons for resignation;
- j) to review any related party transactions and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that may raise questions on management integrity;
- k) to consider the reports and major findings of any internal investigations and management's responses thereto;
- l) to verify, on an annual basis, the allocation of options under a share scheme for employees to ensure compliance with the allocation criteria determined by the Company's share option committee and in accordance with the By-Laws of the relevant option scheme;
- m) to promptly report to Bursa Malaysia Securities Berhad of a matter reported by the Audit Committee to the Board of Directors which has not been satisfactorily resolved resulting in a breach of the Listing Requirements; and
- n) such other functions or responsibilities as may be agreed to by the Committee and the Board.

10. Review of the Audit Committee Charter

The Audit Committee shall review and assess the adequacy of the Audit Committee Charter at least once a year. The Audit Committee shall recommend to the Board for approval on any amendments, whenever deemed necessary and appropriate.

11. Review of the Audit Committee

The Board of Directors shall review and assess the term of office and performance of the Audit Committee and each of its members at least once every three (3) years.

Summary of Activities of the Audit Committee

The Audit Committee have carried out its duties and responsibilities during the period in accordance with its terms of reference. The main activities undertaken by the Committee during the financial year under review were as follows :

Financial and Operations Review

- a) Reviewed the quarterly financial and operational reports, interim financial results, the interim financial report to Bursa Securities and the annual audited financial statements; and
- b) Reviewed the application of corporate governance principles and the extent of the Group's compliance with the best practices set out under the Malaysian Code on Corporate Governance (Revised 2007) in conjunction with the preparation of the Corporate Governance and Internal Control Statements.

Audit Committee Report

External Audit

- a) Reviewed and approved the external auditors' scope of work and audit plan;
- b) Reviewed with the external auditors on the compliance, in particular the annual financial statements of the Company and the Group, with the Listing Requirements of Bursa Securities and the applicable approved accounting standards issued by the Malaysian Accounting Standards Board (MASB);
- c) Reviewed with the external auditors the results of the audit, the audit report including management's responses on matters highlighted in the report;
- d) Reviewed the conduct and considered the remuneration and re-appointment of the external auditors; and
- e) Held independent meetings (without the presence of Management) with the external auditors on significant findings in the course of their audit.

Internal Audit

- a) Reviewed and approved the internal audit team's scope of work and audit plan;
- b) Prepared the Audit Committee Report for inclusion in the 2008 Annual Report;
- c) Reviewed the Statement on Internal Control for inclusion in the 2008 Annual Report;
- d) Reviewed the internal audit reports and reported to the Board on relevant issues; and
- e) Held independent meetings (without the presence of Management) with the internal auditors on significant findings in the course of their audit.
- f) Performed site visits to familiarise and confirm that internal controls are in place and being observed.

Related Party Transactions

The Audit Committee reviewed all related party transactions entered into by the Company and the Group to ensure that such transactions are undertaken at arm's length basis on normal commercial terms which are not detrimental to the interests of the minority shareholders of the Company and the internal control procedures employed are both sufficient and effective.

Internal Audit Function

The internal audit function of the Group is performed in-house and is independent from the main activities and operations of the Group's operating units. It is the responsibility of the internal audit to provide the Audit Committee with independent and objective reports on the state of internal controls of the Group's major operations and the extent of these units' compliance to both the Group's established policies and procedures, and relevant statutory requirements.

During the financial year under review, the internal auditors conducted audits on various operating units based on the approved audit visit plan. Findings and recommendations for improvements were presented to the Audit Committee and Board for further deliberation. The Management is then responsible for ensuring the recommendations and corrective actions are taken within a specified timeframe to ensure that all potential risks and weaknesses are avoided or reduced to tolerable level.

Other than the scheduled reviews, the Group Internal Audit may undertake special assignments outside the normal scope of its daily activities and notify the outcome to the Audit Committee and Management.

This Audit Committee Report is made in accordance with the Resolution of the Board of Directors dated 6 April 2009.

Datuk Dr Abdul Samad bin Haji Alias
Independent Non-Executive Director



Corporate Responsibilities



Corporate Responsibilities

TH Plantations Berhad (THP) as a corporate citizen has always maintained and strived to uphold its responsibility. It considers the interest of the society by taking responsibility for the impact of its activities on employees, community, stakeholders and environment. It strives to improve the quality of life of its employees and their families as well as the community at large.



Workers quarters



Primary school



Mosque in the estate



Clinic

Corporate Responsibilities

EMPLOYEES

Workers Amenities and Health

Workers quarters are being upgraded to fully bricked buildings with extra bedrooms to accommodate employees with larger family members. The upgrading project is implemented in phases and to be completed by 2010.

Each estate or mill are equipped with clinic which employs hospital assistants to treat workers and family members for any sicknesses or minor accidents. THP also provides other amenities such as mosques, surau, and crèches.

Training

Our people are our greatest assets. In line with THP's strategic growth and development plans, numerous training programmes were carried out in 2008 to equip our people with the skills and exposure required to support the strategic growth.

Approximately RM1.2 million was invested in employees' in-house and external training. Various types of training were organised covering every level of employees in the estates, mills and headquarters. Among the training programmes conducted were The Team Building, Intensive Training on IT and Kesedaran Pencetus Perkasa Diri.



Team building activities



Management training briefing



Management trainee programme



PINTAR Programme

Corporate Responsibilities

Health and Safety at Work

THP strives to build a healthy and safe work environment by having a policy on occupational health and safety in compliance with the Occupational Safety and Health Act 1994 (Act 514). The policy prescribes guidelines to be adhered by all employees.

THP also has completed the Chemical, Health and Risk Assessment (CHRA) processes to ensure the workplaces are safe.

COMMUNITY

As a good corporate citizen, THP acknowledges its responsibilities to work in partnership with the community. Several initiatives were carried out by THP as its contribution towards the well being of the community.

Management Trainee Programme

THP is supportive of the government's effort in overcoming unemployment problem faced by the graduates in the country by initiating "Program Pelatih Pengurusan THP". The programme was



"Kursus Kesedaran Pencetus Perkasa Diri" programme



"Majlis Berbuka Puasa" with the orphans



Kota Bahagia mill's employees



Safety practices in mills

Corporate Responsibilities

introduced in 2007. Through this programme, we recruit unemployed graduates as Management Trainees and expose them to various aspects of the organisation's processes, operations and responsibilities, thus providing them with some invaluable actual working experiences. These trainees were appraised and 75% of the trainees were absorbed as permanent staff. This programme has not only benefited the community but also THP whereby it acts as a tool for THP to recruit high quality and talented individuals to form a strong human resources team.

PINTAR Programme

In line with the establishment of PINTAR Programme (Promoting Intelligence, Nurturing Talent and Advocating Resources) the initiative spearheaded by Khazanah National Berhad, with the aim of assisting schools in achieving their excellence through the school adoptions programme, THP has adopted SRK Ladang Kota Bahagia in Keratong, Pahang. In 2008, THP sponsored "Program Kecemerlangan UPSR" for 60 students of Standard 6.

ENVIRONMENT

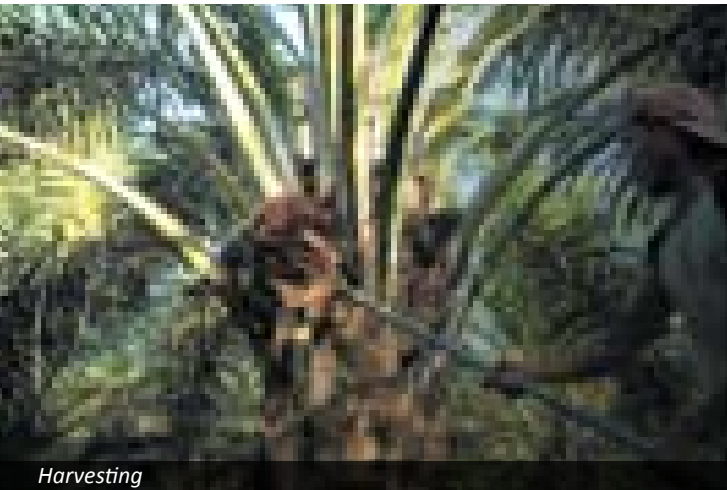
THP is fully committed to ensure that its processes are managed, maintained and refined in line with its business needs to meet all legal and regulatory commitments on the environment. In all of its estates, mills and new development projects, it endeavours to ensure that these policies and practices are being implemented consistently.



Technique of destroying unproductive palm



Technique of destroying unproductive palm



Harvesting



Fertilising technique

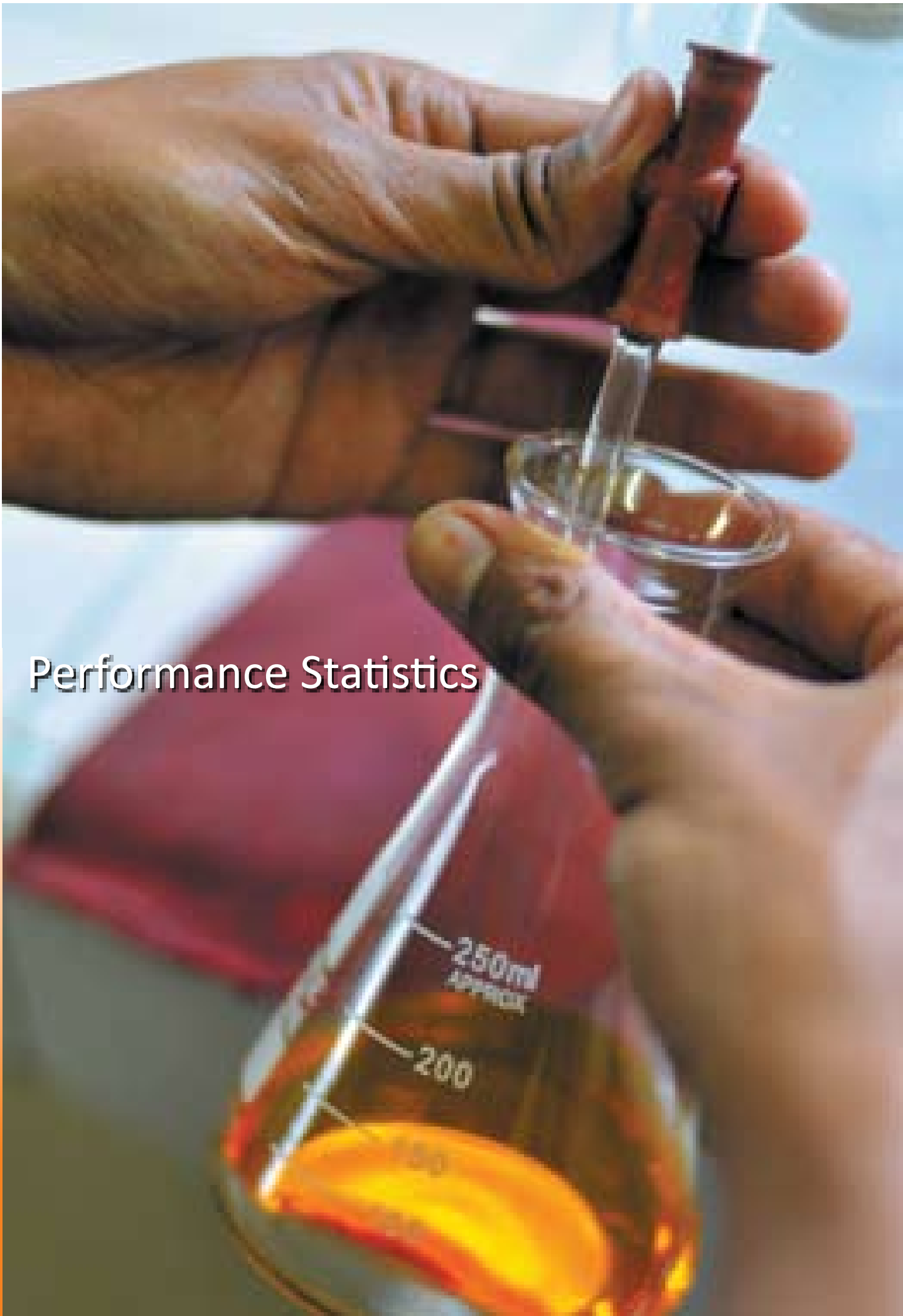
Corporate Responsibilities

Caring for the Environment

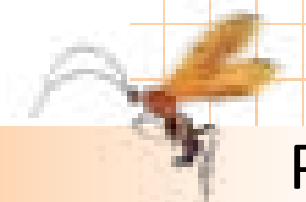
THP considers environmental protection as a critical and integral part of its operations. Given that its primary source of income is directly and indirectly dependent on the well-being of the environment, THP emphasises on a high degree of commitment towards achieving the highest standard of environmental management with the aim of preserving it. Being a member of the Roundtable Sustainable Palm Oil (RSPO), THP ensures that its operational processes are conducted in accordance with RSPO's Principles and Criteria.

With the environmental concern remaining its main focus, it takes heed by recycling the effluent and waste economically. Whenever possible, THP strives to reduce the use of chemical fertilisers to avoid polluting the waterways by reusing these oil palm by-products such as palm oil mill effluent (POME) and empty fruit bunches (EFB) as substitutes. As these solid "wastes" contain potentially valuable nutrients, such as nitrogen and phosphorous, when spread under the palms, will not only improve soil structure and suppress weeds but also reduce overall fertiliser costs.

THP also adopts zero burning technique for new planting and replanting process. By using this technique, instead of burning unproductive stands of oil palm, the trees are mechanically felled and left to decompose which helps replenish soil organic matter and enhances the physical and chemical properties of the soil, thus further reducing the need for chemical fertiliser. Therefore, environmental pollution through haze and green-house emissions as well as soil erosion is avoided.

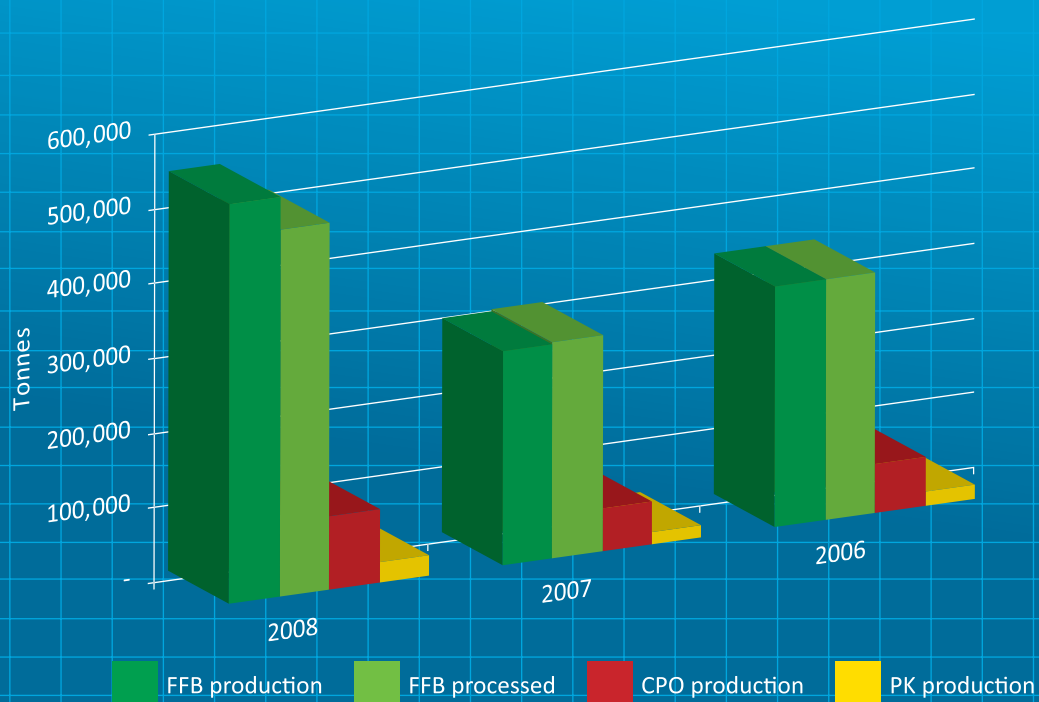


Performance Statistics



Performance Statistics

OIL PALM PRODUCTION



Performance Statistics

Group 3-year Plantation Statistics

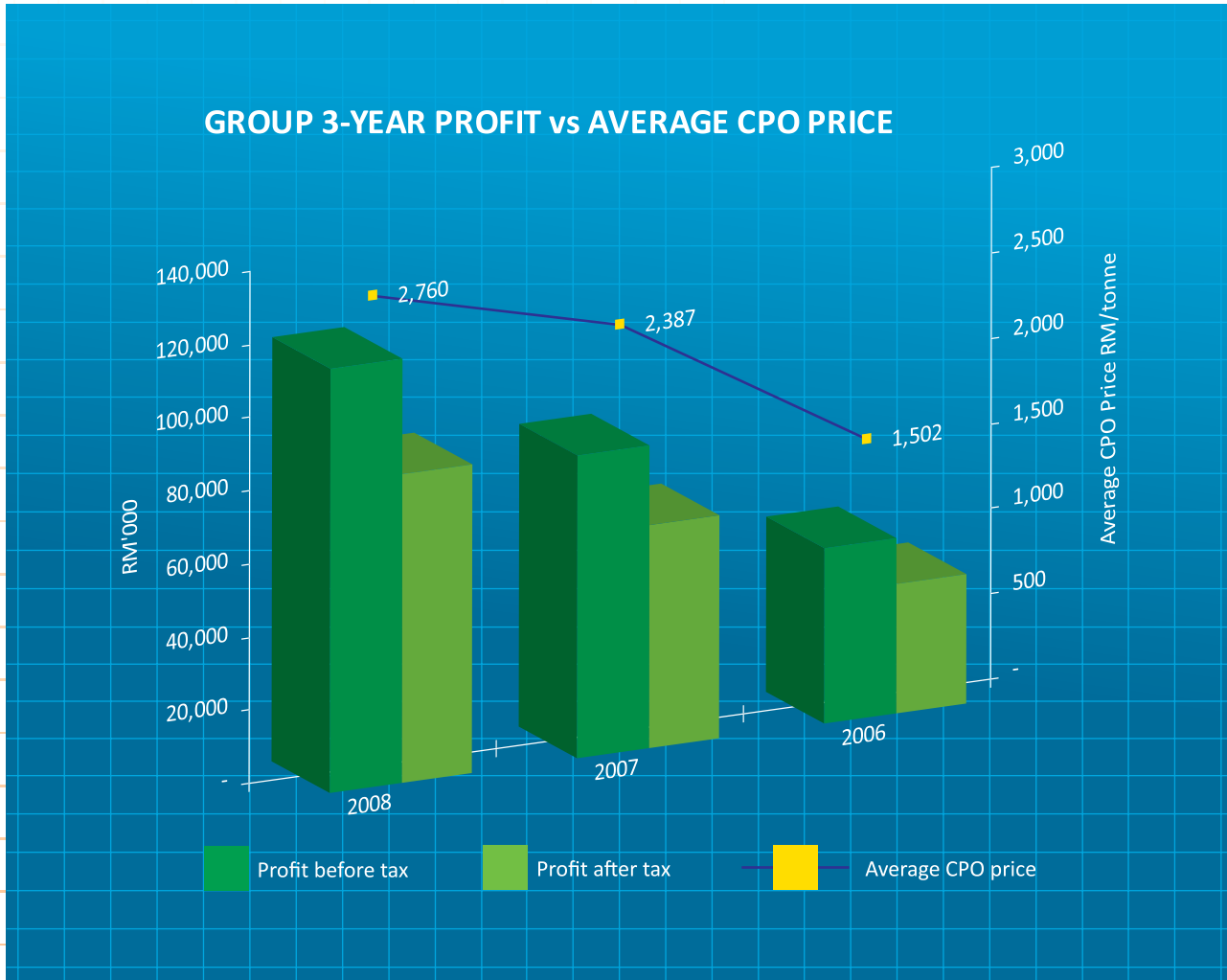
	2008	2007	2006
FFB Production/Purchased (MT)			
FFB Produced - Processed by own mill	303,654	252,669	292,906
FFB Produced - Sold to others	43,827	34,054	28,327
FFB Purchased	68,874	37,221	28,613
Yield and Extraction Rates			
FFB yield (tonnes per mature hectare)	22.12	19.92	22.43
OER (%)	20.15%	20.15%	20.26%
KER (%)	5.64%	5.64%	5.60%
Average Selling prices (RM per tonne)			
Crude Palm Oil	2,760	2,387	1,502
Palm Kernel	1,567	1,422	896
FFB	515	512	291
AREA STATEMENT (HECTARES)			
Oil Palm			
- mature	24,138	14,452	14,322
- immature	6,405	3,479	1,067
Planted area	30,543	17,931	15,389
In Course of Planting	7,495	1,050	-
Reserve land, building sites etc	1,021	9,749	357
Titled Area	39,059	28,730	15,746

Performance Statistics

Group 3-year Key Financial Indicators

	2008	2007	2006
Profitability and returns			
Gross profit margin	46.92%	50.12%	41.82%
PBT margin	47.46%	47.00%	39.77%
Profit after tax and minority interest margin	34.54%	34.88%	29.55%
Return on Average Shareholders' Equity	27.80%	40.79%	29.89%
Return on Average Capital Employed	136.85%	86.95%	80.82%
Net assets per share (RM)	1.64	1.03	0.80
Solvency and liquidity			
Gearing ratios (times)	0.03	0.17	-
Interest cover (times)	2,407.38	-	-
Current ratio (times)	0.92	1.38	3.36
Financial Market			
EPS (sen)			
- basic	42.01	31.24	18.19
- diluted	42.01	31.24	18.19
Gross dividend per share (sen)	31.10	12.50	-
Gross dividend rate (%)	62.20%	25.00%	-
Gross dividend yield (%)	13.58%	3.70%	-
Net dividend payout rate (%)	46.03%	18.25%	-
Price-to-earnings ratio (times)	5.45	10.82	14.35
Price-to-book ratio (times)	0.81	3.17	3.24

Performance Statistics



Group 3-year Financial Statistics

Income Statement Highlights (RM'000)

	2008	2007	2006
Revenue	243,373	175,587	120,683
Profit from Operations	111,123	82,055	47,124
Profit from Islamic deposits	4,431	479	825
Finance cost	(48)	-	-
Share of results of associate	-	-	49
Profit before tax	115,506	82,534	47,998
Taxation	(32,152)	(21,346)	(12,338)
Net profit for the year	83,354	61,188	35,660
Attributable to :			
Equity holders of the Company	84,051	61,251	35,660
Minority interest	(697)	(63)	-
Net profit for the year	83,354	61,188	35,660

Performance Statistics

Group 3-year Financial Statistics

Balance Sheet Highlights (RM'000)

	2008	2007	2006
ASSETS EMPLOYED			
Other non-current assets	781,328	226,737	114,448
Total Non-Current Assets	781,328	226,737	114,448
Other current assets	72,243	66,778	49,076
Cash and cash equivalents	59,167	38,636	39,681
Total Current Assets	131,410	105,414	88,757
Other current liabilities	140,529	55,035	26,438
Loans and borrowings	1,857	21,200	-
Total Current Liabilities	142,386	76,235	26,438
	770,352	255,916	176,767
FINANCED BY :			
Share capital	121,911	98,047	98,047
Share premium	135,548	-	-
Retained earnings	142,033	103,111	59,753
Shareholders' equity	399,492	201,158	157,800
Minority interest	156,914	7,603	-
Long term borrowings	16,802	13,760	-
Other long term liabilities	197,144	33,395	18,967
	770,352	255,916	176,767
Average capital employed	513,134	216,342	160,513
Average shareholders' equity	300,325	179,479	140,970

Performance Statistics

Group 3-year Financial Statistics Cash Flow Statement Highlights (RM'000)

	2008	2007	2006
Profit before tax	115,506	82,534	47,998
Adjustment for non-cash items	4,093	10,286	9,646
Changes in working capital	120,441	(4,497)	(9,777)
Cash generated from/(used in) operations	240,040	88,323	47,867
Interest received	4,243	424	717
Interest tax and zakat paid	(40,003)	(18,711)	(11,770)
Net cash generated from/(used in) operating activities	204,280	70,036	36,814
Purchase of Property, Plant and Equipment	(10,245)	(9,535)	(6,310)
Estate Development Expenditure	(64,737)	(35,393)	(3,251)
Purchase of subsidiaries, net cash acquired	(38,265)	(30,496)	-
Other investing activities	(4,602)	1,078	(112)
Net cash generated from/(used in) investing activities	(117,849)	(74,346)	(9,673)
Repayments of loans and borrowings	(21,200)	-	-
Proceeds from loans and borrowings	-	21,200	-
Dividends paid to shareholders	(45,118)	(17,820)	(31,049)
Net cash generated from/(used in) financing activities	(66,318)	3,380	(31,049)
Net change in cash and cash equivalents	20,113	(930)	(3,908)

Performance Statistics

Group Quarterly Performance Financial Performance (RM'000)

2008	Q4	Q3	Q2	Q1
Revenue	41,975	68,003	67,787	65,608
Profit from Operations	16,961	25,552	34,538	38,725
Finance cost	1,022	707	(1,748)	(251)
Profit before tax	17,983	26,259	32,790	38,474
Taxation	(3,781)	(8,643)	(9,919)	(9,810)
Net profit for the year	14,202	17,616	22,871	28,664
Attributable to :				
Equity holders of the Company	14,815	17,602	22,923	28,710
Minority interest	(613)	14	(52)	(46)
Net profit for the year	14,202	17,616	22,871	28,664
Earnings per share (sen)				
- basic	7.40	8.98	11.69	14.64
- diluted	7.40	8.98	11.69	14.64



Consolidated Financial Statement



Consolidated Financial Statements

TH Plantations Berhad
(Company No. 12696-M)
(Incorporated in Malaysia)
and its subsidiaries

**Financial statements for the year
ended 31 December 2008**

Consolidated Financial Statements

TH Plantations Berhad (12696-M) (Incorporated in Malaysia) and its subsidiaries

Directors' report for the year ended 31 December 2008

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

Principal activities

The Company is principally engaged in investment holding, cultivation of oil palm, processing of fresh fruit bunches ("FFB"), marketing of crude palm oil ("CPO"), palm kernel ("PK") and FFB and provision of management services. The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Results

	Group RM'000	Company RM'000
Profit attributable to :		
Equity holders of the Company	84,051	70,170
Minority interest	(697)	-
	83,354	70,170

Reserves and provisions

There were no material transfers to or from reserves and provisions during the year under review except as disclosed in the financial statements.

Dividends

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

- i) a final ordinary dividend of 21.10 sen per share less tax at 26% totaling RM30.62 million in respect of the year ended 31 December 2007 on 27 May 2008; and
- ii) an interim ordinary dividend of 10.00 sen per ordinary share less tax at 26% totalling RM14.51 million in respect of the year ended 31 December 2008 on 28 August 2008.

The final ordinary dividend recommended by the Directors in respect of the year ended 31 December 2008 is 7.50 sen per share less tax at 25% totalling RM27.43 million.

Directors of the Company

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

Tan Sri Datuk Dr Yusof bin Basiran
Dato' Che Abdullah @ Rashidi bin Che Omar
Datuk Dr Abdul Samad bin Haji Alias
Datuk Azizan bin Abd Rahman
Datuk Ismee bin Haji Ismail
Dato' Wan Zakaria bin Abd Rahman
Md Yusof bin Hussin
Syed Hood bin Syed Edros
Dato' Noordin bin Md Noor
(appointed on 22 December 2008)

Consolidated Financial Statements

(Company No. 12696-M)

Directors' interests

The interests and deemed interests in the shares of the Company and of its related companies (other than wholly-owned subsidiaries) of those who were Directors at year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows :

	Number of ordinary shares of RM0.50 each			
	At 1.1.2008	Bought	Sold	At 31.12.2008
Interest in the Company :				
Tan Sri Datuk Dr Yusof bin Basiran				
- own	2,000	-	-	2,000
- others*	29,000	-	-	29,000
Datuk Dr Abdul Samad bin Haji Alias				
- own	31,500	20,000	-	51,500
Dato' Wan Zakaria bin Abd Rahman				
- own	2,000	-	-	2,000

* Refer to shareholding by spouse to Tan Sri Datuk Dr Yusof bin Basiran. In accordance with Section 134(12)(c) of the Companies Act, 1965, the interests and deemed interests of the spouse in the shares of the Company and of its related companies (other than wholly-owned subsidiaries) shall be treated as the interests of Tan Sri Datuk Dr Yusof bin Basiran.

By virtue of their interests in the shares of the Company, the above Directors are also deemed interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

None of the other Directors holding office at 31 December 2008 had any interest in the ordinary shares of the Company and of its related companies during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statement) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

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

Consolidated Financial Statements

(Company No. 12696-M)

Issue of Shares

During the financial year, the Company increased/issued :

- i) authorised share capital from RM100,000,000 comprised 200,000,000 shares to RM350,000,000 comprising 700,000,000 shares; and
- ii) 47,728,000 new ordinary shares of RM0.50 each issued at RM3.34 for share swap as part of acquisition of subsidiaries.

There were no other changes in the authorised, issued and paid-up capital of the Company during the financial year.

Other Statutory Information

Before the balance sheets and income statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that :

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) all current assets have been stated at the lower of cost and net realisable value.

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

- i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the Group and in the Company financial statements misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the

Company that has arisen since the end of the financial year.

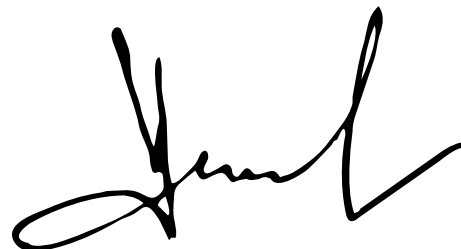
No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and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

In the opinion of the Directors, except for negative goodwill arising from acquisition of subsidiaries as disclosed in Note 23, the results of the operations of the Group and of the Company for the year ended 31 December 2008 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, Messrs KPMG Desa Megat & Co., have indicated their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors :



.....
Tan Sri Datuk Dr Yusof bin Basiran



.....
Dato' Che Abdullah @ Rashidi bin Che Omar

Kuala Lumpur,
Date : 18 February 2009

TH Plantations Berhad(12696-M)
(Incorporated in Malaysia)
and its subsidiaries

Balance sheets at 31 December 2008

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Assets					
Property plant and equipment	3	279,739	71,496	48,281	48,937
Plantation development expenditure	4	125,376	62,185	5,182	6,735
Prepaid lease payments	5	375,505	92,457	8,218	4,105
Investment in subsidiaries	6	-	-	294,920	95,508
Receivables, deposits and prepayments - restated	7	-	-	111,703	35,706
Other investment		708	599	708	599
Total non-current assets		781,328	226,737	469,012	191,590
Inventories	8	39,654	13,152	14,891	5,580
Receivables, deposits and prepayments - restated	7	32,589	53,626	20,636	49,259
Cash and cash equivalents	9	59,167	38,636	55,427	34,396
Total current assets		131,410	105,414	90,954	89,235
Total assets		912,738	332,151	559,966	280,825
Equity					
Share capital	10	121,911	98,047	121,911	98,047
Share premium	10	135,548	-	135,548	-
Retained earnings		142,033	103,111	133,050	108,009
Total equity attributable to equity holders of the Company		399,492	201,158	390,509	206,056
Minority interest		156,914	7,603	-	-
Total equity		556,406	208,761	390,509	206,056
Liabilities					
Deferred tax liabilities	11	119,508	33,395	6,193	6,566
Loans and borrowings	12	16,802	13,760	-	-
Payables and accruals	13	77,636	-	-	-
Total non-current liabilities		213,946	47,155	6,193	6,566
Payables and accruals	13	138,040	50,411	163,264	42,651
Loans and borrowings	12	1,857	21,200	-	21,200
Current tax liabilities		2,489	4,624	-	4,352
Total current liabilities		142,386	76,235	163,264	68,203
Total liabilities		356,332	123,390	169,457	74,769
Total equity and liabilities		912,738	332,151	559,966	280,825

The notes on pages 94 to 124 form an integral part of these financial statements.

Consolidated Financial Statements

TH Plantations Berhad(12696-M)
(Incorporated in Malaysia)
and its subsidiaries
Income statements for the year ended 31 December 2008

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Revenue	14	243,373	175,587	210,000	165,509
Cost of sales		(129,175)	(87,581)	(103,782)	(73,401)
Gross profit		114,198	88,006	106,218	92,108
Other income		34,347	20,806	23,304	20,120
Administrative expenses		(26,259)	(21,271)	(25,623)	(20,853)
Other expenses		(10,389)	(4,303)	(10,229)	(3,989)
Zakat expense		(774)	(1,183)	(697)	(910)
Operating profit		111,123	82,055	92,973	86,476
Borrowing cost		(48)	-	(117)	(593)
Profit margin income from short term investments and receivables	15	4,431	479	5,278	928
Profit before tax	15	115,506	82,534	98,134	86,811
Tax expense	17	(32,152)	(21,346)	(27,964)	(22,571)
Profit for the year		83,354	61,188	70,170	64,240
Attributable to :					
Equity holders of the Company		84,051	61,251	70,170	64,240
Minority interest		(697)	(63)	-	-
		83,354	61,188	70,170	64,240
Basic and diluted earnings per ordinary share (sen)	18	42.01	31.24	-	-

The notes on pages 94 to 124 form an integral part of these financial statements.

Consolidated Financial Statements

TH Plantations Berhad(12696-M)
(Incorporated in Malaysia)
and its subsidiaries

Statement of changes in equity for the year ended 31 December 2008

Group	/-----Attributable to equity holders of the Company-----/						Minority interest RM'000	Total equity RM'000
	/-----Non-distributable-----/			Distributable Retained earnings RM'000	Total RM'000			
	Note	Share capital RM'000	Share premium RM'000					
At 1 January 2007		98,047	-	59,753	157,800	-	157,800	
Profit for the year		-	-	61,251	61,251	(63)	61,188	
Acquisition of subsidiaries	23	-	-	-	-	7,636	7,636	
Incorporation of subsidiary		-	-	-	-	30	30	
Dividends to shareholders	19	-	-	(17,893)	(17,893)	-	(17,893)	
At 31 December 2007/ 1 January 2008		98,047	-	103,111	201,158	7,603	208,761	
Profit for the year		-	-	84,051	84,051	(697)	83,354	
Acquisition of subsidiaries	23	-	-	-	-	150,008	150,008	
Shares issued - acquisition of subsidiaries	10,23	23,864	135,548	-	159,412	-	159,412	
Dividends to shareholders	19	-	-	(45,129)	(45,129)	-	(45,129)	
At 31 December 2008		<u>121,911</u>	<u>135,548</u>	<u>142,033</u>	<u>399,492</u>	<u>156,914</u>	<u>556,406</u>	
Company								
At 1 January 2007		98,047	-	61,662	159,709	-	159,709	
Profit for the year		-	-	64,240	64,240	-	64,240	
Dividends to shareholders	19	-	-	(17,893)	(17,893)	-	(17,893)	
At 31 December 2007/ 1 January 2008		98,047	-	108,009	206,056	-	206,056	
Profit for the year		-	-	70,170	70,170	-	70,170	
Shares issued - acquisition of subsidiaries	10,23	23,864	135,548	-	159,412	-	159,412	
Dividends to shareholders	19	-	-	(45,129)	(45,129)	-	(45,129)	
At 31 December 2008		<u>121,911</u>	<u>135,548</u>	<u>133,050</u>	<u>390,509</u>	<u>-</u>	<u>390,509</u>	

The notes on pages 94 to 124 form an integral part of these financial statements.

Consolidated Financial Statements

TH Plantations Berhad(12696-M)
(Incorporated in Malaysia)
and its subsidiaries
Cash flow statements for the year ended 31 December 2008

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Cash flows from operating activities					
Profit before tax		115,506	82,534	98,134	86,811
<i>Adjustments for :</i>					
Allowance for diminution in value of other investment	15	45	355	45	141
Amortisation of prepaid lease payments	15	1,537	1,389	89	53
Bad debt written off	15	198	11	-	11
Borrowing cost	15	48	-	117	593
Depreciation of property, plant and equipment	15	11,556	8,757	8,609	5,664
Dividend income	14	-	-	(11,858)	(15,138)
Gain on disposal of prepaid lease payments	15	-	(705)	-	(28)
Gain on disposal of property, plant and equipment	15	(110)	(589)	(100)	(589)
Profit margin expense on payables :					
- Subsidiaries	15	-	-	427	-
- Related companies	15	5,555	-	5,555	-
Negative goodwill arising from acquisition of subsidiaries	23	(11,123)	-	-	-
Property, plant and equipment written off	15	44	364	-	340
Profit margin income from short term investments and receivables	15	(4,431)	(479)	(5,278)	(928)
Zakat expense		774	1,183	697	910
Operating profit before changes in working capital		119,599	92,820	96,437	77,840
<i>Changes in working capital :</i>					
Inventories		(12,531)	(9,034)	(9,310)	(3,223)
Payables and accruals		49,328	9,479	119,903	4,964
Receivables, deposits and prepayments		83,644	(4,941)	(51,388)	(25,180)
Cash generated from operations		240,040	88,324	155,642	54,401
Borrowing cost paid		(1,181)	-	(117)	(593)
Profit margin expense on payables :					
- Subsidiaries		-	-	(427)	-
- Related companies		(5,555)	-	(5,555)	-
Profit margin income from short term investments and receivables		4,243	424	5,278	335
Tax paid		(33,267)	(17,682)	(28,673)	(14,942)
Zakat paid		-	(1,029)	-	(745)
Net cash generated from operating activities		204,280	70,037	126,148	38,456

Consolidated Financial Statements

(Company No. 12696-M)

Cash flow statements for the year ended 31 December 2008 (continued)

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Cash flows from investing activities					
Acquisition of property, plant and equipment	3	(10,245)	(9,535)	(4,649)	(7,988)
Acquisition of subsidiaries, net cash acquired	23	(38,265)	(30,496)	(40,000)	(30,519)
Acquisition of prepaid lease payments	5	(4,209)	-	(4,209)	-
Dividends received		-	-	11,858	-
(Increase)/Decrease in deposits pledged		(418)	115	505	115
Increase in short term investment		(155)	(355)	(155)	(355)
Investment in subsidiary		-	-	-	(70)
Plantation development expenditure	(i)	(64,737)	(35,395)	(1,761)	(1,729)
Proceeds from disposal of property, plant and equipment		180	593	117	593
Proceeds from disposal of prepaid lease payments		-	725	-	33
Net cash used in investing activities		(117,849)	(74,348)	(38,294)	(39,920)
Cash flows from financing activities					
Proceeds from drawdown of loans and borrowings		-	21,200	-	21,200
Repayment of loans and borrowings		(21,200)	-	(21,200)	-
Dividend paid to shareholders of the Company		(45,118)	(17,819)	(45,118)	(17,819)
Net cash (used in)/generated from financing activities		(66,318)	3,381	(66,318)	3,381
Net increase/(decrease) in cash and cash equivalents		20,113	(930)	21,536	1,917
Cash and cash equivalents at 1 January	(ii)	37,047	37,977	32,807	30,890
Cash and cash equivalents at 31 December	(ii)	57,160	37,047	54,343	32,807
(i) Plantation development expenditure					
Addition of plantation development expenditure	4	(66,445)	(37,478)	(1,802)	(1,729)
Depreciation of property, plant and equipment	4	393	62	34	-
Amortisation of prepaid lease payments	4	182	219	7	-
Borrowing cost capitalised	4	1,133	1,802	-	-
		(64,737)	(35,395)	(1,761)	(1,729)
(ii) Cash and cash equivalents					
Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts :					
Deposits with licensed banks	9	37,007	5,714	36,084	1,744
Cash and bank balances	9	22,160	32,922	19,343	32,652
		59,167	38,636	55,427	34,396
Less: Deposits pledged	9	(2,007)	(1,589)	(1,084)	(1,589)
		57,160	37,047	54,343	32,807

The notes on pages 94 to 124 form an integral part of these financial statements.

Consolidated Financial Statements

TH Plantations Berhad(12696-M) (Incorporated in Malaysia) and its subsidiaries

Notes to the financial statements

TH Plantations Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Board of the Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follow :

Principal place of business/registered office

Tingkat 26, Bangunan TH Selborn
153, Jalan Tun Razak
50400 Kuala Lumpur

The consolidated financial statements of the company as at and for the year ended 31 December 2008 comprise the Company and its subsidiaries (together referred to as the Group). The financial statements of the Company as at and for the year ended 31 December 2008 do not include other entities.

The Company is principally engaged in investment holding, cultivation of oil palm, processing of FFB, marketing of CPO, PK and FFB and provision of management services, while the other Group entities are primarily involved in cultivation of oil palm, processing of FFB and marketing of CPO, PK and FFB.

The holding corporation is Lembaga Tabung Haji, a statutory body established under the Tabung Haji Act 1995 (Act 535).

The financial statements were approved by the Board of Directors on 18 February 2009.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards (FRS), accounting principles generally accepted and the Companies Act, 1965 in Malaysia. These financial statements also comply with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

The Group and the Company have not applied the following accounting standards (including its consequential amendments) and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective :

FRSs/Interpretations	Effective date
FRS 4, <i>Insurance Contracts</i>	1 January 2010
FRS 7, <i>Financial Instruments : Disclosures</i>	1 January 2010
FRS 8, <i>Operating Segment</i>	1 July 2009
FRS 139, <i>Financial Instruments : Recognition and Measurement</i>	1 January 2010
IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 January 2010
IC Interpretation 10, <i>Interim Financial Reporting and Impairment</i>	1 January 2010

The Group and the Company, where applicable, plan to apply the abovementioned FRSs/Interpretations from the annual period beginning 1 January 2010, except for FRS 4 which is not relevant.

The impact of applying FRS 7 and FRS 139 on the financial statements upon first adoption as required by paragraph 30(b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* is not disclosed by virtue of the exemptions given in the respective FRSs. The initial application of FRS 8 and interpretations are not expected to have any material impact on the financial statements of the Group and the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which are the Group's and the Company's functional currency. All financial information presented in RM has been rounded to the nearest thousands, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of

(Company No. 12696-M)

Notes to the financial statements

1. Basis of preparation (continued)

(d) Use of estimates and judgements (continued)

accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2. Significant accounting policies

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

Certain comparative amounts have been represented to conform to the current year's presentation (see Note 27).

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Subsidiaries are consolidated using the purchase method of accounting.

Under the purchase method of accounting, the financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are stated in the Company's balance sheet at cost less any impairment losses, unless the investment is classified as held for

sale (or included in a disposal group that is classified as held for sale).

(ii) Changes in Group composition

Where a subsidiary issues new equity shares to minority shareholders for cash consideration and the issue price has been established at fair value, the reduction in the Group's interests in the subsidiary is accounted for as a disposal of equity interest with the corresponding gain or loss recognised in the income statements.

When a group purchases a subsidiary's equity shares from minority shareholders for cash consideration and the purchase price has been established at fair value, the accretion of the Group's interests in the subsidiary is accounted for as a purchase of equity interest for which the acquisition method of accounting is applied.

The Group treats all other changes in group composition as equity transactions between the Group and its minority shareholders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iii) Minority interest

Minority interest at the balance sheet date, being the portion of the net identifiable assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet and statement of changes in equity within equity, separately from equity attributable to the equity holders of the Company. Minority interest in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interest and the equity holders of the Company.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the

Consolidated Financial Statements

(Company No. 12696-M)

Notes to the financial statements

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iii) Minority interest (continued)

minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated with all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour and for qualifying assets, borrowing costs are capitalised in accordance with the Group's accounting policy.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property

is the estimated amount for which a property could be exchanged between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and the difference is charged to income statement as "other income" or "other operating expenses" respectively.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

The net book value of replaced parts will be charged to the income statement.

(iii) Depreciation

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

Notes to the financial statements

2. Significant accounting policies (continued)

(b) Property, plant and equipment (continued)

(iii) Depreciation (continued)

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

• Estates	25 years
• Buildings	25 years
• Temporary buildings	5 years
• Plant, machinery and equipments	10 years
• Computer equipments	3 years
• Motor vehicles	5 years

Estates consist of matured plantation development expenditure and are depreciated over twenty five (25) years, based on estimated annual production yield table. The maturity date for estates is forty eight (48) months from the date of planting.

The depreciable amount is determined after deducting the residual value.

Depreciation methods, useful lives and residual values are reassessed at the balance sheet date.

(c) Prepaid lease payments

Leasehold land that normally has an indefinite economic life and title is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted as prepaid lease payments that are amortised on a straight line basis over the lease term.

The prepaid lease payments are amortised over the lease term of sixty (60) to nine hundred ninety-nine (999) years.

(d) Operating lease

Leases, where the Group does not assume substantially all the risks and rewards of the ownership are classified as operating leases and

the leased assets are not recognised on the Group's balance sheet.

Payments made under operating leases are recognised in the income statements on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(e) Intangible assets

Goodwill arises on business combinations and is measured at cost less any accumulated impairment losses.

For acquisitions prior to 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

For business acquisitions beginning from 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in income statements.

(f) Plantation development expenditure

All expenditure relating to development of oil palm estate (immature estate) will be capitalised under plantation development expenditure. This cost will be amortised when the expenditure is transferred to property, plant and equipment when the estate matures.

All expenditure relating to planting and maintenance of sentang trees will be capitalised under plantation development expenditure. The cost will be expensed off to income statement once the trees are felled.

Estate overhead expenditure is apportioned to revenue and plantation development expenditure on the basis of the proportion of mature to immature areas.

Consolidated Financial Statements

(Company No. 12696-M)

Notes to the financial statements

2. Significant accounting policies (continued)

(g) Inventories

Finished goods are measured at lower of cost and net realisable value. The cost of finished goods is determined based on weighted average cost. The cost of finished goods comprises costs of estates expenditure and other direct costs such as mill costs, processing costs and transportation costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Stores are stated at cost. The cost of inventory is based on supplier's invoices.

Nurseries are stated at cost. This cost relates to nursery maintenance costs.

(h) Receivables

Receivables are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established.

Subsequent to initial recognition, receivables are stated at cost less allowance for doubtful debts.

Receivables are not held for the purpose of trading.

(i) Impairment of assets

The carrying amounts of assets except for financial assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill or intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated usually at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-

tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (groups of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to the income statements in the year in which the reversals are recognised.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balance and deposit with banks which have an insignificant risk of change in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of pledged deposits.

Notes to the financial statements

2. Significant accounting policies (continued)

(k) Loans and borrowings

Loans and borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statements over the period of the loans and borrowings using the effective yield method.

(l) Payables

Payables are measured at cost. Payables are recognised when there is a contractual obligation to deliver cash or another financial asset to another entity.

(m) Equity instruments

All equity instruments are stated at cost on initial recognition and are not re-measured subsequently.

Issue expenses

Incremental costs directly attributable to issue of equity instruments are recognised as a deduction from equity.

(n) Revenue recognition

(i) Goods sold

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(ii) Dividend income

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

(o) Management fees

Management fees income is recognised in the income statements upon services rendered.

(p) Profit margin from short term Islamic deposits and receivables/payables

Profit margin from short term Islamic deposits recognised as it accrues, using the effective yield method.

Profit margin income/expenses from subsidiaries and related company receivables/payables are recognised as it accrues, using effective yield method.

(q) Employee benefits

Short term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group's contribution to the Employees' Provident Fund is charged to the income statements in the year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(r) Borrowing cost

All borrowing costs are recognised in the income statements using the effective yield method, in the period in which they are incurred except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a

Consolidated Financial Statements

(Company No. 12696-M)

Notes to the financial statements

2. Significant accounting policies (continued)

(r) Borrowing cost (continued)

substantial period of time to be prepared for its intended use.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred. Borrowing costs are being incurred on activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

(s) Tax expense

Tax expense comprises current and deferred tax. Tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit (tax loss). Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(u) Zakat expense

Zakat expense is recognised when the Group has a current zakat obligation as a result of a zakat assessment and an outflow of resources embodying economic benefits will be required to satisfy the zakat obligation. The amount of zakat assessed shall be recognised as an expense in the period in which it is incurred.

Zakat expense is calculated by multiplying zakat rate with zakat base. The rate of zakat expense, as determined by National Fatwa Council, is 2.5% of zakat base. Zakat base is the net adjusted amount of zakat assets and liabilities used for or derived from business activities.

The Group applies adjusted working capital method in determining the zakat base. The adjusted working capital method calculates zakat base as net current assets, adjusted for items that do not meet the conditions for zakat assets and liabilities.

Consolidated Financial Statements

(Company No. 12696-M)

3. Property, plant and equipment

Group	Note	Estates RM'000	Buildings RM'000	Plant, machinery and equip- ment RM'000	Computer equip- ments RM'000	Motor vehicles RM'000	Work-in progress RM'000	Total RM'000
Cost								
At 1 January 2007		77,010	34,147	40,473	3,674	9,809	5,605	170,718
Acquisition of subsidiaries		-	-	2	2	-	-	4
Additions		-	977	1,441	598	1,082	5,437	9,535
Transfer from plantation development expenditure	4	1,330	-	-	-	-	-	1,330
Disposal		(101)	-	-	-	-	-	(101)
Written off		-	(373)	(1,836)	(32)	(285)	-	(2,526)
Transfers		-	965	(282)	257	298	(1,238)	-
At 31 December 2007/ 1 January 2008		78,239	35,716	39,798	4,499	10,904	9,804	178,960
Acquisition of subsidiaries	23	159,235	16,007	11,558	37	2,222	17,646	206,705
Additions		-	886	1,937	335	2,280	4,807	10,245
Transfer from plantation development expenditure	4	3,355	-	-	-	-	-	3,355
Disposal		-	(94)	-	(8)	(391)	-	(493)
Written off		-	(134)	(748)	(77)	(519)	-	(1,478)
Transfers		-	1,756	1,287	4,710	-	(7,753)	-
At 31 December 2008		240,829	54,137	53,832	9,496	14,496	24,504	397,294
Accumulated depreciation								
At 1 January 2007		45,127	17,891	27,371	2,961	7,554	-	100,904
Depreciation for the year	(i)	3,785	1,293	1,988	558	1,195	-	8,819
Disposal		(97)	-	-	-	-	-	(97)
Written off		-	(252)	(1,594)	(31)	(285)	-	(2,162)
At 31 December 2007/ 1 January 2008		48,815	18,932	27,765	3,488	8,464	-	107,464
Depreciation for the year	(i)	2,388	2,099	2,268	3,919	1,275	-	11,949
Disposal		-	(41)	-	(4)	(378)	-	(423)
Written off		-	(133)	(708)	(75)	(519)	-	(1,435)
At 31 December 2008		51,203	20,857	29,325	7,328	8,842	-	117,555
Carrying amounts								
At 1 January 2007		31,883	16,256	13,102	713	2,255	5,605	69,814
At 31 December 2007/ 1 January 2008		29,424	16,784	12,033	1,011	2,440	9,804	71,496
At 31 December 2008		189,626	33,280	24,507	2,168	5,654	24,504	279,739

Consolidated Financial Statements

(Company No. 12696-M)

3. Property, plant and equipment (continued)

Company	Note	Estates RM'000	Buildings RM'000	Plant, machinery and equip- ment RM'000	Computer equip- ments RM'000	Motor vehicles RM'000	Work-in progress RM'000	Total RM'000
Cost								
At 1 January 2007		54,482	27,093	31,169	3,528	7,917	4,971	129,160
Additions		-	486	1,335	540	565	5,062	7,988
Transfer from plantation development expenditure	4	1,330	-	-	-	-	-	1,330
Disposals		(101)	-	-	-	-	-	(101)
Written off		-	(307)	(1,799)	(26)	(270)	-	(2,402)
Transfers		-	438	-	257	-	(695)	-
At 31 December 2007/ 1 January 2008		55,711	27,710	30,705	4,299	8,212	9,338	135,975
Additions		-	391	547	265	889	2,557	4,649
Transfer from plantation development expenditure	4	3,355	-	-	-	-	-	3,355
Disposals		-	-	-	(8)	(391)	-	(399)
Written off		-	(132)	(683)	(9)	(331)	-	(1,155)
Transfers		-	1,283	427	4,710	-	(6,420)	-
At 31 December 2008		59,066	29,252	30,996	9,257	8,379	5,475	142,425
Accumulated depreciation								
At 1 January 2007		33,512	16,280	24,719	2,864	6,158	-	83,533
Depreciation for the year	(i)	2,154	970	1,205	521	814	-	5,664
Disposals		(97)	-	-	-	-	-	(97)
Written off		-	(208)	(1,559)	(25)	(270)	-	(2,062)
At 31 December 2007/ 1 January 2008		35,569	17,042	24,365	3,360	6,702	-	87,038
Depreciation for the year	(i)	1,995	972	1,152	3,644	880	-	8,643
Disposals		-	-	-	(4)	(378)	-	(382)
Written off		-	(132)	(683)	(9)	(331)	-	(1,155)
At 31 December 2008		37,564	17,882	24,834	6,991	6,873	-	94,144
Carrying amounts								
At 1 January 2007		20,970	10,813	6,450	664	1,759	4,971	45,627
At 31 December 2007/ 1 January 2008		20,142	10,668	6,340	939	1,510	9,338	48,937
At 31 December 2008		21,502	11,370	6,162	2,266	1,506	5,475	48,281

Consolidated Financial Statements

(Company No. 12696-M)

3. Property, plant and equipment (continued)

(i) Breakdown of depreciation charge for the year, are as follows :

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Income statement	15	11,556	8,757	8,609	5,664
Plantation development expenditure	4	393	62	34	-
		11,949	8,819	8,643	5,664

4. Plantation development expenditure

Group	Note	Sentang RM'000	Oil palm RM'000	/-----Total-----/	
				2008 RM'000	2007 RM'000
At 1 January		617	61,568	62,185	7,095
Acquisition of subsidiaries	23	101	-	101	18,942
Additions during the year		16	66,429*	66,445	37,478
		734	127,997	128,731	63,515
Less : Transfer to property, plant and equipment	3	-	(3,355)	(3,355)	(1,330)
At 31 December		734	124,642	125,376	62,185

* Included are additions for oil palm of RM5,612,000 in relation to a joint venture between the Company and a third party joint venture partner. In accordance with Joint Venture Agreement ("JVA") dated 3 April 2007, the joint venture partner should transfer a piece of land to a subsidiary of the Group to be used for the plantation. As at year end, the transfer of the land title is pending approval by relevant state authorities and the Group has recognised the plantation development expenditure based on the rights over the land as stipulated in the JVA.

Consolidated Financial Statements

(Company No. 12696-M)

4. Plantation development expenditure (continued)

Company	Note	/-----Total-----/			
		Sentang	Oil palm	2008	2007
		RM'000	RM'000	RM'000	RM'000
At 1 January		-	6,735	6,735	6,336
Additions during the year		-	1,802	1,802	1,729
		-	8,537	8,537	8,065
Less : Transfer to property, plant and equipment	3	-	(3,355)	(3,355)	(1,330)
At 31 December		-	5,182	5,182	6,735

Included in additions during the year are as follows :

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Depreciation of property, plant and equipment	3	393	62	34	-
Amortisation of prepaid lease payments	5	182	219	7	-
Personnel expenses :					
- Wages, salaries and others		2,368	335	-	-
- Contribution to Employee Provident Fund		251	56	-	-
Borrowing cost capitalised*		1,133	1,802	-	-

* Profit margin is capitalised at a rate of 8.25% per annum (2007 - 8.25% per annum).

Consolidated Financial Statements

(Company No. 12696-M)

5. Prepaid lease payments

Group	Note	Leasehold land Unexpired period more than 50 years RM'000
Cost		
At 1 January 2007		40,366
Acquisition of subsidiaries	23	57,145
Disposals		(30)
At 31 December 2007/1 January 2008		97,481
Acquisition of subsidiaries	23	280,558
Additions		4,209
At 31 December 2008		382,248
Amortisation		
At 1 January 2007		3,426
Amortisation for the year	(i)	1,608
Disposals		(10)
At 31 December 2007/1 January 2008		5,024
Amortisation for the year	(i)	1,719
At 31 December 2008		6,743
Carrying amounts		
At 1 January 2007		36,940
At 31 December 2007/1 January 2008		92,457
At 31 December 2008		375,505
Company		
Cost		
At 1 January 2007		5,207
Disposals		(5)
At 31 December 2007/1 January 2008		5,202
Addition		4,209
At 31 December 2008		9,411
Amortisation		
At 1 January 2007		1,045
Amortisation for the year	(i)	53
Disposals		(1)
At 31 December 2007/1 January 2008		1,097
Amortisation for the year	(i)	96
At 31 December 2008		1,193
Carrying amounts		
At 1 January 2007		4,162
At 31 December 2007/1 January 2008		4,105
At 31 December 2008		8,218

Consolidated Financial Statements

(Company No. 12696-M)

5. Prepaid lease payments (continued)

(i) Breakdown of amortisation charge for the year are as follows :

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Income statement	15	1,537	1,389	89	53
Plantation development expenditure	4	182	219	7	-
		1,719	1,608	96	53

Security

At 31 December 2008, Group's leasehold land with a carrying amount of RM15,308,000 (2007 - RM4,656,000) are subject to a registered debenture to secure bank loans (see Note 12).

6. Investments in subsidiaries

	Company	
	2008 RM'000	2007 RM'000
At cost Unquoted shares	294,920	95,508

Details of the subsidiaries, of which all are incorporated in Malaysia, are as follows :

Name of subsidiary	Effective ownership interest		Principal activities
	2008	2007	
TH Peladang Sdn. Bhd.	100%	100%	Cultivation of oil palm and selling of FFB.
Ladang Bangka Ulu Sdn. Bhd.	100%	100%	Cultivation of oil palm, processing of FFB and marketing of CPO, PK and FFB.
Zecon Plantation Sdn. Bhd.	100%	100%	Investment holding company.
THP-YT Plantation Sdn. Bhd.	70%	70%	Cultivation of oil palm and selling of FFB.
Syarikat Sabaco Sdn. Bhd.	51%	-	Cultivation of oil palm, processing of FFB and marketing of CPO, PK and FFB.
Ladang Bukit Belian Sdn. Bhd.	100%	-	Cultivation of oil palm and selling of FFB.
Subsidiary of Zecon Plantation Sdn. Bhd.			
THP Saribas Sdn. Bhd.	80%	80%	Cultivation of oil palm and selling of FFB.

Consolidated Financial Statements

(Company No. 12696-M)

7. Receivables, deposits and prepayments

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Current					
Trade					
Trade receivables		20,640	28,820	11,403	25,868
Non-trade					
Amount due from holding corporation	7.1	403	-	403	-
Amount due from related companies	7.2	1,687	15,795	1,590	15,795
Tax credit	7.3	2,408	1,214	1,572	272
Other receivables		6,324	4,935	4,657	4,548
Deposits		603	569	487	483
Prepayments		524	2,293	524	2,293
		11,949	24,806	9,233	23,391
		32,589	53,626	20,636	49,259
Non-current					
Non-trade					
Amount due from subsidiaries - (restated)	7.4	-	-	111,703	35,706

Note 7.1

The receivables due from holding corporation are unsecured, non-profit margin and repayable on demand.

Note 7.2

The receivable due from related companies are unsecured, non-profit margin and repayable on demand except for an amount of RM1,419,000 (2007 - nil), which is subject to profit margin ranges from 3.28% to 3.5% (2007 - nil).

Note 7.3

Tax credit is subject to agreement by the Inland Revenue Board.

Note 7.4

The receivables due from subsidiaries are unsecured, non-profit margin and has no fixed term of repayment except for an amount of RM103,772,000 (2007 - nil), which is subject to profit margin ranges from 3.28% to 3.5% (2007 - nil). However, the amount is not expected to be received for the next twelve (12) months.

Consolidated Financial Statements

(Company No. 12696-M)

8. Inventories

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Finished goods	27,779	6,222	12,768	4,912
Stores	4,022	788	1,095	512
Nurseries	7,853	6,142	1,028	156
	39,654	13,152	14,891	5,580

Finished goods have been written down to net realisable value for the Group and the Company of RM994,000 and RM750,000 respectively (2007 - nil) being charged to income statement as part of cost of sales.

9. Cash and cash equivalents

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Deposits placed with licensed banks	37,007	5,714	36,084	1,744
Cash and bank balances	22,160	32,922	19,343	32,652
	59,167	38,636	55,427	34,396

Deposits which are placed with licensed banks for Group and Company have profit margins ranging between 3.28% to 3.55% (2007 - 3.00% to 3.55%).

Deposits placed with licensed banks pledged for a bank facility

Included in the deposits placed with licensed banks for Group and Company are RM2,007,000 (2007 – RM1,589,000) and RM1,084,000 (2007 – RM1,589,000) respectively pledged for a bank guarantee issued to a third party.

Consolidated Financial Statements

(Company No. 12696-M)

10. Share capital and reserves

	Group and Company			
	Amount 2008 RM'000	Number of shares 2008 '000	Amount 2007 RM'000	Number of shares 2007 '000
Share capital				
Authorised : Ordinary shares of RM0.50 each				
At 1 January	100,000	200,000	100,000	200,000
Increased during the year	250,000	500,000	-	-
At 31 December	350,000	700,000	100,000	200,000
Issued and fully paid : Ordinary shares of RM0.50 each				
At 1 January	98,047	196,094	98,047	196,094
Issued - acquisition of subsidiaries	23,864	47,728	-	-
At 31 December	121,911	243,822	98,047	196,094

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

	Group and Company	
	2008 RM'000	2007 RM'000
Share premium		
At 1 January	-	-
Issued - acquisition of subsidiaries	135,548	-
At 31 December	135,548	-

Section 108 tax credit

Subject to agreement by the Inland Revenue Board, the Company has sufficient Section 108 tax credit and tax exempt income to frank approximately RM110,730,000 out of its distributable reserves at 31 December 2008 if paid out as dividends.

The Finance Act 2007 introduced a single tier company income tax system with effect from year of assessment 2008. As such, the Section 108 tax credit as at 31 December 2008 will be available to the Company until such time the credit is fully utilised or upon expiry of the six-year transitional period on 31 December 2013, whichever is earlier.

Consolidated Financial Statements

(Company No. 12696-M)

11. Deferred tax liabilities

Recognised deferred tax liabilities

Deferred tax liabilities are attributable to the following :

	2008 RM'000	2007 RM'000
Group		
Property, plant and equipment	(119,508)	(33,395)
Company		
Property, plant and equipment	(6,193)	(6,566)

Unrecognised deferred tax assets

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

	Group	
	2008 RM'000	2007 RM'000
Deductible temporary differences	(43,121)	2
Unutilised tax loss carry-forwards	18,311	6,018
Capital allowance carry-forwards	43,218	-
	18,408	6,020

The deductible temporary differences do not expire under current tax legislation. Unutilised tax loss carry-forwards and unutilised capital allowance carry-forwards of approximately RM18,311,000 and RM43,218,000 respectively. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from.

Movement in temporary differences during the year

	At 1.1.2007 RM'000	Recognised in income statement (Note 17) RM'000	Acquired in business combina- tion (Note 23) RM'000	At 31.12.2007 RM'000	Recognised in income statement (Note 17) RM'000	Acquired in business combina- tion (Note 23) RM'000	At 31.12.2008 RM'000
Group							
Property, plant and equipment	(18,967)	1,142	(15,570)	(33,395)	855	(86,968)	(119,508)
Company							
Property, plant and equipment	(7,060)	494	-	(6,566)	373	-	(6,193)

Consolidated Financial Statements

(Company No. 12696-M)

12. Loans and borrowings

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Non-current				
Secured				
Bai-Bithaman Ajil loan	16,802	13,760	-	-
Current				
Secured				
Bai-Bithaman Ajil loan	1,857	-	-	-
Unsecured				
Revolving credit	-	21,200	-	21,200
	1,857	21,200	-	21,200
	18,659	34,960	-	21,200

Security

The Bai-Bithaman Ajil loan is secured over prepaid lease payment (leasehold land) with a carrying amount of RM15,308,000 (2007 - RM4,656,000) (see Note 5).

Significant covenants

The Bai-Bithaman Ajil loan is subject to the fulfillment of the following significant covenants :

- i) Not to change principal activity, issued share capital, existing shareholders or their respective shareholdings and/or its directors and/or its management line-up without prior consent of the bank;
- ii) To increase paid up capital in line with the progress of plantation project with the ratio of borrowings/paid up capital of 4:1;
- iii) To notify of any loan or advances given to the directors, shareholders, associated companies, related companies and subsidiaries;
- iv) Not to declare, distribute or pay any dividend or bonus issue or other distribution whether of an income or capital nature and whether in cash or otherwise without prior consent of the Bank;
- v) Not to give guarantees of the debts or obligations of any parties other than as spelt in the facility agreements without the prior consent of the Bank;

Consolidated Financial Statements

(Company No. 12696-M)

12. Loans and borrowings (continued)

Significant covenants (continued)

- vi) Not to alter the Memorandum or Articles of Association which would be inconsistent with the agreement or other facility documents or to alter the financial year; or principal activity; or to sell, transfer, charge, or dispose of the whole or any part of its assets otherwise than in the normal course of the business; or makes any arrangement of business combination or restructuring;
- vii) Not to reduce its authorised or issued share capital;
- viii) Not to make payments or advances related to the indebtedness given to the Company by its shareholders, directors, related companies and subsidiaries otherwise than in the normal course of the Company's business;
- ix) Not to give or deal with the hire purchase arrangement or any credit arrangements otherwise than in the normal course of the Company's business;
- x) Not to sell or transfer the whole or any part of the Company's assets otherwise than in the normal course of the Company's business;
- xi) To inform any significant litigation, legal proceeding or claim, involving the Company.

Terms and debt repayment schedule

Group	Year of maturity	Carrying amount RM'000	Under 1 year RM'000	2-3 year RM'000	Over 5 year RM'000
2008					
Secured					
Bai-Bithaman Ajil loan	2016	18,659	1,857	1,548	15,254
2007					
Secured					
Bai-Bithaman Ajil loan	2016	13,760	-	-	13,760
Unsecured					
Revolving credit	2007	21,200	21,200	-	-
		34,960	21,200	-	13,760
Company					
2007					
Unsecured					
Revolving credit	2007	21,200	21,200	-	-

Consolidated Financial Statements

(Company No. 12696-M)

13. Payables and accruals

Current	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Trade					
Trade payables		6,992	11,653	1,568	3,212
Amount due to subsidiaries	13.1	-	-	954	2,461
		6,992	11,653	2,522	5,673
Non-trade					
Amount due to holding corporation	13.2	-	95	-	95
Amount due to subsidiaries	13.3	-	-	42,400	7,416
Amount due to related companies	13.4	106,606	16,445	106,591	16,445
Other payables		21,823	17,398	11,583	10,260
Accrued expenses		2,534	4,746	83	2,688
Dividend payable		85	74	85	74
		131,048	38,758	160,742	36,978
		138,040	50,411	163,264	42,651
Non-current					
Non-trade					
Amount due to holding corporation	13.5	77,636	-	-	-

Note 13.1

The trade payables due to subsidiaries are subject to the normal trade terms.

Note 13.2

The payables due to holding corporation is unsecured, non-profit margin and repayable on demand.

Note 13.3

The payables due to subsidiaries are unsecured and repayable on demand except for an amount of RM42,400,000 (2007 - nil), which is subject to profit margin ranges from 3.28% to 3.5% (2007 - nil).

Note 13.4

The payables due to related companies are unsecured, non-profit margin and repayable on demand except for an amount of RM88,280,000 (2007 - nil), which is subject to profit margin ranges from 3.28% to 3.5% (2007 - nil).

Note 13.5

The amount due to holding corporation is unsecured, non-profit margin and has no fixed term of repayment. However, the amount is not expected to be repaid for the next twelve (12) months.

Consolidated Financial Statements

(Company No. 12696-M)

14. Revenue

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Sales	243,373	175,587	198,142	150,371
Dividends	-	-	11,858	15,138
	243,373	175,587	210,000	165,509

15. Profit before tax

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Profit before tax is arrived at after charging :					
Auditors' remuneration :					
- Statutory audit					
- Current year		240	136	100	80
- Under provision in previous year		43	-	5	-
- Other services		301	276	301	276
Allowance for diminution in value of other investment		45	355	45	141
Amortisation of prepaid lease payments	5	1,537	1,389	89	53
Bad debts written off		198	11	-	11
Borrowing cost		48	-	117	593
Depreciation of property, plant and equipment	3	11,556	8,757	8,609	5,664
Profit margin expense on payables :					
- Subsidiaries		-	-	427	-
- Related companies		5,555	-	5,555	-
Personnel expenses :					
- Wages, salaries and others		39,321	31,248	32,048	26,487
- Contribution to Employee's Provident Fund		3,368	2,800	3,051	2,546
Property, plant and equipment written off		44	364	-	340
Rental of premise		1,213	1,213	1,213	1,213
Rental of land		2,200	2,083	2,200	2,083
Write-down of inventories		994	-	750	-

Consolidated Financial Statements

(Company No. 12696-M)

15. Profit before tax (continued)

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
and after crediting :					
Gain on disposal of prepaid lease payments		-	705	-	28
Gain on disposal of property plant and equipment		110	589	100	589
Negative goodwill arising from acquisition of subsidiaries	23	11,123	-	-	-
Management fee income from related companies		21,395	18,711	22,384	18,711
Rental income		44	5	7	4
Profit margin income from short term investments and receivables :					
- Subsidiaries		-	-	886	-
- Related companies		182	-	182	-
- Short term Islamic deposits		4,249	479	4,210	928

16. Key management personnel compensation

The key management personnel compensations are as follows :

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Directors				
- Fees	693	569	372	372
- Remuneration	1,403	1,100	1,403	1,100
Other short term employee benefits (including estimated monetary value of benefits-in-kind)	149	26	149	26
	2,245	1,695	1,924	1,498
Other key management personnel :				
- Short-term employee benefits	1,573	1,381	1,573	1,381
	3,818	3,076	3,497	2,879

Other key management personnel comprises persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly.

Consolidated Financial Statements

(Company No. 12696-M)

17. Tax expense

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Current tax expense					
Malaysia - current year		30,269	23,809	25,042	24,497
- prior years		2,738	(1,321)	3,295	(1,432)
Total current tax recognised in the income statement		33,007	22,488	28,337	23,065
Deferred tax expense					
- current year		59	(688)	(119)	(189)
- prior year		(504)	(35)	(7)	(53)
- effect of change in tax rate**		(410)	(419)	(247)	(252)
Total deferred tax recognised in the income statement	11	(855)	(1,142)	(373)	(494)
Total tax expense		32,152	21,346	27,964	22,571
Reconciliation of effective tax expense					
Profit before tax		115,506	82,534	98,113	86,811
Tax calculated using Malaysian tax rate of 26% (2007 - 27%)		30,032	22,284	25,515	23,439
Effect of lower tax rate for certain subsidiaries*		(11)	-	-	-
Effect of changes in tax rate**		(410)	(419)	(247)	(252)
Effect of deferred tax not recognised		3,417	1,565	-	-
Non-deductible expenses		268	897	(592)	869
Effect of tax losses not recognises		(3,378)	(1,625)	-	-
Under/(over) provided in prior years					
- tax expense		2,738	(1,321)	3,295	(1,432)
- deferred tax		(504)	(35)	(7)	(53)
		32,152	21,346	27,964	22,571

* With effect from year of assessment 2004, companies with paid-up capital of RM2.5 million and below at the beginning of the basis period for a year of assessment are subject to corporate tax at 20% on chargeable income up to RM500,000.

** The corporate tax rates are 26% for year of assessment 2008 and 25% for the subsequent years of assessment. Consequently deferred tax assets and liabilities are measured using these tax rates.

Consolidated Financial Statements

(Company No. 12696-M)

18. Earnings per share

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share at 31 December 2008 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding calculated as follows :

	Group	
	2008 RM'000	2007 RM'000
Profit for the year attributable to shareholders	84,051	61,251
	Group	
	2008 '000	2007 '000
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	196,094	196,094
Effect of ordinary shares issued in 9 December 2008	3,977	-
Weighted average number of ordinary shares at 31 December	200,071	196,094
	Group	
	2008 Sen	2007 Sen
Basic and diluted earnings per ordinary share	42.01	31.24

19. Dividends

Dividends recognised in the current year by the Company are :

	Sen per share (net of tax)	Total amount RM'000	Date of payment
2008			
Interim for ordinary - 2008	7.40	14,511	28 August 2008
Final for ordinary - 2007	16.04	30,618	27 May 2008
		45,219	
2007			
Final for ordinary - 2006	9.13	17,893	6 June 2007

After the balance sheet date the following dividends were proposed by the Directors. These dividends will be recognised in subsequent financial reports upon approval by the shareholders.

	Sen per share (net of tax)	Total amount RM'000
Final ordinary	5.63	27,430

Consolidated Financial Statements

(Company No. 12696-M)

20. Financial instruments

Exposure to credit, profit margin and liquidity and cash flow risks arises in the normal course of the Group's business.

Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral in respect of financial assets.

At the balance sheet date, there were no significant concentrations of credit risk other than disclosed in Note 7. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Profit margin risk

The Group's exposure to profit margin risk arises mainly from changes in profit margin relates to deposits with financial institutions and bank borrowings.

Liquidity and cash flow risks

The Group manages its operating cash flows and maintains sufficient levels of cash and cash equivalents to meet its working capital requirements.

Fair values

The carrying amounts of cash and cash equivalents, receivables, deposits and prepayments, other payables and accruals, approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the balance sheets, are as follows.

Group	Note	2008		2007	
		Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Financial assets					
Other investment					
Unquoted company		599	*	599	*
Quoted shares		109	109	-	-
Financial liabilities					
Bai-Bithaman Ajil loan - secured	12	18,659	18,859	13,760	13,760
Amount due to holding corporation	13	77,636	**	-	**
Company					
Financial assets					
Other investment					
Unquoted company		599	*	599	*
Quoted shares		109	109	-	-
Amount due from subsidiaries	7	111,703	***	35,706	***

* It is not practical to estimate the fair value of the Group's and Company's investments in unquoted company because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.

** It is not practical to estimate the fair value of the Group's amount due to holding corporation because of no profit margin levied and repayment terms.

*** It is not practical to estimate the fair value of the Company's amount due from subsidiaries because of no profit margin levied and repayment terms.

Consolidated Financial Statements

(Company No. 12696-M)

20. Financial instruments (continued)

Effective profit margin and repricing analysis

In respect of profit margin financial assets and profit margin financial liabilities, the following table indicates the average effective profit margin at the balance sheet date and the periods in which they mature, or if earlier reprice.

	Note	Average effective profit margin %	Total RM'000	Less than 1 year RM'000	1-3 years RM'000	More than five years RM'000
2008						
Group						
Financial asset						
Deposits placed with licensed banks	9	3.37	37,007	37,007	-	-
Receivables from related companies	7	3.46	1,419	1,419	-	-
			38,426	38,426	-	-
Financial liabilities						
Bai-Bithaman Ajil loan - <i>secured</i>	12	5.61	18,659	1,857	1,548	15,254
Payables due to related companies	13	3.46	88,280	88,280	-	-
			106,939	90,137	1,548	15,254
Company						
Financial asset						
Deposits placed with licensed banks	9	3.37	36,084	36,084	-	-
Receivables from related companies	7	3.46	1,419	1,419	-	-
Receivables from subsidiaries	7	3.46	103,772	103,772	-	-
			141,275	141,275	-	-
Financial liabilities						
Payables due to related companies	13	3.46	88,280	88,280	-	-
Payables due to subsidiaries	13	3.46	42,400	42,400	-	-
			130,680	130,680	-	-
2007						
Group						
Financial asset						
Deposits placed with licensed banks	9	3.40	5,714	5,714	-	-
Financial liabilities						
Bai-Bithaman Ajil loan - <i>secured</i>	12	5.26	13,760	-	-	13,760
Revolving credit - <i>unsecured</i>	12	4.30	21,200	21,200	-	-
			34,960	21,200	-	13,760
Company						
Financial asset						
Deposits placed with licensed banks	9	3.38	1,744	1,744	-	-
Financial liabilities						
Revolving credit - <i>unsecured</i>	12	4.30	21,200	21,200	-	-

Consolidated Financial Statements

(Company No. 12696-M)

21. Capital and other commitments

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Investment in subsidiary				
<i>Approved but not contracted for</i>	-	-	-	25,900
Plant and equipment				
<i>Contracted but not provided for and payable :</i>				
Within one year	5,380	1,189	2,376	1,189
<i>Approved but not contracted for :</i>				
Within one year	27,212	17,690	7,534	8,686
Plantation development expenditure				
<i>Contracted but not provided for and payable :</i>				
Within one year	8,425	27,973	-	-
More than one year and no later than 5 years	23,810	18,028	-	-
<i>Approved but not contracted for :</i>				
Within one year	66,436	23,902	1,299	1,090
More than one year and no later than 5 years	23,178	18,028	-	-
	154,441	106,810	11,209	36,865

22. Related parties

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel includes all the Directors of the Group, and certain members of senior management of the Group.

Consolidated Financial Statements

(Company No. 12696-M)

22. Related parties (continued)

The significant related party transactions of the Group and the Company, other than key management personnel compensation, are as follows :

Group	Transactions amount for the year ended 31 December		Gross/Net balance outstanding at 31 December	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Holding corporation				
Expenses				
Rental of premise	1,213	1,213	-	-
Rental of land	2,200	2,083	-	1,352
Related companies				
Income				
Management fees income	21,395	18,711	21,395	18,711
Profit margin income from related companies receivables	182	-	-	-
Expenses				
Purchase of fertiliser	23,201	7,045	1,267	1,246
Palm oil mill upgrading	-	3,763	-	-
Profit margin expense on related companies payables	5,555	-	-	-
Company				
Holding corporation				
Expenses				
Rental of premise	1,213	1,213	-	-
Rental of land	2,200	2,083	-	1,352
Subsidiaries companies				
Income				
Profit margin income from subsidiaries receivables	886	-	-	-
Expenses				
Profit margin expense on subsidiaries payables	427	-	-	-
Related companies				
Income				
Management fees income	22,384	18,711	22,384	18,711
Profit margin income from related companies receivables	182	-	-	-
Expenses				
Purchase of fertiliser	16,905	4,607	140	889
Palm oil mill upgrading	-	3,763	-	-
Profit margin expense on related companies payables	5,555	-	-	-

The terms and conditions for the above transactions are based on normal trade terms. All the amounts outstanding are unsecured and expected to be settled with cash.

Consolidated Financial Statements

(Company No. 12696-M)

23. Acquisition of subsidiaries

a) Acquisition of subsidiaries in 2008

On 25 July 2008, the Company has entered into share sale agreements with Lembaga Tabung Haji ("LTH") in relation to the following :

- (i) Acquisition of 15,234,256 Syarikat Sabaco Sdn. Bhd. ("Sabaco") shares, representing 51% equity interest in Sabaco from LTH for a purchase consideration of RM147,468,000, of which RM112,661,920 was satisfied by the issuance of 33,731,114 new TH Plantations Berhad ("THPB") shares and RM34,806,080 by cash; and

- (ii) Acquisition of 16,810,354 Ladang Bukit Belian Sdn. Bhd. ("Bukit Belian") shares, representing 100% equity interest in Bukit Belian from LTH for a purchase consideration of RM51,944,000, of which RM46,749,600 was satisfied by the issuance of 13,996,886 new THPB Shares and RM5,194,400 by cash.

These acquisitions have been completed on 9 December 2008. These companies are involved in oil palm plantations. As at 31 December 2008, contributions of one (1) month results of these subsidiaries are not material to the consolidated net profit.

The acquisition had the following effect on the Group's assets and liabilities on acquisition date :

	Note	Pre-acquisition carrying amounts RM'000	Fair value adjustments RM'000	Recognised values on acquisition RM'000
Property, plant and equipment	3	111,229	95,476	206,705
Prepaid lease payments	5	64,309	216,249	280,558
Plantation development expenditure		101	-	101
Inventories		13,971	-	13,971
Receivables, deposits and prepayments		80,271	-	80,271
Cash and cash equivalents		1,735	-	1,735
Loans and borrowings		(3,560)	-	(3,560)
Payables and accruals		(130,353)	-	(130,353)
Deferred tax liabilities	11	(9,037)	(77,931)	(86,968)
Current tax liabilities		(1,917)	-	(1,917)
Net identifiable assets and liabilities		126,749	233,794	360,543
Minority interest				(150,008)
Group's share of net assets				210,535
Negative goodwill on acquisition				(11,123)
Total consideration				199,412
Issuance of new THP shares	10			(159,412)
Consideration paid, satisfied in cash				40,000
Cash acquired				(1,735)
Net cash outflow				38,265

Consolidated Financial Statements

(Company No. 12696-M)

23. Acquisition of subsidiaries (continued)**b) Acquisition and incorporation of subsidiaries in 2007****Acquisition of subsidiaries**

On 22 March 2007, the Company acquired all the shares in Zecon Plantation Sdn. Bhd. ("Zecon") for RM30,519,200 satisfied in cash. Zecon and its subsidiary ("Zecon Group") is principally involved in investment holding and cultivation of oil palm. As at 31 December 2007, Zecon Group contribution is not material to the consolidated net profit.

The acquisition had the following effect on the Group's assets and liabilities on acquisition date :

	Note	Pre-acquisition carrying amounts RM'000	Fair value adjustments RM'000	Recognised values on acquisition RM'000
Property, plant and equipment	3	4	-	4
Prepaid lease payments	5	12,974	44,171	57,145
Plantation development expenditure	4	3,224	15,718	18,942
Inventories		793	-	793
Receivables, deposits and prepayments		2,607	-	2,607
Cash and cash equivalents		23	-	23
Loans and borrowings		(13,760)	-	(13,760)
Payables and accruals		(12,029)	-	(12,029)
Deferred tax liabilities	11	-	(15,570)	(15,570)
Net identifiable assets and liabilities		(6,164)	44,319	38,155
Minority interest				(7,636)
Group's share of net assets/Consideration paid, satisfied in cash				30,519
Cash acquired				(23)
Net cash outflow				30,496

Incorporation of subsidiary

On 3 April 2007, the Company entered into a Joint Venture (JV) Agreement with Yayasan Terengganu (YT) to jointly develop and cultivate an oil palm plantation at Mukim Merang and Mukim Caluk, both in the district of Setiu, Terengganu measuring approximately 2,594 hectares. The Company would inject cash progressively into the JV company to an amount of RM25,900,000 constituting 70% of its shareholding whilst YT's contribution of 30% shall be by way of land injection into the JV company. The JV company, THP-YT Plantation Sdn. Bhd. had been incorporated on 23 May 2007.

Consolidated Financial Statements

(Company No. 12696-M)

24. Significant event

On 10 December 2008, the Company had completed the proposed Bai' Murabahah Medium Term Notes ("MMTNs") issuance programme of up to RM200.0 million in nominal value with Lembaga Tabung Haji ("LTH"). The tenure of the MMTN Programme is ten (10) years from the date of drawdown and the funding cost will be determined upon drawdown. The proceeds raised from the MMTN Programme shall be utilised to finance the Group's capital and/or development expenditure requirements and/or future plantations estates acquisition including reimbursement of any expenditure incurred by the Group's in respect of the same. There is no drawdown of MMTN made as at 31 December 2008.

25. Subsequent event

On 6 January 2009, the Company issued bonus shares comprising of 243,822,000 new ordinary shares of RM0.50 each on the basis of one new bonus share for every one existing ordinary share of RM0.50 each in the Company.

26. Segmental information

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

27. Comparative figures

The following comparative figures have been reclassified to be consistent with current year's presentation due to reclassification of amount due from subsidiaries as disclosed in Note 7. The reclassification is due to the amount is not expected to be received for the next twelve (12) months.

	Company	
	As restated RM'000	As previously stated RM'000
Balance Sheet		
Receivables, deposits and prepayments		
Non-current		
Non-trade		
Amount due from subsidiaries	35,706	-
Current		
Non-trade		
Amount due from subsidiaries	-	35,706

Consolidated Financial Statements

TH Plantations Berhad(12696-M)
(Incorporated in Malaysia)
and its subsidiaries

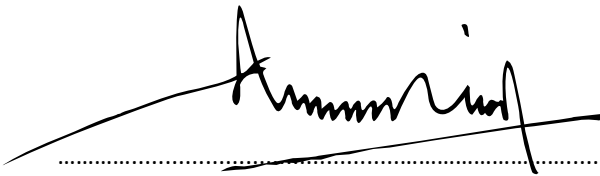
**Statement by Directors pursuant to
Section 169(15) of the Companies Act, 1965**

In the opinion of the Directors, the financial statements set out on pages 89 to 124 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2008 and of the results of their operations and cash flows for the year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors :



.....
Tan Sri Datuk Dr. Yusof bin Basiran



.....
Dato' Che Abdullah @ Rashidi bin Che Omar

Kuala Lumpur,

Date : 18 February 2009


Consolidated Financial Statements

TH Plantations Berhad(12696-M) (Incorporated in Malaysia) **and its subsidiaries**

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

I, **Mohamed Azman Shah bin Ishak**, the officer primarily responsible for the financial management of TH Plantations Berhad, do solemnly and sincerely declare that the financial statements set out on pages 89 to 124 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named in Kuala Lumpur in the Federal Territory on 18 February 2009



.....
Mohamed Azman Shah bin Ishak

Before me :

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and its :

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Management
Statements &

Independent auditors' report to the members of

TH Plantations Berhad(12696-M)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of TH Plantations Berhad, which comprise the balance sheets as at 31 December 2008 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 89 to 124.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our audit opinion.

Opinion

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

Report on Other Legal and Regulatory Requirements

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

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.
- b) We are satisfied that the accounts 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.
- c) Our audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

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



Messrs KPMG Desa Megat & Co.
Firm Number : AF 0759
Chartered Accountants



Johan Idris
Approval Number : 2585/10/10(J)
Chartered Accountant

Petaling Jaya,
Date : 18 February 2009



Analysis of Shareholdings



Analysis of Shareholdings

ANALYSIS OF SHAREHOLDINGS as at 31 March 2009

SHAREHOLDINGS STRUCTURE as at 31 March 2009

Authorised share capital	RM350,000,000.00
Issued and paid-up share capital	RM243,822,000.00
Class of Shares	Ordinary Shares of RM0.50 each
Voting rights by show of hand	One vote for every shareholder
Voting rights by poll	One vote for every share held

Analysis of Shareholdings

ANALYSIS BY SIZE OF SHAREHOLDINGS as at 31 March 2009

Category	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	7	0.09	102	0.00
100 to 1,000	481	5.99	289,098	0.06
1,001 to 10,000	6,794	84.62	24,418,600	5.01
10,001 to 100,000	644	8.02	17,628,064	3.61
100,001 to less than 5% of issued shares	102	1.27	114,252,136	23.43
5% and above of issued shares	1	0.01	331,056,000	67.89
TOTAL	8,029	100.00	487,644,000	100.00

DIRECTORS' SHAREHOLDINGS as at 31 March 2009

No.	Name of Directors	No. of Ordinary Shares Held			
		Direct	%	Indirect	%
1.	Tan Sri Datuk Dr Yusof bin Basiran	4,000	0.001	58,000*	0.012*
2.	Dato' Che Abdullah @ Rashidi bin Che Omar	Nil	Nil	Nil	Nil
3.	Datuk Dr Abdul Samad bin Haji Alias	103,000	0.021	Nil	Nil
4.	Datuk Azizan bin Abd Rahman	Nil	Nil	Nil	Nil
5.	Datuk Ismee bin Haji Ismail	Nil	Nil	Nil	Nil
6.	Dato' Haji Wan Zakaria bin Abd Rahman	4,000	0.001	Nil	Nil
7.	Md Yusof bin Hussin	Nil	Nil	Nil	Nil
8.	Syed Hood bin Syed Edros	Nil	Nil	Nil	Nil
9.	Dato' Noordin bin Md Noor	Nil	Nil	Nil	Nil

* deemed interest by virtue of shares held by his spouse.

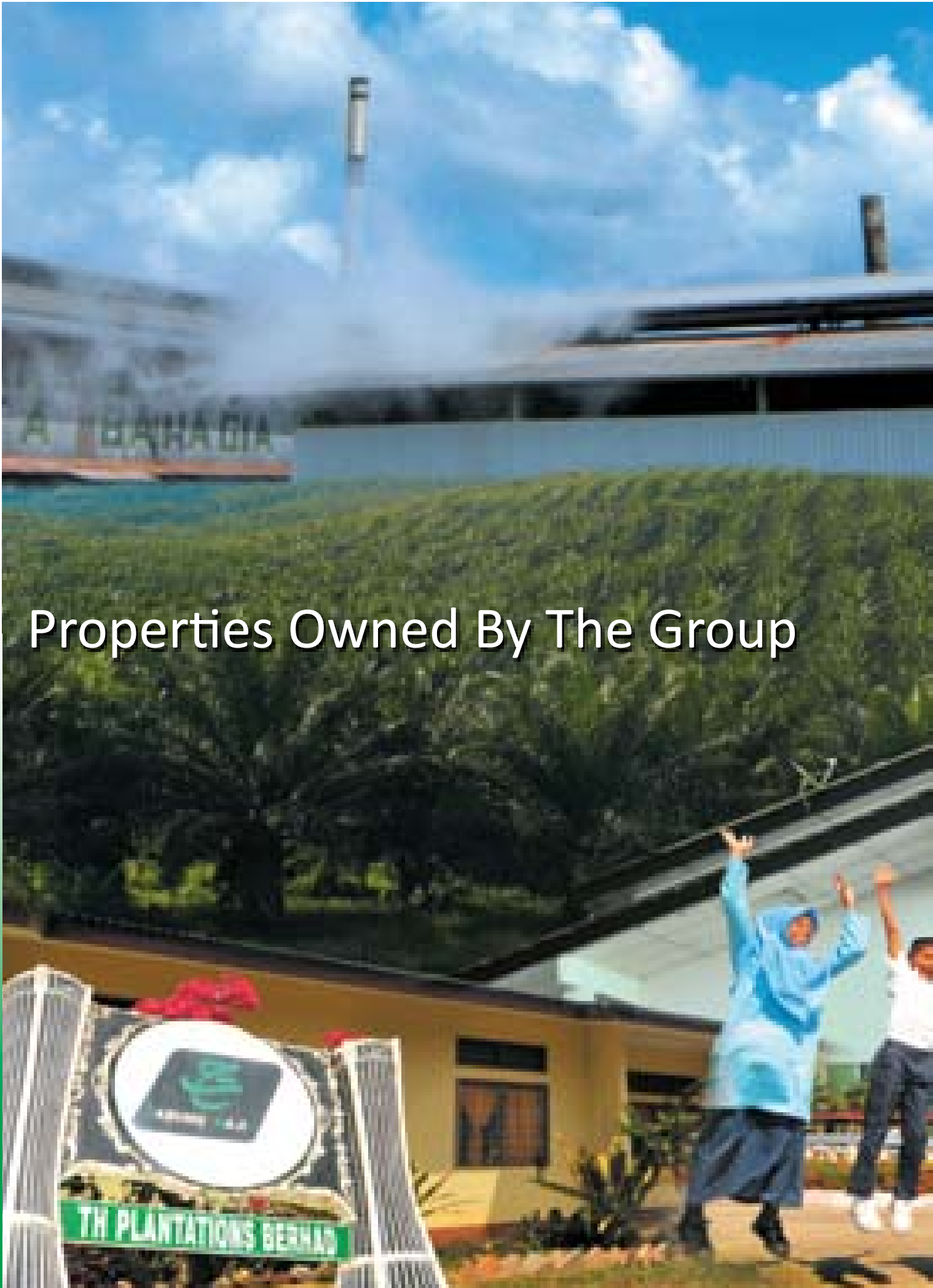
SUBSTANTIAL SHAREHOLDER as at 31 March 2009

No.	Name of Substantial Shareholder	No. of Ordinary Shares Held			
		Direct	%	Indirect	%
1.	Lembaga Tabung Haji	331,056,000	67.89	Nil	Nil

Analysis of Shareholdings

Top Thirty Shareholders as at 31 March 2009

No.	Name of Shareholders	No. of Shares Held	% of Issued Share Capital
1.	Lembaga Tabung Haji	331,056,000	67.89
2.	Employees Provident Fund Board	16,133,200	3.31
3.	AIBB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account For Yayasan Pok Dan Kassim	10,459,800	2.14
4.	Amanah Raya Nominees (Tempatan) Sdn Bhd - Public Islamic Opportunities Fund	7,653,700	1.57
5.	Amanah Raya Nominees (Tempatan) Sdn Bhd - Amanah Saham Wawasan 2020	7,330,600	1.50
6.	Amanah Raya Nominees (Tempatan) Sdn Bhd - Amanah Saham Didik	5,694,700	1.17
7.	Pertubuhan Peladang Negeri Terengganu	4,891,912	1.00
8.	Amanah Raya Nominees (Tempatan) Sdn Bhd - Public Islamic Select Treasures Fund	3,890,200	0.80
9.	Amanah Raya Nominees (Tempatan) Sdn Bhd - Sekim Amanah Saham Nasional	3,321,100	0.68
10.	Affin Nominees (Tempatan) Sdn Bhd - Affin Fund Management Sdn Bhd For Majlis Ugama Islam Dan Adat Resam Melayu Pahang	3,218,800	0.66
11.	Amsec Nominees (Tempatan) Sdn Bhd - Assar Asset Management Sdn Bhd For Tabung Baitulmal Sarawak (Majlis Islam Sarawak)	2,700,000	0.55
12.	Universal Trustee (Malaysia) Berhad - CIMB-Principal Small Cap Fund 2	2,613,600	0.54
13.	Majlis Agama Islam Dan Adat Melayu Perak Darul Ridzuan	2,000,000	0.41
14.	Amin Baitulmal Johor	2,000,000	0.41
15.	Majlis Agama Islam Wilayah Persekutuan	2,000,000	0.41
16.	Mayban Nominees (Tempatan) Sdn Bhd - Amanahraya-JMF Asset Management Sdn Bhd For Majlis Agama Islam Negeri Sembilan	2,000,000	0.41
17.	Amanah Raya Nominees (Tempatan) Sdn Bhd - Dana Islamiah Affin	1,999,000	0.41
18.	Amanah Raya Nominees (Tempatan) Sdn Bhd - Affin Islamic Equity Fund	1,530,200	0.31
19.	Universal Trustee (Malaysia) Berhad - CIMB Islamic Small Cap Fund	1,515,800	0.31
20.	HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd For MAAKL Al-Faid	1,490,000	0.31
21.	Citigroup Nominees (Asing) Sdn Bhd - Goldman Sachs International	1,293,700	0.27
22.	CIMB Trustee Berhad - Amanah Saham Darul Iman	1,237,600	0.25
23.	Koperasi Permodalan Felda Berhad	1,228,000	0.25
24.	Koperasi Permodalan Felda Berhad	1,160,800	0.24
25.	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt AN For American International Assurance Berhad	1,132,000	0.23
26.	Kumpulan Wang Simpanan Pekerja	1,000,000	0.21
27.	Amanah Raya Nominees (Tempatan) Sdn Bhd - Amanah Saham Nasional 2	1,000,000	0.21
28.	Majlis Agama Islam Melaka	1,000,000	0.21
29.	See Hong Cheen @ See Hong Chen	974,000	0.20
30.	Mayban Nominees (Tempatan) Sdn Bhd - Affin Fund Management Berhad For CIMB Aviva Assurance Berhad	804,000	0.16
	TOTAL	424,328,712	87.02



Properties Owned By The Group



Properties Owned & Managed by TH Plantations Berhad



LEGEND



STATE



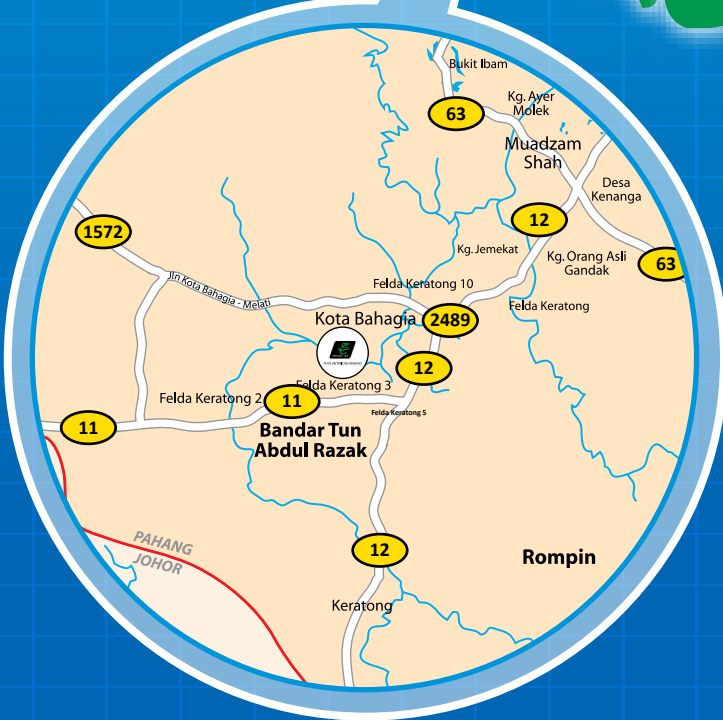
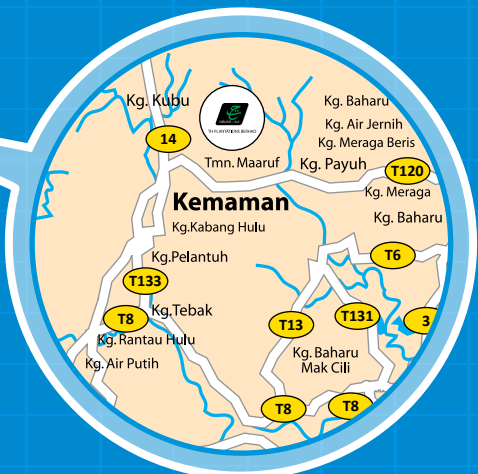
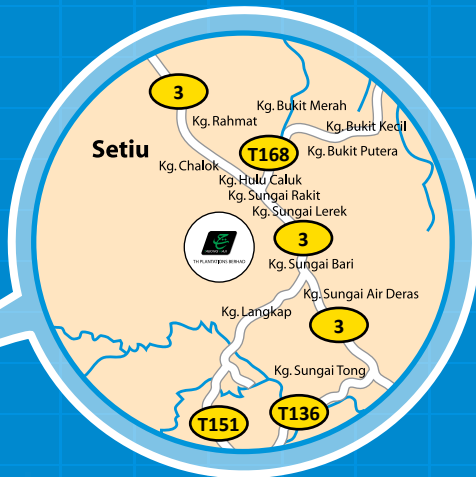
OWNED BY TH PLANTATIONS BERHAD



MANAGED BY TH PLANTATIONS BERHAD

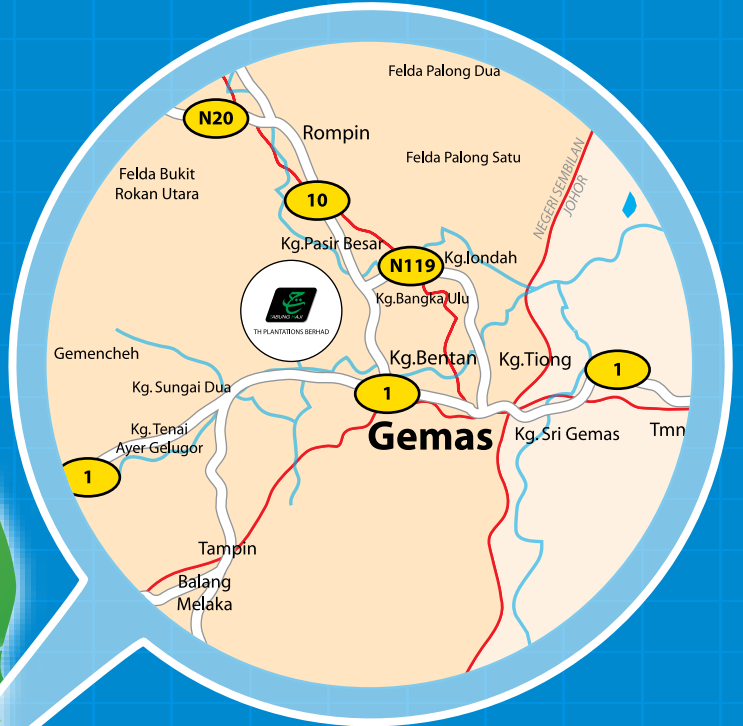


LOCATION MAP • Terengganu & Pahang



- ① LADANG THP - YT
Setiu, Terengganu
- ② LADANG TH BAKTI
Dungun, Terengganu
- ③ LADANG SUNGAI IBOK
Kemaman, Terengganu
- ④ LADANG ULU CHUKAI
Kemaman, Terengganu
- ⑤ LADANG SUNGAI MERCHONG
Muadzam Shah, Pahang
- ⑥ LADANG KOTA BAHAGIA
Keratong, Pahang
LADANG SUNGAI MENGAH
Keratong, Pahang
LADANG SUNGAI BUAN
Keratong, Pahang
KILANG SAWIT KOTA BAHAGIA
Keratong, Pahang

LOCATION MAP • Negeri Sembilan & Johor



- ⑦ **LADANG LONDAH**
Gemas, Negeri Sembilan
- LADANG PASIR BESAR**
Gemas, Negeri Sembilan
- KILANG SAWIT PASIR BESAR**
Gemas, Negeri Sembilan



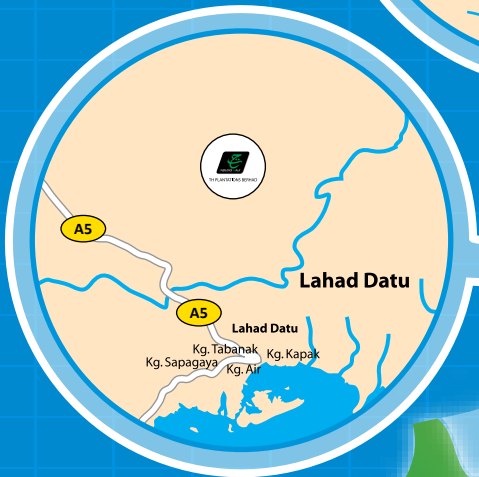
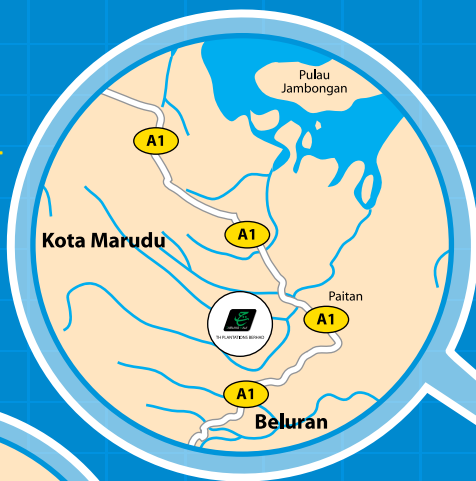
- ⑧ **LADANG BUKIT LAWIANG**
Kluang, Johor
- LADANG GUNUNG SUMALAYANG**
Kluang, Johor
- KILANG SAWIT BUKIT LAWIANG**
Kluang, Johor



Kuching

LOCATION MAP • Sarawak & Sabah

- ⑬ LADANG MAMAHAT
Sandakan, Sabah
- LADANG TERUSAN
Sandakan, Sabah
- KILANG SAWIT MAMAHAT
Sandakan, Sabah
- ⑭ LADANG BUKIT BELIAN
Sandakan, Sabah
- ⑮ LADANG BUKIT GOLD
Lahad Datu, Sabah



- ⑩ LADANG JATI KENINGAU
Sandakan, Sabah
- ⑪ LADANG KLAGAN
Sandakan, Sabah
- ⑫ LADANG JATIMAS
Sandakan, Sabah

- ⑯ LADANG SUNGAI TENEGANG
Lahad Datu, Sabah
- LADANG SUNGAI KOYAH
Lahad Datu, Sabah
- KILANG SAWIT SUNGAI TENEGANG
Lahad Datu, Sabah

MALAYSIA
SARAWAK

- ⑨

- ⑨ LADANG KENYALANG
Pusa, Sarawak
- LADANG RAJA UDANG
Pusa, Sarawak
- LADANG ENGGANG
Pusa, Sarawak
- LADANG MERBOK
Pusa, Sarawak

- ⑨ LADANG TANJUNG LILIN
Meludam, Sarawak
- LADANG SEMARANG
Meludam, Sarawak
- LADANG TRISO
Meludam, Sarawak
- LADANG NCR
Meludam, Sarawak



MAP of Indonesia • Riau



①7 Ladang Cendana
Ladang Pulau
Ladang Sengkawang
Ladang Suntai
Ladang Jati
Ladang Keruing
Ladang Merbau
Ladang Ramin
Ladang Resak
Ladang Kempas
Ladang Beringin
Ladang Meranti
Ladang Sungkai
Ladang Terentang

Ladang Mersawa
Ladang Mahoni
Ladang Jelutong
Ladang Tembusu
Ladang Mahang
Ladang Nyatoh
Ladang Bintanggur
Ladang Balam
Ladang Agatis
Ladang Geronggang
Kilang Sawit Pulau
Kilang Sawit Nyatoh
Kilang Sawit Suntai
Kilang Sawit Ramin



The details of the properties of our Group as at 31 December 2008 are as follows :

Registered Owner/Lessee	Estate/Mill	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha)	Endorsements/ Encumbrances	Date of Acquisition	Net Book Value as at 31 December 2008 RM '000
TH Plantations Berhad ¹	Ladang Kota Bahagia	Lot No. PT 306— Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 03.02.2073	Oil palm plantation	980.80	Nil	4 February 1974	12,701
TH Plantations Berhad ¹	Ladang Kota Bahagia	Lot No. PT 288— Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 29.09.2071	Oil palm plantation	182.70	Nil	30 September 1972	
TH Plantations Berhad ¹	Ladang Kota Bahagia	Lot No. PT 289— Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 29.09.2071	Oil palm plantation	694.54	Nil		
TH Plantations Berhad ¹	Kilang Sawit Kota Bahagia	Part of Lot No. PT 289 – Mukim of Keratong, District of Rompin, Pahang	14 - 30	99 years leasehold expiring on 29.09.2071	Palm Oil Mill~	9.804^	Nil		9,191
TH Plantations Berhad ¹	Ladang Sungai Mengah	Lot No. PT 452 — Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 13.07.2093	Oil palm plantation	877.00	Nil	14 July 1994	11,602
TH Plantations Berhad ¹	Ladang Sungai Mengah	Lot No. PT 305 — Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 03.02.2073	Oil palm plantation	987.95	Nil	4 February 1974	
TH Plantations Berhad ¹	Ladang Sungai Mengah	Lot No. PT 2549 – Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 20.08.2090	Oil palm plantation	198.30	Nil	21 August 1991	
TH Plantations Berhad ¹	Ladang Sungai Mengah	Kelulusan PT.ROM.2/02. A.003/2004 – Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 25.01.2107	Oil palm plantation	132.50	Nil	25 January 2008	

Properties Owned By The Group

Properties Owned By The Group

The details of the properties of our Group as at 31 December 2008 are as follows : (continued)

Registered Owner/Lessee	Estate/Mill	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha)	Endorsements/ Encumbrances	Date of Acquisition	Net Book Value as at 31 December 2008 RM '000
TH Plantations Berhad ²	Ladang Sungai Merchong	Lot No. PT 3031 – Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 19.06.2085	Oil palm plantation	1,720.00	Nil	20 June 1986	1,175
TH Plantations Berhad ²	Ladang Sungai Buan	Lot No. PT 2297 – Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 09.07.2093	Oil palm plantation	1,388.90	Nil	10 July 1994	
TH Plantations Berhad ²	Ladang Sungai Buan	Kelulusan PT.ROM. 2/02. A.012/2004 – Mukim of Keratong, District of Rompin, Pahang	N/a	99 years leasehold expiring on 25.01.2107	Oil palm plantation	407.30	Nil	25 January 2008	3,795
TH Plantations Berhad ²	Ladang Ulu Chukai	Lot No. 2413 – Mukim of Hulu Chukai, District of Kemaman, Terengganu	N/a	60 years leasehold expiring on 10.11.2051	Oil palm plantation	580.06	Nil		
TH Plantations Berhad ²	Ladang Ulu Chukai	Lot No. 2414 – Mukim of Hulu Chukai, District of Kemaman, Terengganu	N/a	60 years leasehold expiring on 10.11.2051	Oil palm plantation	314.00	Nil	11 November 1991	801

The details of the properties of our Group as at 31 December 2008 are as follows : (continued)

Registered Owner/Lessee	Estate/Mill	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha)	Endorsements/ Encumbrances	Date of Acquisition	Net Book Value as at 31 December 2008 RM '000
TH Plantations Berhad ²	Ladang Gunung Sumalayang	Lot No. PTD 4743 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	165.20	Nil		
TH Plantations Berhad ²	Ladang Gunung Sumalayang	Lot No. PTD 4744 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	136.90	Nil		
TH Plantations Berhad ²	Ladang Gunung Sumalayang	Lot No. PTD 4745 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	570.40	Nil		
TH Plantations Berhad ²	Ladang Gunung Sumalayang	Lot No. PTD 4746 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	1,033.00	Nil	27 October 1992	3,042
TH Plantations Berhad ²	Ladang Gunung Sumalayang/ Bukit Lawiang	Part of Lot No. PTD 4747 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	331.70	Nil		
TH Plantations Berhad ²	Ladang Gunung Sumalayang/ Bukit Lawiang	Part of Lot No. PTD 4748 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	163.00	Nil		
TH Plantations Berhad ²	Ladang Gunung Sumalayang/ Bukit Lawiang	Part of Lot No. PTD 4749 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	139.00	Nil		

Properties Owned By The Group

The details of the properties of our Group as at 31 December 2008 are as follows : (continued)

Registered Owner/Lessee	Estate/Mill	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha)	Endorsements/ Encumbrances	Date of Acquisition	Net Book Value as at 31 December 2008 RM '000
TH Plantations Berhad ²	Ladang Bukit Lawiang	Lot No. PTD 4750 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	506.30	Nil		
TH Plantations Berhad ²	Ladang Bukit Lawiang	Lot No. PTD 4751 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	925.00	Nil	27 October 1992	3,292
TH Plantations Berhad ²	Ladang Bukit Lawiang	Lot No. PTD 4752 – Mukim of Rengam, District of Kluang, Johor	N/a	99 years leasehold expiring on 26.10.2091	Oil palm plantation	87.36	Nil		
TH Plantations Berhad ²	Kilang Sawit Bukit Lawiang	Part of Lot No. PTD 4747 – Mukim of Rengam, District of Kluang, Johor	12 - 16	99 years leasehold expiring on 26.10.2091	Palm Oil Mill [~]	10.00 [^]	Nil		4,203

Properties Owned By The Group

The details of the properties of our Group as at 31 December 2008 are as follows : (continued)

Registered Owner/Lessee	Estate/Mill	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha)	Endorsements/ Encumbrances	Date of Acquisition	Net Book Value as at 31 December 2008 RM '000
TH Peladang Sdn Bhd ³	Ladang Sungai Ibok	Lot No. PT 345 (P) – Mukim of Hulu Cukai, District of Kemaman, Terengganu	N/a	60 years leasehold expiring on 19.10.2042	Oil palm plantation	137.20	Nil	17 June 1992	8,863
TH Peladang Sdn Bhd ³	Ladang Sungai Ibok	Lot No. PT 342 (P) – Mukim of Hulu Cukai, District of Kemaman, Terengganu	N/a	60 years leasehold expiring on 19.10.2042	Oil palm plantation	298.20	Nil	20 October 1982	
TH Peladang Sdn Bhd ³	Ladang Sungai Ibok	Lot No. PT 341 (P) – Mukim of Hulu Cukai, District of Kemaman, Terengganu	N/a	60 years leasehold expiring on 19.10.2042	Oil palm plantation	416.50	Nil	17 June 1992	
TH Peladang Sdn Bhd ³	Ladang Sungai Ibok	Lot No. PT 369 (P) – Mukim of Hulu Cukai, District of Kemaman, Terengganu	N/a	60 years leasehold expiring on 16.06.2052	Oil palm plantation	72.13	Nil		

The details of the properties of our Group as at 31 December 2008 are as follows : (continued)

Registered Owner/Lessee	Estate/Mill	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha)	Endorsements/ Encumbrances	Date of Acquisition	Net Book Value as at 31 December 2008 RM '000
THP-YT Plantation Sdn Bhd ⁴	Ladang THP-YT	Lot No. PT 3489 – Mukim of Merang District of Setiu, Terengganu	N/a	60 years leasehold expiring on 22.12.2064	Oil palm plantation	1,837.68	Nil	23 December 2004	431
THP-YT Plantation Sdn Bhd ⁴	Ladang THP-YT	Lot No. PT 9792 – Mukim of Caluk District of Setiu, Terengganu	N/a	60 years leasehold expiring on 22.12.2064	Oil palm plantation	652.4	Nil	23 December 2004	
THP-YT Plantation Sdn Bhd ⁴	Ladang THP-YT	Lot No. PT 9793 – Mukim of Caluk District of Setiu, Terengganu	N/a	60 years leasehold expiring on 22.12.2064	Oil palm plantation	103.68	Nil	23 December 2004	
THP Saribas Sdn Bhd ⁵	Ladang Kenyalang Ladang Raja Udang	Lot No. 1 Block 3 – Sablor Land District, Sri Aman Division, Sarawak	N/a	60 years leasehold expiring on 19.03.2060	Oil palm plantation	5,000.0	Nil	20 March 2000	57,299
THP Saribas Sdn Bhd ⁵	Ladang Raja Udang (partly) Ladang Enggang (partly)	Lot No. 3 Block 16 – Awik-Krian Land District, Sri Aman Division, Sarawak	N/a	60 years leasehold expiring on 19.03.2060	Oil palm plantation	1,270.0	Nil	20 March 2000	
THP Saribas Sdn Bhd ⁵	Ladang Enggang (partly) Ladang Merbok (partly)	Lot No. 410 Block 18 – Awik-Krian Land District, Sri Aman Division, Sarawak	N/a	60 years leasehold expiring on 19.03.2060	Oil palm plantation	2,600.0	Nil	20 March 2000	
THP Saribas Sdn Bhd ⁵	Ladang Merbok (partly)	Lot No. 121 Block 19 – Kalaka Land District, Sri Aman Division, Sarawak	N/a	60 years leasehold expiring on 19.03.2060	Oil palm plantation	1,520.0	Nil	20 March 2000	

Properties Owned By The Group

The details of the properties of our Group as at 31 December 2008 are as follows : (continued)

Registered Owner/Lessee	Estate/Mill	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha)	Endorsements/ Encumbrances	Date of Acquisition	Net Book Value as at 31 December 2008 RM '000
Syarikat Sabaco Sdn Bhd	Ladang Sungai Tenegang & Sungai Koyah	Locality of Koyah, Tenegang District of Kinabatangan, Sabah	N/a	99 years leasehold expiring on 31.12.2083	Oil palm plantation	3,886.0	Nil	9 December 2008	154,189
Syarikat Sabaco Sdn Bhd	Ladang Terusan	Locality of Sg. Sugut District of Beluran, Sabah	N/a	99 years leasehold expiring on 31.12.2098	Oil palm plantation	810.80	Nil	9 December 2008	38,753
Syarikat Sabaco Sdn Bhd	Ladang Bukit Gold	Locality of Segama District of Lahad Datu Sabah	N/a	99 years leasehold expiring on 31.12.2076	Oil palm plantation	2,020.23	Nil	9 December 2008	98,827
Syarikat Sabaco Sdn Bhd	Ladang Mamahat	i) Locality of Sg. Sugut District of Beluran, Sabah # ii) Locality of Sg. Marmahat District of Beluran, Sabah ***	N/a	i) 99 years leasehold expiring on 31.12.2096 # ii) 99 years sub-lease expiring on 11.12.2099 ***	Oil palm plantation	2,124.84	i) All the Country Leases are charged to Bank Pertanian Malaysia Berhad ii) Nil	9 December 2008	108,435
Syarikat Sabaco Sdn Bhd	Kilang Sawit Sungai Tenegang	Locality of Koyah, Tenegang District of Kinabatangan, Sabah	N/a	99 years leasehold expiring on 31.12.2083	Palm Oil Mill ~	50.0**	Nil	9 December 2008	19,085
Syarikat Sabaco Sdn Bhd	Kilang Sawit Mamahat	Locality of Sg. Sugut District of Beluran, Sabah	N/a	99 years leasehold expiring on 31.12.2096	Palm Oil Mill ~	25.0^^	Charged to Bank Pertanian Malaysia Berhad	9 December 2008	16,849
Ladang Bukit Belian Sdn Bhd	Ladang Bukit Belian	Locality of Sg. Segaliud District of Sandakan, Sabah	N/a	999 years leasehold expiring on 04.07.2887	Oil palm plantation	1,088.16	Nil	9 December 2008	51,572

Properties Owned By The Group

Notes :

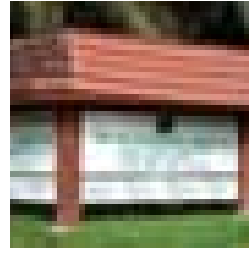
1.	<i>Registered under the ownership of Lembaga Tabung Haji.</i>
2.	<i>Registered under the ownership of Perbadanan Ladang-Ladang Tabung Haji Sdn. Bhd. (the former name of TH Plantations Berhad).</i>
3.	<i>Registered under the ownership of Syarikat Peladang LUTH Sdn. Bhd. (the former name of TH Peladang Sdn. Bhd.)</i>
4.	<i>Registered under the ownership of Lembaga Pemegang Amanah Yayasan Terengganu.</i>
5.	<i>Registered under the ownership of Kenyalang Resources Sdn. Bhd. (the former name of THP Saribas Sdn. Bhd.)</i>
^	<i>The built-up area of Kilang Sawit Kota Bahagia, Kilang Sawit Bukit Lawiang and Kilang Sawit Pasir Besar are 29,400 square metres, 30,000 square metres and 15,000 square metres respectively.</i>
~	<i>The production capacity of Kilang Sawit Kota Bahagia, Kilang Sawit Bukit Lawiang, Kilang Sawit Pasir Besar, Kilang Sawit Sungai Tenegang and Kilang Sawit Mamahat are 30 MT/Hr, 40 MT/Hr, 10 MT/Hr, 30 MT/Hr and 20MT/Hr respectively.</i>
#	<i>The eleven (11) Country Leases.</i>
***	<i>The ten (10) Native Titles.</i>
**	<i>Part of the titled area under Ladang Sungai Tenegang.</i>
^^	<i>Part of the titled area under Ladang Mamahat.</i>
N/a	<i>Not applicable.</i>
NT	<i>Native Title.</i>
CL	<i>Country Lease.</i>

Properties Owned By The Group

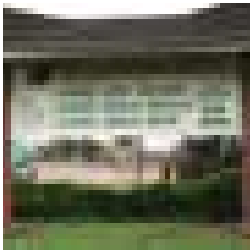
Properties owned by TH Plantations Berhad



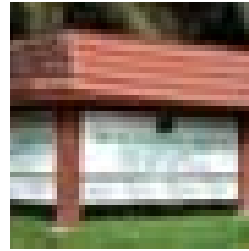
Ladang Kota Bahagia
Peti Surat 19
26700 Muadzam Shah, Pahang
Tel : 09 452 4826
Fax : 09 452 4821
Pengurus Kanan :
Mohamed Fuzi b Jaafar
H/P : 019 7109071



Ladang Bukit Lawiang
Karung Berkunci No. 522
86009 Kluang, Johor
Tel : 07 7863063
Fax : 07 786 4271
Pengurus : Mukhtar b Yusof
H/P : 012 792 5535



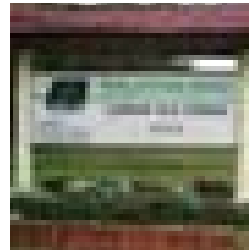
Ladang Sungai Mengah
Peti Surat 21
26700 Muadzam Shah, Pahang
Tel : 09 4524979
Fax : 09 4524979
Pengurus : Mohamad Sakri b Idris
H/P : 019 885 5967



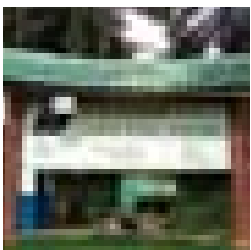
Ladang Gunung Sumalayang
Karung Berkunci No. 535
86009 Kluang, Johor
Tel : 07 786 3444
Fax : 07 786 4606
Pengurus : Hamidun b Hamzah
H/P : 012 744 7830



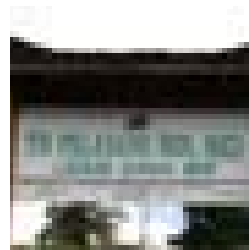
Ladang Sungai Buan
Peti Surat 18
26700 Muadzam Shah, Pahang
Tel : 09 452 4996
Fax : 09 452 4995
Pengurus : Tuah b Nawri
H/P : 012 985 0950



Ladang Ulu Chukai
Peti Surat 2
24107 Kijal, Kemaman, Terengganu
Tel : 09 867 6336
Fax : 09 867 6336
Pengurus : Faizal b Zulkifli
H/P : 019 852 3500



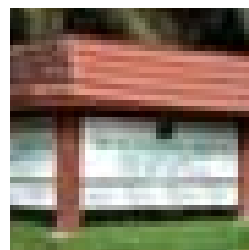
Ladang Sungai Merchong
Peti Surat 4
26700 Muadzam Shah, Pahang
Tel : 09 453 0807
Fax : 09 453 0804
Pemangku Pengurus :
Masuki b Bandu
H/P : 019 8998873



Ladang Sungai Ibok
Peti Surat 2
24107 Kijal, Kemaman, Terengganu
Tel : 09 867 6543
Fax : 09 867 6336
Pengurus : Faizal b Zulkifli
H/P : 019 852 3500



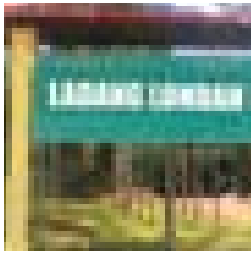
Kilang Sawit Kota Bahagia
Peti Surat 20
26700 Muadzam Shah, Pahang
Tel : 09 452 4936
Fax : 09 452 4828
Pengurus Kanan : Adnan b Ariffin
H/P : 013 975 7620



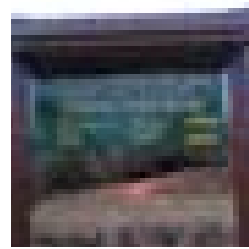
Kilang Sawit Bukit Lawiang
Peti Surat 114
86007 Kluang, Johor
Tel : 07 786 4540
Fax : 07 786 4540
Pengurus Kanan :
Abd Samad b Shafie
H/P : 012 703 5479

Corporate Directory

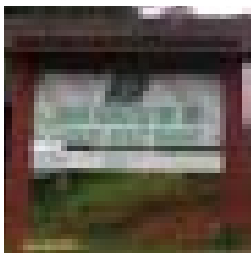
Properties owned by TH Plantations Berhad

**Ladang Londah**

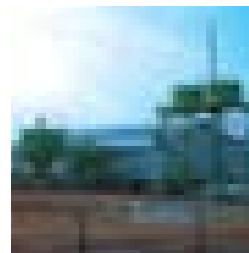
Peti Surat 28
73400 Gemas, Negeri Sembilan
Tel : 07 948 4700
Fax : 07 948 4701
Pemangku Pengurus :
Mahya b Masrom
H/P : 019 963 6725

**Ladang Pasir Besar**

Peti Surat 28
74300 Gemas, Negeri Sembilan
Tel : 07 948 4700
Fax : 07 948 4701
Pemangku Pengurus :
Mahya b Masrom
H/P : 019 963 6725

**Ladang Bukit Rokan**

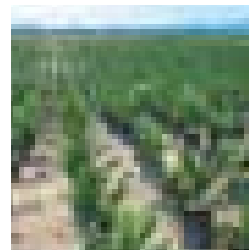
Peti Surat 28
73400 Gemas, Negeri Sembilan
Tel : 019 239 7479
Fax : 019 264 7610
Pemangku Pengurus :
Muhamad Termeze b Mat Nor
H/P : 019 980 3896

**Kilang Sawit Ladang Pasir Besar**

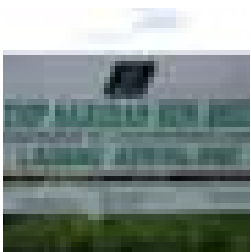
Peti Surat 30
73400 Gemas, Negeri Sembilan
Tel : 019 267 7479
Fax : 019 264 7479
Pemangku Pengurus :
Kamarudin b Saleh
H/P : 019 764 1889

**TH BAKTI SDN BHD****Ladang TH Bakti**

Peti Surat 3,
Bandar Al Muktaffi Billah Shah,
23400 Dungun, Terengganu
Tel : 09 822 1884. Fax : 09 822 2884
Penolong Pengurus Kanan :
Usran b Mohd Zin

**THP-YT PLANTATION SDN BHD****Ladang THP –YT**

206, Kampung Pengkalan Attap
Batu Rakit, 21020 Kuala
Terengganu, Terengganu
Tel : 09 669 3260. Fax : 09 669 3254
Pengurus Kanan :
Mohamad Zuzari b Abd Aziz
H/P : 019 9881570

**THP SARIBAS SDN BHD****Ladang Kenyalang**

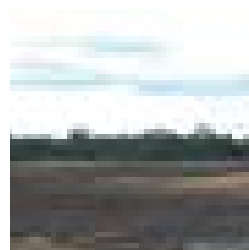
No. 12, Ground Floor, Jalan Feeder
Pusa, Pusa Bazaar, New Shophouse
94950 Pusa Betong, Sarawak
Tel : 083 465 822. Fax : 083 465 811
Pemangku Pengurus : Hanizam b
Hashim. H/P : 019 387 3537

**Ladang Raja Udang**

No. 1 Ground Floor, Jalan Feeder
Pusa, Pusa Bazaar, New Shophouse
94950 Pusa Betong, Sarawak
Tel : 083 465 833
Fax : 083 465 899
Pengurus : Rozali b Md Desa
H/P : 019 288 7147

**Ladang Enggang**

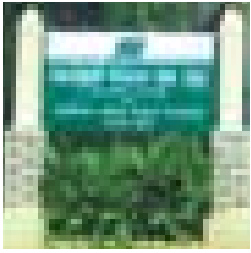
No. 1 Ground Floor, Jalan Feeder
Pusa, Pusa Bazaar, New Shophouse
94950 Pusa Betong, Sarawak
Tel : 083 465 877
Fax : 083 465 855
Pemangku Pengurus : Alias b Bakir

**Ladang Merbok**

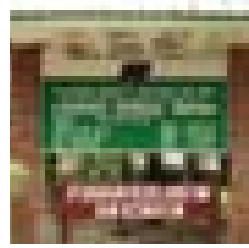
No. 1 Ground Floor, Jalan Feeder
Pusa, Pusa Bazaar, New Shophouse
94950 Pusa Betong, Sarawak
Tel : 083 465 466
Fax : 083 465 855
Pengurus : Ismail b Sadari
H/P : 019 620 3132

Corporate Directory

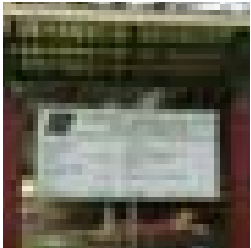
Properties owned by TH Plantations Berhad



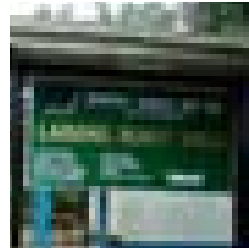
SYARIKAT SABACO SDN BHD
Ladang Sungai Tenegang
 Karung Berkunci No. 12
 91109 Lahad Datu, Sabah
 Tel : 089 563 027. Fax : 089 563 028
 Pengurus : Mohd Jafri b Arshad



Ladang Sungai Koyah
 Karung Berkunci No. 691109 Lahad
 Datu, Sabah
 Tel : 089 565 026
 Fax : 089 565 025
 Pengurus : Mohd Jafri b Arshad



Ladang Mamahat
 d/a ABX Express Courier Services
 Tingkat 1 Block C, Lot 2 Pekan Baru
 SEDCO 89109 Kota Marudu, Sabah
 Tel : 089 259 177
 Fax : 089 259 188
 Pengurus Kanan : Ghazali b Limat
 H/P : 019 667 1242



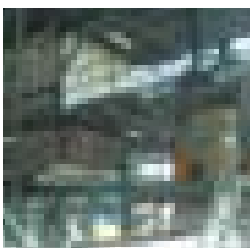
Ladang Bukit Gold
 Peti Surat 60389
 91113 Lahad Datu, Sabah
 Tel : 089 821 013
 Fax : 089 821 013
 Pengurus Kanan : Yazit b Jalil
 H/P : 019 740 8400



Ladang Terusan
 d/a ABX Express Courier Services
 Tingkat 1 Block C, Lot 2 Pekan Baru
 SEDCO 89109 Kota Marudu, Sabah
 Tel : 089 262 188. Fax : 089 262 199
 Pengurus Kanan : Ghazali b Limat
 H/P : 019 667 1242



Kilang Sawit Sungai Tenegang
 Peti Surat 60626
 91113 Lahad Datu, Sabah
 Tel : 089 565 030
 Fax : 089 565 029
 Pengurus : Ahmad Zaidi b Mohd Din
 H/P : 013 883 3843



Kilang Sawit Ladang Mamahat
 d/a ABX Express Courier Services
 Tingkat 1 Block C, Lot 2 Pekan Baru
 SEDCO 89109 Kota Marudu, Sabah
 Tel : 089 259 166
 Fax : 089 259 188
 Pengurus : Isa b Jabar
 H/P : 014 672 8961

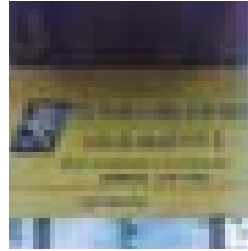


LADANG BUKIT BELIAN SDN BHD
Ladang Bukit Belian
 WDT No. 167, Kota Kinabatangan
 90200 Sandakan, Sabah
 Tel : 089 622 339. Fax : 089 622 339
 Pemangku Pengurus :
 Nor Hasrin b Musa
 H/P : 019 360 6067

Properties managed by TH Plantations Berhad

**LADANG JATI KENINGAU SDN BHD****Ladang Jati Keningau**

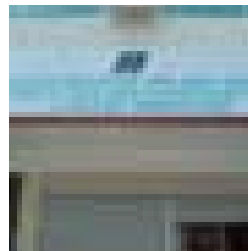
Lot 451, Lorong Megah 6, Taman Megah, Batu 7 Jalan Labuk, 90000 Sandakan, Sabah
Tel : 089 514 851. Fax : 089 514 721
Pengurus : Juna Palatuwi
H/P : 019 822 8517

**TH-BONGGAYA SDN BHD****Ladang Klagan**

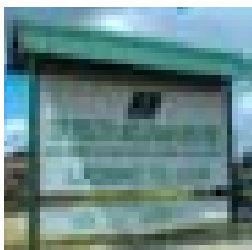
Lot 451, Lorong Megah 6, Taman Megah, Batu 7 Jalan Labuk, 90000 Sandakan, Sabah
Tel : 089 514 851. Fax : 089 514 721
Pengurus : Juna Palatuwi
H/P : 019 822 8517

**TH-USIA JATIMAS SDN BHD****Ladang Jatimas**

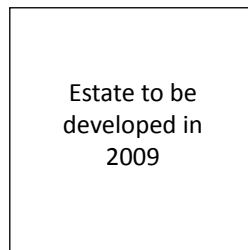
Lot 451, Lorong Megah 6, Taman Megah, Batu 7, Jalan Labuk, 90000 Sandakan, Sabah
Tel : 089 514 721. Fax : 089 514 721
Pengurus : Juna Palatuwi
H/P : 019 822 8517

**Ladang Semarang**

No. 1 Ground Floor, Jalan Feeder Pusa, Pusa Bazaar, New Shophouse 94950 Pusa Betong, Sarawak
Tel : 083 466 342
Fax : 083 465 899
Pemangku Pengurus : Girman Sirah
H/P : 013 888 6583

**TH PELITA MELUDAM SDN BHD****Ladang Tanjung Lili**

No. 1 Ground Floor, Jalan Feeder Pusa, Pusa Bazaar, New Shophouse 94950 Pusa Betong, Sarawak
Tel : 083 466 342. Fax : 083 465 899
Pengurus : Mohammad Shukri b Othman
H/P : 019 998 6916

**Ladang Triso**

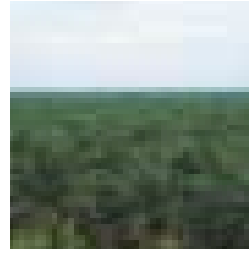
No. 1 Ground Floor, Jalan Feeder Pusa, Pusa Bazaar, New Shophouse 94950 Pusa Betong, Sarawak
Tel : 083 466 342
Fax : 083 465 899

Corporate Directory

Properties managed by TH Plantations Berhad



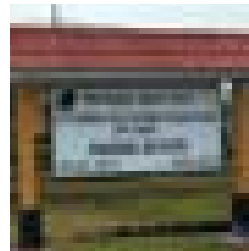
Wilayah I Ladang Cendana, Pulau, Sengkawang, Suntai, Jati, Keruing
Kompleks PT THIP, Saka Pasir,
Ulu Sungai Guntung
Kec. Kateman KAB Indragiri
Hilir Riau 29255 Indonesia
Tel : 0062778 429053
Fax : 0062778 429056
Pengurus : Asmadi b Jani



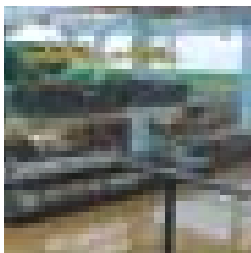
Wilayah II Ladang Merbau, Ramin, Resak, Kempas, Beringin, Meranti
Kompleks PT THIP, Saka Pasir,
Ulu Sungai Guntung
Kec. Kateman KAB Indragiri
Hilir Riau 29255 Indonesia
Tel : 0062778 429053
Fax : 0062778 429056
Pengurus : Ab Wahab b **Ab Rashed**



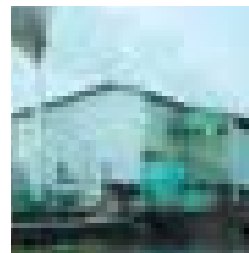
Wilayah III Ladang Sungkai, Terentang, Mersawa, Mahoni, Jelutong, Tembusu
Kompleks PT THIP, Saka Pasir,
Ulu Sungai Guntung
Kec. Kateman KAB Indragiri
Hilir Riau 29255 Indonesia
Tel : 0062778 429053
Fax : 0062778 429056
Pengurus : Rosli b Ahmed Khalil



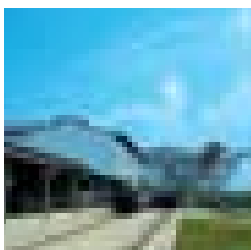
Wilayah IV Ladang Mahang, Nyatoh, Bintanggur, Balam, Agatis, Geronggang
Kompleks PT THIP, Saka Pasir,
Ulu Sungai Guntung
Kec. Kateman KAB Indragiri
Hilir Riau 29255 Indonesia
Tel : 0062778 429053
Fax : 0062778 429056
Pengurus : Md Hanif b Md Nor



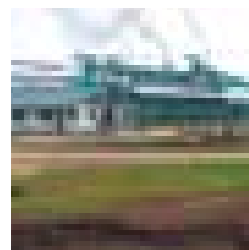
Kilang Sawit Pulau
Kompleks PT THIP, Saka Pasir,
Ulu Sungai Guntung
Kec. Kateman KAB Indragiri
Hilir Riau 29255 Indonesia
Tel : 0062778 429053
Fax : 0062778 429056
Pengurus : Masland b Marzuki



Kilang Sawit Suntai
Kompleks PT THIP, Saka Pasir,
Ulu Sungai Guntung
Kec. Kateman KAB Indragiri
Hilir Riau 29255 Indonesia
Tel : 0062778 429053
Fax : 0062778 429056
Pengurus : Mohd Azahar b Yassin



Kilang Sawit Nyatoh
Kompleks PT THIP, Saka Pasir,
Ulu Sungai Guntung
Kec. Kateman KAB Indragiri
Hilir Riau 29255 Indonesia
Tel : 0062778 429053
Fax : 0062778 429056
Pengurus : Mohd Azahar b Yassin



Kilang Sawit Ramin
Kompleks PT THIP, Saka Pasir,
Ulu Sungai Guntung
Kec. Kateman KAB Indragiri
Hilir Riau 29255 Indonesia
Tel : 0062778 429053
Fax : 0062778 429056
Pengurus : Suhaimin b Kasim

TH PLANTATIONS BERHAD (Company No. 12696-M)

**Thirty-Fifth Annual General Meeting
Form of Proxy**

I/We _____ (FULL NAME IN BLOCK LETTERS)

NRIC No./Passport No./Company No. _____ of _____ (ADDRESS)

being a member/members of TH PLANTATIONS BERHAD ("the Company") hereby appoint _____ (FULL NAME IN BLOCK LETTERS)

NRIC No./Passport No./Company No. _____ of _____ (ADDRESS)

or failing him/her, _____ (FULL NAME IN BLOCK LETTERS)

NRIC No./Passport No./Company No. _____ of _____ (ADDRESS)

or failing him/her, the CHAIRMAN OF THE MEETING as my/our proxy, to vote for me/us and on my/our behalf at the Thirty-Fifth Annual General Meeting ("AGM") of the Company to be held at the Pacific Ballroom, Level 2, Best Western Premier Seri Pacific Kuala Lumpur, Jalan Putra, 50746 Kuala Lumpur on Tuesday, 5 May 2009 at 10.00 a.m., or at any adjournment thereof.

My/our proxy is to vote as indicated below. (Please indicate with an "X" how you wish your vote to be casted. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.)

RESOLUTION NO.	ORDINARY BUSINESS	FOR	AGAINST
Ordinary Resolution 1	To receive the Audited Financial Statements for the year ended 31 December 2008 and the Reports of Directors and Auditors thereon.		
Ordinary Resolution 2	To approve a Final Gross Dividend of 7.50 sen per ordinary share less tax at 25% for the year ended 31 December 2008.		
Ordinary Resolution 3	To approve the payment of Directors' Fees of RM372,000 for the year ended 31 December 2008.		
Ordinary Resolution 4	To re-elect Dato' Che Abdullah @ Rashidi bin Che Omar as Director.		
Ordinary Resolution 5	To re-elect Datuk Ismee bin Haji Ismail as Director.		
Ordinary Resolution 6	To re-elect Md Yusof bin Hussin as Director.		
Ordinary Resolution 7	To re-appoint Dato' Noordin bin Md Noor as Director.		
Ordinary Resolution 8	To re-appoint KPMG Desa Megat & Co. as the Company's Auditors.		
	SPECIAL BUSINESS		
Ordinary Resolution 9	Specific Authority for the Directors to issue shares pursuant to THP Employees' Share Option Scheme.		
Ordinary Resolution 10	General Authority for the Directors to issue shares pursuant to Section 132D of the Companies Act, 1965.		
Ordinary Resolution 11	Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading in Nature.		

For appointment of 2 proxies, percentage of shareholdings to be represented by the proxies :

	NO. OF SHARES	PERCENTAGE
PROXY 1		
PROXY 2		
TOTAL		100%

No. of Ordinary Shares held

Dated this _____ day of _____ 2009.

Signature/Common Seal of Shareholder

Contact No. _____

Notes:

- A member entitled to attend and vote at the AGM, is entitled to appoint not more than 2 proxies to attend and vote on his/her behalf. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company.
- Where a member appoints 2 proxies, the appointment shall not be valid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. Each proxy appointed, shall represent a minimum of 100 shares. Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised in that behalf.
- The instrument appointing a proxy shall be deposited at the Company's Registered Office at Tingkat 26, Bangunan TH Selborn, 153, Jalan Tun Razak, 50400 Kuala Lumpur not less than 48 hours before the time set for the AGM or at any adjournment thereof.

The Company Secretary
TH Plantations Berhad
Tingkat 26, Bangunan TH Selborn
153, Jalan Tun Razak
50400 Kuala Lumpur
Malaysia

Affix
Stamp
Here