

Director's Profile

DATUK RAZMAN MD. HASHIM

Independent Non-Executive Chairman

Datuk Razman Md. Hashim, a Malaysian, aged 70, was appointed Chairman of Multi-Purpose Holdings Berhad ("MPHB") on 7 May 2002. Datuk Razman is the Chairman of the Remuneration Committee of MPHB and a member of the Audit Committee and the Nomination Committee of MPHB.

He is currently the Deputy Chairman of the Sunway Group of Companies. He also sits on the Board of Sunway City Berhad, Sunway Infrastructure Berhad, Affin Bank Berhad, Ranhill Berhad, Malaysian Assurance Alliance Bhd, MAA Holdings Berhad, Berjaya Land Berhad and several private limited companies in Malaysia.

Datuk Razman is a member of the Australian Institute of Bankers. He started his career with Standard Chartered Bank as an Officer Trainee in 1967. In his 32 years with Standard Chartered Bank, Datuk Razman had served in the bank's offices in London, Europe, Hong Kong and Singapore. In Malaysia, he held various positions and was appointed Executive Director of Standard Chartered Bank in 1994 until he retired in June 1999. He was appointed chairman of MBf Finance Berhad by Bank Negara Malaysia as its nominee from June 1999 to January 2002 when the finance company was sold to the Arab-Malaysian Group.

As at 29 April 2009, Datuk Razman has a direct shareholding of 140,000 ordinary shares of RM1.00 each in MPHB. Datuk Razman does not hold any shares in the subsidiaries of MPHB. He has no family relationship with any other director and/or substantial shareholder of MPHB; neither does he have any conflict of interest with MPHB. He has had no convictions for offences within the past ten years.

He attended seven(7) out of eight(8) Board Meetings of MPHB held during the financial year ended 31 December 2008.

DATO' SURIN UPATKOON

Non-Independent Managing Director

Dato' Surin Upatkoon, a Thai national, aged 60, was appointed Executive Director of MPHB on 4 August 2000 and subsequently, on 28 August 2002, he was appointed Managing Director of MPHB. He is also a member of the Remuneration Committee of MPHB.

Dato' Surin has vast working experience particularly in the textile manufacturing industry, and has played a key role in the expansion and development of the MWE Group of Companies. He was first appointed the Managing Director of MWE Spinning Mills Sdn Bhd on 30 November 1974, taking care of its daily operations. Subsequently, he was appointed the Managing Director of MWE Weaving Mills Sdn Bhd and a director of MWE Holdings Berhad.

Currently, he also sits on the Board of Davex Holdings Berhad, Multi-Purpose Capital Holdings Berhad, Mimaland Berhad, Magnum 4D Berhad and several private limited companies in Malaysia. He is also a Trustee of Chang Ming Thien Foundation and Magnum Foundation.

As at 29 April 2009, Dato' Surin is deemed to have an indirect interest in 329,883,965 ordinary shares of RM1.00 each in MPHB by virtue of Section 6A(4) of the Companies Act, 1965 held through his shareholding interest in Casi Management Sdn Bhd ("CMSB") and Pinjaya Sdn Bhd ("Pinjaya").

By virtue of his deemed interest in the shares of MPHB held via CMSB and Pinjaya, Dato' Surin is also deemed to have an interest in the shares of all the subsidiaries of MPHB to the extent of MPHB's interest in these subsidiaries. He has no family relationship with any other director and/or substantial shareholder of MPHB, no conflict of interest with MPHB and has had no convictions for offences within the past ten years.

He attended all the eight (8) Board Meetings of MPHB held during the financial year ended 31 December 2008.

MR NG KOK CHEANG

Non-Independent Executive Director

Mr Ng Kok Cheang, a Malaysian, aged 52, was appointed as a Director of MPH B on 30 April 2002 and was subsequently appointed Executive Director on 28 August 2002. He does not sit on any Board committee of MPH B

Mr Ng commenced his career in the Property Valuation/General Practice Surveying profession in 1979 with an established Chartered Valuation firm. He has vast working experience in property valuation and has acted as property & development consultant in various development companies. He also sits on the Board of several private limited companies but he does not have any other directorships in other public companies.

Mr Ng does not hold any shares in MPH B or its subsidiaries, has no family relationship with any other director and/or substantial shareholder of MPH B. He has no conflict of interest with MPH B and has had no convictions for offences within the past ten years.

He attended all the eight (8) Board Meetings of MPH B held during the financial year ended 31 December 2008.

VIJAYARATNAM A/L V. THAMOTHARAM PILLAY

Non-Independent Non-Executive Director

Mr Vijeyaratnam a/l V. Thamotharam Pillay, a Malaysian, aged 58, was appointed to the Board of MPH B on 16 November, 1999. He is the Chairman of the Nomination Committee and a member of the Audit Committee.

He is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Accountants. Mr Vijeyaratnam has considerable experience in the fields of auditing, financial planning, general management and corporate advisory in various business environments. He is currently the Managing Director of his own corporate advisory and consultancy company.

Presently, Mr Vijeyaratnam also sits on the Board of Eastern & Oriental Berhad, Bandar Raya Developments Berhad, Fututech Berhad, Mico Chipboard Berhad, A.A. Anthony Securities Sdn Bhd and several other private limited companies in Malaysia.

Mr Vijeyaratnam does not hold any shares in MPH B or its subsidiaries, and has no family relationship with any other director and/or major shareholder of MPH B. He has no conflict of interest with MPH B and has had no convictions for offences within the past ten years.

He attended all the eight (8) Board Meetings of MPH B held during the financial year ended 31 December 2008.

Director's Profile

DATO' LIM TIONG CHIN

Non-Independent Non-Executive Director

Dato' Lim Tiong Chin, a Malaysian, aged 57, was appointed to the Board of MPHB on 30 April 2002. He does not sit on any Board committee of MPHB.

He is a Public Accountant by profession and is a Fellow of the Institute of Chartered Accountants in England and Wales. He is also an Associate Member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants.

Dato' Lim is currently the Managing Director of A.A. Anthony Securities Sdn Bhd. He also sits on the Board of Multi-Purpose Insurans Bhd and a few other subsidiaries of MPHB and several private limited companies in Malaysia.

Prior to joining A.A. Anthony Securities Sdn Bhd, he was a Partner of Kiat & Associates from 1977 to 1983, General Manager of A.A. Anthony & Co. Sdn Bhd from 1983 to 1985, Chairman and Managing Director of A.A. Anthony & Co. Sdn Bhd from 1985 to 3 September, 2001.

As at 29 April 2009, Dato' Lim is deemed to have an indirect interest in 308,766,865 ordinary shares of RM1.00 each in MPHB by virtue of Section 6A(4) of the Companies Act, 1965 held through his shareholding interest of 15% in Casi Management Sdn Bhd.

By virtue of his interest in the voting shares of MPHB, Dato' Lim is also deemed to have an interest in the shares of all the subsidiaries of MPHB to the extent of MPHB's interest in these subsidiaries. He has no family relationship with any other director and/or major shareholder of MPHB and has no conflict of interest with MPHB. He has had no convictions for offences within the past ten years.

He attended all the eight (8) Board Meetings of MPHB held during the financial year ended 31 December 2008.

ENCIK SAHIBUDEEN ABDUL KADER

Independent Non-Executive Director

Encik Sahibudeen bin Abdul Kader, a Malaysian, aged 55, was appointed to the Board of MPHB on 30 April 2002. He is the Chairman of the Audit Committee and also a member of the Nomination Committee and the Remuneration Committee of MPHB.

Encik Sahibudeen graduated from the University of Institute Technology MARA in 1978 with a Diploma in Banking Studies. He has 14 years of experience in banking and stockbroking. Between 1996 and 2005, he provided consultancy services in the management and administration of ASEAN Business Forum, a non-profit organisation dedicated to the promotion and development of business and investment opportunities amongst the business community in the ASEAN region.

In 1992, he ventured into his own business in property development and investment activities. He is currently the Executive Director of a company, which is involved in property management, land development and investment activities. He also sits on the board of Multi-Purpose Capital Holdings Berhad and a few private limited companies in Malaysia.

Encik Sahibudeen does not hold any shares in MPHB or its subsidiaries. He has no family relationship with any other director and/or substantial shareholder of MPHB and has no conflict of interest with MPHB. He has had no convictions for offences within the past ten years.

He attended all the eight (8) Board Meetings of MPHB held during the financial year ended 31 December 2008.

DATO' WONG PUAN WAH

Independent Non-Executive Director

Dato' Wong Puan Wah, a Malaysian, aged 61, was appointed to the Board of MPH B on 25 January 2007. He does not sit on any Board Committee of MPH B.

Dato' Wong graduated with a Bachelor of Science (honours) degree in Economics from the University of London in 1973. He has over 40 years experience in journalism. He started his career with the Straits Times in 1966 and joined the Australian Broadcasting Corporation, Kuala Lumpur, in 1969. He also worked for the Financial Times of London as its Malaysia correspondent. Between 1989 and 1996, he was the business correspondent for Radio Australia in Sydney. He joined Star Publications (Malaysia) Berhad as its Business Editor in 1996. He was appointed as the Star's Group Chief Editor in January 2004 until his retirement in December 2006.

Currently, Dato' Wong also sits on the Board of Bursa Malaysia Berhad and private limited company, Assunta Hospital.

As at 29 April 2009, Dato' Wong has a direct shareholding of 10,000 ordinary shares of RM1.00 each in MPH B. He does not hold any shares in the subsidiaries of MPH B. He has no family relationship with any other director and/or substantial shareholder of MPH B and has no conflict of interest with MPH B. He has had no convictions for offences within the past 10 years.

He attended all the eight (8) Board meetings of MPH B held during the financial year ended 31 December 2008.

Chairman's Statement

On behalf of the Board of Directors of Multi-Purpose Holdings Berhad, I am pleased to present the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2008.

CORPORATE DEVELOPMENT AND PERFORMANCE

2008 was a landmark year for the Multi-Purpose Group. The Group successfully completed the Privatisation of Magnum Corporation Berhad ("MCB"), now known as Magnum Corporation Sdn Bhd ("MCSB") via a Selective Capital Repayment scheme ("Privatisation").

This Privatisation exercise, undertaken against the background of the global financial crisis, yielded tangible and substantial benefits, among which:

- (i) minority shareholders of MCB received cash RM 3.45 per share in exchange for their shares;
- (ii) our company retained a 51% equity interest in Magnum Holdings Sdn Bhd ("MHSB"), the holding company of MCSB; and
- (iii) CVC Capital Partners ("CVC") emerged as a strong partner to complement our efforts to enhance the future performance of our gaming business.

The Privatisation also enabled our Company to repay external borrowings, embarked on a share buy back of our own shares to stabilize the share price, and reward loyal shareholders with attractive dividends. The remaining balance of RM 260.5 million Exchangeable Bonds was also fully exchanged for MCB shares prior to the completion of the Privatisation. In addition, our Company has the first right of refusal to acquire certain non-gaming assets of MCSB via the redemption of the RM 875 million RULS-A issued by MHSB. Thus, our Company has the option to enhance the earnings base of the Group with the acquired assets. Finally, with the divestment of its non-gaming assets, MCSB is now a pure gaming company, allowing it to focus on its core business.

Our Group has not been spared the effects of the global financial crisis and the recession. The Group recorded a turnover of RM 3.1 billion and a profit before tax of RM 346.5 million in 2008 compared with a turnover of RM 3.2 billion and a profit before tax of RM 573.7 million in 2007. Professional fees and finance costs associated with the Privatisation exercise also impacted on our earnings in 2008. The basic earnings per share fell to 16.7 sen from 40.3 sen achieved in 2007.

REVIEW OF OPERATIONS

Gaming Division

Gaming is generally regarded as recession resistant. As such, the division posted a slightly lower turnover of RM 2.8 billion as compared to RM 2.9 billion recorded in the previous financial year. The decline was mainly due to less draws conducted in 2008. The profit before tax of gaming operations at RM 150.9 million in 2008 is substantially lower than RM 526.5 million achieved in the preceding year due to significantly higher interest expense and non-recurring costs incurred in the Privatisation exercise in 2008 as well as the exceptional gains on disposals of properties and quoted investment recorded in 2007.

With CVC, a leading global private equity firm with proven track record in creating value, as the Privatisation Partner of MCSB, the management is focused on identifying key operational issues to enhance the gaming business and on the divestment of the non-gaming assets.

Stock broking Division

The stock broking business was adversely affected by the global financial crisis and registered a loss before tax of RM 3.6 million, a sharp drop from the pre-tax profit of RM 33.3 million achieved in the preceding year. This poor result was largely due to the deteriorating trading conditions and poor market sentiment. According to Bursa Malaysia Berhad, average daily trading volume on the Exchange fell to 631 million shares in 2008 compared to 1,548 million shares in 2007 while the daily average trading value fell to RM 1,278 million in 2008 from RM 2,346 million in 2007.

In view of the economic uncertainties, this division will continue to exercise prudent management to conserve the assets whilst at the same time improve operational efficiency to compete effectively for a large market share in the stock broking business.

Financial Services Division

The insurance sector suffered a loss of RM 9.8 million compared to the pretax profit of RM 34.0 million recorded last year. The investment portfolio was badly hit by the financial crisis that caused the meltdown of the capital market. Higher claims especially in the medical and motor classes contributed further to the loss.

In the current market conditions, the insurance arm aims to provide a higher standard of service to retain its existing customer base as well as to capture new customers. It will continue to improve the quality of its products to ensure positive brand exposure thereby enhancing its competitive edge in the sector.

OUTLOOK AND FUTURE PROSPECTS

The global economic scenario remains uncertain as we move into 2009. Market sentiment and business confidence remains fragile. Our Government, as well as other governments worldwide, had taken monetary and fiscal measures to stimulate their respective economies and tighten market regulations. These measures appear to have stabilized the world capital and equity markets. Hopefully, the various economic stimulus packages will contribute to the speedy recovery of the global economy. Bank Negara Malaysia is forecasting the Malaysian economy to record real GDP growth of -1% to 1% in 2009 compared to a 4.6% growth in 2008.

Our management will continue to plan and manage wisely in the current tough business environment and will strive to achieve optimal efficiency. The management will conserve assets, including land banks and at the same time look out for business and investment opportunities that may emerge from the current situation. Our Group is in a good position to participate in the economic recovery when it happens.

DIVIDEND

In respect of the financial year ending 31 December 2008, the Company paid an interim dividend of 5 sen per share less 26% tax on 26 September 2008. In appreciation of our shareholders' loyalty and support, the Board of Directors is recommending a final dividend of 5 sen less 25% income tax. This brings total dividends for the financial year ended 31 December 2008 to 10 sen.

Chairman's Statement

APPRECIATION AND ACKNOWLEDGEMENT

On behalf of the Board, I would like to extend my sincere appreciation to the management and staff of the Group for their dedication, commitment and hard work in what had been a significant and challenging year.

I would also like to express my gratitude to my fellow Directors for their guidance and sound advice; and to our shareholders, business associates, customers and bankers for their confidence and support for the Group.

DATUK RAZMAN MD. HASHIM

CHAIRMAN

27 MAY 2009

Bagi pihak Lembaga Pengarah Multi-Purpose Holdings Berhad, saya dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan yang telah diaudit bagi Kumpulan dan Syarikat bagi tahun kewangan yang berakhir 31 Disember 2008.

PERKEMBANGAN DAN PRESTASI KORPORAT

2008 adalah merupakan tahun yang amat bermakna bagi Kumpulan Multi-Purpose. Kumpulan telah berjaya melaksanakan Penswastaaan bagi Magnum Corporation Berhad ("MCB"), yang kini dikenali sebagai Magnum Corporation Sdn Bhd ("MCSB") melalui skim Pembayaran Semula Modal Terpilih ("Penswastaaan").

Aktiviti Penswastaaan yang dilakukan berlatar belakangkan krisis kewangan global ini telah menghasilkan banyak faedah-faedah yang ketara termasuk:

- (i) Pemegang-pemegang saham minoriti MCB telah menerima wang tunai sebanyak RM 3.45 sesaham sebagai pertukaran bagi saham-saham mereka;
- (ii) syarikat kami telah menahan 51% kepentingan ekuiti dalam Magnum Holdings Sdn Bhd ("MHSB"), di mana ia adalah pemegang syarikat MCSB; dan
- (iii) CVC Capital Partners ("CVC") telah muncul sebagai rakan niaga yang teguh untuk meningkatkan prestasi masa depan untuk sektor perjudian kami.

Penswastaaan tersebut juga telah membolehkan Syarikat kami untuk membayar balik pinjaman-pinjaman luar, melancarkan kembali pembelian semula saham bagi mengukuhkan lagi harga saham dan memberi ganjaran kepada pemegang-pemegang saham yang setia melalui dividen-dividen yang menarik. Baki Bon Boleh Ditukar sebanyak RM 260.5 juta juga telah ditukar sepenuhnya sebagai saham-saham MCB sebelum Penswastaaan. Selain itu, Syarikat kami mempunyai kuasa untuk menolak dalam memperoleh sesetengah aset-aset bukan perjudian MCSB melalui penebusan sebanyak RM 875 juta RULS-A yang dikeluarkan oleh MHSB. Dengan itu, Syarikat kami mempunyai pilihan untuk meningkatkan asas pendapatan Kumpulan dengan aset-aset yang telah diperolehi. Akhirnya, dengan pemberhentian pelaburan dalam aset-aset bukan perjudian, MCSB kini adalah syarikat perjudian yang tulen di mana ini membolehkannya untuk memberi tumpuan ke atas perniagaan terasnya.

Kumpulan kami juga tidak terkecuali dalam menghadapi kesan-kesan krisis ekonomi global dan kemelesetan ekonomi. Kumpulan telah merekodkan perolehan sebanyak RM 3.1 bilion dan keuntungan sebelum cukai sebanyak RM 346.5 juta pada tahun 2008 berbanding dengan perolehan sebanyak RM 3.2 bilion dan keuntungan sebelum cukai sebanyak RM 573.7 juta pada tahun 2007. Yuran-yuran profesional dan kos-kos kewangan yang berkaitan dengan aktiviti Penswastaaan juga telah memberi kesan kepada pendapatan kami pada tahun 2008. Pendapatan asas sesaham telah jatuh kepada 16.7 sen daripada 40.3 sen dalam tahun 2007.

TINJAUAN OPERASI

Bahagian Perjudian

Perjudian secara amnya dianggap sebagai tidak akan terjejas walaupun dalam keadaan kemelesetan ekonomi, bahagian ini mengalami perolehan yang agak rendah iaitu sebanyak RM 2.8 bilion berbanding RM 2.9 bilion yang direkodkan pada tahun kewangan sebelumnya. Sebab utama penurunan ini adalah akibat daripada jumlah cabutan yang lebih rendah dalam tahun 2008. Keuntungan sebelum cukai yang dicatatkan sebanyak RM 150.9 juta pada tahun 2008 adalah lebih rendah daripada RM 526.5 juta yang diperolehi pada tahun sebelumnya akibat daripada perbelanjaan faedah yang lebih tinggi dan kos-kos tidak berulang melalui aktiviti Penswastaaan pada tahun 2008 dan juga keuntungan di luar jangkaan ke atas pelupusan harta dan pelaburan tertentu pada tahun 2007.

Penyata Pengerusi

Dengan CVC, sebuah firma ekuiti persendirian utama global dengan rekod prestasi yang terbukti dalam mewujudkan nilai sebagai rakan kongsi penswastaan MCSB, pihak pengurusan menumpukan perhatian dalam mengenalpasti isu-isu operasi utama untuk memajukan lagi perniagaan perjudian dan pemberhentian pelaburan ke atas aset-aset bukan perjudian.

Bahagian Pembrokeran Saham

Perniagaan Pembrokeran Saham telah terjejas teruk akibat daripada krisis kewangan global dan mencatat kerugian sebelum cukai sebanyak RM 3.6 juta, satu penurunan ketara daripada keuntungan sebelum cukai sebanyak RM 33.3 juta yang dicapai pada tahun sebelumnya. Hasil yang kurang baik ini adalah berpunca terutamanya daripada keadaan dagangan yang merosot dan sentimen kepada pasaran yang lembap. Menurut Bursa Saham Berhad, jumlah purata dagangan harian ke atas Pertukaran telah jatuh kepada 631 juta saham pada tahun 2008 berbanding dengan 1,548 juta saham dalam tahun 2007 sementara jumlah purata dagangan harian telah jatuh kepada RM 1,278 juta dalam tahun 2008 daripada RM 2,346 juta pada tahun 2007.

Melihat kepada ketidakpastian ekonomi, bahagian ini secara berterusan melaksanakan pengurusan yang cermat untuk memulihara aset-aset dan pada masa yang sama meningkatkan kecekapan operasi untuk bersaing bagi pasaran saham yang besar dalam perniagaan pembrokeran.

Bahagian Perkhidmatan Kewangan

Sektor insurans telah mengalami kerugian sebanyak RM 9.8 juta berbanding keuntungan sebelum cukai sebanyak RM 34.0 juta yang direkodkan pada tahun lalu. Portfolio pelaburan terjejas teruk akibat daripada krisis kewangan yang telah menyebabkan penurunan dalam pasaran modal. Tuntutan yang lebih tinggi terutamanya dalam bahagian perubatan dan motor telah menyumbang kepada penurunan yang berterusan.

Dalam keadaan pasaran semasa, cabang insurans berhasrat untuk menyediakan perkhidmatan yang lebih tinggi tarafnya untuk mengekalkan pelanggan-pelanggan yang sedia ada dan juga menawan pelanggan-pelanggan baru. Ia akan terus meningkatkan kualiti produk-produknya untuk memastikan pendedahan jenama yang positif di mana ini akan meningkatkan lagi daya kompetitifnya di dalam sektor tersebut.

TINJAUAN DAN PROSPEK MASA HADAPAN

Senario ekonomi global telah kekal tidak menentu dalam kita menuju ke tahun 2009. Sentimen pasaran dan keyakinan perniagaan kekal rapuh. Kerajaan kita, serta kerajaan-kerajaan lain di dunia, telah mengambil langkah-langkah kewangan dan fiskal bagi merangsang ekonomi mereka dan mengetatkan lagi peraturan pasaran. Langkah-langkah ini nyata mengukuhkan pasaran modal dan ekuiti pasaran. Kami berharap agar pakej-pakej perangsang ekonomi akan menyumbang kepada pemulihan ekonomi global dengan cepat. Bank Negara Malaysia meramalkan bahawa ekonomi Malaysia akan merekodkan pertumbuhan sebenar KDNK sebanyak -1% kepada 1% pada tahun 2009 berbanding peningkatan 4% pada tahun 2008.

Pihak pengurusan akan terus merancang dan mengurus dengan teliti dalam persekitaran perniagaan yang sukar ini dan akan berusaha keras untuk mencapai kecekapan yang optimum. Pihak pengurusan akan memulihara aset-aset, termasuklah bank tanah dan pada masa yang sama mencari peluang-peluang untuk perniagaan dan pelaburan yang berkemungkinan akan muncul dalam keadaan semasa. Kumpulan kami berada dalam keadaan yang baik untuk mengambil bahagian di dalam pemulihan ekonomi apabila ianya berlaku.

DIVIDEN

Sehubungan dengan tahun kewangan yang berakhir 31 Disember 2008, Syarikat telah membayar dividen interim sebanyak 5 sen sesaham kurang 26% cukai pada 26 September 2008. Sempena menghargai kesetiaan dan sokongan para pemegang saham, pihak Lembaga Pengarah telah mengesyorkan dividen akhir sebanyak 5 sen kurang 25% cukai pendapatan. Ini telah membawa kepada jumlah dividen untuk tahun kewangan berakhir 31 Disember 2008 kepada 10 sen.

PENGHARGAAN DAN PENGIKTIRAFAN

Bagi pihak Lembaga, saya ingin merakamkan penghargaan ikhlas saya kepada pihak Pengurusan dan kakitangan Kumpulan di atas dedikasi, komitmen dan kerja keras mereka dalam tahun yang penting dan mencabar ini.

Saya juga ingin mengucapkan terima kasih kepada para Pengarah di atas bimbingan dan nasihat yang bernas; dan kepada para pemegang saham, rakan perniagaan, pelanggan dan jurubank di atas keyakinan dan sokongan mereka terhadap Kumpulan.

DATUK RAZMAN MD. HASHIM

PENGERUSI

27 MEI 2009

本人谨此欣然代表马化控股集团董事会，为截至2008年12月31日为止的财政年度，提呈本集团及本公司的年度报告及经审计帐目

企业发展

2008年是本集团一个承前启后甚至具有里程碑意义的年头。本集团成功地通过选择性资本偿还方式（私营化）落实了私营化万能企业公司（下称MCB）的企划，现称为万能企业有限公司（下称MCSB）。

此项企划虽然背着全球金融危机而实行，然而应允为集团带来了实质和丰厚的利益，其中如下：

- (i) MCB的少数股东们以每股3令吉45仙的现金兑换他们的股份
- (ii) 本公司保持拥有万能控股有限公司（下称MHSB）的51%股权，MHSB为MCSB之母公司。
- (iii) CVC投资伙伴（下称CVC）成为本公司的企业伙伴，并会辅助本公司将博彩业务的未来表现推向另一个高峰。

私营化亦让本公司有能力偿还对外借款，进行股票回购以稳定股价，和派发忠实股东们股息。在私营化完成之前，所剩余的价值2亿6千50万令吉的可转换债券亦已被转换为MCB的股份。除此之外，本公司享有优先权，通过赎回由MHSB所发出的价值8亿7千500万令吉的RULS-A，选购MCSB之非博彩资产。这给予本公司机会选购有利增加本集团的收益资产。当非博彩资产撤资之后，MCSB将成为专注于其之核心业务的纯博彩公司。

在环球金融危机和经济衰退的冲击下，本集团也无法幸免。在2008年度，本集团记下了31亿令吉的销售量和3亿4千650万令吉的税前盈利；相比之下，在2007年度则有32亿令吉的销售量和5亿7千370万令吉的税前盈利。私营化所需要的专业服务费用和财务费用也影响了2008年度的盈利。每股盈利也从2007年度的每股40.3仙跌至16.7仙。

营运回顾

博彩业务分部

博彩业通常被视为能抵抗经济衰退的行业，然而业务部记下了28亿令吉较低的销售量，相比前个财政年度的29亿令吉。销售量的下降主要是因为2008年较少的投注次数。2008年的税前盈利达到1亿5千90万令吉，相比去年的5亿2千650万令吉减少了许多。这是因为2008年较高的利息费用和私营企划的非重复费用以及在2007年产业出售和证卷投资的异常收益。

通过CVC这间环球领先以及拥有价值创造记录的私人资本公司，成为MCSB私营企划的伙伴，管理层将专注于主要运作课题的鉴定，以加强博彩业务以及撤资非博彩资产。

证卷经纪业务分部

证卷经纪业务分部的业绩受到环球金融危机的严重冲击，税前盈利从上个年度的3千330万令吉大幅度下降到本年度的3百60万令吉亏损，这是受到日益恶劣的贸易状况和低劣的市场情绪所影响的结果。根据马来西亚股票交易所，平均每天成交量从2007年的15亿4千800万跌至2008年的6亿3千100万，而平均每天成交值则从2007年的23亿4千600万令吉跌至2008年的12亿7千800万令吉。

因为目前经济前景的不明确，此分部将继续实行谨慎的管理，以确保有效的资产运用，与此同时，也将增强业务的效率，以便能在庞大的证卷经纪业务市场中竞争。

金融服务业务分部

相比上一年度的3千400万令吉的税前盈利，在2008年度，保险业分部遭受了9百80万令吉的亏损。此次的金融风暴是导致了资本市场的崩溃的原因，较高的索赔率，尤其是医药和汽车方面的索赔案，加剧了此分部的亏损。

观望现有的市场状况，保险业分部将致力地提供更卓越的服务，以保留现有的顾客和吸引更多的新顾客。此分部将继续地提升产品的素质以确保良好的品牌印象来增强在保险业的竞争优势。

未来展望

在我们步入2009年的同时，全球的经济状况还是处于不确定的状况当中。各个市场和商业也处于低靡和脆弱的状况。我国的政府，也包括世界各国的政府已经采取了货币和财政措施以刺激各自的经济和加强市场管理条例。这些措施，将会稳定了世界资本及股票市场。希望通过各种刺激经济的方案将有助于加速全球经济的复苏。马来西亚中央银行预测，2009年我国的GDP将保持在-1 %至1 %之间，相比2008年的4.6%增长。

在面对当前严峻的经营环境，我们的管理层将会继续地，明智地规划和管理，以便能取得最佳的效果。管理层将会有有效的管理所有的资产，包括地产；与此同时，也会寻找各种的商机和投资机会，以便配合经济复苏时机到来时，本集团将会处于非常良好的状态。

股息

在财政年度截至2008年12月31日，本公司在2008年9月26日已派发了每股5仙扣除26%税务的中期股息。董事会建议派发每股5仙扣除25%税务的终期股息回报股东们。这将使到财政年度截至2008年12月31日的全年股息增加到每股10仙。

致谢

本人谨代表董事会向集团管理层和全体职员在这个充满挑战和艰难的一年内作出的奉献和承诺致以最真诚的谢意。

本人也籍此向我的董事同僚的无私指教及支持致敬。最后对于我们的股东、商业伙、顾客、及金融机构、银行的不断给予的信任，忠诚和支持至诚谢意。

主席：**DATUK RAZMAN MD. HASHIM**

2009年5月27日

Corporate Social Responsibility Statement

The Board of Directors believes that as a socially responsible corporate citizen, the Group will continue to create business sustainability and enhance the value for the shareholders and other stakeholders in the Group. The Group is committed to continuously develop and implement corporate social responsibility (“CSR”) initiatives.

THE COMMUNITY

Magnum Foundation was set up by the Group to administer funds for charitable purposes and public welfare especially in the areas of education, sports, health and charity for the needy. During the year, Magnum Foundation had provided financial assistance to various charity, education and sports organizations under the “Magnum Cares” community services programmes. The Group also made contributions to children homes under the “THRaaga Concert” programme.

Every year significant sum of funds is allocated by the Group for educational/motivation campaign. The Group provided financial assistance in the form of scholarships or educational support as well as cash rewards for students who excel in their studies through on-going education/motivation programs such as the Academic Excellence Award, Magnum & My FM Scholarship Program, Malaysian Indian Education “MiED” Award and SuperMind Dynamic Academic Seminar.

Besides education, Magnum Foundation and employees of the Group participated in various community services which include visits to bring cheer to old folk’s homes, welfare homes, orphanages and organization of charity events during festive seasons. Annually, these deserving groups receive festival goodies in the form of Ang Pows, foodstuff and cash to usher the Chinese New Year celebration with joy and happiness in the Group’s yearly Ang Pow Distribution Programme.

In addition, the Group’s Magnum Cares Programme had broaden its involvement to the Group’s subsidiaries in the states of Selangor, Perak, Negeri Sembilan, Malacca, Johore, Pahang and Sarawak, whereby supporting local councils and local festivals for the public such as Thaipusam, Wesak Day Procession, Nine Emperor God Festival, Deepavali, Hungry Ghost Festival, Sarawak Regatta, Lantern Festival, etc.

THE WORKPLACE

The Group is committed to ensuring that employees are offered fair and equitable employment terms and are given equal opportunities for career advancement based on performance. Employees are provided with continuous learning and development opportunities to equip them with the relevant skills, knowledge and experience. The benefits provided for employees include hospitalization insurance coverage, personal accident insurance coverage and staff retirement scheme.

THE ENVIRONMENT

The Group continued its initiatives in preserving the environment, including recycling paper waste, printing double-sided and communicating via e-mails to reduce usage of papers.

The Company uses environmental friendly and safe products in the management of the Company’s building, Menara Multi-Purpose, as follows:

- The Company ensures that all IT/server rooms in our building are protected with certified gas systems such as the FM200, Argonite and Pyrogen gas systems, which are non-conductive and non-corrosive, thus making it safe for usage around electrical equipment.
- The Company prohibits the use of toxic materials (e.g. Asbestos) in our building.
- Only approved chemicals are used in the water treatment, general cleaning, pest control services, air-conditioning and landscaping of the building.

Corporate Governance Statement

The Board of Directors of Multi-Purpose Holdings Berhad (“the Company”) is committed to ensuring that good corporate governance practices are implemented and maintained throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance long-term shareholders’ value and investors’ interests consistent with the Malaysian Code On Corporate Governance (“the Code”).

The Board is pleased to set out below a statement which describes the practices that the Group has applied with respect to each key Principles and the extent of its compliance with the Best Practices as set out in the Code during the financial year ended 31 December 2008.

A. DIRECTORS

1. The Board and Board Responsibilities

The Group is led by an effective and experienced Board comprising members with substantial years of experience in areas of general management, business, property development, corporate affairs, banking, stockbroking, finance and accounting. The Board has overall responsibility for the review and adoption of the Group’s strategic plans, regular review of the Group’s business performance, ensuring the existence of proper internal controls and the adoption of appropriate risk management systems for the Group.

The Board has delegated certain responsibilities to the Board committees, namely, the Nomination Committee, Remuneration Committee and Audit Committee to support and assist the Board in discharging its fiduciary duties and responsibilities.

The Board has a formal schedule of matters reserved specifically for its decision, including the approval of corporate plans and budgets, acquisitions and disposals of assets that are material to the Group, major investments, changes to management and control structure of the Group, including key policies, procedures and authority limits.

2. Board Composition and Balance

The Board currently has seven (7) members, comprising five (5) Non-Executive Directors (including the Chairman) and two (2) Executive Directors. Of the five(5) Non-Executive Directors, three (3) are independent. The Independent Non-Executive Directors make up more than one-third (1/3) of the Board as required under Paragraph 15.02 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). A brief profile of each Director is set out in this Annual Report.

The Chairman of the Board, Datuk Razman Md. Hashim, is an Independent Non-Executive Director. The two directors holding executive office are Managing Director, Dato’ Surin Upatkoon and Executive Director, Mr Ng Kok Cheang.

The composition of the Board reflects a balance of Executive, Non-Executive and Independent Directors. The presence of three (3) Independent Non-executive Directors brings unbiased and independent views and judgement to the decision making of the Board as well as ensuring that the interests of other parties such as the minority shareholders are properly safeguarded.

There is a clear segregation of responsibilities between the Chairman, the Managing Director and the Executive Director to ensure a balance of power and authority in the Board. The Chairman is primarily responsible for the orderly conduct and working of the Board whilst the Managing Director and the Executive Director are responsible for the day-to-day running of the business and implementation of Board policies and decisions

The Board has nominated Datuk Razman Md. Hashim, the Chairman of the Board, to whom any concerns of shareholders/investors may be conveyed.

Corporate Governance Statement

3. Board Meetings

The Board meets on a scheduled basis at least 5 times a year. Prior to the Board Meetings, a formal agenda together with a set of Board papers containing information relevant to the matters to be deliberated at the meeting are forwarded to all Directors in sufficient time to enable the Directors to review and consider on the matters to be deliberated.

During the year 2008, eight meetings of the Board were held and all directors have attended more than 50% of the Board Meetings. Details of the Directors' attendance for 2008 are set out below:-

Name	Number Of Board Meetings Attended
Datuk Razman Md. Hashim	7
Dato' Surin Upatkoon	8
Mr Ng Kok Cheang	8
Dato' Lim Tiong Chin	8
Mr Vijeyaratnam a/I V. Thamoatham Pillay	8
Encik Sahibudeen Abdul Kader	8
Dato' Wong Puan Wah	8

4. Supply of Information

The directors have full and unrestricted access to information from the senior management and to the advice and services of the Company Secretary. The directors may also seek independent professional advice, at the Company's expense, if required.

The Board is provided on a timely basis with all relevant information on all aspects of the Group's operations and performance through regular status reports, including monthly and year-to-date performance report of the Group's operations.

5. Appointments To The Board

The appointment of new Directors is made solely by the Board through a formal and transparent selection process that is consistent with the Articles of Association of the Company. The Board has established a Nomination Committee to make recommendations on suitable candidates for appointment to the Board.

The Nomination Committee comprises mainly non-executive directors, two of whom are independent directors, as follows:-

- | | | | |
|-----|---|---|----------|
| (a) | Mr Vijeyaratnam a/I V. Thamoatham Pillay
(<i>Non-Independent Non-Executive Director</i>) | - | Chairman |
| (b) | Datuk Razman Md. Hashim
(<i>Independent Non-Executive Director</i>) | - | Member |
| (c) | Encik Sahibudeen Abdul Kader
(<i>Independent Non-Executive Director</i>) | - | Member |

The responsibilities of the Nomination Committee also include assessing the effectiveness of the Board and the contributions of each director towards the effectiveness of the Board's decision-making process.

6. Re-election/Re-appointment of Directors

The Articles of Association of the Company and the Listing Requirements of Bursa Securities provide that at least one-third of the Board are subject to retirement by rotation at each Annual General Meeting and that all Directors shall retire once in every three years. A retiring director is eligible for re-election. In accordance thereto, Dato' Surin Upatkoon and Dato' Wong Puan Wah will be retiring by rotation at the forthcoming annual general meeting.

Pursuant to Section 129(6) of the Companies Act, 1965, Datuk Razman Md Hashim, who will be attaining seventy years of age on 31 May 2009, will be submitting himself for re-appointment at the forthcoming annual general meeting.

The re-election/re-appointment of Directors ensures that shareholders have a regular opportunity to reassess the composition of the Board.

7. Directors' Training

In the year 2008, all Directors have attended the training programme entitled "CSR Essentials for Directors". The Board will on a continuous basis, evaluate and determine the training needs of each Director, particularly on relevant new laws and regulations, essential practices for effective corporate governance and risk management to enable the Directors to effectively discharge their duties.

B. DIRECTORS' REMUNERATION

1. Level and Make-up of Remuneration

The objective of the Group's remuneration policy is to attract, retain and motivate Directors to manage the business of the Group effectively. The remunerations of the Managing Director and Executive Directors are linked to their individual performance while all Directors received a standard fee approved by shareholders at the annual general meeting. The quantum of fixed fee takes into consideration the increased fiduciary duties and responsibilities of the Directors under the relevant regulatory requirements.

Additional allowance is paid to the Independent Non-Executive Chairman of the Board while the two other Independent Non-Executive Directors of the Company are paid meeting allowances in accordance with the number of meetings attended during the year.

2. Procedure

The responsibilities of the Remuneration Committee include the formulation of remuneration policy such as rewards and benefits and other terms of employment of the Executive Directors as well as staff for recommendations to the Board. The Remuneration Committee held 1 meeting during the year, which were attended by all members.

The members of the Remuneration Committee as at 31 December 2008 are:

- | | | | |
|-----|--|---|----------|
| (a) | Datuk Razman Md. Hashim
<i>(Independent Non-Executive Director)</i> | - | Chairman |
| (b) | Dato' Surin Upatkoon
<i>(Non-Independent Managing Director)</i> | - | Member |

Corporate Governance Statement

- (c) Encik Sahibudeen Abdul Kader - Member
(Independent Non-Executive Director)

The Board as a whole determines the level of fees of Non-Executive Directors and Executive Directors. The annual Directors' fees payable to directors are endorsed by the Board for approval by the shareholders of the Company at the Annual General Meeting. Directors do not participate in decisions regarding their own remuneration packages.

3. Disclosure

The aggregate remuneration of directors of the Company in respect of the financial year ended 31 December 2008 categorised into appropriate components are as follows:-

Directors of the Company	Number of Directors			
	2008		2007	
	Executive Directors	Non Executive Directors	Executive Directors	Non Executive Directors
RM50,001 to RM100,000	-	2	-	3
RM100,001 to RM150,000	-	1	-	-
RM150,001 to RM200,000	-	-	-	-
RM200,001 to RM250,000	-	-	-	1
RM250,001 to RM300,000	-	1	-	-
RM400,001 to RM450,000	-	-	1	-
RM550,001 to RM600,000	1	-	-	-
RM1,250,001 to RM1,300,000	1	-	-	-
RM1,400,001 to 1,450,000	1	-	-	-
RM3,000,001 to RM4,000,000	-	-	2	-

C. SHAREHOLDERS AND INVESTORS

1. Annual General Meeting

The Board recognises the importance of maintaining transparency and accountability to its shareholders and investors. The Annual General Meeting ("AGM") remains the principal forum used by the Company to maintain dialogue and interaction with the shareholders of the Company. During the AGM, shareholders are accorded the opportunity and time to ask questions regarding the resolutions being proposed at the meeting and also on matters relating to the affairs, activities and prospects of the Group. The Board members, Senior Management of the Company as well as the Auditors of the Company are in attendance to provide explanations to any shareholders' queries.

2. Investors Relation

The Board also recognises the importance of timely and equal dissemination of information on major developments of the Group to the shareholders and investors, which is carried out by means of various disclosures and announcements to Bursa Securities. The Annual Report is an important channel used by the Company to provide its shareholders and investors with information on its business, financials and other key activities.

Corporate Governance Statement

The Company maintains a corporate website at www.mphb.com.my which shareholders and members of the public can access for corporate information and new events relating to the Group

As part of the Group's investor relations programmes, the Management conducted meetings with the fund managers, research analysts and the media.

D. ACCOUNTABILITY AND AUDIT

1. Financial Reporting

The Board had an overall responsibility for the quality and completeness of publicly disclosed financial reports. In presenting the annual financial statements and quarterly financial results of Group, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgement and estimates.

The Board is assisted by the Audit Committee to ensure accuracy and adequacy of the information in the annual and quarterly financial statements to be disclosed to shareholders, investors and the public. Quarterly and annual financial statements are reviewed by the Audit Committee and approved by the Board prior to release to Bursa Securities.

2. Internal Control

The Company has in place an internal audit department to assist the Board in maintaining a sound system of internal control for the purposes of safeguarding shareholders' investment and the Group's assets. The activities of this department which are reported regularly to the Audit Committee provide the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control of the Group.

The Statement of Internal Control in the Annual Report provides an overview on the state of internal control within the Group.

3. Audit Committee

The Audit Committee reviews the Group's financial reporting process, the system of internal control and management of risk, the audit process and the Group's process for monitoring compliance with laws and regulations, and such other matters which may be delegated by the Board.

Full details of the composition, terms of reference and activities of the Audit Committee during the year are set out in the Audit Committee Report in this Annual Report.

4. Relationships with the Auditors

The Board through the Audit Committee has established a formal and transparent relationship with external auditors. The Audit Committee meets at least once a year with the external auditors to discuss the Company's annual financial statements and their audit findings. The Audit Committee also meets with the external auditors whenever it deems necessary.

The above Statement on Corporate Governance has been reviewed and approved by the Board of Directors.