

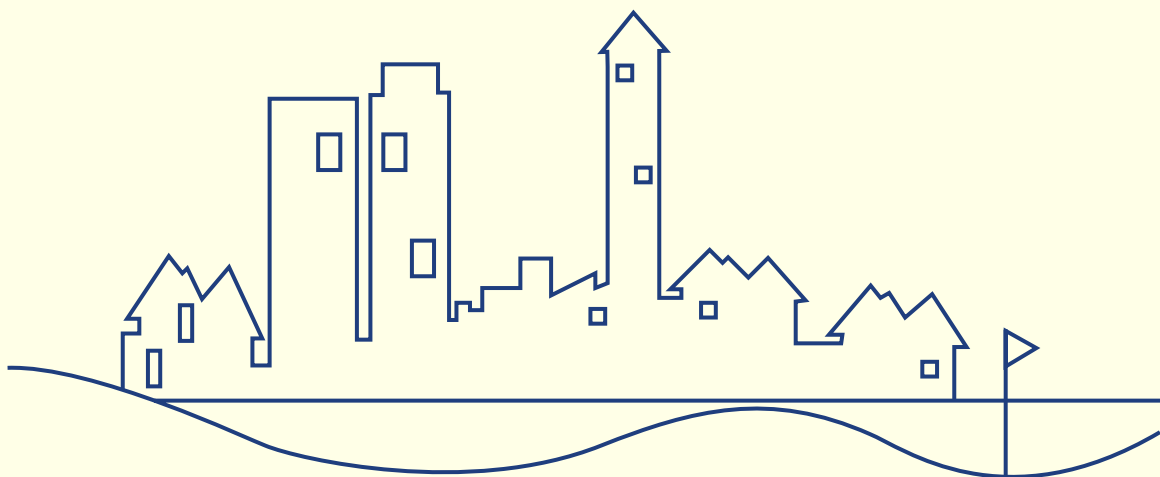


DIJAYA CORPORATION BERHAD

(Company No. 47908-K)

A n n u a l R e p o r t

2 0 0 0



Contents / Kandungan

2	Notice of Annual General Meeting
4	Corporate Information
5	Corporate Structure
6	Chairman's Statement / <i>Penyata Pengerusi</i>
16	Audit Committee
17	Financial Statements
56	Statistics on Shareholdings
58	List of Properties Owned by the Group
	Proxy Form

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty Second (22nd) Annual General Meeting of Dijaya Corporation Berhad will be held at Ballroom 1, Jalan Kelab Tropicana, Off Jalan Tropicana Utama, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Saturday, 16 June 2001 at 10.30 a.m. for the following purposes:-

AGENDA

1. To receive and adopt the audited accounts for the year ended 31 December 2000 and the Reports of the Directors and Auditors thereon. **Resolution 1**
2. To re-elect the following Directors:-
 - (i) Dato' Thong Kok Khee **Resolution 2**
 - (ii) Tan Choon Kee **Resolution 3**
 - (iii) Azhar Bin Abdul Wahab **Resolution 4**
 - (iv) Roslan Bin Hj Yahya **Resolution 5**
3. To approve the payment of Directors' fees. **Resolution 6**
4. To re-appoint Messrs. PricewaterhouseCoopers as Auditors and to authorise the Directors to determine their remuneration. **Resolution 7**
5. As Special Business: -

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

ORDINARY RESOLUTION I

"THAT, subject to the approvals of the relevant authorities, the Directors be and are hereby authorised at any time and from time to time to offer and to grant to Tan Choon Kee, the Executive Director, options to subscribe for such number of ordinary shares up to a maximum of 500,000 new ordinary shares in the Company to be allotted and issued pursuant to the Employees' Share Option Scheme ("the Scheme") subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the Bye-Laws governing and constituting the Scheme. **Resolution 8**

Notice of Annual General Meeting

ORDINARY RESOLUTION II

“THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental and regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”

Resolution 9

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

By Order of the Board

DIJAYA CORPORATION BERHAD

LESLIE LIM SIAK KOOI (MAICSA NO. 0798626)

JESSICA LOW NYOKE FUN (MAICSA NO. 7005037)

Secretaries

Petaling Jaya

31 May 2001

Notes:

- (i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (ii) The instrument appointing a proxy or proxies must be deposited at the Company's Registered Office at Lot 302, 3rd Floor, Wisma Dijaya, No. 1A, Jalan SS20/1, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for holding the meeting or at any adjournment thereof.
- (iii) A member shall be entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting.
- (iv) Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- (v) The instrument appointing a proxy or proxies shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or in some other manner approved by its directors.
- (vi) The Ordinary Resolution II proposed under item (5), if passed, will give the Directors of the Company, from the date of the above General Meeting, authority to issue and allot ordinary shares from the unissued capital of the Company. This authority will, unless revoked or varied by the Company in General Meeting, expire at the next Annual General Meeting.

Corporate Information

DIRECTORS

Y. Bhg. Tan Sri Datuk Ahmad Farouk Bin Isahak
(Chairman)

Y. Bhg. Dato' Danny Tan Chee Sing
(Group Chief Executive Officer)

Poh Pai Kong
(Group Managing Director)

Tan Choon Kee
(Executive Director)

Y. Bhg. Dato' Dr Thong Kok Cheong

Y. Bhg. Dato' Thong Kok Khee

Michael Lim Hee Kiang

Azhar Bin Abdul Wahab

Roslan Bin Hj Yahya

AUDIT COMMITTEE

Y. Bhg. Tan Sri Datuk Ahmad Farouk Bin Isahak (Chairman)
– (Independent Non-Executive Director)

Y. Bhg. Dato' Dr Thong Kok Cheong
– (Non-independent Non-Executive Director)

Michael Lim Hee Kiang
– (Independent Non-Executive Director)

SECRETARIES

Leslie Lim Siak Kooi

Jessica Low Nyoke Fun

AUDITORS

PricewaterhouseCoopers
Public Accountants
11th Floor, Wisma Sime Darby
Jalan Raja Laut
50350 Kuala Lumpur
Tel: 03-26931077
Fax: 03-26930997

REGISTERED OFFICE

Lot 302, 3rd Floor, Wisma Dijaya
No. 1A Jalan SS 20/1
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-77268297
Fax: 03-77268076

PRINCIPAL PLACE OF BUSINESS

Lot 301, 3rd Floor, Wisma Dijaya
No. 1A Jalan SS 20/1
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-77101018
Fax: 03-77101025

SHARE REGISTRAR

Signet Share Registration Services Sdn Bhd
11th Floor, Tower Block
Kompleks Antarabangsa
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: 03-2421341
Fax: 03-2421353

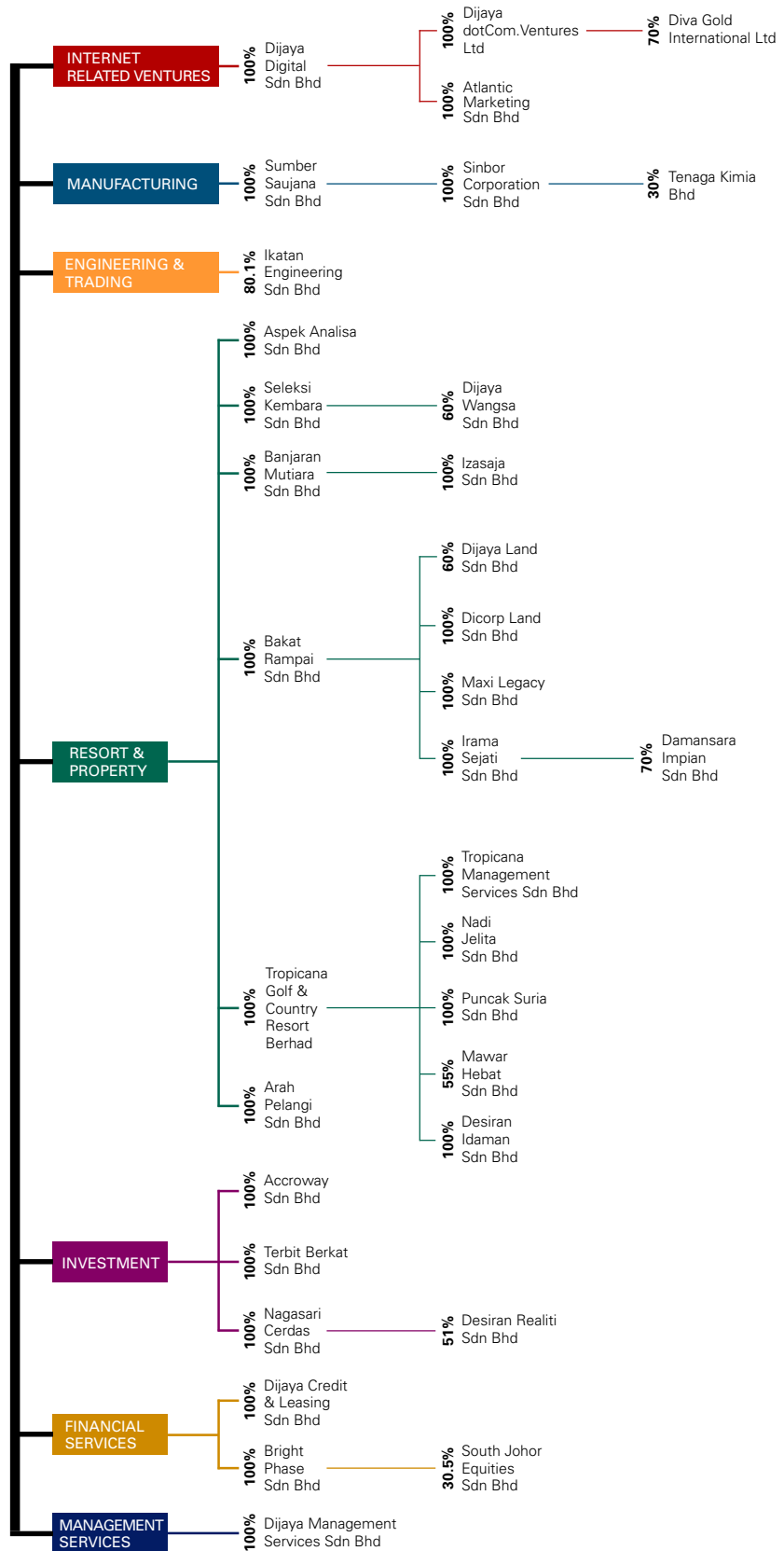
PRINCIPAL BANKERS

Arab-Malaysian Merchant Bank Berhad
Arab-Malaysian Bank Berhad
Bumiputra-Commerce Bank Berhad
Public Bank Berhad
Standard Chartered Bank Malaysia Bhd

STOCK EXCHANGE LISTING

Main Board
Kuala Lumpur Stock Exchange

Corporate Structure



* Excluding dormant companies

Statement

CHAIRMAN'S

Penyata Pengerusi

The new millennium had witnessed the continued strong recovery of the Malaysian economy, though recent adverse external economic developments particularly the sliding U.S. economy may dampen its further progress. As we welcome the era of the K-economy, I am pleased to present the Annual Report of the Group and Company for the year ended 31 December 2000.

OVERVIEW AND FINANCIAL RESULTS

The Malaysian economy sustained its upbeat rhythm by registering a commendable growth of 8.5%. The retention of the core selective exchange control measures supported by an accommodative monetary policy and expansionary fiscal initiatives largely contributed to financial stability and economic recovery. Strong external demand also partly contributed to an improvement of consumer and investor sentiments and a rise in economic activities. According to Bank Negara Annual Report 2000, private consumption surpassed the pre-crisis level while private investment expenditure turned around to record strong growth following two years of decline.

Notwithstanding the improving economic situation, the Group continued to embark on various strategic measures to reduce costs, improve efficiency and enhance sales. During the year, the Group undertook extensive market research and planning which included close monitoring of changes in the business and market environments, customer needs and trends, to ascertain major issues and risks which were then addressed by appropriate corrective and pre-emptive steps. Research and product

Ekonomi Malaysia terus menikmati pemulihan teguh pada alaf baru walaupun perkembangan ekonomi luar yang lembab baru-baru ini, terutamanya penyusutan ekonomi Amerika Syarikat, mungkin akan melembapkan kemajuan selanjutnya. Sambil mengalukan kedatangan era K-ekonomi, saya dengan sukacitanya membentangkan Laporan Tahunan Kumpulan dan Syarikat bagi tahun berakhir 31 Disember 2000.

TINJAUAN MENYELURUH DAN KEPUTUSAN KEWANGAN

Ekonomi Malaysia mengekalkan kerencakannya dengan mencatatkan pertumbuhan memberangsangkan sebanyak 8.5%. Pengkalan langkah kawalan kadar pertukaran matawang secara berpilih yang disokong dengan dasar kewangan serta inisiatif fiskal yang mendorong pertumbuhan menggalakkan telah menyumbang kepada kestabilan kewangan dan pemulihan ekonomi negara. Permintaan luar yang kukuh juga merupakan sebahagian faktor yang menyumbang kepada sentimen pengguna dan pelabur yang bertambah baik serta peningkatan aktiviti ekonomi. Menurut Laporan Tahunan Bank Negara Malaysia 2000, tahap penggunaan swasta telah mengatasi paras sebelum krisis sementara perbelanjaan pelaburan swasta pula telah kembali pulih dengan mencatatkan pertumbuhan teguh selepas dua tahun mengalami kemerosotan.

Chairman's Statement • *Penyata Pengerusi*

planning and development were accorded due emphasis in our overall business planning methodology. Aggressive and innovative marketing strategies besides effective pricing policies were pursued earnestly to achieve the desired results.

Considering the favourable economic indicators and the pragmatic yet proactive innovative strategies pursued by Management, the Group recovered and achieved about 110% turnaround in profit with a profit after tax and minority interest of RM10.5 million for the year as compared to a loss of RM102.5 million in 1999, with a significant improvement in the Group's turnover by 31.95% from RM161.5million to RM213.1 million.

The Resort and Property Division was the primary profit contributor considering our niche property market and the strategic location of the Group's projects. All other operating divisions also reported positive earnings for the year under review with the exception of the Engineering & Trading and Investment Divisions.

At the Company level, a pre-tax profit of RM5.3million was attained. Turnover remained stable at around RM13.9million.

In the light of the projected slower growth rate of 5% to 6% for the Malaysian economy, the Group would continue to ensure effective utilisation of its limited resources and the conservation of available reserves to enhance its internal resilience. The Group would endeavour to leverage on the strength it had developed over the years, particularly its expertise in the core business of property & resort development, to meet the challenges posed by a large stock of property overhang (i.e. unsold units) across the country, particularly in the commercial and retail property sector.

Additionally, the Group would persevere in identifying niche areas of growth besides synergistic and commercially viable business opportunities to complement its existing core business activities.

Walaupun keadaan ekonomi telah bertambah baik, Kumpulan terus melancarkan berbagai langkah strategik untuk mengurangkan kos, mempertingkatkan kecekapan dan menambah jualan. Pada tahun ini, Kumpulan telah menjalankan penyelidikan dan perancangan pasaran secara ekstensif termasuk memantau secara lebih dekat berbagai perubahan yang berlaku dalam persekitaran perniagaan dan pasaran, keperluan dan arah aliran pelanggan. Ia bertujuan untuk memastikan supaya isu-isu serta risiko utama ditangani selepas itu melalui langkah pembetulan dan awal. Penyelidikan serta perancangan dan pembangunan produk diberi keutamaan dalam kaedah perancangan perniagaan keseluruhan kami. Di samping dasar penentuan harga, strategi pemasaran yang agresif dan inovatif telah dilaksanakan dengan bersungguh-sungguh bagi mencapai keputusan yang dikehendaki.

Petunjuk ekonomi yang menggalakkan dan berbagai strategi yang proaktif lagi inovatif yang dijalankan oleh Pengurusan telah membantu Kumpulan memulihkan keuntungannya sebanyak kira-kira 110% dengan keuntungan selepas cukai dan kepentingan minoriti sebanyak RM10.5 juta pada tahun ini berbanding kerugian sebanyak RM102.5 juta pada tahun 1999. Ini adalah hasil peningkatan perolehan sebanyak 31.95%, daripada RM161.5 juta kepada RM213.1 juta.

Bahagian Pusat Peranginan dan Hartanah merupakan penyumbang utama keuntungan memandangkan projek-projek yang dikendalikan oleh Kumpulan mempunyai strategi pasaran hartanah khusus dan lokasi yang strategik. Semua bahagian operasi lain turut melaporkan pendapatan positif pada tahun yang ditinjau kecuali Bahagian Kejuruteraan & Perdagangan dan Bahagian Pelaburan.

Keuntungan sebelum cukai sebanyak RM5.3 juta telah dicapai di peringkat Syarikat. Perolehan kekal stabil di paras kira-kira RM13.9 juta.

Chairman's Statement • *Penyata Pengerusi*

OPERATIONAL REVIEW

Resort and Property

The Resort & Property Division recorded a distinct improvement in performance from a pre-tax loss of RM4.6million to a pre-tax profit RM10.7million during the year, owing to higher profit recognition arising from additional sales and the completion of various phases of certain on-going property development projects and the inception of the development work of its high rise residential project known as "Casa Damansara I".

Backed by its key location and conducive ambience, Tropicana Golf & Country Club located within the Tropicana Golf & Country Resort retained its status as one of the premier golfing tee-off spots in the country and continued to attract bookings for its comprehensive facilities. Total membership also improved marginally to 4,109 from 3,954 in the previous year, representing an increase of 3.9%.

Oleh kerana ekonomi Malaysia dijangka akan mencatatkan kadar pertumbuhan yang lebih rendah antara 5% hingga 6%, namun Kumpulan akan terus memastikan sumbernya yang terhad digunakan secara berkesan serta memelihara rizab sedia ada bagi mempertingkatkan ketahanan dalaman. Kumpulan akan berusaha mengimbangi keteguhan yang telah dibangunkan sepanjang beberapa tahun, terutamanya kepakaran dalam pembangunan hartanah perniagaan & pusat peranginan. Bagi memenuhi berbagai cabaran yang timbul berikutan terdapat lebih stok hartanah yang tinggi di seluruh negara, terutamanya dalam sektor hartanah perdagangan dan runcit.

Tambahan pula, Kumpulan akan terus mengenalpasti beberapa bidang pertumbuhan khusus di samping berbagai peluang yang sinergistik dan berdaya maju dari segi komersial bagi saling melengkapi aktiviti perniagaan terasnya.

TINJAUAN OPERASI

Pusat Peranginan dan Hartanah

Bahagian Pusat Peranginan & Hartanah mencatatkan kemajuan prestasi yang ketara dengan mencatatkan keuntungan sebelum cukai sebanyak RM10.7 juta pada tahun ini berbanding kerugian sebanyak RM4.6 juta sebelumnya. Ini adalah berikutan pengiktirafan keuntungan yang lebih tinggi daripada jualan tambahan dan penyiapan berbagai fasa projek pembangunan hartanah yang sedang dimajukan serta permulaan kerja pembangunan projek kediaman bertingkat tinggi yang dikenali sebagai "Casa Damansara 1".

27 holes of golfing in the early morning mist in Tropicana

Rekreasi pagi di padang golf 27 lubang yang permai di Tropicana



Chairman's Statement • *Penyata Pengerusi*

**Typical landed property
in golf course setting**

**Hartanah bertapak berlatar
keindahan pemandangan
padang golf**

For Tropicana Golf & Country Resort Berhad ("Tropicana"), no new development project was launched during the year, except for the sale of certain choice pieces of bungalow lots that had earlier been held back. It planned to make available additional units of luxurious semi-detached homes and bungalow lots for sale by opening up a new phase in the second half of 2001, when property market sentiments are envisaged to be more receptive.

Overall, Tropicana improved in terms of profit performance for the year under review.

As regards to the 200 acres of land next to the Sungei Buloh Country Resort, there was no further progress mainly because of the prolonged weak market conditions within that vicinity. Similarly, the proposed commercial development earmarked for the 10.96 acres of freehold land in Mukim Bukit Mertajam continued to be deferred to a more favourable time.

On the forefront of other on-going major development projects, the Bakat Rampai Group continued to achieve good results.

Tropicana Golf & Country Club yang terletak di Tropicana Golf & Country Resort mempunyai lokasi utama dan persekitaran yang sesuai. Ia mampu mengekalkan statusnya sebagai salah sebuah padang sasaran golf yang terulung di negara ini dan terus menarik tempahan untuk kemudahannya yang menyeluruh. Jumlah keahliannya mencatatkan peningkatan kecil sebanyak 3.9%, daripada 3,954 pada tahun sebelumnya kepada 4,109 pada tahun ini.

Tiada projek pembangunan baru dilancarkan oleh Tropicana Golf & Country Resort Berhad ("Tropicana") pada tahun ini, kecuali jualan beberapa bidang lot banglo terpilih yang ditangguh jualannya sebelum ini. Ia merancang untuk menjual unit kediaman berkembar mewah dan lot banglo yang akan dilaksanakan melalui pembukaan beberapa fasa baru pada tempoh setengah tahun kedua 2001 apabila sentimen pasaran hartanah dijangka akan lebih memberi tindak balas.

Prestasi keseluruhan Tropicana dari segi keuntungan pada tahun yang ditinjau telah bertambah baik.

Tiada kemajuan baru berlaku ke atas tanah seluas 200 ekar di sebelah Sungai Buloh Country Resort kerana keadaan pasaran di sekitar kawasan tersebut berpanjangan lemah. Tanah milik bebas seluas 10.96 ekar di Mukim Bukit Mertajam yang dicadang untuk pembangunan perdagangan juga terus ditangguhkan ke satu masa yang lebih menggalakkan.

Permintaan untuk hartanah kediaman bertapak di lokasi mewah kekal teguh. Semua 170 unit rumah berangkai dua tingkat yang dikenali sebagai "Romeo" dan "Juliet" di projek

Chairman's Statement • *Penyata Pengerusi*

Demand for landed residential properties in blue-chip locations remained strong. For the Damansara Indah Resort Homes project, all its 170 units of double-storey link houses known as "Romeo" and "Juliet" had been fully sold, while for its 234 units of double-storey link houses known as "Pesona" and 'Mustika', 99% sales had been achieved todate. Another 119 units of single storey link houses known as "Adam" and "Eve" were also fully sold earlier. All the said units had been fully completed and many were already occupied. Response to its high-end residential segment was also favourable with 81% and 92% sales achieved for its bungalow lots and semi-detached houses respectively.

Phase 1 development of the Damansara Intan project, involving Block A, a 16-18-storey office block, Block C comprising 12 units of 5-storey shop/office blocks and Block B consisting of an 8-storey car park building with commercial space on the ground floor were completed in 1999.



**24-hour security is the hallmark
of our resort developments**

***Keselamatan 24 jam lambang keunggulan
di pembangunan peranginan kami***

**Open spaces and landscaped playgrounds
for your kids**

***Ruang terbuka dan taman permainan
berlanskap untuk keceriaan anak-anak anda***

Damansara Indah Resort Homes telah habis dijual, sementara 99% daripada 234 unit rumah berangkai dua tingkat dikenali sebagai "Pesona" dan "Mustika" telah dijual sehingga kini. Sebanyak 119 unit rumah berangkai satu tingkat dikenali sebagai "Adam" dan "Eve" juga telah habis dijual sebelum ini. Semua unit yang disebutkan tadi telah disiapkan sepenuhnya dan kebanyakannya telah didiami. Sambutan bagi segmen kediaman kelas atasan juga menikmati sambutan menggalakkan dengan lot banglo mencatatkan kadar jualan 81% dan rumah berkembar mencapai kadar jualan 92%.

Pembangunan projek Damansara Intan Fasa 1 yang melibatkan Blok A, sebuah blok pejabat 16-18 tingkat, Blok C yang meliputi 12 unit blok kedai/pejabat 5 tingkat dan Blok B yang meliputi bangunan tempat letak kereta 8 tingkat dengan ruang niaga di tingkat bawah telah disiapkan pada tahun 1999.

Sehingga kini, Blok C telah dijual sepenuhnya, sementara Blok A telah hampir 70% habis dijual. Sementara itu, ruang niaga tingkat bawah di Blok B dikedalkan untuk pendapatan sewanya. Fasa 2 projek pembangunan ini yang melibatkan sebuah blok pejabat setinggi 25 tingkat akan terus ditangguhkan memandangkan kelemahan berpanjangan di pasaran pejabat runcit.

Chairman's Statement • *Penyata Pengerusi*

Block C had been fully sold while Block A was approximately 70% sold to date. Meanwhile, the ground floor commercial space at Block B was retained for rental income. Phase 2 of the development involving a 25-storey office block would continue to be deferred considering the prolonged weakness in the retail office markets.

With respect to the Dijaya Mall project, the Group proceeded with the development of the residential component under the brand name of "Casa Damansara". Phase 1A and 1B of this condominium project known as "Casa Damansara I" were launched in November 1999 and they had been fully sold. The earthworks, piling and substructure works for the said project had been completed and the superstructure works are presently in progress. Phase 2 of the development consisting 152 units of condominium known as "Casa Damansara II" was launched in September 2000, with satisfactory response.



**Upmarket shop offices
in strategic location**

***Kedai pejabat kelas atasan
di lokasi pilihan***



**Landscaped piazza for
quiet reflection**

***Piazza berlanskap yang
memberikan ketenangan***



**Condos where every unit
has a swimming pool view**

***Setiap unit kondominium ini berhadapan
dengan pemandangan kolam renang***

Kumpulan telah meneruskan pembangunan komponen kediaman di bawah jenama "Casa Damansara" di projek Dijaya Mall. Fasa 1A dan 1B projek kondominium yang dikenali sebagai "Casa Damansara I" ini telah dilancarkan pada bulan November 1999 dan kini telah habis dijual sepenuhnya. Kerja tanah, cerucuk dan kerja substruktur bagi projek tersebut telah diselesaikan dan kerja superstruktur kini sedang berjalan lancar. Fasa 2 pembangunan ini meliputi 152 unit kondominium yang dikenali sebagai "Casa Damansara II" telah dilancarkan pada bulan September 2000 dan mendapat sambutan yang memuaskan.

Pembangunan komponen perdagangan yang meliputi blok ruang niaga dan hiburan 6 tingkat telah ditangguh memandangkan pasaran perdagangan yang berterusan lemah. Walau bagaimanapun, Peringkat 1 pembinaan itu yang melibatkan kerja menanam cerucuk dan substruktur telah disiapkan pada tahun 1999, sementara kerja superstruktur dalam Peringkat II terus ditangguh ke satu masa yang lebih sesuai.

Chairman's Statement • *Penyata Pengerusi*

For the commercial component comprising a 6-storey retail and entertainment block, its development was delayed in view of the continuing weak commercial market. Nonetheless, Stage I of the construction involving piling and substructure works was completed in 1999, whilst the superstructure works in Stage II remained to be deferred to a more appropriate time.

In tandem with the Group's strategy in consolidating its property portfolio through selective disposal of assets marginal to its needs, Maxi Legacy Sdn Bhd sold off its 5.204 acres of vacant leasehold land for a cash consideration of RM14.0 million during the year.

Manufacturing

With the economic recovery, the Group's 30%-owned associated company, Tenaga Kimia Sdn Bhd, registered an improvement with consolidated after-tax profit of about RM3.6million. Meanwhile, the Group divested its 24% equity investment in Malaysian Roofing Industries Sdn Bhd for a cash consideration of RM2million.

The Company also disposed of its industrial land located at Kanthan, Ipoh during the year for a cash consideration of RM5.3million.

Engineering and Trading

Continuing stiff competition as a result of saturated market conditions continued to plague this Division resulting in the dilution of profit margins. Nevertheless, the implementation of cost-cutting measures and stringent financial controls had successfully contained the pre-tax losses to a marginal level.

Stockbroking

The Group's 30.5%-owned associated company, South Johor Equities Sdn Bhd ("SJE") contributed a pre-tax profit amounting to about RM9.3 million for the year as compared to a pre-tax loss of RM6.4 million for 1999, primarily owing to the relatively bullish stock market then especially in the first half of 2000.

On 16 October 2000, SJE entered into a conditional agreement with Arab-Malaysian Securities Sdn Bhd to sell its entire equity interest in its wholly-owned stockbroking arm, South Johor Securities Sdn Bhd for a cash consideration of RM175 million ("Proposed Sale") in compliance with the announced

Maxi Legacy Sdn Bhd telah menjual sebidang tanah lapang pegangan pajakan seluas 5.204 ekar dengan bayaran sebanyak RM14.0 juta pada tahun ini. Ini adalah selaras dengan strategi Kumpulan untuk mengukuhkan portfolionya melalui penjualan secara berpilih aset yang marginal kepada keperluannya.

Perkilangan

Pemulihan ekonomi telah membantu syarikat bersekutu 30% milik Kumpulan, Tenaga Kimia Sdn Bhd, mencatatkan pertambahan keuntungan selepas cukai yang disatukan sebanyak kira-kira RM3.6 juta. Sementara itu, Kumpulan telah melupuskan pelaburan ekuitinya sebanyak 24% dalam Malaysian Roofing Industries Sdn Bhd dengan bayaran tunai sebanyak RM2 juta.

Syarikat juga telah melupuskan tanah perindustriannya yang terletak di Kanthan, Ipoh pada tahun ini dengan bayaran sebanyak RM5.3 juta.

Kejuruteraan dan Perdagangan

Persaingan yang berterusan hebat berikutan keadaan pasaran yang berterusan tepu, melanda Bahagian ini menyebabkan margin keuntungannya susut. Walau bagaimanapun, pelaksanaan langkah-langkah penjimatan kos dan kawalan kewangan yang ketat berjaya membendung kerugian sebelum cukai ke paras marginal.

Pembrokeran Saham

South Johor Equities Sdn Bhd ("SJE"), sebuah syarikat bersekutu 30.5% milik Kumpulan, menyumbang kepada keuntungan sebelum cukai sebanyak lebih kurang RM9.3 juta pada tahun ini berbanding kerugian sebelum cukai sebanyak RM6.4 juta pada tahun 1999. Ini sebahagian besarnya adalah disebabkan oleh pasaran saham yang menggalakkan terutamanya sepanjang tempoh setengah tahun pertama 2000.

Pada 16 Oktober 2000, SJE memeterai perjanjian bersyarat dengan Arab-Malaysian Securities Sdn Bhd untuk menjual keseluruhan kepentingan ekuitinya dalam South Johor Securities Sdn Bhd, bahagian pembrokeran saham miliknya sepenuhnya, dengan bayaran tunai sebanyak RM175 juta ("Cadangan Jualan") bagi mematuhi program yang diumumkan oleh Suruhanjaya Sekuriti untuk menggalakkan penyatuan



18 holes of night golfing at your doorstep

Bermain golf di padang 18 lubang di depan kediaman anda

programme by the Securities Commission to encourage consolidation within the domestic stockbroking industry and considering the expected onset of gradual financial liberalisation in future. The Proposed Sale would also enable the Group to concentrate its resources in its existing core business.

The Proposed Sale was completed on 26 February 2001.

Internet-related ventures

In March 2000, the Group ventured into internet-related business through Dijaya dotCom. Ventures Ltd. in Hong Kong with the acquisition of a 70% equity interest in Diva Gold International Ltd. ("Diva Gold"). Diva Gold is involved in managing the Asian business operations of Atlantic Casino, an offshore licensed on-line casino based in Antigua.

In spite of the demise of many internet companies since late last year, this new venture has emerged relatively unscathed because it is essentially an operation with a viable business model. In fact, it was able to contribute an initial pre-tax profit of RM809,000 in less than one year of operation.

Chairman's Statement • Penyata Pengerusi

dalam industri pembrokeran saham tempatan dan jangkaan liberalisasi kewangan yang akan berlaku secara berperingkat pada masa depan. Cadangan Jualan ini akan membolehkan Kumpulan menumpukan sumber-sumbernya dalam perniagaan teras sedia ada.

Cadangan Jualan ini telah diselesaikan pada 26 Februari 2001.

Usahaniaga Berkaitan Internet

Pada bulan Mac 2000, Kumpulan melalui pengambilalihan 70% kepentingan ekuiti dalam Diva Gold International Ltd. ("Diva Gold") telah melibatkan diri ke dalam perniagaan berkaitan Internet melalui Dijaya dotCom. Ventures Ltd. di Hong Kong. Diva Gold terlibat dalam mengendalikan operasi perniagaan Asia Atlantic Casino, sebuah kasino online berlesen pesisir pantai yang berpangkalan di Antigua.

Walaupun banyak syarikat internet yang telah gulung tikar sejak lewat tahun lepas, usahaniaga baru ini bangkit tanpa terjejas kerana ia adalah sebuah operasi yang mempunyai model perniagaan berdaya maju. Malah, ia mampu menyumbang kepada keuntungan sebelum cukai pertama sebanyak RM809,000 dalam tempoh kurang setahun selepas beroperasi.

Walau bagaimanapun, Kumpulan akan mengamalkan pendekatan yang agak konservatif untuk meluaskan lagi pelaburannya di dalam sektor yang semakin berkembang ini.

DIVIDEN

Lembaga Pengarah tidak mengesyorkan sebarang dividen bagi tahun berakhir 31 Disember 2000 memandangkan terdapat keperluan untuk berjimat menggunakan sumber berikutan jangkaan pertumbuhan ekonomi yang kurang rancak pada tahun 2001.

PERKEMBANGAN KORPORAT

Pada 5 Julai, 2000, Syarikat mengumumkan bahawa ia tidak memohon untuk lanjutan daripada Suruhanjaya Sekuriti bagi melaksanakan Cadangan Terbitan Hak ICULS dan kelulusan itu telah luput pada 1 Julai 2000. Walau bagaimanapun, tarikh tamat bagi melaksanakan Cadangan Terbitan Bumiputera Khas telah

Chairman's Statement • *Penyata Pengerusi*

However, the Group would adopt a relatively more conservative approach with respect to further investments in this emerging sector.

DIVIDEND

The Board does not recommend any dividend to be declared for the year ended 31 December 2000 in view of the need to conserve resources in anticipation of a less robust economy in 2001.

CORPORATE DEVELOPMENT

On 5 July 2000, the Company announced that it had not sought a further extension of time from the SC for the implementation of the Proposed Rights Issue of ICULS and the approval had accordingly lapsed on 1 July 2000. However, the deadline for the implementation of the Proposed Special Bumiputra Issue had been extended to 31 December 2001 and approved by SC, as announced on 9 January 2001.

PROSPECTS

Domestic demand is targeted to be the engine of growth for 2001 considering a weakening external environment with strong prospects for a slower economic growth for the country. Nevertheless, it is observed that the Malaysian economy though possibly vulnerable to external shocks, has strong economic fundamentals in place especially its strong current account, low inflationary pressure, relatively low external debt, high savings, reasonably high external reserves, and a comparatively resilient banking system.

Against this economic scenario, the Group would strive to continue pursuing market-driven operational strategies in terms of better market positioning for its products in meeting customer needs and providing excellent customer services thereby sustaining their confidence and loyalty in the process.

In terms of strategic direction for its core business, the Group would concentrate on the residential property segment as the commercial and retail sectors are not expected to recover significantly in the near future.

dilanjutkan ke 31 Disember 2001 dan telah diluluskan oleh SC seperti yang diumumkan pada 9 Januari 2001.

PROSPEK

Permintaan dalam negeri disasar sebagai enjin pertumbuhan pada tahun 2001 kerana persekitaran luaran yang semakin lemah dengan prospek jelas menunjukkan bahawa negara akan menghadapi kelembapan pertumbuhan ekonomi. Walaupun ekonomi Malaysia mungkin terjejas akibat pengaruh luaran, namun ia mempunyai fundamental yang teguh, terutamanya akaun semasanya yang kukuh, tekanan inflasi yang rendah, hutang luar yang secara relatif rendah, kadar tabungan yang tinggi, rizab luar yang agak tinggi dan sistem perbankan yang agak berdaya tahan.

Berdasarkan senario ekonomi yang mantap ini, Kumpulan akan berusaha gigih untuk meneruskan strategi operasi dorongan pasaran yang memastikan kedudukan pasaran yang teguh untuk produknya supaya mampu memenuhi keperluan pelanggan dan berupaya menyediakan perkhidmatan pelanggan yang cemerlang. Dengan berbuat demikian, ia mampu mengekalkan keyakinan dan kesetiaan mereka.

Dari segi hala tuju strategik perniagaan terasnya, Kumpulan akan menumpukan perhatian kepada segmen hartanah kediaman kerana sektor hartanah perdagangan dan runcit dijangka tidak akan pulih dengan ketara pada masa yang terdekat ini.

Walaupun berhadapan dengan keadaan ekonomi yang tidak menentu di persekitaran global, Kumpulan masih mempunyai keyakinan yang berhati-hati terhadap prospeknya pada tahun akan datang.

PENGHARGAAN

Saya bagi pihak Lembaga Pengarah ingin merakamkan ucapan setinggi terima kasih dan penghargaan kepada Senator Dato' Michael Chen Wing Sum, YM Dato' Dr. Tengku Rethwan bin Tengku Mansor dan Puan Meriam binti Haji Yaacob yang telah meletakkan jawatan sebagai Pengarah, kerana menyumbang perkhidmatan mereka dengan tekun dan bersungguh-sungguh

Chairman's Statement • *Penyata Pengerusi*

Notwithstanding the economic uncertainties in the global environment, the Group remains cautiously optimistic of its prospects for the coming year.

APPRECIATION

On behalf of the Board, I would like to place on record my utmost thanks and appreciation to Senator Dato' Michael Chen Wing Sum, YM Dato' Dr. Tengku Rethwan Bin Tengku Mansor and Puan Meriam Binte Haji Yaacob who had resigned as Directors, for their selfless and tireless contribution to the Group. I would also like to extend my gratitude to Dato' Dr. Thong Kok Cheong who had resigned as Group Managing Director for his past services to the Group. I am delighted that Dato' Dr. Thong had decided to remain on the Board.

On the same note, I wish to welcome on Board, Encik Azhar bin Abdul Wahab, Encik Roslan bin Hj Yahya and our new Executive Director, Mr. Ron Tan Choon Kee. I also take this opportunity to congratulate my fellow Directors, the management team and all the staff of the Group for the significant improvement in the Company's performance.

Last but not least, I would like to express my sincere thanks to all our valued shareholders, customers, financial institutions, government authorities and business associates for their continued support and co-operation.

kepada Kumpulan. Saya juga ingin menyampaikan ucapan terima kasih saya kepada Dato' Dr. Thong Kok Cheong yang telah meletakkan jawatan sebagai Pengarah Urusan Kumpulan di atas perkhidmatan yang beliau curahkan kepada Kumpulan pada masa lepas. Saya berasa sukacita untuk memaklumkan bahawa Dato' Dr. Thong telah mengambil keputusan untuk kekal dalam Lembaga Pengarah.

Pada masa yang sama, saya ingin mengalu-alukan Encik Azhar bin Abdul Wahab, Encik Roslan bin Hj Yahya dan Pengarah Eksekutif kita yang baru, Encik Ron Tan Choon Kee. Saya juga mengambil kesempatan di sini untuk mengucapkan tahniah kepada rakan-rakan Pengarah, pasukan pengurusan dan seluruh kakitangan Kumpulan atas kemajuan ketara mereka dalam prestasi Kumpulan.

Akhir sekali, saya juga ingin mengucapkan terima kasih setulus ikhlas kepada semua pemegang saham, pelanggan, institusi kewangan, pihak-pihak berkuasa kerajaan dan persatuan perniagaan yang dihargai sekalian kerana memberikan sokongan dan kerjasama berterusan.

Tan Sri Datuk Ahmad Farouk bin Isahak

Chairman / *Pengerusi*

Audit Committee

TERMS OF REFERENCE

1. OBJECTIVES

The primary objective of the audit committee is to assist the Board of Directors in fulfilling its responsibilities relating to accounting and reporting practices of the Company and its subsidiary companies.

In addition, the audit committee shall:

- a) Oversee and appraise the quality of the audits conducted by the Company's external auditors;
- b) Maintain open lines of communication between the Board of Directors and external auditors for the exchange of views and information, as well as to confirm their respective authority and responsibilities; and
- c) Determine the adequacy of the Group's administrative, operating and accounting controls.

2. COMPOSITION

The audit committee shall be appointed by the Directors from among their number (pursuant to a resolution of the Board of Directors) and shall be composed of not fewer than three members of whom a majority shall not be:

- a) Executive Directors of the Company or any related corporation;
- b) A spouse, parent, brother, sister, son or adopted son, daughter or adopted daughter of an Executive Director of the Company or any related corporation; or
- c) Any person having a relationship which, in the opinion of the Board of Directors, would interfere with the exercise of independent judgement in carrying out the functions of the audit committee.

The members of the audit committee shall elect a chairman from among their number who is not an executive director or employee of the Company or any related corporation.

If a member of the audit committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three, the Board of Directors shall, within three months of the event, appoint such number of new members as may be required to make up the minimum number of three members.

3. FUNCTIONS

The functions of the audit committee are as follows:

- a) Review the audit plan with the external auditors;
- b) Review the system of internal accounting controls with the external auditors;
- c) Review the audit report with the external auditors;
- d) Review the assistance given by the Company's officers to the external auditors;
- e) Review the balance sheet and profit and loss accounts of the Company, and the Group;
- f) Review any related party transactions that may arise within the Company or the Group;
- g) To nominate a person or persons as the external auditors; and
- h) Identify and direct any special projects or investigations deemed necessary.

4. ACCESS

The audit committee shall have unrestricted access to the external auditors and to management of the Company and the Group. The audit committee shall also have the ability to consult independent experts where they consider it necessary to carry out their duties.

Financial Statements

18	Directors' Report
23	Statement by Directors
23	Statutory Declaration
24	Report of the Auditors
25	Income Statements
26	Balance Sheets
27	Consolidated Statement of Changes in Equity
28	Company Statement of Changes in Equity
29	Consolidated Cash Flow Statement
31	Company Cash Flow Statement
32	Summary of Significant Accounting Policies
37	Notes to the Financial Statements

Directors' Report for the year ended 31 December 2000

The Directors are pleased to submit their annual report to the members together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2000.

PRINCIPAL ACTIVITIES

The principal activities of the Group are property and resort development, investment and property holding, manufacturing, engineering services and trading. The principal activities of the Company are investment and property holding. There were no significant changes in the nature of these activities except that the Group commenced internet related ventures during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Profit after taxation	11,639,951	1,449,595
Minority interests	(1,112,533)	–
Net profit attributable to shareholders	10,527,418	1,449,595

DIVIDEND

No dividend has been paid, declared or proposed since the end of the Company's previous financial year.

The Directors do not recommend the payment of any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

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

EMPLOYEE SHARE OPTION SCHEME

The Dijaya Corporation Berhad Employees' Share Option Scheme ("ESOS") was approved by the shareholders of the Company at an Extraordinary General Meeting on 13 February 1998 and became effective on 26 February 2000. The main features of the ESOS include inter-alia:

- (a) Eligible employees (including full-time Executive Directors) are employees who have been confirmed in the employment of the Company or its non-listed subsidiary companies (excluding dormant subsidiary companies) and served at least one continuous year with the Group on or prior to the date of offer, the date on which a selected employee is notified in writing of the offer to participate in the ESOS ("Date of Offer").
- (b) The maximum number of shares that may be offered under the ESOS shall not be more than ten per centum (10%) of the total issued and paid-up ordinary shares capital of the Company at any point of time during the existence of the ESOS which shall be in force for a period of five years, expiring on 26 February 2005 ("Date of Expiry").
- (c) No option shall be granted for less than 1,000 shares or more than 500,000 shares.
- (d) The options granted may be exercised at any time, whilst the option holder is in the employment of the Group from the Date of Offer to the Date of Expiry or such shorter period prescribed in the offer.
- (e) An option may be exercised in respect of such lesser number of ordinary shares provided that the number shall be in multiples of and not less than 1,000 shares. Such partial exercise of an option shall not preclude the holder from exercising the options as to the balance of any ordinary shares, if any, which the option holder is entitled to subscribe under the ESOS.

Directors' Report for the year ended 31 December 2000

- (f) The exercise price for each ordinary share under the option scheme shall be based on the average of the mean market quotation of the ordinary shares of the Company as shown in the Daily Official List issued by the Kuala Lumpur Stock Exchange for the five (5) market days immediately preceding the respective dates of offer or at the par value of the ordinary shares of the Company, whichever is the higher.
- (g) The options granted do not confer any right to participate in any share issue of any other company.

At 31 December 2000, the Company has 2,602,000 unissued ordinary shares under option at an exercise price of RM3.266 per share.

The movement in the options to take up unissued new ordinary shares of RM1.00 each is as follows:

	Number of ordinary shares under option
As at 1 January 2000	-
Granted and accepted (First Offer)	3,385,000
Less: Forfeiture upon resignations during the financial year	(783,000)
	<hr/> 2,602,000
Exercised during the financial year	-
As at 31 December 2000	<hr/> 2,602,000 <hr/>

DIRECTORS

The Directors who have held office during the financial year since the date of the last report are as follows:

Tan Sri Datuk Ahmad Farouk Bin Isahak

Dato' Tan Chee Sing

Poh Pai Kong

Dato' Dr. Thong Kok Cheong

Dato' Thong Kok Khee

Michael Lim Hee Kiang

Tan Choon Kee

(appointed on 31.7.2000)

Azhar Bin Abdul Wahab

(appointed on 9.2.2001)

Roslan Bin Hj. Yahya

(appointed 21.3.2001)

Dato' Michael Chen Wing Sum

(resigned on 12.1.2001)

Meriam Bte Haji Yaacob

(resigned on 12.1.2001)

Dato' Dr. Tengku Rethwan Bin Tengku Mansor

(resigned on 16.2.2001)

Directors' Report for the year ended 31 December 2000

DIRECTORS' INTERESTS IN SHARES

According to the register of Directors' shareholdings, particulars of interests of Directors who held office at the end of the financial year in the shares in the Company and its related corporations are as follows:

	Number of ordinary shares of RM1 each in the Company			
	At 1.1.2000/ date of appointment	Bought	Sold	At 31.12.2000
Shareholdings in the name of the director:				
Dato' Tan Chee Sing	72,180,374	2,970,000	–	75,150,374
Tan Choon Kee	60,000	–	–	60,000

Shareholdings in which the director is deemed to have an interest:

Tan Sri Datuk Ahmad Farouk Bin Isahak	3,309,544	–	3,287,000	22,544
Dato' Tan Chee Sing	79,934,576	–	3,530,000	76,404,576
Dato' Dr. Thong Kok Cheong	4,900,000	–	–	4,900,000
Dato' Thong Kok Khee	12,750,000	–	–	12,750,000
Dato' Dr. Tengku Rethwan Bin Tengku Mansor	315,558	–	204,000	111,558

Number of options over ordinary shares of RM1 each in the Company

	At 1.1.2000	Granted	Exercised	At 31.12.2000
Dato' Tan Chee Sing	–	100,000	–	100,000
Poh Pai Kong	–	100,000	–	100,000

Dato' Tan Chee Sing, by virtue of his interest in the Company, is also deemed to have an interest in the shares of the subsidiary companies to the extent the Company has an interest pursuant to Section 6A of the Companies Act, 1965.

In accordance with Article 100 of the Company's Articles of Association, Dato' Thong Kok Khee retires by rotation at the forthcoming Annual General Meeting.

In accordance with Article 106 of the Company's Articles of Association, Tan Choon Kee, Azhar Bin Abdul Wahab and Roslan Bin Hj. Yahya retire by rotation at the forthcoming Annual General Meeting.

None of the other Directors held any interest in shares in the Company or its related corporations during the financial year.

Directors' Report for the year ended 31 December 2000

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects 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, other than those options granted to full time Executive Directors of the Company, pursuant to the Employees Share Option Scheme.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than Directors' remuneration as disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets were made out, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (b) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company had been written down to an amount which they might be expected so to realise.

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

- (a) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or
- (c) 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.

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

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

- (a) any charge on the assets of the Group or the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group or the Company which has arisen since the end of the financial year.

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

In the opinion of the Directors:

- (a) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made.

Directors' Report for the year ended 31 December 2000**EVENT SUBSEQUENT TO BALANCE SHEET DATE**

On 26 February 2001, South Johor Equities Sdn Bhd, an associated company of Dijaya Corporation Berhad has completed the sale of its wholly owned subsidiary company, South Johor Securities Sdn Bhd to Arab-Malaysian Securities Sdn Bhd for a total cash consideration of RM175,000,000.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

In accordance with a resolution of the Board of Directors dated 26 April 2001.

Tan Sri Datuk Ahmad Farouk Bin Isahak

Director

Poh Pai Kong

Director

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

We, Tan Sri Datuk Ahmad Farouk Bin Isahak and Poh Pai Kong, two of the Directors of Dijaya Corporation Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 25 to 55 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2000 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with the applicable approved accounting standards in Malaysia and the provision of the Companies Act, 1965.

In accordance with a resolution of the Board of Directors dated 26 April 2001.

Tan Sri Datuk Ahmad Farouk Bin Isahak

Director

Poh Pai Kong

Director

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

I, Tong Kien Onn, being the officer primarily responsible for the financial management of Dijaya Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 25 to 55 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.

Tong Kien Onn

Subscribed and solemnly declared by the abovenamed Tong Kien Onn at Kuala Lumpur on 26th April 2001.

Before me,

Tee Kian @ Tee Sing PPN (No. W193)

Commissioner for Oaths

Report of the Auditors to the members of Dijaya Corporation Berhad

We have audited the financial statements set out on pages 25 to 55. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been prepared in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
 - (ii) the state of affairs of the Group and Company as at 31 December 2000 and of the results and cash flows of the Group and Company for the financial year ended on that date;

and

- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

The names of the subsidiary companies of which we have not acted as auditors are indicated in Note 15 to the financial statements. We have considered the financial statements of these subsidiary companies and the auditors' reports thereon.

We are satisfied that the financial statements of the subsidiary companies 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 consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The auditors' reports on the financial statements of the subsidiary companies were not subject to any qualification and did not include any comment made under subsection (3) of section 174 of the Act.

PricewaterhouseCoopers

(AF: 1146)

Public Accountants

Shirley Goh

(1778/08/02 (J))

Partner

Kuala Lumpur,
26th April 2001

Income Statements for the year ended 31 December 2000

	Note	Group		Company	
		2000 RM	1999 RM	2000 RM	1999 RM
Revenue	2	213,085,767	161,470,944	13,888,889	13,888,889
Cost of sales		(162,781,661)	(119,725,295)	-	-
Gross profit		50,304,106	41,745,649	13,888,889	13,888,889
Other operating income		16,477,591	14,702,145	1,281,773	615,219
Administrative expenses		(34,448,770)	(37,965,068)	(1,732,911)	(1,251,595)
Other operating expenses		(15,074,169)	(38,198,636)	(711,128)	(29,953,531)
Profit/(loss) from operations	3	17,258,758	(19,715,910)	12,726,623	(16,701,018)
Finance cost	5	(13,651,651)	(14,242,811)	(7,388,139)	(9,975,496)
Provision for diminution in value of an associated company		-	(65,643,882)	-	-
Share of results of associated companies		10,922,268	(5,216,432)	-	-
Profit/(loss) from ordinary activities before taxation		14,529,375	(104,819,035)	5,338,484	(26,676,514)
Taxation					
- Company and subsidiary companies		(2,427,647)	3,683,710	(3,888,889)	(3,888,889)
- Associated companies		(461,777)	(72,720)	-	-
	6	(2,889,424)	3,610,990	(3,888,889)	(3,888,889)
Profit/(loss) after taxation		11,639,951	(101,208,045)	1,449,595	(30,565,403)
Minority interests		(1,112,533)	(1,301,213)	-	-
Net profit/(loss) attributable to shareholders		10,527,418	(102,509,258)	1,449,595	(30,565,403)
Earnings/(loss) per share					
- basic	7	4.06 sen	(39.50) sen		
- diluted	7	4.02 sen	(39.50) sen		

Balance Sheets as at 31 December 2000

	Note	Group		Company	
		2000 RM	1999 RM	2000 RM	1999 RM
Capital and reserves					
Share capital	8	259,502,583	259,502,583	259,502,583	259,502,583
Share premium		402,653,291	402,653,291	402,653,291	402,653,291
Capital reserves	9	44,410,698	44,387,391	467,000	467,000
Accumulated losses		(137,541,706)	(148,069,124)	(40,652,009)	(42,101,604)
Minority interests		67,699,537	66,470,605	-	-
		636,724,403	624,944,746	621,970,865	620,521,270
Shareholders' equity					
Non current liabilities					
Deferred taxation	10	110,150,708	121,770,567	-	-
Security retainers	11	27,370,000	27,370,000	-	-
Deferred license fees		67,551,291	65,398,511	-	-
Term loans	12	73,555,303	129,809,728	-	-
Hire purchase creditors	13	684,520	113,475	6,636	47,301
		916,036,225	969,407,027	621,977,501	620,568,571
Non current assets					
Property, plant and equipment	14	272,480,669	278,960,584	1,618,058	1,556,448
Subsidiary companies	15	-	-	248,670,384	248,670,384
Associated companies	16	25,988,712	17,025,924	-	-
Long term investments	17	217,038,079	218,520,381	587,100	587,100
Land and development expenditure	18	26,553,082	56,528,643	-	-
Goodwill on consolidation	19	28,003,123	14,703,131	-	-
Security retainers accumulated fund	20	1,545,010	1,441,729	-	-
		571,608,675	587,180,392	250,875,542	250,813,932
Current assets					
Inventories	21	64,289,897	21,324,007	-	-
Land and development expenditure	18	559,220,676	646,902,873	-	-
Trade and other receivables	22	66,292,960	91,532,311	557,140,824	551,943,900
Marketable securities	23	2,270,990	3,715,295	-	-
Deposits with licensed banks	24	2,472,708	1,760,739	-	-
Cash and bank balances	25	45,049,268	18,737,995	1,913,889	201,788
		739,596,499	783,973,220	559,054,713	552,145,688
Current liabilities					
Trade and other payables	26	162,399,134	157,281,122	87,830,382	63,911,955
Sinking fund reserve	27	2,589,351	2,156,272	-	-
Current portion of term loans	12	90,889,413	96,626,294	2,328,991	17,316,902
Short term bank borrowings	28	102,625,000	111,470,000	93,001,000	101,001,000
Hire purchase creditors	13	483,739	269,966	20,001	161,192
Bank overdrafts	29	17,764,863	23,609,101	-	-
Taxation		18,417,449	10,333,830	4,772,380	-
		395,168,949	401,746,585	187,952,754	182,391,049
Net current assets					
		344,427,550	382,226,635	371,101,959	369,754,639
		916,036,225	969,407,027	621,977,501	620,568,571

The accounting policies on pages 32 to 36 and the notes on pages 37 to 55 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity for the year ended 31 December 2000

	Issued and fully paid ordinary share of RM1 each		Non distributable			Total RM
	Number of shares RM	Nominal value RM	Share premium RM	Capital reserves RM	Accumulated losses RM	
At 1 January 1999	259,502,583	259,502,583	402,653,291	43,913,815	(45,559,866)	660,509,823
Currency translation differences	-	-	-	(17,998)	-	(17,998)
Acquisition of subsidiary companies	-	-	-	491,574	-	491,574
Net loss for the year	-	-	-	-	(102,509,258)	(102,509,258)
At 31 December 1999	259,502,583	259,502,583	402,653,291	44,387,391	(148,069,124)	558,474,141
At 1 January 2000	259,502,583	259,502,583	402,653,291	44,387,391	148,069,124)	558,474,141
Currency translation differences	-	-	-	23,307	-	23,307
Net profit for the year	-	-	-	-	10,527,418	10,527,418
At 31 December 2000	259,502,583	259,502,583	402,653,291	44,410,698	(137,541,706)	569,024,866

The accounting policies on pages 32 to 36 and the notes on pages 37 to 55 form an integral part of these financial statements.

Company Statement of Changes in Equity for the year ended 31 December 2000

	Issued and fully paid ordinary share of RM1 each		Non distributable		Accumulated losses RM	Total RM
	Number of shares RM	Nominal value RM	Share premium RM	Capital reserves RM		
At 1 January 1999	259,502,583	259,502,583	402,653,291	467,000	(11,536,201)	651,086,673
Net loss for the year	–	–	–	–	(30,565,403)	(30,565,403)
At 31 December 1999	259,502,583	259,502,583	402,653,291	467,000	(42,101,604)	620,521,270
At 1 January 2000	259,502,583	259,502,583	402,653,291	467,000	(42,101,604)	620,521,270
Net profit for the year	–	–	–	–	1,449,595	1,449,595
At 31 December 2000	259,502,583	259,502,583	402,653,291	467,000	(40,652,009)	621,970,865

Consolidated Cash Flow Statement for the year ended 31 December 2000

	Note	2000 RM	1999 RM
Cash flows from operating activities			
Profit/(loss) from ordinary activities before exceptional items and taxation		21,977,900	(13,785,547)
Exceptional items		(7,448,525)	(91,033,488)
		14,529,375	(104,819,035)
Adjustments for:			
Depreciation of property, plant and equipment		7,029,439	11,167,682
(Profit)/loss retained in associated companies		(10,460,491)	5,143,712
Gain on disposal of an associated company		(344,000)	(774,198)
Gain on disposal of property, plant and equipment		(2,120,328)	(133,697)
(Gain)/loss on disposal of shares quoted in Malaysia		(3,082,034)	1,356,533
Rental income		(2,299,783)	(1,871,009)
Interest income		(3,158,955)	(3,942,948)
Interest expense		26,004,955	26,751,882
Provision for/(write back of) doubtful debts		(4,098,250)	1,292,511
Loss on disposal of land held under development		12,650,887	-
Unrealised returns on endowment policy		(103,281)	(806,703)
Property, plant and equipment written off		-	19,721
Provision for diminution in value of associated companies		-	65,643,882
Provision for forfeiture of land deposits		-	29,163,667
Gain on disposal of properties		-	(5,130,594)
Deferred expenditure written off		-	38,445
Operating profit before working capital changes		34,547,534	23,099,851
Decrease in trade and other receivables		3,618,058	9,815,979
(Increase)/decrease in inventories		(42,965,890)	15,572,789
Decrease/(increase) in land and development expenditure		92,193,081	(3,459,872)
Increase/(decrease) in trade and other payables		8,323,241	(13,713,038)
Cash generated from operations		95,716,024	31,315,709
Income tax paid		(6,425,664)	(4,773,686)
Net cash flow from operating activities		89,290,360	26,542,023

Consolidated Cash Flow Statement for the year ended 31 December 2000

	Note	2000 RM	1999 RM
Cash flows from investing activities			
Proceeds from disposal of an associated company		2,000,000	–
Proceeds from disposal of property, plant and equipment		6,217,318	17,797,332
Proceeds from disposal of land held under development		9,138,415	–
Proceeds from disposal of shares quoted in Malaysia		22,330,336	1,116,730
Rental income received		2,299,783	1,871,009
Purchase of property, plant and equipment		(4,341,680)	(1,926,443)
Acquisition of subsidiary companies	30	(14,301,551)	(21,107)
Interest income		3,158,955	3,942,948
Interest paid		(26,004,955)	(26,751,882)
Purchase of shares quoted in Malaysia		(5,123,195)	(325,000)
Repayments of/(advances to) associated companies		19,040,000	(13,929,364)
Acquisition of shares from minority shareholders		–	(9,880)
Proceeds from disposal of an associated company		–	2,295,000
Dividend received from an associated company		–	1,104,000
Net cash flow used in investing activities		14,413,426	(14,836,657)
Cash flows from financing activities			
Drawdown of term loans		19,206,860	61,145,112
Repayment of term loans		(81,198,166)	(76,226,001)
Repayment of hire purchase creditors		–	(942,235)
Repayment of short term borrowings		(8,845,000)	–
Drawdown of short term bank borrowings		–	2,362,982
Net cash flow used in financing activities		(70,836,306)	(13,660,142)
Net increase/(decrease) in cash and cash equivalents during the year		32,867,480	(1,954,776)
Cash and cash equivalents at beginning of the year		(3,110,367)	(1,155,591)
		29,757,113	(3,110,367)
Less: Cash and cash equivalents not available for use		(2,376,454)	(1,760,739)
Cash and cash equivalents at end of the year	31	27,380,659	(4,871,106)

Company Cash Flow Statement for the year ended 31 December 2000

	Note	2000 RM	1999 RM
Cash flows from operating activities			
Profit/(loss) from ordinary activities before exceptional items		5,338,484	2,786,154
Exceptional items		-	(29,462,668)
		5,338,484	(26,676,514)
Adjustments for:			
Depreciation of property, plant and equipment		519,084	314,673
Interest expense		7,388,139	9,975,496
Interest income		(1,131,790)	(596,000)
Bad debts written off		541,837	-
Provision for forfeiture of land deposits		-	5,007,035
Provision for amount during by subsidiary companies		-	24,455,633
Gain on disposal of property, plant and equipment		-	(14,219)
Operating profit/(loss) before working capital changes		12,655,754	12,466,104
(Increase)/decrease in trade and other receivables		(3,778,074)	1,420,903
Decrease in trade and other payables		(660,789)	225,419
Cash generated from/(used in) operations		8,216,891	14,112,426
Income tax refund/(paid)		883,491	(3,900,000)
Net cash flow from/(used in) operating activities		9,100,382	10,212,426
Cash flow from investing activities			
Dividend received		13,888,889	13,888,889
Proceeds from disposal of property, plant and equipment		-	49,564
Interest received		1,131,790	596,000
Purchase of property, plant and equipment		(333,384)	(1,072,402)
Acquisition of a subsidiary company		-	(4,311,359)
Interest paid		(7,388,139)	(9,975,496)
Net cash flow from/(used in) investing activities		7,299,156	(824,804)
Cash flow from financing activities			
Repayment of term loans		(8,000,000)	-
Repayment of hire purchase creditors		(181,856)	(179,503)
Advances to subsidiary companies		(1,960,687)	(34,133,794)
Repayment from subsidiary companies		10,443,017	24,995,656
Repayment of short term bank borrowings		(14,987,911)	-
Net cash flow from/(used in) financing activities		(14,687,437)	(9,317,641)
Cash and cash equivalents during the year		1,712,101	69,981
Cash and cash equivalents at the beginning of the year		201,788	131,807
Cash and cash equivalents at end of the year	31	1,913,889	201,788

The accounting policies on pages 32 to 36 and the notes on pages 37 to 55 form an integral part of these financial statements.

Summary of Significant Accounting Policies for the year ended 31 December 2000

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared under the historical cost convention (as modified for the revaluation of land and buildings) unless otherwise indicated in this summary of significant accounting policies.

The financial statements comply with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

The preparation of financial statements in conformity with the applicable approved accounting standards and the provisions of the Companies Act required the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

B BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and all its subsidiary companies made up to the end of the financial year. Subsidiary companies are those companies in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities.

Subsidiary companies are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. Subsidiary companies are consolidated using the acquisition method.

Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed of during the year are included from the date of acquisition up to the date of disposal. At the date of acquisition, the fair values of the subsidiary companies' net assets are determined and these values are reflected in the consolidated financial statements. The difference between the acquisition cost and the fair values of the subsidiary companies' net assets is reflected as goodwill on consolidation.

The excess of the fair values of the subsidiary companies net assets at the date of acquisition over the acquisition cost is reflected as reserve arising on consolidation.

All intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies for subsidiary companies have been changed to ensure consistency with the policies adopted by the Group. Separate disclosure is made of minority interests.

C ASSOCIATED COMPANIES

Investment in associated companies are accounted for in the consolidated financial statement by the equity method of accounting.

Associated companies are those companies in which the Group has a long term equity interest of between 20 and 50 percent and where the Group is able to exercise significant influence. Significant influence is the power to participate in the financial and operating, policy decisions of the associated companies but not control over those policies.

Summary of Significant Accounting Policies for the year ended 31 December 2000

C ASSOCIATED COMPANIES (Cont'd)

The Group's share of profits less losses of the associated companies is included in the consolidated profit and loss account and the Group's share of post acquisition retained profits/accumulated losses and reserves is added to or deducted from the cost of investment in the consolidated balance sheet. These amounts are taken from the latest management financial statements or audited financial statements, where available, of the companies concerned with the same financial year end as the Group and where the financial year is not coterminous, the amounts are taken from the latest available management financial statements.

Premium or reserve arising on acquisition represents the difference between the cost of investment and the Group's share of the fair value of the separable net assets of the associated companies at the date of acquisition and is stated at cost except where the Directors are of the opinion that it is permanently impaired, in which case a provision is made.

D GOODWILL

Goodwill represents the excess of the fair value of purchase consideration of subsidiary and associated companies acquired over the Group's share of the fair values of their separable net assets at the date of acquisition.

The carrying amount of goodwill is reviewed annually and written down for impairment where it is considered necessary.

E INVESTMENTS

Investments in subsidiary companies, associated companies and other non current investments are shown at cost and provision is only made where, in the opinion of the Directors, there is a permanent diminution in value. Permanent diminution in the value of an investment is recognised as an expenses in the period in which the diminution is identified.

Marketable securities are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investment. Cost is derived at on the weighted average basis. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date. Increase/decrease in the carrying amount of marketable securities are credited/charged to the income statement.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to the income statement.

F CURRENCY TRANSLATIONS

Foreign currency transactions are converted into Ringgit Malaysia at the rates of exchange ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date and are translated into Ringgit Malaysia at rates of exchange ruling on that date. Exchange differences are reflected in the profit and loss account.

The financial statements of foreign subsidiary companies are translated into Ringgit Malaysia at the rates of exchange ruling at the balance sheet date except for non-monetary items which are translated at historical rates. Exchange differences arising on these translations are reflected in the shareholders' equity.

The principal closing rates used in the translation of foreign currency amounts are as follows:

Foreign currency	31.12.2000	31.12.1999
1 US Dollar	RM3.80	RM3.80
100 HK Dollar	RM48.72	RM48.41

Summary of Significant Accounting Policies for the year ended 31 December 2000

G DEPRECIATION

All property, plant and equipment are initially stated at cost. Freehold land and building are subsequently shown at market value based on valuations by an external independent valuer, less subsequent depreciation. All other property, plant and equipment are stated at historical cost less accumulated depreciation.

Property, plant and equipment are stated at cost or valuation less accumulated depreciation except for freehold land and capital work-in-progress which are not depreciated.

Leasehold land is amortised on a straight line basis over the period of the lease of 99 years. On other assets, depreciation is on a straight line basis over the expected useful lives of the assets concerned. The annual rates used are:

Buildings	2% – 5%
Golf course	over a period of 57 years
Plant and machinery	5% – 15%
Office furniture, fittings and equipment	10% – 25%
Motor vehicles	20%

The Directors have applied the transitional provisions of International Accounting Standards No. 16 (Revised) Property, Plant and Equipment as adopted by Malaysian Accounting Standards Board which allows the leasehold land and buildings to be stated at their last revalued amounts less depreciation. Accordingly, these valuations have not been updated.

H DEVELOPMENT PROPERTY AND EXPENDITURE

The cost of land held for development and related development costs are carried forward as development property and expenditure respectively. Where applicable, the fair value of land at the date of acquisition of subsidiary companies is carried forward in place of cost. Costs charged to the profit and loss account are in respect of completed properties sold and comprise proportionate cost of land and related development costs.

The Group considers as current assets that portion of development properties where significant development work has been undertaken and is expected to be completed within the normal operating cycle and stated at the lower of cost and net realisable value.

Long term portion of land and development expenditure comprise land held for future development and are stated at cost.

I REVENUE AND PROFIT RECOGNITION

(i) Revenue and profit from property development

Progress billings from property development represent the value of the development properties sold by reference to the stage of completion of the properties.

Profit from property development projects is recognised on the percentage of completion method, in cases where the outcome of the contract can be reliably estimated. Anticipated losses are provided for in full.

(ii) Revenue and profit from recreation and resort operations

Entrance fees are recognised upon signing of membership agreements. Deferred licence fees are recognised over the period of the membership. Income from monthly subscription fees is recognised on an accrual basis.

(iii) Revenue and profit from engineering jobs

Revenue from engineering jobs is recognised on the percentage of completion method.

Summary of Significant Accounting Policies for the year ended 31 December 2000

(iv) Revenue and profit from stockbroking

Brokerage income is recognised on execution of contract.

Interest and underwriting income is recognised on accrual basis. Where an account is classified as doubtful, recognition of interest income is suspended until it is realised on a cash basis. Margin rollover fee is recognised on rollover of margin financing facilities.

(v) Income from sale of goods

Income from sale of goods is recognised based on invoiced value of goods less discounts and returns.

(vi) Investment income

Dividend income is recognised when the shareholder's right to receive payment is established. Interest and rental income are recognised as it accrues unless collectibility is in doubt.

J CAPITALISATION OF FINANCE COSTS

Interest incurred on borrowings associated with active development projects, up to completion, is capitalised and included as part of development expenditure. Capitalisation of borrowing costs will cease on completion of the projects.

K STOCKS

(i) Completed buildings

Units of development properties completed and held for sale are stated at the lower of cost and net realisable value. Cost comprises proportionate cost of land and related development and construction costs.

(ii) Finished goods, work-in-progress and raw materials

Stocks are valued at the lower of cost and net realisable value after adequate provision has been made for all deteriorated, damaged or slow moving stock. The cost of finished goods and work-in-progress includes direct materials, direct labour and relevant fixed and variable factory overheads.

Raw materials and consumable stores and spares are valued at cost on a weighted average basis less provision for obsolescence.

L TRADE RECEIVABLES

Trade receivables are carried at anticipated realisable value. Bad debts are written off in the period in which they are identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the period end.

M ASSETS ACQUIRED UNDER HIRE PURCHASE AGREEMENTS

Assets acquired under hire purchase agreements are included in property, plant and equipment and the capital element of the hire purchase commitments is shown as liabilities. The capital element of the hire purchase is applied to reduce the outstanding obligations and the interest element is charged to the profit and loss account so as to give a constant periodic rate of interest on the outstanding liability at the end of each accounting period. Assets acquired under hire purchases are depreciated over the useful lives of equivalents owned assets.

Summary of Significant Accounting Policies for the year ended 31 December 2000

N DEFERRED TAXATION

Provision is made using the liability method for taxation deferred by timing differences except where the tax effects of such timing differences are expected to be deferred indefinitely.

Deferred tax benefit are recognised only if there is a reasonable expectation of their realisation.

O SINKING FUND RESERVE

Sinking fund reserve of the Group is established for the purpose of covering the costs of periodic major repairs or capital replacements in the golf and country resort of the Group. A fraction of 10% of monthly subscription fees received from members during the year are credited to this reserve.

The amount credited into the reserve during the year is subsequently paid to a fund in the first month following the year. This fund is kept in a separate trust account and administered by a Trustee.

Monies in the sinking fund is invested by the Trustee. Any income arising out of the investment is accrued to the fund.

P DEFERRED LICENCE FEES

License fees are received upon admission of new members of the golf and country resort of the Group after January 1993, and are recognised to the profit and loss account over the remaining term of the membership licenses which expire on 9 October, 2051.

Q CASH AND CASH EQUIVALENTS

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

Notes to the Financial Statements for the year ended 31 December 2000

1 GENERAL INFORMATION

The principal activities of the Group consist of property and resort development, investment and property holding, manufacturing, engineering services and trading.

The principal activities of the Company during the year are those of investment and property holding. The principal activities of the subsidiary companies during the year are set out in note 15 to the financial statements. There were no significant changes in the nature of these activities during the year except that the Group commenced internet related ventures during the financial year.

The average number of employees for the financial year amounted to 580 (31.12.1999: 434) employees in the Group and 20 (31.12.1999: 16) employees in the Company.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of the Kuala Lumpur Stock Exchange.

The address of the registered office of the Company is as follows:

Lot 302, 3rd Floor
Wisma Dijaya
No. 1A, Jalan SS20/1
Damansara Utama
47400 Petaling Jaya
Selangor, Malaysia

The address of the principal place of business of the Company is as follows:

Lot 301, 3rd Floor
Wisma Dijaya
No. 1A, Jalan SS20/1
Damansara Utama
47400 Petaling Jaya
Selangor, Malaysia

2 REVENUE

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Progress billings net of discount from sale of development properties	169,733,341	130,399,251	–	–
Revenue from recreation and resort operations	15,647,375	15,872,025	–	–
Certified value of contracts and sales of trading goods	14,856,978	13,736,156	–	–
Sales of manufactured goods at invoiced value net of discounts	–	178,397	–	–
Interest from credit and leasing activities	90,320	596,000	–	–
Revenue from internet related ventures	11,966,072	–	–	–
Dividend income:				
– unquoted investments in subsidiary companies	–	–	13,888,889	13,888,889
– quoted investments in Malaysia	791,681	689,115	–	–
	213,085,767	161,470,944	13,888,889	13,888,889

Notes to the Financial Statements for the year ended 31 December 2000

3 PROFIT/(LOSS) FROM OPERATIONS

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
The following items have been charged/ (credited) in arriving at profit/(loss) from operations:				
Auditors' remuneration				
– current year	171,900	130,930	43,000	28,000
– underprovision in respect of prior year	20,000	–	–	–
Staff costs (include Directors' other emoluments as disclosed in Note 4)	9,794,670	7,605,476	1,021,579	972,523
Rental of office premises	593,009	436,135	467,597	19,388
Rental of office equipment	38,118	–	10,200	–
Property, plant and equipment				
– depreciation	7,029,439	11,167,682	519,084	314,673
– written off	–	19,721	–	–
Bad debts written off	–	–	541,837	–
Gain on disposal of investment in an associated company	(344,000)	(774,198)	–	–
Provision for/(write back of) doubtful debts	(4,098,250)	1,292,511	–	–
Gain on disposal of property, plant and equipment	–	–	–	14,219
(Gain)/loss on disposal of quoted investments	(3,082,034)	1,356,533	–	–
Loss on disposal of land held under development	12,650,887	–	–	–
Provision for forfeiture of land deposits	–	29,163,667	–	5,007,035
Provision for amounts owing by subsidiary companies	–	–	–	24,455,633
Gain on disposal of property, plant and equipment	(2,120,328)	(5,130,594)	–	–
Rental income	(2,299,783)	(1,871,009)	–	–
Interest income	(3,158,955)	(3,942,948)	(1,131,790)	(596,000)

4 DIRECTORS' REMUNERATION

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Fees	74,000	21,000	21,000	21,000
Other emoluments	806,000	907,200	60,000	210,000
Estimated money value of benefit-in-kind	–	10,500	–	10,500
	880,000	938,700	81,000	241,500

Notes to the Financial Statements for the year ended 31 December 2000

5 FINANCE COST

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Interest expenses:				
– term loans	12,059,305	11,185,435	7,337,570	9,908,102
– bank overdrafts	822,076	1,395,985	–	–
– hire purchase	136,094	67,934	50,569	67,394
– other borrowings	634,176	1,593,457	–	–
	13,651,651	14,242,811	7,388,139	9,975,496

6 TAXATION

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Malaysian income tax – current:				
– Company and subsidiary companies	14,051,505	–	3,888,889	3,888,889
– Associated companies	461,777	72,720	–	–
Income tax – prior years	(3,999)	1,070,735	–	–
Deferred taxation (Note 10)	(11,619,859)	(4,754,445)	–	–
	2,889,424	(3,610,990)	3,888,889	3,888,889

The taxation charge of the Company is in respect of dividend income received.

The effective taxation rate of the Group is lower than the statutory rate of taxation due to the utilisation of brought forward losses by the Group's associated companies, net of losses of certain subsidiary companies not available for relief against Group profits.

The amount of tax savings for the financial year arising from the utilisation of brought forward losses by the associated company amounted to approximately RM2.6 million.

7 EARNINGS PER SHARE**(a) Basic earnings per share**

Basic earnings per share of the Group is calculated by dividing the net profit/(loss) attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

	2000 RM	1999 RM
Net profit/(loss) attributable to shareholders	10,527,418	(102,509,258)
Weighted average number of ordinary shares in issue	259,502,583	259,502,583
Basic earnings/(loss) per share	4.06 sen	(39.50 sen)

Notes to the Financial Statements for the year ended 31 December 2000

7 EARNINGS PER SHARE (Cont'd)**(b) Diluted earnings per share**

For the diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares-Share options granted to Directors and employees.

In a diluted earnings per share calculation in respect of share options granted to Directors and employees, a calculation is done to determine the number of shares that could have been acquired at market price (determined as the average annual share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. This calculation serves to determine the "unpurchased" share to be added to the ordinary shares outstanding for the purposes of computing the dilution. No adjustment is made to net profit/(loss) attributable to shareholders for the share options calculation.

	2000	1999
	RM	RM
Net profit/(loss) attributable to shareholders	10,527,418	(102,509,258)
Weighted average number of ordinary shares in issue	259,502,583	259,502,583
Adjustment for share options	2,602,000	-
	262,104,583	259,502,583
Diluted earnings/(loss) per share	4.02 sen	(39.50 sen)

8 SHARE CAPITAL

	Group and Company	
	2000	1999
	RM	RM
Authorised		
Ordinary shares of RM1 each	500,000,000	500,000,000
Issued and fully paid		
Ordinary shares of RM1 each	259,502,583	259,502,583

The Dijaya Corporation Berhad Employees' Share Option Scheme ("ESOS") was approved by the shareholders of the Company at an Extraordinary General Meeting on 13 February 1998 and became effective on 26 February 2000. The main features of the ESOS include, inter-alia:

- (a) Eligible employees (including full-time Executive Directors) are employees who have been confirmed in the employment of the Company or its non-listed subsidiary companies (excluding dormant subsidiary companies) and served at least one continuous year with the Group on or prior to the date of offer, the date on which a selected employee is notified in writing of the offer to participate in the ESOS ("Date of Offer").
- (b) The maximum number of shares that may be offered under the ESOS shall not be more than ten per centum (10%) of the total issued and paid-up ordinary share capital of the Company at any point of time during the existence of the ESOS which shall be in force for a period of five years, expiring on 26 February 2005 ("Date of Expiry").
- (c) No option shall be granted for less than 1,000 shares or more than 500,000 shares.

Notes to the Financial Statements for the year ended 31 December 2000

8 SHARE CAPITAL (Cont'd)

- (d) The options granted may be exercised at any time, whilst the option holder is in the employment of the Group from the Date of Offer to the Date of Expiry or such shorter period prescribed in the offer.
- (e) An option may be exercised in respect of such lesser number of ordinary shares provided that the number shall be in multiples of and not less than 1,000 shares. Such partial exercise of an option shall not preclude the holder from exercising the options as to the balance of any ordinary shares, if any, which the option holder is entitled to subscribe under the ESOS.
- (f) The exercise price for each ordinary share under the option scheme shall be based on the average of the mean market quotation of the ordinary shares of the Company as shown in the Daily Official List issued by the Kuala Lumpur Stock Exchange for the five (5) market days immediately preceding the respective date of offer or at the par value of the ordinary shares of the Company, whichever is the higher.
- (g) The options granted do not confer any right to participate in any share issue of any other company.

At 31 December 2000, the Company has 2,602,000 unissued ordinary shares under option at an exercise price of RM3.266 per share.

9 CAPITAL RESERVES

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Non distributable				
Reserve on consolidation	43,571,593	43,571,593	-	-
Surplus of revaluation of freehold land and building	467,000	467,000	467,000	467,000
Currency translation differences	372,105	348,798	-	-
	44,410,698	44,387,391	467,000	467,000

The movement in respective category of reserve were as follows:

At 1 January	44,387,391	43,913,815	467,000	467,000
Currency translation differences	23,307	(17,998)	-	-
Reserve on consolidation	-	491,574	-	-
At 31 December	44,410,698	44,387,391	467,000	467,000

Capital reserves are not available for distribution as cash dividends.

Notes to the Financial Statements for the year ended 31 December 2000

10 DEFERRED TAXATION

	Group	
	2000 RM	1999 RM
At 1 January	121,770,567	126,525,012
Transfer to income statement	(11,619,859)	(4,754,445)
At 31 December	110,150,708	121,770,567

Deferred taxation has been provided for all timing differences except for unabsorbed tax losses of the Company and certain subsidiary companies amounting to approximately RM5,926,000 (1999: RM5,926,000) and RM13,849,000 (1999: RM10,197,000) respectively.

The deferred tax effect of revalued assets are not disclosed because the Group has no intention to dispose of these assets in the foreseeable future.

11 SECURITY RETAINERS

Security retainers are collected from members of the golf and country resort of the Group who joined prior to January 1993. These security retainers are refundable to the members on cessation of membership, upon the expiry of the term of the membership licences on 9 October 2051 or upon revocation or termination of the membership at its discretion at any time before the expiry date.

12 TERM LOANS

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Term loans	164,444,716	226,436,022	2,328,991	17,316,902
Repayment within 12 months (included under current liabilities)	(90,889,413)	(96,626,294)	(2,328,991)	(17,316,902)
Repayment after 12 months (included non current liabilities)	73,555,303	129,809,728	-	-

Details of securities:

Fixed charge over the landed properties held under land and development expenditure and fixed and floating charges over the property, plant and equipment of certain subsidiary companies	118,210,704	164,286,022	2,328,991	17,316,902
Pledge of quoted shares belonging to a subsidiary company	46,234,012	62,150,000	-	-
	164,444,716	226,436,022	2,328,991	17,316,902

Interest rates during the year ranged between 6.85% and 9.75% (1999: 9.30% and 13.50%) per annum.

Notes to the Financial Statements for the year ended 31 December 2000

13 HIRE PURCHASE CREDITORS

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Hire purchase creditors				
– not later than 1 year	527,452	270,571	24,801	199,964
– later than 1 year and not later than 5 years	508,810	121,948	8,236	71,779
– later than 5 years	366,386	–	–	–
	1,402,648	392,519	33,037	271,743
Less: Interest-in-suspense	(234,389)	(9,078)	(6,400)	(63,250)
	1,168,259	383,441	26,637	208,493
Represented by:				
Repayable within 12 months (included under current liabilities)	483,739	269,966	20,001	161,192
Repayable after 12 months (included under non current liabilities)	684,520	113,475	6,636	47,301
	1,168,259	383,441	26,637	208,493

14 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold	Buildings	Long term	Golf course	Plant and	Office	Motor	Total
	land	on freehold	leasehold land			furniture,		
	RM	land	and buildings	RM	machinery	and equipment	RM	RM
	RM	RM	RM	RM	RM	RM	RM	RM
Net book value at								
1 January 1999	11,011,753	4,383,026	219,735,072	43,099,725	6,256,901	2,474,154	1,216,645	288,177,276
Additions	–	–	136,168	–	85,342	1,578,643	291,290	2,091,443
Written off	–	–	–	–	(15,008)	(4,713)	–	(19,721)
Disposals	–	–	–	–	–	(525)	(120,207)	(120,732)
Depreciation charge	–	(3,499,152)	(3,148,037)	(817,265)	(2,526,393)	(554,469)	(622,366)	(11,167,682)
Net book value at								
31 December 1999	11,011,753	883,874	216,723,203	42,282,460	3,800,842	3,493,090	765,362	278,960,584
Additions	–	–	74,887	–	736,779	2,610,620	1,224,228	4,646,514
Disposals	(2,295,798)	(883,874)	(878,051)	–	(5,813)	(15,020)	(18,434)	(4,096,990)
Depreciation charge	–	–	(2,513,433)	(817,264)	(1,930,683)	(1,210,935)	(557,124)	(7,029,439)
Net book value at								
31 December 2000	8,715,955	–	213,406,606	41,465,196	2,601,125	4,877,755	1,414,032	272,480,669
At 31 December 1999								
Cost	8,715,955	3,237,748	235,198,964	46,700,829	19,322,452	6,816,535	4,217,858	324,210,341
Valuation	2,295,798	2,374,202	–	–	–	–	–	4,670,000
Accumulated depreciation	–	(4,728,076)	(18,475,761)	(4,418,369)	(15,521,610)	(3,323,445)	(3,452,496)	(49,919,757)
Net book value	11,011,753	883,874	216,723,203	42,282,460	3,800,842	3,493,090	765,362	278,960,584
At 31 December 2000								
Cost	8,715,955	–	235,137,683	46,700,829	19,787,812	6,159,945	5,599,882	322,102,106
Accumulated depreciation	–	–	(21,731,077)	(5,235,633)	(17,186,687)	(1,282,190)	(4,185,850)	(49,621,437)
Net book value	8,715,955	–	213,406,606	41,465,196	2,601,125	4,877,755	1,414,032	272,480,669

Notes to the Financial Statements for the year ended 31 December 2000

14 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Office furniture, fittings and equipment RM	Motor vehicles RM	Total RM
Company			
2000			
Cost			
Net book value at 1 January 1999	101,923	567,141	669,064
Additions	1,100,840	165,000	1,265,840
Disposals	–	(63,783)	(63,783)
Depreciation charge	(37,130)	(277,543)	(314,673)
Net book value at 31 December 1999	1,165,633	390,815	1,556,448
Additions	333,384	247,310	580,694
Depreciation charge	(315,371)	(203,713)	(519,084)
Net book value at 31 December 2000	1,183,646	434,412	1,618,058
At 31 December 1999			
Cost	1,242,683	1,661,132	2,903,815
Accumulated depreciation	(77,050)	(1,270,317)	(1,347,367)
Net book value	1,165,633	390,815	1,556,448
At 31 December 2000			
Cost	1,576,067	2,674,354	4,250,421
Accumulated depreciation	(392,421)	(2,239,942)	(2,632,363)
Net book value	1,183,646	434,412	1,618,058

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
(a) Net book value of assets pledged as security for term loans, bank borrowings and bank overdrafts:				
– freehold land	8,715,955	8,715,955	–	–
– long term leasehold land and buildings	79,317,556	79,317,556	–	–
– golf course	41,465,196	42,282,460	–	–
	129,498,707	130,315,971	–	–

Notes to the Financial Statements for the year ended 31 December 2000

14 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Details of assets under hire purchase agreements:				
Motor vehicles				
– additions during the year	304,834	165,000	247,310	165,000
– net book value at year end	614,023	577,737	434,412	390,815

- (b) The freehold land and buildings of the Group were revalued by the Directors in 1992 based on valuations carried out by independent professional valuers based on fair market value.

15 SUBSIDIARY COMPANIES

	Company	
	2000 RM	1999 RM
Unquoted shares, at cost	248,670,384	248,670,384

Name of company	Place of incorporation	Group's effective interest		Principal activities
		2000	1999	
		%	%	
Accroway Sdn. Bhd.	Malaysia	100	100	Dormant
Arah Pelangi Sdn. Bhd.	Malaysia	100	100	Investment and property holding
* Aspek Analisa Sdn. Bhd.	Malaysia	100	100	Property development
* Banjaran Mutiara Sdn. Bhd.	Malaysia	100	100	Investment holding
* Dijaya Management Services Sdn. Bhd.	Malaysia	100	100	Management services
JMI Manufacturing Sdn. Bhd.	Malaysia	100	100	Dormant
* Nagasari Cerdas Sdn. Bhd.	Malaysia	100	100	Investment holding
* Seleksi Kembara Sdn. Bhd.	Malaysia	100	100	Investment holding
Sumber Saujana Sdn. Bhd.	Malaysia	100	100	Investment holding
Terbit Berkat Sdn. Bhd.	Malaysia	100	100	Investment holding
* Tropicana Golf & Country Resort Berhad	Malaysia	100	100	Real property and resort development
Jasa Megah Marketing Sdn. Bhd.	Malaysia	69.4	69.4	Dormant
* Dijaya Digital Sdn. Bhd.	Malaysia	100	100	Investment holding

Notes to the Financial Statements for the year ended 31 December 2000

15 SUBSIDIARY COMPANIES (Cont'd)

Name of company	Place of incorporation	Group's effective interest		Principal activities
		2000 %	1999 %	
* Dijaya Credit & Leasing Sdn.	Malaysia	100	100	Credit and leasing
* Dijaya Construction Sdn. Bhd.	Malaysia	100	100	Dormant
* Bright Phase Sdn. Bhd.	Malaysia	100	100	Investment holding
Ikatan Engineering Sdn. Bhd.	Malaysia	80.1	80.1	Mechanical engineering and general trading
* Desiran Idaman Sdn. Bhd.	Malaysia	100	100	Investment holding
* Desiran Realiti Sdn. Bhd.	Malaysia	51	51	Investment holding
# Dijaya dotcom.Ventures Limited (formerly known as Gema Investments Ltd.	Hong Kong	100	100	Investment holding
* Izasaja Sdn. Bhd.	Malaysia	100	100	Investment holding
* Nadi Jelita Sdn. Bhd.	Malaysia	100	100	Property development
Sinbor Corporation Sdn. Bhd.	Malaysia	100	100	Investment holding
* Dijaya Wangsa Sdn. Bhd.	Malaysia	60	60	Property development
* Tropicana Management Services Sdn. Bhd.	Malaysia	100	100	Management services
* Atlantic Marketing Sdn. Bhd. (formerly known as Tirai Cerdik Sdn. Bhd.)	Malaysia	100	–	Marketing and promotion of websites and internet related products
* Diva Gold International Ltd	British Virgin Islands	70	–	Management consultancy services
* Mawar Hebat Sdn. Bhd.	Malaysia	55	55	Property development
* Puncak Suria Sdn. Bhd.	Malaysia	100	100	Property development
* Malaysian PR Services Sdn Bhd (formerly known as Cita Tekun Sdn. Bhd.)	Malaysia	100	100	Dormant
* Bakat Rampai Sdn. Bhd.	Malaysia	100	100	Investment holding
* Dijaya Land Sdn. Bhd	Malaysia	60	60	Property development
* Dicorp Land Sdn. Bhd.	Malaysia	100	100	Property development
* Maxi Legacy Sdn. Bhd.	Malaysia	100	100	Property development
* Irama Sejati Sdn. Bhd.	Malaysia	100	100	Investment holding
* Damansara Impian Sdn. Bhd.	Malaysia	70	70	Property development
* Ikatan Oilfield Services Sdn. Bhd.	Malaysia	100	100	Dormant
* <i>Not audited by PricewaterhouseCoopers</i>				
# <i>Audited by an affiliate of PricewaterhouseCoopers</i>				

Notes to the Financial Statements for the year ended 31 December 2000

16 ASSOCIATED COMPANIES

	Group	
	2000 RM	1999 RM
Unquoted investments, at cost	33,597,967	35,253,967
Group's share of post acquisition retained profits less losses	(7,609,255)	(18,228,043)
	25,998,712	17,025,924

Represented by:

	Group	
	2000 RM	1999 RM
Group's share of net tangible assets of associated companies	9,936,298	730,991
Group's share of intangible assets of associated companies	4,506,529	4,749,048
Premium on acquisition	11,545,885	11,545,885
	25,988,712	17,025,924

The associated companies are:

Name of company	Place of incorporation	Group's effective interest		Principal activities	Financial year end
		2000 %	1999 %		
Ikatan Technology Sdn Bhd (formerly known as Bredan (Malaysia) Sdn. Bhd.)	Malaysia	33	33	Dormant	30 June
Ikatan Hulee Engineering (J.V.) Sdn. Bhd.	Malaysia	50	50	Mechanical engineering works	31 December
Tenaga Kimia Berhad	Malaysia	30	30	Manufacture of explosives, chemicals and blasting accessories	31 December
South Johor Equities Sdn. Bhd.	Malaysia	30.50	30.50	Investment holding	30 October
South Johor Securities Sdn. Bhd.	Malaysia	30.50	30.50	Stockbroking and asset management	30 October
Malaysian Roofing Industries Sdn Bhd	Malaysia	-	24	Manufacture of roofing files	31 December

Notes to the Financial Statements for the year ended 31 December 2000

17 LONG TERM INVESTMENTS

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
At cost				
Shares in corporations, quoted in Malaysia	162,805,489	175,486,291	-	-
Share in corporation, unquoted	119,283,372	108,084,872	-	-
Provision for diminution in value	(65,643,882)	(65,643,882)	-	-
	53,639,490	42,440,990	-	-
Loan stocks in corporations, unquoted	593,100	593,100	587,100	587,100
	217,038,079	218,520,381	587,100	587,100
Market value:				
Share in corporation, quoted in Malaysia	92,174,520	131,984,745	-	-

The investment in Berjaya Times Square Sdn Bhd (formerly known as Berjaya Starcity Sdn Bhd and Berjaya Ditan Sdn. Bhd.) previously included under associated companies and was written down to its net tangible assets value in 1999, have now been reclassified to long term investments as the Directors are of the opinion that they no longer have a significant influence in the management of this Company and they have declined the acceptance of their entitlements in the rights issue of Berjaya Times Square Sdn Bhd (formerly known as Berjaya Starcity Sdn Bhd and Berjaya Ditan Sdn. Bhd.) which resulted in the dilution of the Group's shareholding from 50% to 28.62% as at 31 December 2000.

Investment in quoted shares of the Group have been charged as security for certain term loan and bank overdraft facilities as disclosed in Notes 12 and 29 to the financial statements.

18 LAND AND DEVELOPMENT EXPENDITURE

	Group	
	2000 RM	1999 RM
At cost		
Land held for development and resale	469,712,808	564,169,936
Development expenditure	244,223,297	316,459,338
	713,936,105	880,629,274
Long term portion of land held for development	(26,553,082)	(56,528,643)
Short term portion	687,383,023	824,100,631
Attributable profit	102,201,100	68,576,183
	789,584,123	892,676,814
Progress billings	(230,363,447)	(245,773,941)
Short term portion included under current assets	559,220,676	646,902,873

Included in land and development expenditure is interest cost capitalised during the year amounting to RM12,353,304 (1999: RM12,509,071).

Land held for development of the Group amounting to RM349,595,847 (1999: RM410,975,829) have been charged as security for certain term loan facilities as disclosed in Note 12 to the financial statements.

Notes to the Financial Statements for the year ended 31 December 2000

19 GOODWILL ON CONSOLIDATION

	Group	
	2000	1999
	RM	RM
At 1 January	14,703,131	14,093,367
Arising from acquisition of subsidiary companies	13,299,992	609,764
At 31 December	28,003,123	14,703,131

20 SECURITY RETAINERS ACCUMULATION FUND

	Group	
	2000	1999
	RM	RM
At 1 January	1,441,729	635,026
Unrealised returns net of accumulated amortisation	103,281	806,703
At 31 December	1,545,010	1,441,729

The security retainers accumulation fund of the golf and country resort of the Group relates to a single premium paid for the purchase of a "Group Endowment with Profits" policy from a local insurer in 1994 where a rate of return is accruing to this policy on a cumulative basis, annually. The total accumulated return together with the insured sum will only be received upon maturity of the said policy on 2 October 2051. The purpose of this scheme is to provide the Group with funds to repay the security retainers received from members of the golf and country resort of the Group who registered prior to January 1993 at the end of their membership license term on 9 October, 2051.

21 INVENTORIES

	Group	
	2000	1999
	RM	RM
At cost		
Finished goods	136,414	142,944
Work-in-progress	-	2,867,292
Consumable stores and spares	488,391	635,205
Completed buildings	63,665,092	17,678,566
	64,289,897	21,324,007

Notes to the Financial Statements for the year ended 31 December 2000

22 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Trade receivables	47,509,884	44,944,698	1,472,862	3,029,767
Less: Provision for doubtful debts	(1,515,428)	(4,722,745)	-	(316,955)
	45,994,456	40,221,953	1,472,862	2,712,812
Tax recoverable	11,034,895	5,538,862	10,045,977	5,273,597
Other receivables	7,533,524	15,740,508	717,395	1,241,336
Less: Provision for doubtful debts	(111,525)	(486,252)	(111,525)	(339,273)
	7,421,999	15,254,256	605,870	902,063
Deposits for the acquisition of land	29,163,667	29,163,667	5,007,035	5,007,035
Less: Provision for doubtful debts	(29,163,667)	(29,163,667)	(5,007,035)	(5,007,035)
	-	-	-	-
Other deposits	2,120,350	557,480	-	-
Less: Provision for doubtful debts	(278,740)	(278,740)	-	-
	1,841,610	278,740	-	-
Amount owing by subsidiary companies less provision for doubtful debts of RM23,939,427 (1999: RM24,455,633)	-	-	545,016,115	543,055,428
Amount owing by associated companies	-	30,238,500	-	-
	66,292,960	91,532,311	557,140,824	551,943,900

The amounts owing by subsidiary companies are non-trade in nature, unsecured and interest free except for amounts owing by certain subsidiary companies amounting to RM5,800,000 (1999: RM4,521,633) which carried an interest rate of 8.8% (1999: 10%) per annum with no fixed terms of repayment.

23 MARKETABLE SECURITIES

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
At cost				
Shares in corporations, quoted in Malaysia	13,790,550	27,887,337	-	-
Less: Provision for diminution in value	(11,647,185)	(24,580,642)	-	-
	2,143,365	3,306,695	-	-
Loan stocks in corporations, quoted in Malaysia	408,600	408,600	-	-
Less: Provision for diminution in value	(280,975)	-	-	-
	127,625	408,600	-	-
	2,270,990	3,715,295	-	-

Notes to the Financial Statements for the year ended 31 December 2000

23 MARKETABLE SECURITIES (Cont'd)

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Market value:				
Shares in corporations, quoted in Malaysia	2,285,365	6,507,832	-	-
Loan stocks in corporation, quoted in Malaysia	127,625	327,173	-	-
	2,412,990	6,835,005	-	-

Marketable securities of the Group have been charged as security for certain term loans and bank overdraft facilities as disclosed in Notes 12 and 29 to the financial statements.

24 DEPOSITS WITH LICENSED BANKS

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Included in deposits with licensed banks are balances:				
- held in trust by a trustee	2,262,916	1,678,567	-	-
- pledged as security for bank guarantees issued	113,538	82,172	-	-
	2,376,454	1,760,739	-	-

25 CASH AND BANK BALANCES

Cash at bank includes balances amounting to RM38,681,674 (1999: RM11,289,007) which are maintained in designated Housing Development accounts pursuant to the Housing Developers (Control and Licensing) Act, 1966 and Housing Regulations, 1991 in connection with the Group's property development projects.

26 TRADE AND OTHER PAYABLES

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Trade payable	61,912,827	56,027,265	255,883	295,034
Trade accruals	2,958,680	4,240,435	-	-
Other payables	44,749,882	48,456,079	275,004	649,332
Amount owing to subsidiary companies	-	-	87,299,495	62,967,589
Amount owing to an associated company	736,755	-	-	-
Amounts owing to shareholders of subsidiary companies	52,040,990	48,557,343	-	-
	162,399,134	157,281,122	87,830,382	63,911,955

The amounts owing to subsidiary companies, associated company and shareholders of certain subsidiary companies are unsecured, interest free and have no fixed terms of repayment.

Notes to the Financial Statements for the year ended 31 December 2000

27 SINKING FUND RESERVE

	Group	
	2000 RM	1999 RM
At 1 January	2,156,272	1,505,141
Additions	641,035	651,131
Claims made during the year	(207,956)	–
At 31 December	2,589,351	2,156,272

28 SHORT TERM BANK BORROWINGS

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Secured	102,219,000	107,704,000	93,000,000	98,000,000
Unsecured	406,000	3,766,000	1,000	3,001,000
	102,625,000	111,470,000	93,001,000	101,001,000

Details of securities:

Fixed charge over landed properties held under development and property, plant and equipment of subsidiary companies	102,219,000	107,704,000	93,000,000	98,000,000
	102,219,000	107,704,000	93,000,000	98,000,000

Interest rates during the year ranged between 5.25% and 8.45% (1999: 5.62% and 10.48%) per annum.

29 BANK OVERDRAFTS

	Group	
	2000 RM	1999 RM
Secured	17,338,042	22,639,459
Unsecured	426,821	969,642
	17,764,863	23,609,101
Details of securities:		
Fixed charge over landed properties held under land and development expenditure and fixed and floating charges over the property, plant and equipment of subsidiary company	14,802,898	17,128,963
Pledge of quoted shares belonging to a subsidiary company	2,535,144	5,510,496
	17,338,042	22,639,459

The interest rates during the year ranged between 8.3% and 9.3% (1999: 5.65% and 13.5%) per annum.

Notes to the Financial Statements for the year ended 31 December 2000

30 ACQUISITION OF SUBSIDIARY COMPANIES**(a) Diva Gold International Ltd**

During the financial year, Dijaya dotcom.Ventures Limited (formerly known as Gema Investments Limited), a subsidiary company, acquired 70% equity interest in Diva Gold International Ltd, a company incorporated in British Virgin Islands for a cash consideration of USD3,500,000.

(b) Atlantic Marketing Sdn. Bhd. (formerly known as Tirai Cerdik Sdn. Bhd.)

During the financial year, Dijaya Digital Sdn Bhd, a subsidiary company, acquired 100% equity interest in Atlantic Marketing Sdn. Bhd. (formerly known as Tirai Cerdik Sdn. Bhd.), a company incorporated in Malaysia for a cash consideration of RM1,000,000.

The effects of the above acquisition on the financial results of the Group during the financial year are shown below:

	2000 RM
Revenue	11,966,072
Operating costs	(11,142,519)
Profit from ordinary activities before and after taxation	823,553
Minority interests	(365,093)
Net profit attributable to shareholder	458,460

The effect of this acquisition on the financial position at the financial year end is as follows:

	2000 RM
Property, plant and equipment	2,287,447
Trade and other receivables	4,279,042
Deposits, bank and cash balances	21,468
Trade and other payables	(4,760,604)
Minority interests	(365,093)
Group's share of net assets	1,462,260

Details of net assets acquired, goodwill and cash flow arising from the acquisition are as follows:

	At date of acquisition RM
Trade and other receivables	1,001,879
Deposits, bank and cash balances	328
Trade and other payables	(320)
Fair value of net assets acquired	1,001,887
Goodwill	13,299,992
Total purchase consideration discharged by cash	14,301,879
Less: Cash and cash equivalents of subsidiary companies acquired	(328)
Cash outflow on acquisition	14,301,551

Notes to the Financial Statements for the year ended 31 December 2000

31 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated cash flow statement comprise the following:

	Note	Group		Company	
		2000 RM	1999 RM	2000 RM	1999 RM
Deposits with licensed banks		2,472,708	1,760,739	-	-
Cash and bank balances		45,049,268	18,737,995	1,913,889	201,788
Bank overdrafts		(17,764,863)	(23,609,101)	-	-
		29,757,113	(3,110,367)	1,913,889	201,788
Less: Cash and cash equivalents not available for use	24	(2,376,454)	(1,760,739)	-	-
		27,380,659	(4,871,106)	1,913,889	201,788

32 NON CASH TRANSACTIONS

The principal non cash transactions during the year is the acquisition of property, plant and equipment by means of hire purchase (Note 14).

33 SEGMENTAL REPORTING

	Revenue RM	Profit before taxation RM	Gross assets RM
Analysis by activity			
2000			
Real property and resort development	185,380,716	10,655,460	1,084,399,847
Manufacturing	14,389,619	3,911,592	443,520
Engineering and trading	14,856,978	(70,503)	21,554,410
Investment holding	791,681	(10,045,993)	167,477,619
Credit and leasing	90,320	(3,157)	1,161,046
Stockbroking	11,952,645	9,273,066	15,083,117
Internet related venture	11,966,072	808,910	21,085,615
	239,428,031	14,529,375	1,311,205,174
Group's share of revenue of associated companies	(26,342,264)		
	213,085,767		

Notes to the Financial Statements for the year ended 31 December 2000

33 SEGMENTAL REPORTING (Cont'd)

	Revenue RM	Profit before taxation RM	Gross assets RM
1999			
Real property and resort development	146,271,276	(4,616,178)	1,157,888,328
Manufacturing	15,734,209	(2,528,757)	3,343,071
Engineering and trading	13,736,156	(2,088,845)	11,388,413
Investment holding	689,115	(88,948,692)	168,257,854
Credit and leasing	596,000	(203,445)	24,465,893
Stockbroking	12,384,473	(6,433,118)	5,810,053
	189,411,229	(104,819,035)	1,371,153,162
Group's share of revenue of associated companies	(27,940,285)		
	<u>161,470,944</u>		

Segmental analysis by geographical location has not been prepared as the Group's operations are primarily based in Malaysia other than the internet related ventures, the operations of which are based in British Virgin Islands.

34 CONTINGENT LIABILITIES (UNSECURED)

	Company	
	2000 RM	1999 RM
Banking facilities of subsidiary companies guaranteed by the Company	66,000,000	66,000,000

35 EVENT SUBSEQUENT TO BALANCE SHEET DATE

On 26 February 2001, South Johor Equities Sdn Bhd, an associated company of Dijaya Corporation Berhad has completed the sale of its wholly owned subsidiary company, South Johor Securities Sdn Bhd to Arab-Malaysian Securities Sdn Bhd for a total cash consideration of RM175,000,000.

36 COMPARATIVES

Comparative figures have been extended to comply with the disclosure requirements of the 13 new MASB Standards that are applicable for the financial year ended 31 December 2000.

In addition, the following balance sheet comparative figures of the Group have been reclassified to conform with current year's presentation:

	As previously reported RM	Reclassification RM	As restated RM
Long term investments	179,794,686	38,725,695	218,520,381
Marketable securities	-	3,715,295	3,715,295
Associated companies	59,466,914	(42,440,990)	17,025,924

Shares in corporations, quoted in Malaysia of RM3,306,695 and loan stocks in corporation quoted in Malaysia of RM408,600 have been reclassified to marketable securities as the Directors are of the opinion that these investments are short term in nature.

The Group's investment of RM42,440,990 in Berjaya Times Square Sdn Bhd (formerly known as Berjaya Starcity Sdn Bhd and Berjaya Ditan Sdn Bhd), previously included under associated company has been reclassified to long term investments to conform with current year's presentation, as explained in Note 17 to the financial statements.

Statistics on Shareholdings as at 30 April 2001

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	Shareholders		Shareholdings	
	Number	%	Number	%
Less than 1,000	62	0.36	16,108	0.01
1,000 – 10,000	15,971	94.02	41,785,567	16.10
10,001 – 100,000	891	5.25	22,864,982	8.81
100,001 to less than 5% of issued shares	59	0.35	82,289,667	31.71
5% and above of issued shares	4	0.02	112,546,259	43.37
	16,987	100.00	259,502,583	100.00

Note: There is only one class of shares in the paid-up capital of the Company. Each share entitles the holder to one vote.

LIST OF 30 LARGEST SHAREHOLDERS

No.	Name	No. of Shares Held	%
1.	RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Tan Chee Sing</i>	42,300,000	16.30
2.	Impeccable Ace Sdn Bhd	28,500,000	10.98
3.	Golden Diversity Sdn Bhd	24,354,576	9.39
4.	Dato' Tan Chee Sing	17,391,683	6.70
5.	Oriental Nominee (Tempatan) Sdn Bhd <i>Pledged securities account for Golden Diversity Sdn Bhd</i>	11,000,000	4.24
6.	Permodalan Nasional Berhad	10,389,557	4.00
7.	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd <i>Kitson Foong & Associates for Danny Tan Chee Sing</i>	6,595,691	2.54
8.	PAB Nominee (Tempatan) Sdn Bhd <i>Pledged securities account for Dato' Tan Chee Sing</i>	6,500,000	2.50
9.	HLB Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Golden Diversity Sdn Bhd</i>	5,570,000	2.15
10.	Kuala Lumpur City Nominees (Tempatan) Sdn Bhd <i>Khadijah Binti Abdul Khalid</i>	5,095,000	1.96
11.	Syarikat Nominee Bumiputra (Tempatan) Sdn Bhd <i>Pledged securities account for Golden Diversity Sdn Bhd</i>	4,300,000	1.66
12.	Lanjut Persada Sdn Bhd	4,022,544	1.55
13.	Bayangan Impresif Sdn Bhd	3,495,558	1.35
14.	HLB Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Golden Diversity Sdn Bhd</i>	2,680,000	1.03
15.	Warisan Istimewa Sdn Bhd	2,496,260	0.96
16.	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd <i>Kitson Foong & Associates for Desiran Hebat Sdn Bhd</i>	2,344,028	0.90
17.	HLB Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Dato' Tan Chee Sing</i>	1,700,000	0.66
18.	Tengku Adnan Bin Tengku Mansor	1,531,461	0.59
19.	Advance Pacific Sdn Bhd	926,868	0.36
20.	M&A Nominee (Asing) Sdn Bhd <i>M&A Securities (HK) Ltd for Anglo Asia Investments Limited</i>	897,000	0.35
21.	RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Tan Chee Yioun</i>	800,000	0.31
22.	M&A Nominee (Asing) Sdn Bhd <i>Richmond Limited</i>	678,196	0.26
23.	Asian Atlantic Holdings Limited	678,196	0.26
24.	CL & Yew Construction Sdn Bhd	667,000	0.26
25.	Chan Wan Moi	659,000	0.25
26.	Yayasan Islam Negeri Kedah	570,075	0.22
27.	Thong Kok Cheong	484,910	0.19
28.	Pak Fook & Sons Sdn Bhd	484,910	0.19
29.	Inter-Pacific Equity Nominee (Tempatan) Sdn Bhd <i>Kitson Foong & Associates for Nyatamas Sdn Bhd</i>	482,698	0.19
30.	Berjaya General Insurance Berhad	481,000	0.19
		188,076,211	72.48

Statistics on Shareholdings as at 30 April 2001

SUBSTANTIAL SHAREHOLDERS

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Dato' Tan Chee Sing	75,150,374	28.96	76,404,576	29.44
Golden Diversity Sdn Bhd	47,904,576	18.46	–	–
Impeccable Ace Sdn Bhd	28,500,000	10.98	–	–
Dato' Thong Kok Khee	–	–	12,750,000	4.91
Permodalan Nasional Berhad	10,389,557	4.00	–	–
RHB Capital Nominee (Tempatan) Sdn Bhd <i>Pledged securities account for Lim Chai Seng Lim Tai Nang, Tan Chok Uing, Tan Chee Yioun and Tan Chee Sing</i>	–	–	43,108,023#	16.61
Bolton Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Golden Diversity Sdn Bhd and Impeccable Ace Sdn Bhd</i>	–	–	25,960,000#	10.00
Oriental Nominee (T) Sdn Bhd <i>Pledged securities account for Golden Diversity Sdn Bhd and Amanah Saham Pahang Berhad</i>	–	–	11,005,000#	4.24
HLB Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Dato' Tan Chee Sing and Golden Diversity Sdn Bhd</i>	–	–	10,300,000#	3.97
Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Chun Mung Bong, Cheong Kian Tung, Chin Chee Keong, Chong Thiam Swee, Dato' Danny Tan Chee Sing, Desiran Hebat Sdn Bhd, Kamarudin Bin Mohamad, Khew Siew Keow, Lee Ah Poh, Liew Siew Kien, Mohd Ngatikon Bin Hj Iksan, Ng Chon Feng, Nyatamas Sdn Bhd, Rajis A/L Mansukhlal @ Rajesh Mansukhlal, Tan Kim Hong, Ting Heng Toon, Yetin A/L Mohanlal Khusalchand Doshi and Yong Ah Chai</i>	–	–	9,511,417#	3.67
PAB Nominee (Tempatan) Sdn Bhd <i>Pledged securities account for Lew Choy Mee, Wan Mustafa Wan Ahmad, Tan Chee Sing, Tan Kim Hock, Wong Tze Yen and Kutubuddin Bin Saifuddin</i>	–	–	6,511,000#	2.51

as bare trustee

List of Properties Owned by the Group as at 31 December 2000

Registered Owner/ Location	Age of buildings	Description	Land area	Tenure	Existing use	Net book Value as at 31.12.2000 (RM)
Tropicana Golf & Country Resort Berhad						
Tropicana Golf & Country Resort 47410 Petaling Jaya	6 years	Golf course and mixed development	342.6 acres	Leasehold 99 years expiring on 25.10.2090	'Tropicana Golf & Country Resort' golf course and mixed development	142.87 million
Mawar Hebat Sdn Bhd						
1002-3, 1005, 1009-10, 1031, 1065, 1072, 2416 Mukim Ulu Behrang East Daerah Batang Padang	N/A	Agriculture land	517 acres	Freehold	Vacant land (proposed mixed development)	4.00 million
Ikatan Engineering Sdn Bhd						
Lot 50-51, IGB International Industrial Park Jalan Kuala Kangsar Ipoh, Perak	Lot 50 – 9 years Lot 51 – 6 years	Industrial land	4.89 acres	Leasehold 99 years expiring on 17.10.2089	Factory building and office	2.90 million
Lot 92 IGB International Industrial Park Jalan Kuala Kangsar Ipoh, Perak	N/A	Industrial land	2.99 acres	Leasehold 99 years expiring on 17.10.2089	Storage yard	1.20 million
Lot 35, Taman Alkaff Jalan Silibin, Ipoh Perak	17 years	Shoplot	1,399 sq. ft.	Leasehold 99 years expiring on 16.07.2079	Shoplot	0.18 million
Izasaja Sdn Bhd						
Lot No. PT 837 Mukim Ijuk Kuala Selangor Selangor	N/A	Commercial/ residential development land	200 acres	Leasehold 99 years expiring on 17.04.2089	Vacant land	0.30 million
Aspek Analisa Sdn Bhd						
Lot No. 3049 and Lot No. 3050 9½ Miles Jalan Sungai Besi Serdang, Selangor	N/A	Development land	24.556 acres	Leasehold 99 years expiring on 21.01.2095	Vacant land	2.98 million

List of Properties Owned by the Group as at 31 December 2000

Registered Owner/ Location	Age of buildings	Description	Land area	Tenure	Existing use	Net book Value as at 31.12.2000 (RM)
Arah Pelangi Sdn Bhd						
Lot Nos. 405, 413, 417 & 715, Section 4 Town of Bukit Mertajam District of Seberang Perai Tengah Pulau Pinang	N/A	Development land	10.962 acres	Freehold	Vacant land	13.40 million
Dicorp Land Sdn Bhd						
Lot 673 (Grant 3473) Section 1 Pekan Sungei Penchala Selangor	N/A	Development land	9.58 acres	Freehold	'Damansara Intan' shop / office complex project along Jalan Damansara Petaling Jaya	36.10 million
Dijaya Land Sdn Bhd						
Lot No. 26103 (Grant 22944) Mukim and District of Damansara District of Selangor Selangor	N/A	Development land	14.786 acres	Freehold	'Dijaya Mall' / 'Casa Damansara' project along Jalan Damansara, Petaling Jaya	80.70 million
Damansara Impian Sdn Bhd						
Section 1 Kota Damansara Daerah Petaling Selangor	N/A	Development land	80.41 acres	Leasehold 99 years expiring in 2098	'Damansara Indah Resort Homes' Project which comprises of mixed development	49.00 million



DIJAYA CORPORATION BERHAD

(Company No. 47908-K)

Proxy Form

I / We _____
of _____
being a member/members of DIJAYA CORPORATION BERHD hereby appoint _____
of _____
or failing him/her _____
of _____

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Twenty Second (22nd) Annual General Meeting of the Company to be held at Ballroom 1, Jalan Kelab Tropicana, Off Jalan Tropicana Utama, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Saturday, 16 June 2001 at 10.30 a.m. or at any adjournment thereof.

No.	Resolutions	For	Against
1.	To receive and adopt the audited accounts of the Company for the year ended 31 December 2000 and the Directors' and Auditors' Reports thereon.		
2.	To re-elect Dato' Thong Kok Khee as Director.		
3.	To re-elect Mr Tan Choon Kee as Director.		
4.	To re-elect Encik Azhar Bin Abdul Wahab as Director.		
5.	To re-elect Encik Roslan Bin Hj. Yahya as Director.		
6.	To approve the payment of Directors' fees.		
7.	To re-appoint Messrs. PricewaterhouseCoopers as Auditors and to authorise the Directors to determine their remuneration.		
8.	Special Business – Ordinary Resolution I:- To grant to Tan Choon Kee, the Executive Director, options to subscribe for such number of ordinary shares up to a maximum of 500,000 new ordinary shares in the Company to be allotted and issued pursuant to the Employees' Share Option Scheme.		
	Special Business – Ordinary Resolution II:- To authorise Directors to issue shares up to 10% of the issued capital for the time being.		

Please indicate with an "X" in the appropriate spaces where you wish yours votes to be cast. In the absence of specific directions, your proxy will vote or abstain from voting at his discretion.

No. of Shares held

Signature of Shareholder(s)

Signed this _____ day of _____ 2001

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. The instrument appointing a proxy or proxies must be deposited at the Company's Registered Office at Lot 302, 3rd Floor, Wisma Dijaya, No. 1A, Jalan SS20/1, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for holding the meeting or at any adjournment thereof.
3. A member shall be entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting.
4. Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
5. The instrument appointing a proxy or proxies shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or in some other manner approved by its directors.

fold here

Affix
Stamp

DIJAYA CORPORATION BERHAD

Lot 302, 3rd Floor, Wisma Dijaya,
No. 1A, Jalan SS20/1,
Damansara Utama,
47400 Petaling Jaya,
Selangor Darul Ehsan

fold here