

## Properties

*"If we go on the way we have, the fault is our greed [and] if we are not willing [to change], we will disappear from the face of the globe, to be replaced by the insect."*

*Jacques Cousteau*





Faber Development Holdings Sdn Bhd (FDH) is one of the three core businesses of Faber Group Bhd. A wholly-owned subsidiary, it is strategically focused on property development, property management and related activities.

FDH aims to be one of the leading property developers in Malaysia in the new millennium. It recognizes the critical need to be progressive and innovative. Thus, the Company plans to introduce new construction methodologies and techniques, as well as ecologically sensitive approaches to its future developments.

Its development portfolio currently comprises the Tiara Faber Condominium (a medium to high-end development consisting of 320 units) and Taratak Muhibbah (a low-end housing scheme consisting of 798 units), both of which are located in the rapidly growing township of Taman Desa, Kuala Lumpur. They are scheduled for completion by the end of 2000. A third project, in Sandakan, Sabah, is the development of semi-detached houses. Additionally, FDH is developing Taman Sri Desa in Ipoh through a joint-venture with KK Road Properties Sdn Bhd. During the year, FDH achieved another milestone when its Danau Idaman Condominium, a medium-end development, was completed with keys ready to be handed over to 659 proud purchasers.

With the economy showing positive signs of recovery, FDH has started reviewing its land banks in the Klang Valley and is in the process of developing masterplans for them. The Company has embarked on the masterplanning of Phase 1B located in Taman Danau Desa. This project, which will be launched only in mid 2001, is envisioned as a luxury condominium comprising approximately 200 units.

Having played a major role in the development of Taman Desa, the Company continues to contribute to the community as a good corporate citizen. Currently underway are plans to improve the quality of life of its residents, through the construction of parks, playgrounds, community centers, recycling centers and food kiosks.

In the area of property management, FDH is presently managing two commercial properties – Faber Towers in Taman Desa, and Penang Plaza in Jalan Burmah, Penang. The Company has also assumed the responsibility of managing its own completed developments, which include 402 units in Faber Ria Condominium, 370 units in Faber Heights Condominium, 130 units in Faber Indah Condominium, 256 units in Faber Plaza (which includes 4-storey shophouses), 512 units in Danau Permai Condominium, 450 units in Danau Impian Condominium and 659 units in Danau Idaman Condominium. Looking ahead, the Company intends to expand its property management services to include facilities engineering management, security and landscaping services as well.

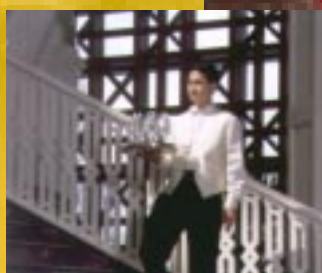
In the Company's drive for excellence across its various subsidiaries, Faber Union Sdn Bhd was awarded the prestigious ISO 9002 certification for Project Development on 3 March 2000, while FM Property Management Sdn Bhd received a similar award for Property Management on 4 May 2000.

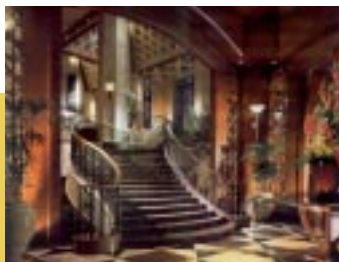
With the improvement in the economy and the general market conditions, the outlook for the next financial year is positive for FDH in rebuilding its momentum to regain its market position. We believe the Company has, in its current portfolio, various opportunities of high commercial potential that can improve future shareholder value.

**Facing page; top left** One of the blocks of the recently-completed Danau Idaman. **Right** One of the covered walkways at Danau Idaman. **Bottom** The delightful pool and surroundings at Danau Permai. **This page; left** Pleasing landscaping is a welcome feature at Danau Idaman. **Right** Apartments are well-proportioned and comfortable at Danau Idaman.

*"Nothing is permanent but change".*

*Heraclitus, c. 500BC*





Faber Group Berhad began its illustrious 37-year history as one of the pioneering names in the Malaysian hospitality industry. Over the years, the Company has grown to become one of the leading providers of valued services and products in the hospitality industry. Today, through Faber Hotels Holdings Sdn Bhd (FHH), the Group continues to be a key player and a leading name in the hospitality industry, with a total of seven fully operational properties in Malaysia.

Through its strategic alliance with Starwood Hotels & Resorts Worldwide Inc., FHH owns five 5-star international class hotels situated in Langkawi, Penang, Labuan, Subang and Kuala Lumpur. FHH also owns and operates a further two properties in Cameron Highlands and Johor Bahru under its original Merlin name.

During the past year, FHH has made impressive strides to consolidate its position in the industry and to recover from its lacklustre performance during the crisis years. Despite a highly competitive atmosphere and oversupply of hotels, the majority of its hotel properties are once again recording rising occupancy rates.

In the new millennium, FHH is committed to raising the standards of hospitality and service through the continued upgrading of its services. At present, its two properties – the Sheraton Imperial, Kuala Lumpur, and Sheraton Perdana Resort, Langkawi – are the clear market leaders in their respective categories of luxury city hotel and luxury resort hotel.

The Sheraton Imperial, continues to enhance its premier position with the opening of Riva's Kuala Lumpur – an upmarket entertainment center with a refreshing offering of themed and private entertainment sections. Its fine dining restaurant, Villa Danieli, features an exquisite Italianate setting, remains a firm favourite among the gourmet and corporate dining community. Sheraton Imperial has also recently appointed Renewal Day Spas – one of the leading spa groups in the region, to manage its spa facility.

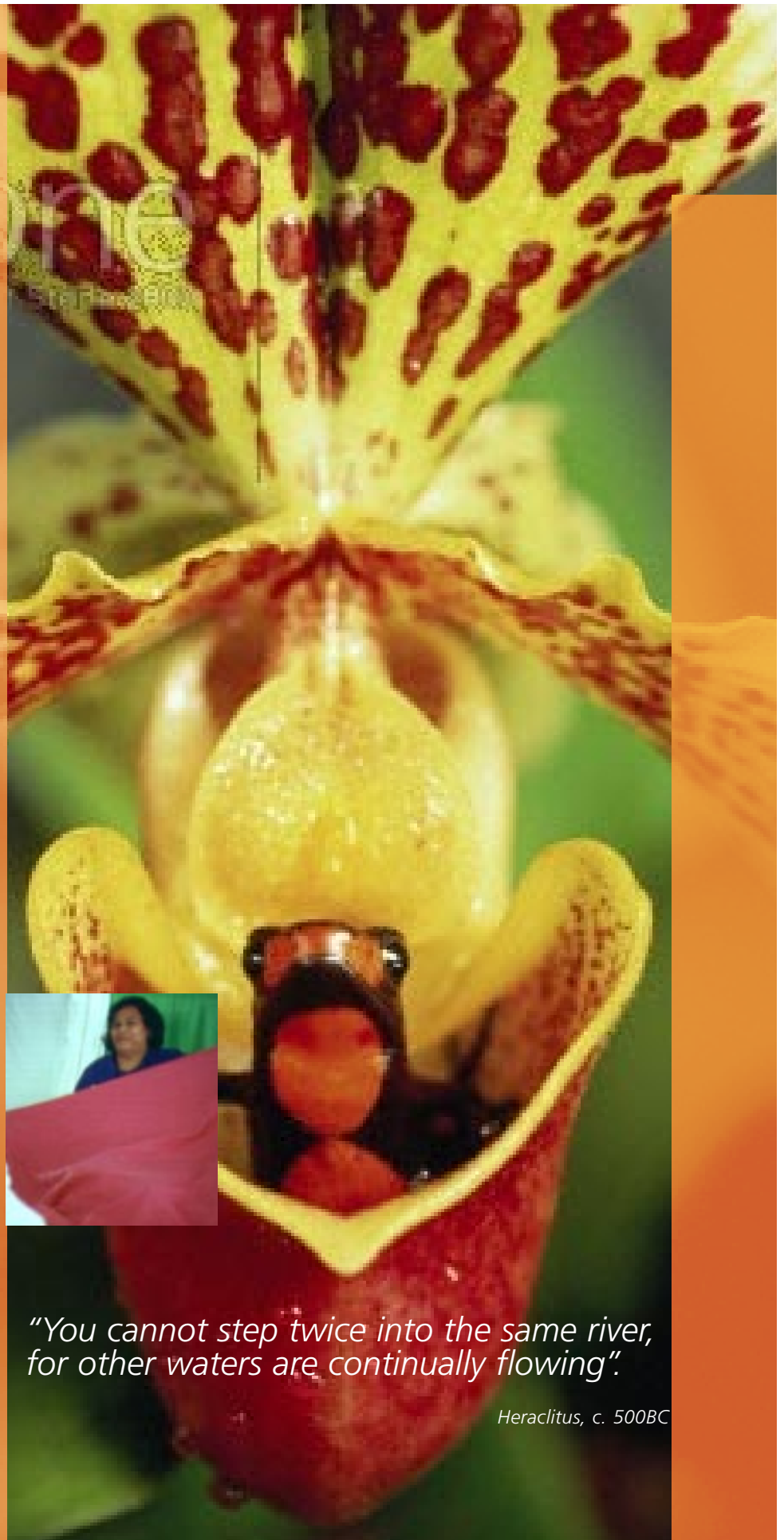
Sheraton Perdana Resort, Langkawi, was again the most popular hotel in the Group, achieving an impressive average occupancy rate of 74%. As for the other Sheraton hotels, Sheraton Penang Hotel remains very popular with leisure and business travelers, while Sheraton Subang Hotel & Towers is making its presence known with a strong food, beverage and banqueting operation. Finally, at Sheraton Labuan, the hotel continues to cater predominantly to corporate and business travelers, being located adjacent to Malaysia's offshore financial center in East Malaysia.

During the year, the Sheraton properties saw the introduction of Starwood's Preferred Guest Program, the most aggressive and rewarding frequent stay program in the hotel industry. With 5.8 million members worldwide, and 502,000 in Asia Pacific alone, FHH is confident that the program will contribute to further improve the performance of all its Sheraton hotels.

In the year under review, FHH's Merlin Inn properties in Johor Bahru and Cameron Highlands remain popular with budget travelers. The year's highlight for both hotels was the achievement of their respective ISO9002 certification, marking a very significant milestone in both hotels' history.

With a more aggressive promotional strategy in the coming year, supported by the Malaysian Government's renewed commitment to the tourism and hospitality industry, the outlook is positive and the Hotels Division is expected to once again make major contributions to Faber Group Berhad's overall performance.

**Facing page; from top** Botanica Brasserie, Sheraton Imperial Kuala Lumpur. **Center** Service as it should be at Sheraton Imperial Kuala Lumpur. **Bottom** The escapist's favoured haven, Sheraton Perdana Resort Langkawi. **This page; left** The grand staircase beyond the lobby at Sheraton Imperial Kuala Lumpur, part of The Luxury Collection. **Right** Al fresco dining at Sheraton Subang Hotel & Towers.



*"You cannot step twice into the same river,  
for other waters are continually flowing".*

*Heraclitus, c. 500BC*





Faber Medi-Serve Sdn Bhd (FMS) is the third of the three core businesses of Faber Group Bhd. The Company is focused on managing the 15-year concession with the Government to provide hospital support services for 71 Government hospitals in the Northern states of Perlis, Kedah, Penang and Perak, and the East Malaysian states of Sabah and Sarawak. The concession involves the provision of services in clinical waste management, cleansing, linen and laundry, facility engineering maintenance and biomedical engineering maintenance.

To achieve the high operational standards specified by the Ministry of Health ("MOH"), the Company employs various advanced techniques, such as a computer-based maintenance management information system that is networked across all the hospitals under its concession, and which is used to manage all aspects of the five services. The system automatically schedules each piece of equipment for preventative maintenance, so as to minimize downtime and further improve service excellence.

The Company has successfully effected a more direct involvement in the provision of key services at the hospitals. This move is in line with its long-term plan to develop internal expertise and enhance operational efficiency. FMS has effectively managed the impact of the deduction formula implemented by the MOH since early this year. The Company took a proactive attitude towards the Government's programme and utilized it as added impetus towards maximizing performance as well as the continuous improvement in services.

The Environment Impact Assessment (EIA) study for the construction of a clinical waste incinerator in Kota Kinabalu is in progress. Negotiations with relevant authorities are continuing for the construction of an incinerator in Kuching. Construction shall commence upon approval from the authorities. The Regional Incinerator in Kamunting, Perak, has recorded an improvement in performance and ability to cope with an increase in waste from both public and private sectors in the northern states of the peninsula.

As part of its commitment to provide a safe and healthy work environment to all employees, customers and the community, the Company has replaced the Ozone Depleting Substance (ODS) in the refrigerants of clinical waste storage containers with a more environment-friendly substance. The year under review also recorded another achievement when operations of the Incinerator in Sibu were recommended for ISO 9002 certification by SGS Yarsley International Certification Services Limited on 29 June 2000.

In February 2000, FMS, together with two other concession companies, successfully implemented a Central Management Information System (CMIS) which consolidates information on the support services at MOH's hospitals in the country. With a design based on the latest Internet technology, this system is accessible by all Hospital Directors, State Directors, State Health Directors and specified MOH officials throughout the country, enabling the hospitals to respond promptly to all enquiries, as well as to function as a Help Desk or communications hub for all its services.

As the Government continues to build new hospitals which are more sophisticated and advanced in terms of facilities, equipment and services being offered, the Company has placed priority in enhancing staff skills and knowledge in total facilities management, customer service and industrial relations. Consequently, the Company has invested more than RM500,000 in training and development in preparing its staff for the competitive and dynamic business environment of the future.

FMS is presently working with the MOH to improve and establish the processes that will assist hospitals to evolve qualitatively. We are confident that the Company will continue to contribute significantly to the Group's income in the coming financial year.

***Facing page; top left** Biomedical engineering maintenance work at Sungai Siput Hospital. **Right** Cleaning services at Sungai Siput Hospital. **Bottom** Maintenance service team at the Ipoh Hospital Operating Theatre. **This page; left** The crew at Sungai Siput Hospital. **Right** Waste disposal at the Incineration Plant in Kamunting, Perak.*

**2.9.99**

Faber Group Berhad ("FGB" or "the Company") entered into a Standstill Agreement with the majority of secured and unsecured bank creditors of FGB under the auspices of the Corporate Debt Restructuring Committee and announced the proposed implementation of the following proposals:

- 1 Proposed issue of RM1.23 billion nominal value (before accumulation of interest up to the issue date) of 5-year Zero Coupon Redeemable Convertible Secured Bonds to the secured bank creditors of FGB ("Secured Creditors").
- 2 Proposed issue of up to RM330 million nominal value of 5-year Zero Percent Irredeemable Convertible Unsecured Loan Stocks to the unsecured bank creditors of FGB and other unsecured creditors of FGB, Faber Hotels Holdings Sdn Bhd ("FHH") and Subang Jaya Hotel Development Sdn Bhd ("SJHD") ("Unsecured Creditors"). FHH is a wholly-owned subsidiary of FGB, whilst SJHD is a wholly-owned subsidiary of FHH; and
- 3 Proposed 50% capital reduction of the Company's ordinary share capital.

*(Items 1, 2 and 3 are hereafter collectively referred to as "the Proposals".)*

**2.9.99**

FGB, FHH and SJHD applied to the High Court of Malaya ("High Court") for, inter alia, a date to hold the Court Convened Creditors' Meetings to consider the Proposals and for a restraining order under Section 176 of the Companies Act, 1965 to implement the Proposals.

**13.10.99**

Grant by the High Court of, inter alia, the following orders:

- 1 An order granting leave to FGB, FHH and SJHD – collectively known as the "Applicants" to convene separate meetings of their respective classes of creditors (the "Scheme Creditors") pursuant to Section 176 (1) of the Companies Act, 1965 within ninety (90) days from 13 October 1999; and
- 2 An order restraining the Scheme Creditors from further proceeding in any action or proceeding against any of the Applicants of whatsoever nature, in respect of the indebtedness owed to the Scheme Creditors of the Applicants, for a period of ninety (90) days from 13 October 1999.

**18.10.99**

A notice was issued on the convening of the Court Convened Meetings of the Scheme Creditors of FGB, FHH and SJHD on Monday, 22 November 1999.

**1.11.99**

Mr Christopher Lawrence Bachran was appointed as Managing Director of FHH.

**22.11.99**

The Secured and Unsecured Scheme Creditors of FGB and the Unsecured Scheme Creditors of FHH and SJHD present and voting have unanimously approved the composite scheme of arrangement pursuant to Section 176 of the Companies Act, 1965, of each of FGB, FHH and SJHD and their respective Scheme Creditors at the Court Convened Creditors' Meetings held on 22 November 1999.

### 3.3.2000

Faber Union Sdn Bhd was awarded ISO9002 on Project Development from SIRIM.

### 30.11.99

Faber Group Berhad held its 36th Annual General Meeting.

### 1.12.99

Resignation of YB Senator Haji Hamzah bin Mohd Zain as a Director of the Company.

### 4.12.99

The 1st Inter Company Games of the Renong Group's Property Division was held at INTAN, during which various family-orientated events were organized.

### 1.1.2000

The Faber Group of Companies experienced glitch-free operations during the millennium rollover.

### 1.1.2000

Termination and takeover by Faber Medi-Serve Sdn Bhd ("FMS"), with effect from 1 January 2000, of the linen and laundry services provided and managed by Propel-Johnson Controls (M) Sdn Bhd ("PJC") under the Hospital Support Services Agreement dated 28 January 1997 entered into between FMS and PJC.

### 11.1.2000

The High Court allowed an extension to the restraining order granted under Section 176 (10) of the Companies Act 1965 to FGB, FHH and SJHD for a period of three months commencing from 11 January 2000.

### 29.2.2000

The Faber Group of Companies experienced glitch-free operations during the leap year rollover.

### 8.3.2000

Resignation of Mr Khor Sinn Yeek as Director and Managing Director of FGB and as Member of the Audit Committee of FGB.

### 10.3.2000

The Securities Commission ("SC") approved the following Proposals as proposed:

- a The proposed composite scheme of arrangement, which include the proposed issue of up to RM1,513,806,167 nominal value of 5-year Zero Coupon Redeemable Secured Bonds ("RCBs") and the proposed issue of up to RM232,032,039 nominal value of 5-Year Zero Coupon Irredeemable Convertible Unsecured Loan Stocks ("ICULS") ("Proposed Composite Scheme of Arrangement").
- b The proposed reduction of the existing issued and paid-up share capital of FGB by the cancellation of 50 sen from every ordinary share of RM1.00 each in FGB and the consolidation of two (2) ordinary shares of 50 sen each into one (1) ordinary share of RM1.00 each in FGB; ("Proposed Capital Reduction"); and
- c The listing of and quotation for the ICULS and the new ordinary shares of RM1.00 each in FGB arising from the conversion of the RCBs and the ICULS on the KLSE.

The SC has also granted waivers to FGB to comply with Section 21.02 and 22.02(5) of the SC's Policies and Guidelines on issue/offer of securities.



The approval of the SC for the above-mentioned is subject to, inter alia, the conversion prices of the RCB (of RM1.67 of the nominal value of the RCBs for every new ordinary share of FGB of RM1.00 each) and the ICULS (of RM2.00 of the nominal value of the ICULS for every new ordinary share of FGB of RM1.00 each) to be set as proposed or at a premium over the five (5)-day weighted average market price after the approval of the SC, whichever is higher.

#### 28.3.2000

An announcement was made to KLSE on the proposed disposal of 100% equity interest comprising 1,000,000 ordinary shares of RM1.00 each in Syfix Sdn Bhd by Faber Haulage Sdn Bhd, a wholly-owned subsidiary of FGB under a management buy-out scheme for a cash consideration of RM1.00.

#### 11.4.2000

The High Court granted a further extension to the restraining order granted under Section 176 (10) of the Companies Act, 1965 to FGB, FHH and SJHD for a period of two months commencing from 11 April 2000.

#### 4.5.2000

FM Property Management Sdn Bhd was awarded ISO9002 on Property Management from SIRIM.

#### 9.5.2000

FGB held its Extraordinary General Meeting ("EGM") whereat the Shareholders approved the Proposed Composite Scheme of Arrangement (under Section 176 of the Companies Act, 1965) of each of FGB, FHH and SJHD and their respective Scheme Creditors and the Proposed Capital Reduction ("the Proposed Restructuring").

#### 11.5.2000

Y Bhg Dato' Ikmal Hijaz Hashim was appointed a Member of the Audit Committee of FGB.

#### 12.5.2000

Mr Christopher Lawrence Bachran was appointed as Director and Managing Director of FGB.

#### 26.5.2000

Merlin Inn Johor Bahru was awarded ISO9002 on hotel operations from Lloyd's Register Quality Assurance Singapore.

#### 3.6.2000

Staff members took part in the "Istiadat mengarak Panji-Panji SPB Yang DiPertuan Agong Yang Ke-XI Sempena Haji Keputeraan yang Ke 74" ceremony held at Stadium Merdeka.

#### 6.6.2000

Vacant Possession/keys were handed over to purchasers of Danau Idaman Condominium.

#### 10.6.2000

The High Court granted a further extension to the restraining order granted under Section 176 (10) of the Companies Act, 1965, to FGB, FHH and SJHD for a period of two months commencing from 10 June 2000.

#### 24-25.6.2000

FGB and FHH organized a joint family outing at Awana Golf & Country Resort, Genting Highlands.

### 7.8.2000

The Proposed Composite Scheme of Arrangement under Section 176 of the Companies Act, 1965 of each of FGB, FHH and SJHD and their respective Scheme Creditors and the Proposed Capital Reduction of FGB were sanctioned by the High Court.

### 18.8.2000

Merlin Inn Cameron Highlands was awarded ISO9002 on hotel operations from Lloyd's Register Quality Assurance Singapore.

### 23.8.2000

The copy of the Court Order approving the Scheme of Arrangement and confirming the Capital Reduction of FGB was lodged with the Registrar of Companies. The effective date of both the Proposed Scheme of Arrangement and Proposed Capital Reduction of FGB is on 23 August 2000.

### 23.8.2000

Inter-Heritage (M) Sdn Bhd ("IHSB"), a 51%-owned subsidiary of FHH, entered into various agreements with RHB Sakura Merchant Bankers Berhad and existing financiers of IHSB to restructure the existing revolving underwriting facility of RM218 million of IHSB and convert the same into RM252.8 million non-convertible redeemable secured bonds under the auspices of the Corporate Debt Restructuring Committee.

### 30.8.2000

IHSB issued the RM252.8 million non-redeemable secured bonds to the primary subscribers namely Phileo Allied Bank (M) Berhad, Perwira Affin Bank Berhad, EON Bank Berhad, RHB Sakura Merchant Bankers Berhad, Arab-Malaysian Bank Berhad and Hong Leong Bank Berhad, and RHB Sakura Merchant Bankers Berhad acts as the trustee to the above-mentioned bondholders.

### 13.9.2000

FGB entered into the following agreements pursuant to the Proposed Composite Scheme of Arrangements:

- 1 Subscription Agreement with CIMB as the Facility Agent, the secured bank creditors of FGB as the Subscribers relating to the issue and subscription of up to RM1.56 billion 2000/2005 RCBs ("the Bonds"), and various other agreements in relation to the issue of the bonds comprising, inter alia, the Trust Deed and the Security Documents with Universal Trustee (M) Berhad ("Universal") as the Trustee for the Bonds, the Depository and Paying Agency Agreement with Universal as the Trustee for the Bonds, Bank Negara Malaysia as the Central Depository or Paying Agent and CIMB as the Lead Arranger, and
- 2 Subscription Agreement with CIMB as the Facility Agent and the unsecured bank creditors of FGB as the Subscribers relating to the issue and subscription of up to RM51.26 million 2000/2005 ICULS and the Trust Deed with Universal, as the Trustee for the ICULS in relation to the issue of the ICULS.

### 31.10.2000

In relation to the Composite Scheme of Arrangement, FGB issued and allotted a total of RM231,969,662 nominal amount of Zero Coupon ICULS 2000/2005 to all Unsecured Scheme Creditors of FGB, FHHSB and SJHD.

### 3.11.2000

In relation to the Composite Scheme of Arrangement, FGB issued a total of RM1,561,652,149 nominal value of Zero Coupon RCBS 2000/2005 to all Bank Secured Creditors of FGB.

## Consolidated Balance Sheet

		As at 30 June (RM Million)			
	1996	1997	1998	1999	2000
Fixed assets	778.6	1,203.8	1,645.7	1,583.6	1,555.4
Other assets	191.2	49.7	53.9	54.8	60.6
Current assets	437.4	615.0	351.1	362.5	421.2
Total assets	1,407.2	1,868.5	2,050.7	2,000.9	2,037.2
Current liabilities	(613.4)	(875.4)	(1,234.6)	(1,641.7)	(1,806.4)
	793.8	993.1	816.1	359.2	230.8
Represented by:					
Share capital	324.0	324.0	324.0	324.0	324.0
Non-distributable reserves	5.4	5.4	39.9	33.4	35.7
Retained profits / (loss)	310.1	400.9	76.8	(84.5)	(217.8)
Shareholders' funds	639.5	730.3	440.7	272.9	141.9
Minority interest	87.5	69.3	65.5	68.9	73.1
Long term liabilities	66.8	193.5	309.9	17.4	15.8
	793.8	993.1	816.1	359.2	230.8

## Consolidated Profit and Loss Account

		Year ended 30 June (RM Million)			
	1996	1997	1998	1999	2000
Turnover	153.5	245.1	414.8	438.9	469.8
Profit / (loss) before taxation	109.1	117.7	(330.7)	(119.9)	(114.9)
Taxation	(4.0)	(22.4)	(7.1)	(34.3)	(14.9)
Profit / (loss) after taxation	105.1	95.3	(337.8)	(154.2)	(129.8)
Minority interests	(0.6)	(4.5)	13.8	(4.0)	(3.5)
Profit / (loss) after taxation and minority interest	104.5	90.8	(324.0)	(158.2)	(133.3)
Extraordinary items	853.1	—	—	—	—
Profit / (loss) attributable to shareholders	957.6	90.8	(324.0)	(158.2)	(133.3)
Retained profit / (loss) for the year	957.6	90.8	(324.0)	(158.2)	(133.3)

## Highlights

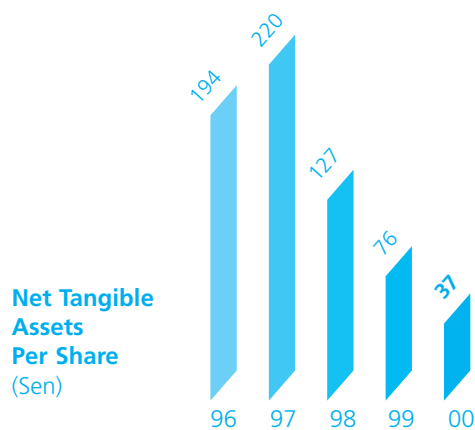
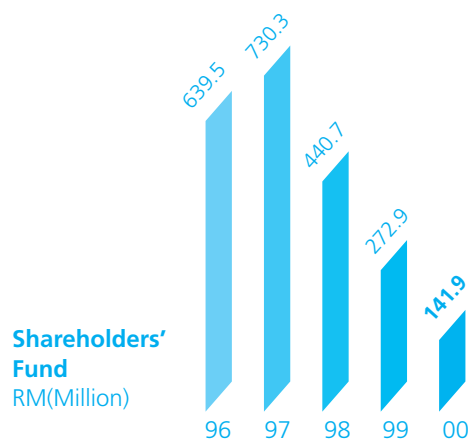
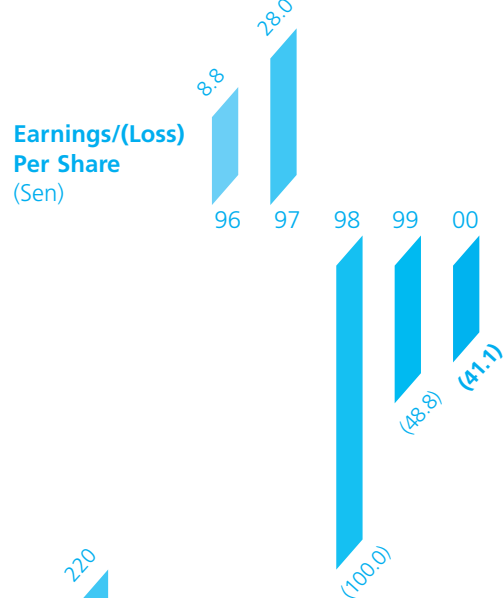
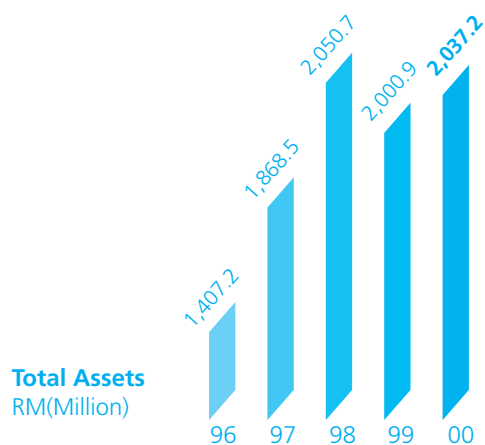
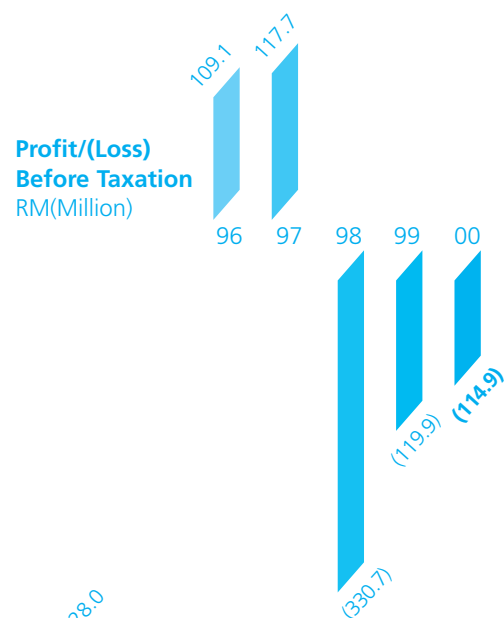
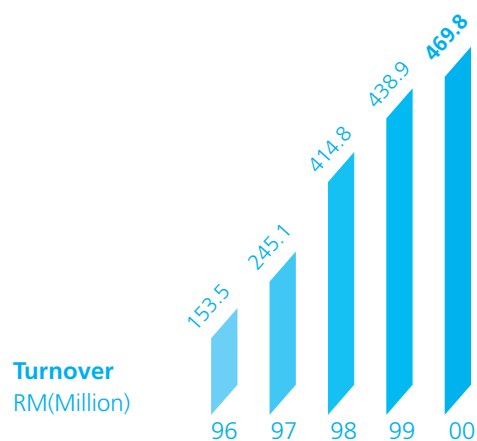
	Year ended 30 June				
	1996	1997	1998	1999	2000
Earnings /(loss) per share (Sen)	8.8	28.0	(100.0)	(48.8)	(41.1)
Net tangible assets per share (Sen)	194	220	127	76	37
Current ratio (times)	0.7	0.7	0.28	0.22	0.23
Liquidity ratio (times)	0.10	0.06	0.04	0.05	0.06
Gearing ratio (times)	0.8	1.0	2.2	3.7	7.2
Earnings before interest and depreciation on total gross assets (%)	9.3	8.4	(11.9)	2.0	1.5
Pre-tax profit /(loss) as a percentage of turnover (%)	71	48	-80	-27	-25
Pre-tax profit /(loss) as a percentage of shareholders funds at year end (%)	17	16	-75	-44	-81

## Consolidated

	Year Ended 30 June			Half-Year Ended 31 December		
	2000	1999	+/-	1999	1998	+/-
	RM Million	RM Million	Percentage change	RM Million	RM Million	Percentage change
Turnover	469.8	438.9	+7	233.0	222.3	+5
Profit/(loss) before taxation	(114.9)	(119.9)	-4	(45.3)	(56.2)	-19
Profit/(loss) after taxation and minority interest	(133.3)	(158.2)	-16	(54.3)	(89.9)	-40
Paid-up capital	324.0	324.0	—	324.0	324.0	—
Shareholders funds	141.9	272.9	-48	224.2	349.4	-36
Net tangible assets	118.3	247.6	-52	200.4	322.5	-38
Profit/(loss) before taxation as a percentage of turnover	-24.5%	-27.3%	-10	-19.4%	-25.3%	-23
Profit/(loss) after taxation as a percentage of turnover	-28.4%	-36.0%	-21	-23.3%	-40.4%	-42
Profit/(loss) before taxation as a percentage of shareholders' funds	-81.0%	-43.9%	+85	-14.0%	-16.1%	-13
Earnings/(loss) as a percentage of shareholders' funds	-93.9%	-58.0%	+62	-24.2%	-25.7%	-6
Return on paid-up capital	-41.1%	-48.8%	-16	-16.7%	-22.7%	-26
Earnings/(loss) per share	(41.1) sen	(48.8) sen	-16	(16.7) sen	(27.7) sen	-40
Net tangible assets per share	36.5 sen	76.4 sen	-52	61.8 sen	99.5 sen	-38

## 5-Year Group Financial Highlights

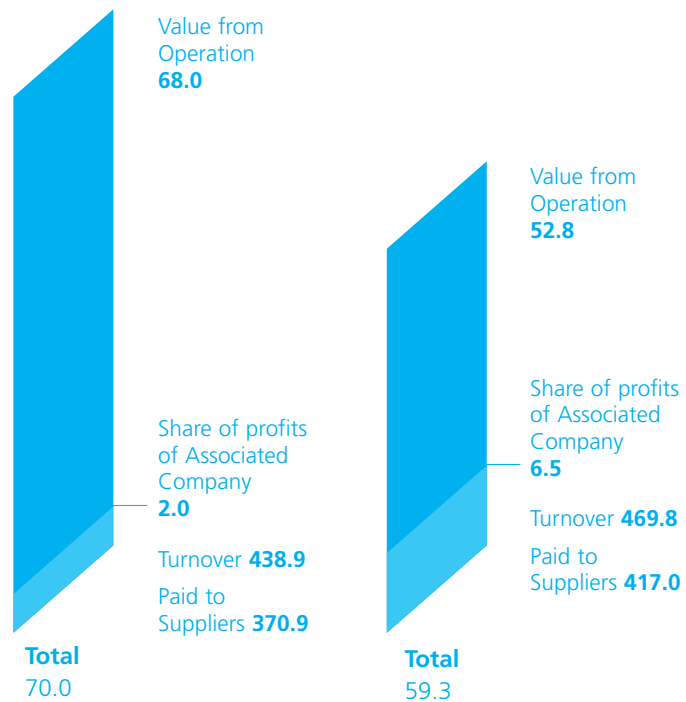
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**1999**  
RM(Million)

**2000**  
RM(Million)

Value Added Statement

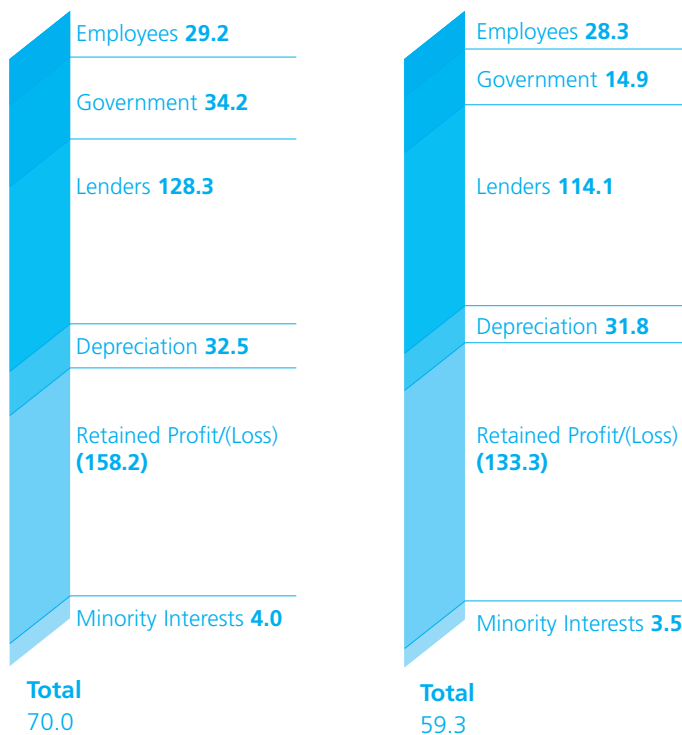


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### Group Gross Operating Profit

**1999**  
RM(Million)

**2000**  
RM(Million)



### Disbursement of the Group's Gross Operating Profit



**Board of Directors**

Y Bhg Dato' Abdullah Mohd Yusof  
*Chairman*

Tuan Haji Bidari Tan Sri Datuk Mohamed  
*Deputy Chairman*

Y Bhg Tan Sri Halim Saad  
*Executive Vice-Chairman*

Mr Christopher Lawrence Bachran  
*Managing Director*

Y Bhg Dato' Ikmal Hijaz bin Hashim

Y Bhg Dato' Syed Abdul Bari  
Shahabudin

Y Bhg Dato' Moehamad Izat bin  
Achmad Habechi Emir

Y Bhg Dato' (Dr) Mohamed Ishak bin  
Haji Mohamed Ariff

**Company Secretary**

Ms Gwee Ooi Teng  
(MAICSA 0794701)

**Group Management**

**Faber Group Berhad**  
Y Bhg Tan Sri Halim Saad  
*Executive Vice-Chairman*

Mr Christopher Lawrence Bachran  
*Managing Director*

Puan Noorizah Haji Abd Hamid  
*Chief Operating Officer*

**Faber Development Holdings Sdn Bhd**  
Mr Wong Weng Peng  
*Managing Director*

**Faber Hotels Holdings Sdn Bhd**  
Mr Christopher Lawrence Bachran  
*Managing Director*

**Faber Medi-Serve Sdn Bhd**  
Encik Tajul Azwa Bani Hashim  
*Chief Operating Officer*

**Registered Office**

20th Floor, Menara 2, Faber Towers,  
Jalan Desa Bahagia,  
Taman Desa, Off Jalan Klang Lama,  
58100 Kuala Lumpur.  
Telephone (03) 7628-2888  
Fax (03) 7628-2828

**Audit Committee**

Members of the Committee

Y Bhg Dato' (Dr) Mohamed Ishak bin  
Haji Mohamed Ariff  
*Chairman*  
*Independent Non-Executive Director*

Y Bhg Dato' Syed Abdul Bari  
Shahabudin  
*Independent Non-Executive Director*

Y Bhg Dato' Moehamad Izat bin  
Achmad Habechi Emir  
*Independent Non-Executive Director*

Y Bhg Dato' Ikmal Hijaz bin Hashim  
*Non-Independent Non-Executive Director*

**Auditors**

Hanafiah Raslan & Mohamad  
Level 23A Menara Milenium,  
Jalan Damanlela,  
Damansara Heights,  
50490 Kuala Lumpur.

Telephone (03) 257-7000  
Fax (03) 255-5332

**Share Registrar**

Signet Share Registration  
Services Sdn Bhd  
11th Floor, Tower Block,  
Kompleks Antarabangsa,  
Jalan Sultan Ismail,  
50250 Kuala Lumpur.

Telephone (03) 242-1341  
Fax (03) 242-1353

**Principal Bankers**

Bumiputra Commerce Bank Berhad  
Commerce International Merchant  
Bankers Berhad  
Multi-Purpose Bank Berhad  
RHB Sakura Merchant Bankers Berhad  
Public Bank Berhad  
Perwira Affin Bank Berhad

**Solicitors**

Rashid & Lee  
Abu Talib Shahrom & Zahari  
Adnan Sundra & Low

**Stock Exchange Listing**

Main Board of The Kuala Lumpur  
Stock Exchange

## 1. Composition of the Audit Committee

In compliance with Section 344A(2) of the Kuala Lumpur Stock Exchange (KLSE) Listing Requirements, the Audit Committee of Faber Group Berhad comprises the following members:

Name	Designation
a) Y Bhg Dato' (Dr) Mohamed Ishak bin Haji Mohamed Ariff	Chairman, Independent Non-Executive Director
b) Y Bhg Dato' Syed Abdul Bari Shahabudin	Independent Non-Executive Director
c) Y Bhg Dato' Moehamad Izat bin Achmad Habechi Emir	Independent Non-Executive Director
d) Y Bhg Dato' Ikmal Hijaz bin Hashim	Non-Independent Non-Executive Director

## 2. Terms of Reference

The Terms of Reference of the Audit Committee comprise its Constitution, Membership, Attendance at Meetings, Frequency of Meetings, Authority, Duties and Reporting Procedures.

### a. Constitution

Via a Director's Resolution dated 6 May 1994, the Board resolved to establish a Committee of the Board to be known as the Audit Committee.

### b. Membership

The Committee shall be appointed by the Board of whom the majority are independent non-executive directors of the company and shall consist of not less than 3 members. A quorum shall be 2 members.

The Chairman of the Committee shall be appointed by the Board. In the absence of the Chairman, the other members of the Committee present shall appoint a Chairman from any of them, who shall be the Chairman for that meeting.

### c. Attendance At Meetings

The Financial Controller, the Head of Internal Audit, and a representative of the external auditors shall normally attend the meetings. However, at least once a year, the Committee shall meet with the external auditors without any executive board member present.

The Company Secretary shall be the Secretary of the Committee.

### d. Frequency of Meetings

Meetings shall be held not less than twice a year. The external auditors may request a meeting if they consider that one is necessary.

### e. Authority

The Committee is authorized by the Board to investigate any activity within its Terms of Reference. It is authorized to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.

The Committee is authorized by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

### f. Duties

The duties of the Committee shall be:

- to consider the appointment of the external auditors, the audit fee, and any questions of resignation or dismissal.
- to discuss with the external auditors before the audit commences, the nature and scope of the audit, and ensure coordination where more than one audit firm is involved.
- to review the half-year and annual financial statements before submission to the Board, focusing particularly on:
  - any changes in accounting policies and practices
  - major judgemental areas
  - significant adjustments resulting from the audit
  - the going concern assumption
  - compliance with accounting standards
  - compliance with stock exchange and legal requirements
- to discuss problems and reservations arising from the interim and final audits, and any matters the Auditors may wish – to discuss (in the absence of management where necessary).
- to review the internal audit programme, consider the major findings of internal audit investigations and management's response, and ensure coordination between the internal and external auditors.
- to keep under review the effectiveness of internal control systems, and in particular, review the external auditors' management letter and management's response.
- to consider other topics, as defined.

### g. Reporting Procedures

The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.