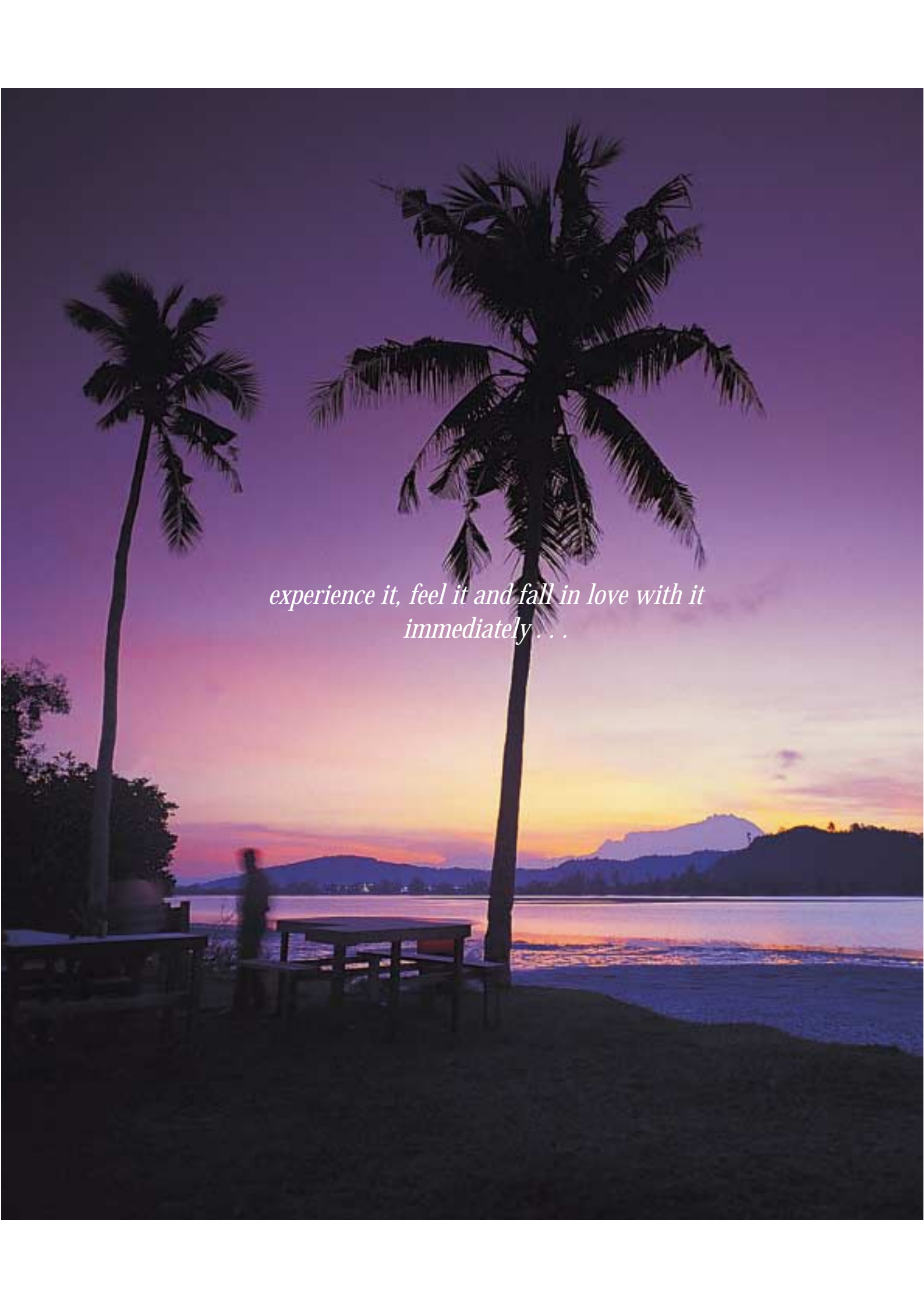


annual report **2001**

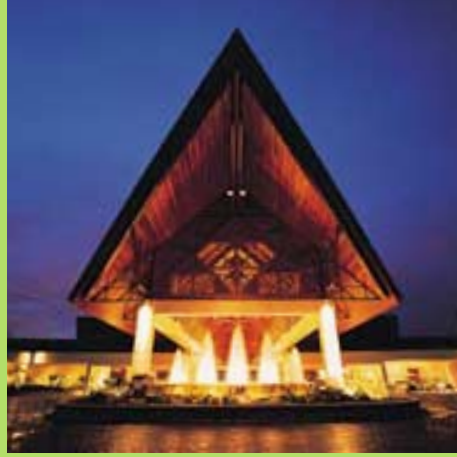


listening to nature **&**
Seeing its beauty

FACB Resorts Berhad
6461-P

A tropical sunset scene with two palm trees in the foreground. The sky is a mix of purple, pink, and orange. In the background, there is a body of water and a range of mountains. A wooden table and benches are visible in the foreground, and a person is standing near the water's edge. The text is centered in the middle of the image.

*experience it, feel it and fall in love with it
immediately . . .*



. . . naturally

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our assets



Karambunai Resorts

1,500 acres of the Karambunai Peninsula, located within 30 minutes drive from Kota Kinabalu city in Sabah on the island of Borneo. Blessed with 6.2 km of an uninterrupted white fine sandy beach, crystal clear lagoons, 100 million year-old rainforest and mangrove reserves, Karambunai Resorts is the "Face of Borneo". Completed developments include the Nexus Resort Karambunai and the Karambunai Resorts Golf Club.



Nexus Resort Karambunai

Nexus Resort Karambunai ("NRK") is a completed premier 5-star 500 room beach fronting resort located in Karambunai Resorts. Spreading over 65 acres of prime beachfront land and nestled within a natural haven of tropical beauty and serenity and luxuriously furnished, NRK has won the prestigious FIABCI Year 2000 Award of Distinction for "Best Leisure / Resort Development" in Malaysia.



Karambunai Resorts Golf Club

Karambunai Resorts Golf Club ("KRGC") is a completed championship 18-hole golf course in Karambunai Resorts. Operational since 1996, KRGC has firmly established itself as one of the most popular golf courses in Sabah due to its unique location nestled between the rainforest and the South China Sea.



Borneo Resort Karambunai ("BRK"), expected to be completed by 2004, is the second phase of development in Karambunai Resorts. Designed by Wimberly, Allison, Tong & Goo ("WATG"), a firm of world renowned architects, BRK will complement the existing Nexus Resort Karambunai.

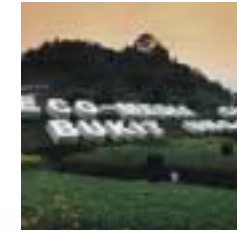
Borneo Resort Karambunai

FACB Resorts Berhad World Class Eco-Tourism

- Listed on the Kuala Lumpur stock exchange
- Total asset valuation RM1.3 billion
- Total Shareholders' Fund RM836 million

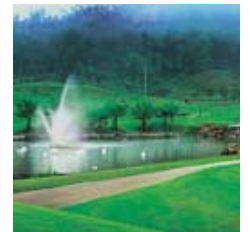
Bukit Unggul Eco-media City

Bukit Unggul Eco-media City ("BUEMC") comprises 1,363 acres, is located strategically in the Multimedia Super Corridor within close proximity to the Kuala Lumpur International Airport, Putrajaya and Cyberjaya. Completed developments include the 18-hole golf course, namely Bukit Unggul Country Club, while developments in progress include bungalow land. Upon its completion over the next 10 years, BUEMC will be a self-sustained township, providing its residents with state-of-the-art telecommunication facilities within an ecology-friendly development.



Bukit Unggul Country Club

Bukit Unggul Country Club ("BUCC") is a completed 18-hole international class golf course with full club facilities located within Bukit Unggul Eco-media City. Designed by Ronald Fream, BUCC is well known for its unique mature rainforest environment.



288 acres of mixed residential and commercial land located within 20 minutes drive north from the centre of Kota Kinabalu city in the Sabah.

Bandar Sierra



Scanply trades internationally in timber and wood-based products. With offices in Singapore, Indonesia, China, Europe and USA, it has over the past 2 years successfully diversified its business from timber trading to garden furniture, where higher profit margins are earned. Due to its extensive network and experience in the timber business, Scanply has gained a strong reputation and presence in the international timber market.



Scanply International Wood Products Ltd

FACB's Construction Division comprises Arosa Builders Sdn Bhd and FACB Construction Sdn Bhd. Its excellent track record in successfully completing in-house and external jobs has enabled the Construction Division to secure lucrative contract jobs from governmental authorities.



Construction



chairman's statement

In summation: "building on the strength of our assets and the depth of our management" for the Group's interest.

environmental conservation

As a corporation owning environmentally sensitive terrain in sprawling Karambunai Resorts and Bukit Unggul, it has always been a challenge to balance our commercial quest for profits and conservation of the ecology. Despite the apparent conflict, we are convinced that over the long run, tourism and conservation not only can co-exist but indeed - synergise. For instance, our advocacy of sustainable development and environmental rehabilitation directly promotes educational tourism, particularly in our biodiversity-rich rainforests, wetlands and lagoons.

corporate developments

On 28 September 2000, shareholders duly approved the Company's corporate exercise which includes a bonus issue, bonds issue, rights with warrants issue, warrants swap and an increase in authorised share capital. This corporate exercise would further enhance the financial position of the Group and is envisaged to be completed by the end of the year.

future outlook

The attractive investment opportunity for subscribers of the rights issue which comes with warrants and bonus issue will raise a total of between RM381 million to RM443 million. The proceeds would further strengthen the Group's financial position and enable us to accelerate the development of Karambunai Resorts into a world-class resort and a destination with few equals.

Barring any unforeseen circumstances, the Board is cautiously optimistic of remaining profitable in the coming years.

acknowledgement

The Group's achievement in the face of adversity is a reflection of the tenacity of the executive committee under the steady stewardship of Tan Sri Dr Chen Lip Keong, wise counsel from fellow Board members and the competency and enthusiasm of employees.

On behalf of the Board, I wish to record our appreciation to the retiring Directors, namely Tengku Makram bin Tengku Ariff, Puan Sri Lee Chou Sarn, Dato' Megat Fairouz Junaidi bin Dato' Seri Megat Junid and En Ahmad Sabri @ Ahmad Khordzai bin Hj Din, for their invaluable contributions over the years.

Finally, we wish to acknowledge our shareholders, valued customers, business associates and Government authorities for their confidence and support of the Group.

Tengku Datuk (Dr) Zainal Adlin bin Tengku Mahamood
Chairman
8 August 2001
Kuala Lumpur

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to present the Annual Report of FACB Resorts Berhad for the year ended 31 March 2001.

economic review

In early 2000, the national economy rebounded on the back of sustained recovery in our trading partners and the impact of the Government's expansionary fiscal and monetary policies. Unfortunately, we were not immune to a subsequent severe slowdown in the world economy.

Nevertheless, we trust the Government's pre-emptive measures to stimulate domestic consumption and investment coupled with renewed firmness in the commodities sector, would preserve GDP growth.

financial review

In the wake of a challenging and difficult business climate, the Group demonstrated resilience by chalking up a pre-tax profit of RM7.1 million, albeit a decline of 80% from last year's RM36.2 million. Meanwhile, Group turnover registered a commendable RM235.3 million representing a decline of 17% from RM285.0 million achieved previously.

dividend

Anticipating further challenging times ahead, the Board does not recommend the payment of any dividend for the financial year under review.

strategic focus

The necessity to undertake urgent tactical measures to mitigate the adverse effects of a prolonged slowdown has not deflected us from our vision of transforming FACB Resorts Berhad into a leading leisure and tourism group.

This significant shift in focus is mandated by the need to realise the latent values of our huge landbanks in the most effective manner. In Karambunai Resorts and Bukit Unggul, we possess picturesque and untouched locales, situated conveniently at the doorsteps of commercial and administrative capitals of Kota Kinabalu and Putrajaya respectively. Concurrently, the Group has over the years, painstakingly, marshalled a strong management corps in the hospitality field to enhance the Group's inherent attributes.



president & CEO's review

Dear Shareholders,

It is my pleasure to keep you apprised of the Group's performance for the financial year ended 31 March 2001.

business management

In another challenging year, we have managed to remain profitable although at a reduced profit before tax of RM7.1 million on the back of a reduced turnover of RM235.3 million by focusing on the Group's core competencies. In particular, the Group has continued with its proven rationalisation strategy of concentrating its resources in the leisure and tourism sector and simultaneously effect divestments of non-core business interests.

These divestments include the entire 68% equity interest in Guangdong Province Yunfu City, Yunliang Road Construction Company Limited (Infrastructure Development) and our residual 25% stake in Facell Foam Sdn Bhd (Manufacturing).

In a related strategy to systematically unlock intrinsic values in the Group's huge strategic assets base, the Group had on 23 May 2001 entered into a reconstruction agreement with Sri Hartamas Berhad through its Special Administrators to inject Nexus Resort Karambunai and 915 acres of Bukit Unggul Tele Suburb for an indicative aggregate consideration of RM660 million.

operations overview

Focusing beyond the current slowdown, the Group remains committed in carving out its niche in the lucrative leisure and tourism industry. Our award-winning Nexus Resort Karambunai, continues to underpin growth in this sector via increased yield and occupancy contributed by a discerning international clientele. Building on this success, Borneo Resort Karambunai, themed upon the rich cultural and biological diversity of Borneo, would commence construction upon completion of the rights issue.

The themed resort comprising over 500 rooms would be complemented by water village, themed service apartments, timeshare resorts, guarded and gated Japanese village and Living Museum of Borneo. Meanwhile, the E&G Parslow-inspired championship 18 hole Karambunai Lagoon Golf Club, hugging the languid Salut river, is being selectively marketed to cope with spillover effects from our successful Karambunai Resort Golf Club.

Amidst intense competition in the South Klang Valley growth corridor, it is gratifying that our Ronald Fream-designed Bukit Unggul Country Club is generating increasing revenue through targeting of Japanese and Taiwanese MSC companies, affiliations with premier non-golf clubs and aggressive promotional packages.

Despite the generally lacklustre property market, it is a truism that affordable residential homes in strategic locations are still in demand. Consequently, Dapan Holdings Sdn Bhd is pressing ahead with our Bukit Sierra project in the vicinity of the Kota Kinabalu Industrial Park, comprising nearly 1,000 units of mixed development units worth over RM150 million.

Concurrently, the insatiable demand for low cost apartments under the Government's Projek Perumahan Rakyat (PPR), has led us to secure further participation in the 316 units PPR Linear City. Meanwhile, Arosa Builders Sdn Bhd has completed the entire 3,004 apartment units in PPR Lembah Subang in July 2001 as scheduled and is well on target to deliver 632 units in PPR Sungai Besi by November 2001.

Scantly, which figures among the world's top five wood-based trading company has consolidated its presence in Europe and USA after re-establishing its sales and marketing infrastructure. These sustained initiatives coupled with strong proprietorial branding of Nauteak and design and procurement capabilities in China and Indonesia form part of the Group's strategy to position Scantly as an attractive target for future corporate exercise.

conclusion

The Group has emerged lean and ready from years of unremitting austerity, stringent resource management and judicious divestments. Consequently, the Group is looking forward to the proposed rights issue, which is expected to be completed in the last quarter of 2001, to fuel the Group's destiny in the burgeoning leisure and tourism industry.

With the stoic loyalty and commitment of our management and staff and the unstinting support of our shareholders, customers and business associates coupled with strong financial position of the Group, I am positive of the Group's capability to surmount this challenging phase to be one of the largest leisure and tourism groups in the region.

Tan Sri Dr Chen Lip Keong
President & CEO
8 August 2001
Kuala Lumpur



inspired

... from everywhere & everything.



senior management team

Tengku Datuk Dr Zainal Adlin bin Tengku Mahamood (third from left)
chairman (Non-Independent Non-Executive Director)

Tengku Datuk Dr Zainal bin Tengku Mahamood, aged 61, was appointed to the Board of Directors as Chairman on 2 July 2001.

A professional pilot by training, he served in Indonesia before embarking on an illustrious career in the civil service. Over a span of 34 years he served the Government in various capacities such as Assistant District Officer and Assistant State Secretary in Kelantan (1962-1967), Chief Executive Officer of the Sabah State Housing Commission (1968-1973) and Deputy Director and Corporate Advisor of the Sabah Foundation (1974-1996). On retirement, he went into business and became the Executive Chairman of Lintasan Mayang Sdn Bhd and Triomac Engineering Sdn Bhd whose principal businesses are in people oriented eco-friendly township development and project management consultancy, respectively. The Sabah State Government appointed him Chairman of Sabah Tourism Promotion Corporation on 1 May 2000. He is also the Chairman of Karambunai Resorts Sdn Bhd.

Tengku Adlin is very active in voluntary work and is currently the Chairman of the World Wide Fund for Nature (WWF) Malaysia, the Chairman of Danum Valley Conservation, the President of the Sabah Society, Trustee of Sabah Parks, Chairman of Likas Wetlands Bird Sanctuary, a Director on the Board of Tourism Malaysia, Chairman Outward Bound Sabah and Honorary Member Scientific Exploration Society U.K., amongst others.

He was conferred Honorary Doctor of Philosophy by Universiti Kebangsaan Malaysia and received the Langkawi Award (1999) by the Yang Dipertuan Agong and the World Wide Fund For Nature (WWF) Duke of Edinburgh Conservation (Gold) Medal (1999) in recognition of his outstanding contribution to the conservation of the natural environment in Sabah, Malaysia, at all levels.

John Lo Thau Fah, JP (fourth from left)
executive deputy chairman, Karambunai Resorts

Mr John Lo, was appointed as the Executive Deputy Chairman of Karambunai Resorts Sdn Bhd on 15 December 1999.

Educated in England and armed with a Bachelor of Science with a major in Economics, he commenced his banking career in 1971 and rose through the ranks of the banking industry culminating his banking career with his appointment as Chief Executive Officer of Sabah Bank Berhad in 1999.

He has been involved in the Tourism & Service Industry for more than 10 years since 1989 and presently also serves as a Director of Sabah Tourism Promotion Corporation-a state Statutory Body. He was a Founding Member of Institute Development Studies(IDS), which is the think tank for the Sabah Government and also a Member of the Board of Governors of the Asian Tourism Institute Sdn Bhd.

John Lo was the founding Chairman of Sabah International Hotels Association and has continued to hold the position since.

Mr Robin Loh Hoon Loi, ASDK (fifth from left)
executive director, Karambunai Resorts

Mr Robin Loh Hoon Loi joined Karambunai Resorts in January 2000 and currently holds directorships in a number of the Group's subsidiary companies in Sabah involved in property, resort and golf recreation developments. His principal responsibility is to spearhead the group's property development division.

Mr Robin Loh started his career in the hotel industry in 1980 and through the years gained vast experience and knowledge of the operations of international hotels.

In 1996, he joined the Wong Kwok Group of Companies, a well-established and diversified property developer in Sabah as the General Manager. During his tenure, he oversaw and contributed much to the massive development of their residential and commercial estates.

Mr Robin Loh is also actively involved with the Sabah Housing Developers' Association as an Executive Committee Member and was a key figure in the success of the two Nationwide Home Ownership Campaigns in 1998 and 1999 here in Sabah.



Karambunai Resorts



- Karambunai Resorts, comprising 1,500 acres of the Karambunai Peninsula is located within 30 minutes drive from Kota Kinabalu city in Sabah on the island of Borneo.
- Blessed with 6.2 km of an uninterrupted white fine sandy beach, crystal clear lagoons, 100 million year-old rainforest and mangrove reserves, Karambunai Resorts is the jewel in FACB Resorts' crown and will be the focus of the Group's eco-tourism developments in the coming years.
- Completed developments include the 5-star 500 room Nexus Resort Karambunai, Karambunai Resorts Golf Club which is a championship 18-hole golf course, lagoon park and nature park.
- Future developments to be completed within the next 3 years will include the Borneo Resort Karambunai ("BRK"). Upon the completion of BRK, Karambunai Resorts will offer to the discerning tourist a wide spectrum of accommodation and activities, and elevate Karambunai Resorts to a truly world-class integrated eco-tourism destination.

discovered

... by having new eyes.



senior management team

Mr Andrew Quinlan (fourth from left)
*general manager,
Nexus Resort Karambunai*

Mr Andrew Quinlan is the General Manager of Nexus Resort Karambunai.

He has over 30 years of progressive managerial and senior management experience in the hospitality industry. For the past 21 years, he has held the position of General Manager in Asean and Middle East countries like Manila, Singapore, Egypt, Colombo, Hong Kong and India. He has proven track record of success managing large five star hotels and resorts such as Hotel Intercontinental, Shangri-La Hotel, Oberoi Hotel and Bass Hotels and Resorts. Throughout his career, he has always achieved tangible improvements within each operation and in all cases established strong owning company relations.

Mr Andy Teh (first from left)
*group director of sales and marketing,
Nexus Resort Karambunai*

He has over 23 years of progressive supervisory and senior management experience in the hospitality industry. For the past 12 years, he has held the position of Director of Sales & Marketing and has extensive contacts in marketing in both the international and domestic arenas. He has also attended many major trade shows and sales missions. He has also seven years in the travel agent business.

He has worked with Dynasty Hotel in Kuala Lumpur where he was the Group Director of Marketing and then as General Manager. Prior to this, he has worked for Swiss Garden International Hotels & Resorts, Melia Hotel, Shangri-La Tg. Aru Resort, Kota Kinabalu and Shangri-La International Hotels & Resorts, Kuala Lumpur and Puteri Pan Pacific Johor Bahru.

Mr Andy Teh joined Nexus Resort Karambunai in January 2000.

Mr Adrian Reichhart (second from left)
*executive assistant manager
Nexus Resort Karambunai*

He has over 12 years of progressive supervisory and senior management experience in the hospitality industry from rooms experience to housekeeping and has strong financial and human relation skills (particularly in training and developing.) He has spent five years with All Seasons Hotels and four years with Ramada within Australia.

Mr Adrian Reichhart joined NRK as Executive Assistant Manager in October 2000.



Nexus Resort Karambunai



- Nexus Resort Karambunai ("NRK") is a 5-star 500 room beach fronting resort nestled within Karambunai Resorts.
- Developed over an area of 65 acres, it has firmly established itself as a favourite among the international travel trade since its opening in mid-1998.
- In addition to 8 F&B outlets serving a variety of international and local cuisine, it is also equipped with a spa and extensive water sports and recreational facilities.
- As one of the key markets of NRK is the MICE (Meetings, Incentives, Conventions and Exhibitions) market, it is also equipped with international standard meeting facilities complete with state-of-the-art audio visual equipment and video conferencing. The large pillar-less Grand Ballroom and 8 meeting rooms can accommodate 4,600 persons. The extensive convention facilities has enabled NRK to successfully position itself as a leading destination among the regional MNCs for conventions.
- The quality of NRK is undisputed as it won international acclaim by being awarded the prestigious FIABCI Year 2000 Award of Distinction for "Best Leisure / Resort Development" in Malaysia. In the international category, NRK was placed third.
- NRK is managed in-house by an experienced team with many years of proven hospitality track records. It continues to strive for excellence in services, food and events, which has gained recognition, praises and confidence of many guests who have since returned with friends and families.

imaginative

*... with our thoughts,
we make the world.*



- Borneo Resort Karambunai (“BRK”) to be developed over an area of 366 acres within Karambunai Resorts, is expected to be completed by 2004.
- BRK will comprise:
 - A 500-room low-rise Themed Resort to be developed on 22 acres of lagoon fronting land amidst lush mangroves. The Themed Resort will developed on the concept of the flora and fauna of Borneo to take advantage of the hotel’s location along the mangrove lagoon. Comprising 500 guest-rooms and 1 food and beverage outlet, the importance of natural materials and their inter-relationship to the Sabah culture will be highlighted. The Themed Resort will complement the existing NRK as it will offer moderately priced hotel rooms to cater especially for the East Asian and local market
 - Themed Serviced Apartments for sale. The Themed Serviced Apartments will be developed on the concept of the flora and fauna of the mangrove lagoon on which it is located. Comprising a total of 500 rooms divided into several 2 to 5 storey apartment blocks, sales will be targetted towards the local and Asian market in particular Brunei, Singapore, Taiwan, Hong Kong and Malaysia. The apartments will be the only component within BRK that offers property ownership and is expected to be very attractive to regional investors looking to invest in a world-class resort destination. The Themed Serviced Apartments will also be marketed under the Silver Hair Programme promoted by the Malaysian Government.
 - Themed Timeshare Resort developed on the concept of the rainforest. Comprising 500 guest-rooms and 1 food and beverage outlet, the hotel will offer members and guests an experience that is unique to the million year-old Borneo rainforest, with indigenous woods and fragrant flowering trees. Memberships will be targeted at the local and Asian market in particular Brunei, Singapore, Taiwan, Hong Kong and Malaysia.
 - Guarded and Gated Communities (“G&G”) comprising 315 units of low-density bungalows and semi-detached houses. The G&G is targeted specially at the Japanese market in line with the Silver Hair Programme promoted by the Malaysian Government to offer Japanese retirees an affordable paradise with well equipped facilities and security within the pristine Borneo natural environment.
 - Theme Park to be developed over an area of 35 acres. The theme will be the mysterious, ancient culture of head hunters who once lived in this valley and an exploration of the natural beauty of the jungle that they once inhabited. Various sub-themes keyed to specific rides and attractions will enrich and diversify this experience. The conceptual design of the Theme Park has been completed by Spectra Entertainment based in Los Angeles.
- Living Museum of Borneo covering 75 acres of the Karambunai Resorts and 4,000 acres of adjacent mangrove land. It will consist in large part of mature tropical jungle that covers the steeply sloped uplands of Karambunai Resorts, foothill wetlands and the littoral region of the beach and reefs of the South China Sea. The Living Museum of Borneo will be the highlight of eco-tourism in Karambunai as it offers visitors the opportunity to experience the luxuriantly diverse flora of the million year-old rainforest and the diverse ecosystems of the wetlands.
- Water Village housing tourist-oriented retail, entertainment, F&B outlets and commercial centre to showcase Sabah’s diverse culture and art. The Water Village will be the heart of BRK, where mountain, sea and mangrove meet. The setting is that of a traditional stilt village constructed of authentic materials, floating over Teluk Lagau. The development concept will incorporate the latest theme shopping and entertainment concepts such as those in Las Vegas coupled with the natural setting of Borneo.
- Second 18-hole golf course, known as the Karambunai Lagoon Golf Course (“KLGCC”). KLGCC will be a championship 18-hole golf course developed on 160 acres along the lagoon area of Karambunai Resorts. Fronting the Salut River, the course has various water features to provide additional challenges as well as for its aesthetic element. It will complement the existing 18-hole Karambunai Resorts Golf Club which operates at full capacity during weekends and holidays. E&G Parslow (based in Australia), one of the world’s most reputable golf course designers, has been appointed to design and plan KLGCC.
- Wimberly, Allison, Tong & Goo (“WATG”), a firm of world-renowned architects, which also has to its credit South Africa’s famous Sun City and Las Vegas’ Venetian City, has been appointed to design BRK which is now at the advanced stages of design.

Borneo Resort Karambunai



original

*... things don't change.
You change your way of looking.*



senior management team

Mr Ricky Hong *(fifth from left)*
executive director, Bukit Unggul

Mr. Ricky Hong is the Executive Director of Bukit Unggul and has 20 years of experience in property development and project management. He is a qualified Building Technologist and has been working with the FACB Group of Companies in the property division for more than 8 years.

Mr Choy Wing Sung *(sixth from left)*
general manager, Bukit Unggul

Mr Choy is the General Manager of Bukit Unggul and has 15 years of experience in the building construction industry, having planned and completed several major development throughout Malaysia. Mr Choy has been with the group for more than 4 years.



Bukit Unggul



Bukit Unggul Eco-Media City

- Bukit Unggul Eco-Media City (“BUEMC”), comprising 1,363 acres land zoned for the development of a self-sustained township, is strategically located within the Multimedia Super Corridor, 35km south of Kuala Lumpur and is within minutes driving time from the Kuala Lumpur International Airport, Putrajaya and Cyberjaya.
- Completed developments include the 18-hole golf course, namely Bukit Unggul Country Club which resides on 150 acres of the land.
- Developments in progress include 527 units of bungalow land, of which 463 have been sold.
- Future developments will comprise 714 units of condominiums, 3,792 units of medium-cost apartments and the 100-room Nexus-On-The-Hill resort.

Bukit Unggul Country Club

- Bukit Unggul Country Club (“BUCC”), is an 18-hole international class golf course with full club facilities situated on 150 acres of land in Bukit Unggul.
- BUCC commenced operations in 1995 and to-date, a total of 3,102 memberships have been sold.
- BUCC’s attractiveness comes from its mature tropical rainforest environment, where great care has been taken to ensure that the golf course blends in harmony with nature. It is this quality that has enabled BUCC to enjoy strong patronage especially among the expatriate community.

Tengku Datuk (Dr) Zainal Adlin bin (aged 61)

Tengku Mahamood

chairman

(non-independent non-executive director)

Tengku Datuk (Dr) Zainal Adlin bin Tengku Mahamood was appointed to the Board as Chairman on 2 July 2001.

A professional pilot by training, he served in Indonesia before embarking on a career in the civil service. Over a span of 34 years he served in various capacities such as Assistant District Officer and Assistant State Secretary in Kelantan (1962 - 1967), Chief Executive Officer of the Sabah State Housing Commission (1968 - 1973) and Deputy Director and Corporate Advisor of the Sabah Foundation (1974 - 1996). On retirement, he went into business and became the Executive Chairman of Lintasan Mayang Sdn Bhd and Triomac Engineering Sdn Bhd. The Sabah State Government appointed him Chairman of Sabah Tourism Promotion Corporation on 1 May 2000. He is also the Chairman of Karambunai Resorts Sdn Bhd.

Tengku Adlin is very active in voluntary work and is currently the Chairman of the World Wide Fund for Nature (WWF) Malaysia and the Chairman of Danum Valley Conservation, amongst others. He was conferred Honorary Doctor of Philosophy by Universiti Kebangsaan Malaysia and received the Langkawi Award (1999) by the Yang Dipertuan Agong and the WWF Duke of Edinburgh Conservation (Gold) Medal (1999) in recognition of his outstanding contribution to environmental conservation.

Tan Sri Dr Chen Lip Keong (aged 54)

president and chief executive officer

(non-independent executive director)

Tan Sri Dr Chen Lip Keong, was appointed to the Board on 31 January 1991 as Director and subsequently appointed as President and Chief Executive Officer on 22 December 1992.

Tan Sri Dr Chen graduated with a Bachelor of Medicine & Surgery in 1973 and served as a practising doctor between 1973 to 1976 at the Kuala Lumpur General Hospital before he ventured into business. A successful businessman, Tan Sri Dr Chen also sits on the Board of Directors of a number of private companies dealing with property holding and development. Tan Sri Dr Chen is also the Founder cum Donor of the Lipland Foundation Asia, a foundation specially devoted towards the stimulation of research and development in all fields of medicine. Additionally, he is also a Director and the President and Chief Executive Officer of FACB Industries Incorporated Berhad and Petaling Tin Berhad besides being the Chief Executive Officer of government owned Composites Technology Research Malaysia Sdn Bhd.

Dato' Nik Kamaruddin bin Ismail (aged 48)

(non-independent executive director)

Dato' Nik Kamaruddin bin Ismail was appointed to the Board on 9 November 1994. He is also the Executive Chairman of FACB Capital Sdn Bhd, a wholly-owned subsidiary of the Company, since September 1993.

Dato' Nik worked for a period of 14 years (1973-1987) in 3M Corporation, a US-based company dealing in the electronics, electrical and telecommunication products, in the areas of marketing, manufacturing and management. He served as a director of 3M Corporation from 1983 to 1987, being the first Malaysian appointed to its Board. He was also a director of TV3 from 1987 to 1991. He currently serves on the Boards of May Plastics Berhad and FACB Industries Incorporated Berhad and the Board of Trustees of Yayasan Pemadam and Yayasan Kemiskinan Kelantan.

Ainuddin bin Tun Abdul Hamid (aged 42)

(non-independent executive director)

Encik Ainuddin bin Tun Abdul Hamid was appointed to the Board on 19 September 1991. He graduated with a Bachelor of Arts (Economics) degree from University of Leeds, England in 1982.

Encik Ainuddin started as a Trainee Accountant with Touche Ross & Associates in the United Kingdom, an international public accounting firm. On his return home in 1984, he joined Ariffin & Low Securities Sdn Bhd as a Dealer and Director. In 1988, he assumed the position of a Broker and Director with CIMB Securities Sdn Bhd ("CIMB Securities") and was with CIMB Securities for 5 years. He left CIMB Securities in 1991 and was a Dealer's Representative with K&N Kenanga Sdn Bhd for 2 years before leaving the company at the end of 1992. He was appointed an Executive Director of the Company on 4 January 1993.

directors' profiles

Datuk Wan Kassim bin Ahmed (aged 52)*

(independent non-executive director)

Datuk Wan Kassim bin Ahmed was appointed to the Board on 20 October 1998. He is a graduate of the University of Malaya in Economics and the Executive Chairman of Inter-Fresh (Malaysia) Sdn Bhd.

Datuk Wan Kassim is the Chairman of Kawalan Warisan Rantau Sdn Bhd and was the Councillor for the Petaling Jaya Town Council from 1987 to 1991. He served as a Board Member of the Malaysian Tourist Development Board for 4 years (1992-1996). Datuk Wan Kassim was with the audit firm Messrs Kassim Chan since early 1973 before joining Bank Bumiputra Berhad and left the Bank to join Shamelin Berhad for 10 years before he started his own Management Consultancy Firm, United Kadila Sdn Bhd.

Due to his experience in financial, marketing, management and wide business contacts, he still remains as Consultant and Advisor for several companies. Datuk Wan Kassim is also involved as a Board Member with a few public listed companies namely Petaling Tin Berhad, Thong Guan Industries Berhad and Octagon Consolidated Berhad.

Dato' Kalimullah bin Masheerul Hassan (aged 43)#

(independent non-executive director)

Dato' Kalimullah bin Masheerul Hassan was appointed as an Independent Non-Executive Director of the Company and FACB Industries Incorporated Berhad on 2 July 2001.

Dato' Kalimullah started his career in journalism in 1979 with the National Echo before joining The Star newspaper where he rose to Chief Reporter. He joined Reuters news agency and the New Straits Times before serving as Press Secretary to the then Deputy Prime Minister, Tun Ghaffar Baba. In 1990, Dato' Kalimullah served as an Editorial Consultant for the Singapore Press Holdings Group before joining the Company as a General Manager in 1995. In 1997 he left for Samudera Baru Darul Aman Sdn Bhd as an Executive Director. In February 1999, he joined TA Enterprise Berhad as a Consultant. In August 2000, he was appointed Executive Director of MBF Holdings Berhad and a month later, appointed to the Board of MBF Capital Berhad. In February 2001, he was appointed to the Boards of TA Enterprise Berhad and TA Securities Berhad as an Independent Non-Executive Director.

Tay Guan Kee (aged 40)

(non-independent executive director)

Tay Guan Kee was appointed to the Board on 2 March 2000. He is the Chief Financial Officer/Chief Operating Officer of the Company.

He is responsible for financial and strategic planning, formulation of business development strategies and overseeing the financial and operational management of companies within the FACB Group. He has a degree in Bachelor of Business Administration and Master of Business Administration from the University of Oklahoma. He is also a member of the Malaysian Association of Certified Public Accountants and an Associate Member of the American Institute of Certified Public Accountants. Prior to joining the Company, he has more than 8 years of corporate finance and management consulting experience with an international investment bank and international management consulting firm.

Lee Wai Tuck Philip (aged 39)#

(non-independent executive director)

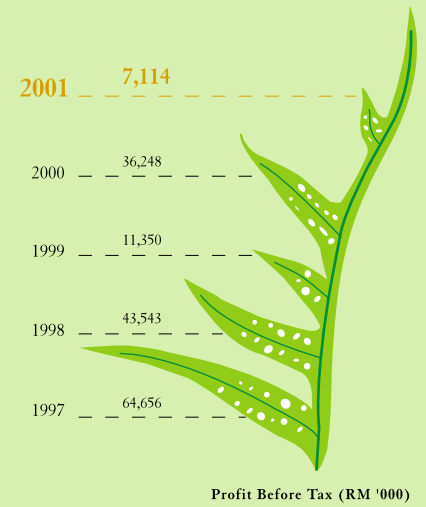
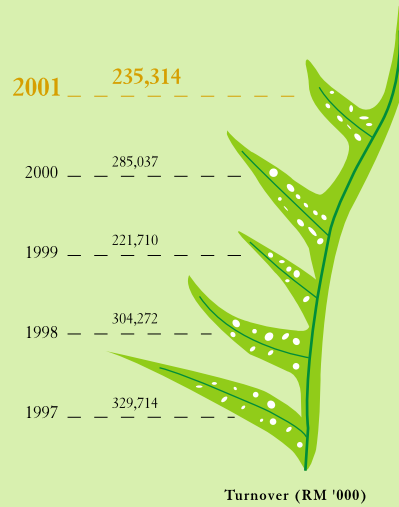
Lee Wai Tuck Philip was appointed to the Board on 2 March 2000. He is the Executive Director, Group Finance of the Company.

Mr Lee is a qualified accountant and a member of the Malaysian Association of Certified Public Accountants ("MACPA"), Malaysian Institute of Accountants ("MIA") and Malaysian Association of Corporate Treasurers ("MACT"). He has extensive experience of over 19 years in the fields of external auditing, financial accounting and property development, having worked in Price Waterhouse, Olympia Industries Berhad and Hong Leong Bank Berhad prior to joining the FACB Group.

* *Chairman of the Audit Committee*

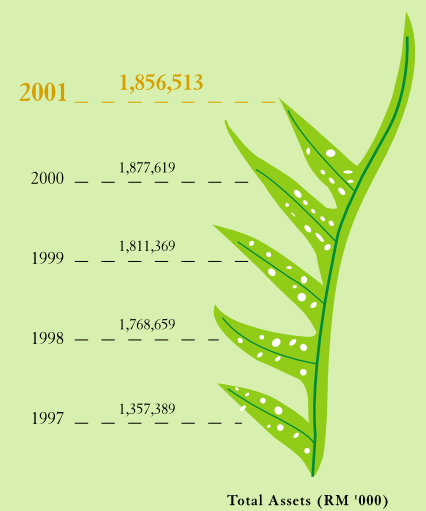
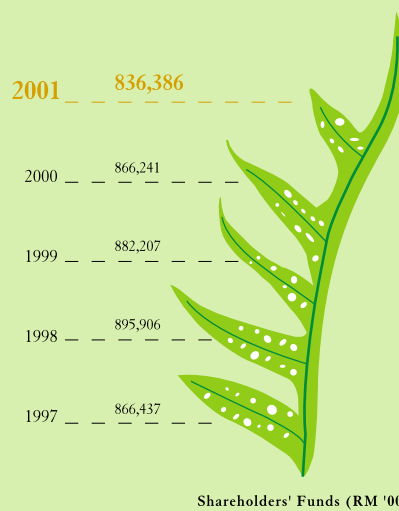
Member of the Audit Committee

financial summary



	2001	2000	1999	1998	1997
RM '000 turnover	235,314	285,037	221,710	304,272	329,714
profit before taxation	7,114	36,248	11,350	43,543	64,656
shareholders' funds	836,386	866,241	882,207	895,906	866,437
total assets	1,856,513	1,877,619	1,811,369	1,768,659	1,357,389

Sen net tangible assets per share	81	84	87	88	85
earnings per share	2.0	0.8	1.2	2.2	5.0



corporate information

Board of Directors

- Tengku Datuk (Dr) Zainal Adlin bin Tengku Mahamood
(Chairman)
- Tan Sri Dr Chen Lip Keong
(President and Chief Executive Officer)
- Dato' Nik Kamaruddin bin Ismail
- Ainuddin bin Tun Abdul Hamid
- Datuk Wan Kassim bin Ahmed
- Dato' Kalimullah bin Masheerul Hassan
- Tay Guan Kee
- Lee Wai Tuck Philip

Group Company Secretary

- Chang Yuet Mei, MAICSA 0781552

Audit Committee

- Datuk Wan Kassim bin Ahmed
(Chairman, Independent Non-Executive Director)
- Dato' Kalimullah bin Masheerul Hassan
(Independent Non-Executive Director)
- Lee Wai Tuck Philip
(Non-Independent Executive Director)

Auditors

- Messrs Moore Stephens

Solicitors

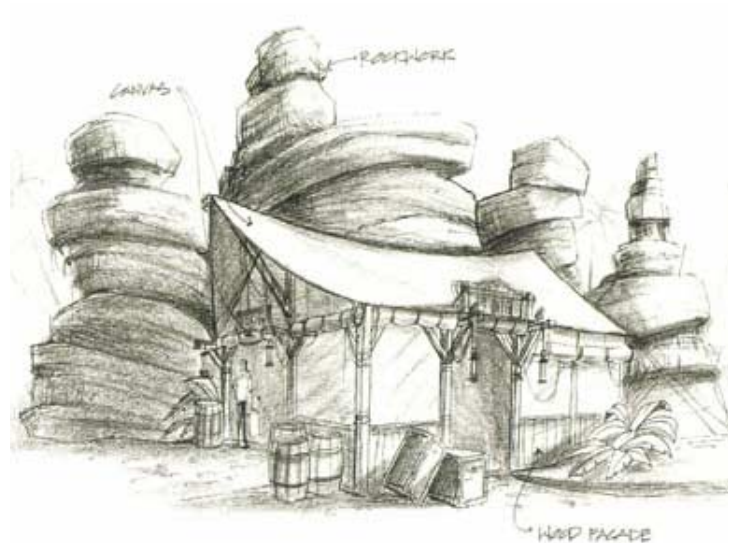
- Messrs Zaid Ibrahim & Co
- Messrs Megat Najmuddin Leong & Co

Principal Banker

- Bumiputra-Commerce Bank Berhad

Stock Exchange Listing

- Kuala Lumpur Stock Exchange,
Main Board



Registrars

Lipkland Management and Consultancy Sdn Bhd
Level 19, Menara PanGlobal
8 Lorong P. Ramlee, 50250 Kuala Lumpur
Tel: (6)03 2031 2377 Fax: (6)03 2031 2327

Registered Office

Level 19, Menara PanGlobal
8 Lorong P. Ramlee, 50250 Kuala Lumpur
Tel: (6)03 2031 2377 Fax: (6)03 2031 2327

composition

Members of the Audit Committee, their respective designations and directorships are as follows:-

- * Datuk Wan Kassim bin Ahmed
Chairman, Independent Non-Executive Director
- * Dato' Nik Kamaruddin bin Ismail (resigned on 2/7/2001)
Member, Executive Director
- * Ahmad Sabri @ Ahmad Khordzai bin Hj Din (resigned on 2/7/2001) *Member, Independent Non-Executive Director*
- * Dato' Kalimullah bin Masheerul Hassan (appointed on 2/7/2001) *Member, Independent Non-Executive Director*
- * Lee Wai Tuck Philip (appointed on 2/7/2001)
Member, Executive Director

terms of reference

purpose

The primary objective of the Audit Committee (as a sub-committee of the Board) is to assist the Board in the effective discharge of its fiduciary responsibilities for corporate governance, financial reporting and internal control.

reporting responsibilities

The Audit Committee will report to the Board on the nature and extent of the functions performed by it and may make such recommendations to the Board on any audit and financial reporting matters as it may think fit.

attendance at meetings

The head of finance, the head of internal audit and a representative of external audit shall normally attend meetings. The Company Secretary shall be the Secretary of the Committee. Other officers may be invited to brief the Committee on issues that are incorporated into the agenda.

frequency of meetings

The Committee will meet as frequently as the Chairman shall decide, with due notice of issues to be discussed and should record its conclusions whilst discharging its duties and responsibilities.

quorum

The quorum for a meeting shall be two members.

authority

The Audit Committee is authorised by the Board to investigate any activity within its terms of reference. The Committee shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Committee may, with the approval of the Board, consult legal or other professionals where they consider it necessary to discharge their duties.

duties

The duties of the Audit Committee include the following:-

- * to consider the appointment of the external auditor, the audit fee and any questions of resignation or dismissal.
- * to discuss with the external auditor before the audit commences, the nature and scope of the audit.

audit committee report

- * to review the quarterly and year end financial statements of the Board, focusing on:-
 - any changes in accounting policies and practices;
 - major judgmental areas;
 - significant adjustments arising from the audit;
 - the going concern assumption;
 - compliance with accounting standards and other legal requirements;
- * to discuss problems and reservations arising from the interim and final audits and any matter the auditor may wish to discuss (in the absence of management, where necessary).
- * to review the external auditor's management letter and management's response.
- * to review the adequacy of the scope, authority and resources of the internal audit function.
- * to review the internal audit programmes and results, ensuring that appropriate action is taken on the recommendations of the internal audit function.
- * to review any appraisal or assessment of the performance of members of the internal audit function.
- * to approve any appointments or termination of senior staff members of the internal audit function.
- * to consider any related party transactions that may arise within the Company or Group.
- * to consider the major findings of internal investigations and management's response.

summary of activities

The Audit Committee met two times during the financial year ended 31/3/2001 and details of attendance are as follows:-

Datuk Wan Kassim bin Ahmed	2/2
Dato' Nik Kamaruddin bin Ismail	2/2
Ahmad Sabri @ Ahmad Khordzai bin Hj Din	2/2

In discharging its functions and duties, the Committee considered the overall coverage of both internal and external audits. It also reviewed the results of their respective examinations and evaluations of the Group's operational and financial control systems and compliance procedures, including the revamped KLSE listing requirements.

other information



1. directors' responsibility statement

pursuant to Paragraph 15.27(a) of Chapter 15 of the Listing Requirements of Kuala Lumpur Stock Exchange

The Directors are required by Malaysian company law to prepare for each accounting period financial statements which give a true and fair view of the state of affairs of the Group and the Company as at the end of the accounting period and of the profit or loss for that period. In preparing the financial statements the Directors are required to select and apply consistently suitable accounting policies and make reasonable and prudent judgements and estimates. Applicable accounting standards also have to be followed and a statement made to that effect in the financial statements, subject to any material departures being disclosed and explained in the notes to the financial statements. The Directors are required to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business. The Directors are responsible for ensuring proper accounting records are kept which discloses with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1965. They are also responsible for taking reasonable steps to safeguard the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

2. directors' attendance at board meetings

During the financial year, the Board held 2 meetings, the attendance of which were as follows:-



	Board Meeting	
	@ 19.07.2000	@ 07.03.2001
Tun Dato' Seri Abdul Hamid bin Haji Omar	N/A	N/A
Tan Sri Dr Chen Lip Keong	✓	✓
Ainuddin bin Tun Abdul Hamid	✓	✓
Dato' Nik Kamaruddin bin Ismail	✓	✓
Dato' Megat Fairouz Junaidi bin Dato' Seri Megat Junid	✗	✗
Datuk Wan Kassim bin Ahmed	✓	✓
Puan Sri Lee Chou Sarn	✓	✓
Tengku Makram bin Tengku Ariff	✓	✓
Ahmad Sabri @ Ahmad Khordzai bin Hj. Din	✓	✓
Tay Guan Kee	✓	✓
Lee Wai Tuck Philip	✓	✓

3. directors' remuneration

The remuneration of Directors of FACB Resorts Berhad for the financial year is as follows:-

Salary Range - RM	Executive Directors	
	No. of Directors	RM
150,001 - 200,000	1	156,000
200,001 - 250,000	1	240,000
		<u>396,000</u>

notice of annual general meeting

Notice is hereby given that the Thirty-Fifth Annual General Meeting of FACB Resorts Berhad will be held at Nirwana Ballroom 1 & 2, Mutiara Hotel, Jalan Sultan Ismail, 50250 Kuala Lumpur on Friday, 28 September 2001 at 10.00 a.m. for the following purposes:

AGENDA

1. To receive and adopt the Reports of the Directors and Auditors, and the Statement of Accounts for the year ended 31 March 2001. *Resolution 1*
2. To re-elect the following Directors retiring pursuant to the Company's Articles of Association:-
Under Article 107:-
Dato' Nik Kamaruddin bin Ismail *Resolution 2*
Encik Ainuddin bin Tun Abdul Hamid *Resolution 3*
Under Article 108:-
Tengku Datuk (Dr) Zainal Adlin bin Tengku Mahamood *Resolution 4*
Dato' Kalimullah bin Masheerul Hassan *Resolution 5*
3. To re-appoint Messrs Moore Stephens as Auditors of the Company and to authorise the Directors to fix their remuneration. *Resolution 6*

Special Business

4. To consider and, if thought fit, pass with or without modifications the following Resolution:-
ORDINARY RESOLUTION – AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965
“THAT the Directors of the Company be and are hereby authorised, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company at any time subject to Section 132D(3) and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued capital of the Company for the time being.” *Resolution 7*
5. To transact any other ordinary business as may properly be transacted at an Annual General Meeting.

By Order of the Board

CHANG YUET MEI, MAICSA 0781552
Group Company Secretary

Kuala Lumpur
6 September 2001

Notes:-

1. Proxy

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its attorney. All forms of proxy should be deposited at the Company's Registered Office, Level 19, Menara PanGlobal, No. 8 Lorong P. Ramlee, 50250 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or any adjournment thereof.

2. Retirement of Directors

Details of attendance of Board Meetings held during the financial year ended 31 March 2001 for the below mentioned Directors seeking re-election and re-appointment are as follows:-

Dato' Nik Kamaruddin bin Ismail) Attended both Board Meetings
Encik Ainuddin bin Tun Abdul Hamid) held at the Registered Office on
) 19 July 2000 and 7 March 2001
) at 2.30 p.m. and 2.00 p.m.
) respectively

Tengku Datuk (Dr) Zainal Adlin bin) Appointed on 2 July 2001
Tengku Mahamood)
Dato' Kalimullah bin Masheerul Hassan)

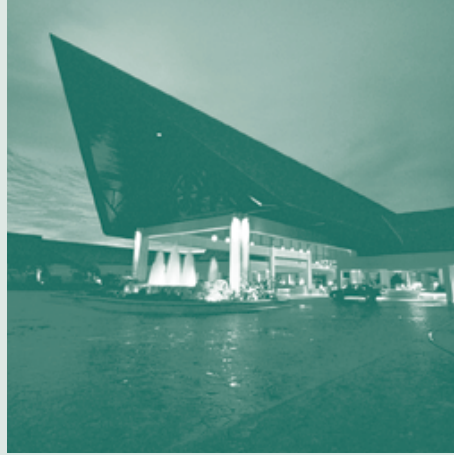
The particulars of the above Directors are set out on page 14 of the Annual Report.

3. Resolution pursuant to Section 132D of the Companies Act, 1965

The Ordinary Resolution No. 7 proposed under Agenda 4 above if passed will empower the Directors to issue shares up to 10% of the issued capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting of the Company.



*if nature guide our life,
we grow healthy, happy and . . .*



. . . fruitful

financial statements

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directors' report

directors' report

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31st March, 2001.

principal activities

The Company is principally engaged in the business of investment holdings and provision of management services. The principal activities of the subsidiaries are set out in note 4(b) to the financial statements. There have been no significant changes in the nature of these activities during the year.

results

In RM	Group	Company
Loss after taxation and minority interest	(20,465,634)	(37,582,656)

dividend

No dividend has been paid or declared by the Company since the end of the previous financial year and the Directors do not recommend any dividend payment for the current financial year.

reserves and provisions

There was no material transfer to or from reserves or provisions during the year other than those disclosed in the statement of changes in equity and in note 30(a) to the financial statements.

bad and doubtful debts

Before the income statement and balance sheet of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and, the making of provisions for doubtful debts, and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render the amount 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.

current assets

Before the income statement and balance sheet of the Group and of the Company were made out, the Directors took reasonable steps to ensure that any current assets which were unlikely to realise in the ordinary course of business including their value as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

valuation methods

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

contingent and other liabilities

At the date of this report there does not exist:

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

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

change of circumstances

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

items of an unusual nature

In the opinion of the Directors:

- i. the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the effect on change of accounting policy as disclosed in note 1(l) to the financial statements.
- ii. 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 which are likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

issue of shares

During the financial year, the following issues of shares were made by the Company:

Class	Number	Terms of Issue	Purpose of Issue
Ordinary RM0.50	3,552,000	Cash	Option shares exercised pursuant to the Employees' Share Option Scheme

employees' share option scheme ("ESOS")

The Group's ESOS was approved by the shareholders of the Company on 5th February, 1997.

The main features of the ESOS are:

- a. Eligible persons are employees and Executive Directors of the Group who have been confirmed in the employment of the Group for at least 12 months on or prior to the offering date, the date when an offer is made in writing to an employee or an Executive Director to participate in the ESOS. The eligibility for participation in the ESOS shall be at the discretion of the Company's Board of Directors.
- b. The total number of new ordinary shares available under the ESOS shall not exceed 10% of the total issued and paid-up share capital of the Company at any point of time during the existence of the ESOS.
- c. No option shall be granted for less than 1,000 shares nor more than 500,000 shares and shall always be multiples of 1,000 ordinary shares.
- d. The ESOS subscription price for each ordinary share shall be the average of the mean market quotation of the shares of the Company as shown in the Daily Official List issued by the Kuala Lumpur Stock Exchange for the five market days preceding the offer date, provided that subscription price shall in no event be less than the par value of the ordinary shares of the Company.
- e. The ordinary shares issued under the ESOS are in the same class and shall rank pari passu in all respects with the existing ordinary shares of the Company.

The particulars of options granted under the ESOS are as follows:

- a. On 15th August, 1997, options to take up a total of 25,863,000 unissued ordinary shares of RM0.50 each of the Company under the ESOS were granted at an exercise price of RM1.10 per ordinary share;
- b. On 11th May, 1999, options to take up a total of 37,168,000 unissued ordinary shares of RM0.50 each of the Company under the ESOS were granted at an exercise price of RM0.50 per ordinary share; and
- c. On 17th November, 1999, further options to take up a total of 1,525,000 unissued ordinary shares of RM0.50 each of the Company under the ESOS were granted at an exercise price of RM0.61 per ordinary share.

During the financial year, the number of ordinary shares of RM0.50 each covered under each options granted, exercised and lapsed pursuant to the ESOS are as follows:

Tranche	Date Granted	Exercise Price RM	Balance as at 1.4.00	Granted	Exercised	Lapsed	Balance as at 31.3.01
1	15.8.97	1.10	10,949,000	–	(250,000)	(2,427,000)	8,272,000
2	11.5.99	0.50	15,540,000	–	(3,289,000)	(3,624,000)	8,627,000
3	17.11.99	0.61	710,000	–	(13,000)	(200,000)	497,000
			27,199,000	–	(3,552,000)	(6,251,000)	17,396,000

All outstanding unexercised ESOS will expire on 24th July, 2002.

directors of the company

The Directors in office since the date of the last report are:

Tengku Datuk (Dr) Zainal Adlin bin Tengku Mahamood	(Appointed on 2.7.01)
Tan Sri Dr. Chen Lip Keong	
Dato' Nik Kamaruddin bin Ismail	
Dato' Kalimullah bin Masheerul Hassan	(Appointed on 2.7.01)
Datuk Wan Kassim bin Ahmed	
Ainuddin bin Tun Abdul Hamid	
Tay Guan Kee	
Lee Wai Tuck, Philip	
Dato' Megat Fairouz Junaidi bin Dato' Seri Megat Junid	(Resigned on 2.7.01)
Puan Sri Lee Chou Sarn	(Resigned on 2.7.01)
Ahamd Sabri @ Ahmad Khordzai bin Hj. Din	(Resigned on 2.7.01)
Tengku Makram bin Tengku Ariff	(Resigned on 25.7.01)

directors' shareholdings

Particulars of Directors' shareholdings in the Company during the financial year according to the registers required to be kept under Section 134 of the Companies Act, 1965 are as follows:

Name of Directors	Number of Ordinary Shares of RM0.50 Each Purchased/		
	At 1.4.00	(Sold)	At 31.3.01
Direct shareholdings			
Tan Sri Dr. Chen Lip Keong	300,000	–	300,000
Ainuddin bin Tun Abdul Hamid	70,000	(70,000)	–
Dato' Nik Kamaruddin bin Ismail	–	100,000	100,000
Tengku Makram bin Tengku Ariff	160,000	–	160,000
Lee Wai Tuck, Philip	60,000	(20,000)	40,000
Indirect shareholdings being shares held through corporations in which the Directors are interested			
Tan Sri Dr. Chen Lip Keong	224,400,000	(108,000)	224,292,000
Puan Sri Lee Chou Sarn	224,400,000	(108,000)	224,292,000

None of the other Directors held any share, whether direct or indirect, in the Company during the financial year.

Tan Sri Dr. Chen Lip Keong and Puan Sri Lee Chou Sarn, by virtue of their substantial interest in shares of the Company, are also deemed interested in the shares of the subsidiaries disclosed in note 4(b) to the financial statements, to the extent the Company has an interest.

The following are the unexercised options as at 31st March, 2001, granted to the Directors to subscribe for the ordinary shares of RM0.50 each of the Company pursuant to the ESOS of the Group.

In RM	Unexercised Options Over Ordinary Shares of RM0.50 Each Exercise Price	Number Of Number Of Shares
Name of Directors		
Tan Sri Dr. Chen Lip Keong	1.10	200,000
Ainuddin bin Tun Abdul Hamid	1.10	300,000
Dato' Nik Kamaruddin bin Ismail	1.10	100,000
Dato' Megat Fairouz Junaidi bin Dato' Seri Megat Junid	1.10	500,000
Tengku Makram bin Tengku Ariff	0.61	300,000
Tay Guan Kee	0.50	100,000
Lee Wai Tuck, Philip	0.50	180,000

directorate

Encik Ainuddin bin Tun Abdul Hamid and Dato' Nik Kamaruddin bin Ismail retire in accordance with Article 107 of the Company's Articles of Association at the forthcoming annual general meeting and being eligible offer themselves for re-election.

Tengku Datuk (Dr) Zainal Adlin bin Tengku Mahamood and Dato' Kalimullah bin Masheerul Hassan retire in accordance with Article 108 of the Company's Articles of Association at the forthcoming annual general meeting and being eligible offer themselves for re-election.

significant events

Significant events during the year are disclosed in note 40 to the financial statements.

subsequent events

Significant events subsequent to the year are disclosed in note 41 to the financial statements.

directors' benefits

Since the end of the previous financial year no Director of the Company has received or become entitled to receive any benefit (other than those disclosed as Directors' remuneration in note 30(a) to 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 the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate other than the ESOS mentioned above.

auditors

The auditors, Messrs. Moore Stephens, have expressed their willingness to continue in office.

On Behalf of the Board

Tay Guan Kee

Dato' Nik Kamaruddin bin Ismail

Kuala Lumpur
30th July, 2001

statement by directors

We, the undersigned, being two of the Directors of the Company, state that in the opinion of the Directors, the accompanying financial statements as set out on pages 28 to 66, are drawn up 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 the state of affairs of the Group and of the Company as at 31st March, 2001 and of the results of the operations, changes in equity and cash flows of the Group and of the Company for the year ended on that date.

On Behalf of the Board

Tay Guan Kee

Dato' Nik Kamaruddin bin Ismail

Kuala Lumpur
30th July, 2001

statutory declaration

I, **Lee Wai Tuck, Philip**, NRIC No.: 620906-10-6539, being the Director primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 28 to 66 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed
at Kuala Lumpur in the Federal Territory
this 30th day of July, 2001.

Lee Wai Tuck, Philip

Before me

Nordin bin Hassan
No: W 321
Commissioner For Oaths
Kuala Lumpur

report of the auditors

to the members of FACB Resorts Berhad And Its Subsidiaries (Incorporated in Malaysia)

We have audited the financial statements set out on pages 28 to 66.

The preparation of the financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with the approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. Our audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. Our audit includes an assessment of the accounting principles used and significant estimates made by the Directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion:

- a. the financial statements which have been prepared under the historical cost convention, including the revaluation of certain assets, are properly drawn up 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 of the Group and of the Company; and
 - ii. the state of affairs of the Group and of the Company as at 31st March, 2001 and of the results of the operations, changes in equity and cash flows of the Group and of the Company for the year ended on that date;

and

- b. the accounting and other records and the registers required by the Companies Act, 1965, to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

We have considered the financial statements and the auditors' reports of the subsidiaries of which we have not acted as auditors, as indicated in note 4(c) to the financial statements, being financial statements that are included in consolidated financial statements.

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

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment made under Section 174(3) of the Companies Act, 1965.

Moore Stephens
Public Accountants
(AF.0282)

Au Tai Wee
1551/01/03 (J)
Partner

Kuala Lumpur
30th July, 2001

balance sheets

as at 31st March, 2001

In RM	Note	Group		Company	
		2001	2000	2001	2000
NON-CURRENT ASSETS					
Fixed assets	2	49,242,878	152,492,267	8,367,286	9,157,743
Deferred land and development expenditure	3	600,591,601	536,028,755	–	–
Investment in subsidiaries	4	–	500	39,361,868	57,339,486
Interest in associated companies	5	2,155,198	1,776,905	899,001	2,175,406
Other investments	6	642,001	1,225,082	310,000	893,082
Long term debtors	7	2,835,818	16,995,272	–	–
Capital work-in-progress	8	384,946,213	341,244,566	–	–
Goodwill on consolidation	9	13,808,654	21,328,844	–	–
		1,054,222,363	1,071,092,191	48,938,155	69,565,717
CURRENT ASSETS					
Land and development expenditure	10	352,433,429	356,320,391	–	–
Amount due from customers for constructions contracts	11	56,831,641	48,256,534	–	–
Stocks	12	5,916,721	5,454,826	–	–
Trade debtors	13	197,935,668	256,239,795	5,399,221	5,399,221
Other debtors, deposits and prepayments	14	102,476,090	104,179,561	55,321,100	50,160,289
Amount owing by subsidiaries	15	–	–	1,031,161,137	1,036,608,525
Amount owing by associated companies	16	51,868,683	27,523,433	15,510,223	5,668,489
Cash on deposits with licensed banks	17	1,595,034	1,873,017	–	–
Cash and bank balances		33,232,996	6,679,669	52,792	901,246
		802,290,262	806,527,226	1,107,444,473	1,098,737,770
CURRENT LIABILITIES					
Amount due to customers for constructions contracts	11	1,321,275	1,985,097	–	–
Trade creditors		105,968,791	145,841,082	–	–
Other creditors and accruals	18	186,392,128	161,360,666	72,748,085	49,609,221
Amount owing to subsidiaries	15	–	–	26,367,515	32,001,826
Amount owing to associated companies	16	4,081	67,036	4,081	67,036
Amount owing to a director	19	3,944,458	2,436,927	1,522,532	15,001
Hire purchase and lease creditors	20	1,658,424	2,413,190	104,229	128,005
Bank borrowings	21	112,455,409	87,046,504	41,500,000	37,000,000
Taxation		149,747,144	130,830,781	350,000	–
		561,491,710	531,981,283	142,596,442	118,821,089
NET CURRENT ASSETS					
		240,798,552	274,545,943	964,848,031	979,916,681
		1,295,020,915	1,345,638,134	1,013,786,186	1,049,482,398

In RM	Note	Group		Company	
		2001	2000	2001	2000
CAPITAL AND RESERVES					
Share capital	22	507,514,920	505,738,920	507,514,920	505,738,920
Reserves	23	328,870,784	360,502,263	206,108,920	243,540,146
SHAREHOLDERS' EQUITY		836,385,704	866,241,183	713,623,840	749,279,066
MINORITY INTEREST		1,203,868	11,380,753	–	–
NON-CURRENT LIABILITIES					
Hire purchase and lease creditors	20	2,531,509	3,034,480	162,346	203,332
Redeemable bonds - secured	24	300,000,000	300,000,000	300,000,000	300,000,000
Term loans - secured	25	122,695,789	132,739,578	–	–
Deferred taxation	26	31,581,865	31,619,960	–	–
Long term creditors	27	622,180	622,180	–	–
		457,431,343	468,016,198	300,162,346	300,203,332
		1,295,020,915	1,345,638,134	1,013,786,186	1,049,482,398

The annexed notes form an integral part of, and should be read in conjunction with these financial statements.

income statements

for the year ended 31st March, 2001

In RM	Note	Group		Company	
		2001	2000	2001	2000
Revenue	28	235,314,182	285,036,734	1,249,060	21,207,472
Cost of sales	29	(155,498,663)	(185,066,675)	–	–
Gross profit		79,815,519	99,970,059	1,249,060	21,207,472
Other operating revenue		41,745,082	12,214,236	7,590,000	7,767,791
Selling and distribution costs		(1,723,954)	(911,856)	–	–
Administrative costs		(41,415,137)	(37,244,524)	(4,320,581)	(4,761,231)
Other operating costs		(29,758,162)	(11,068,309)	(20,871,813)	(339,246)
		(72,897,253)	(49,224,689)	(25,192,394)	(5,100,477)
Profit/(loss) from operations		48,663,348	62,959,606	(16,353,334)	23,874,786
Finance costs		(40,965,547)	(28,519,400)	(20,879,322)	(20,273,025)
Share of associated companies results		(583,693)	1,808,269	–	–
Profit/(loss) before taxation	30	7,114,108	36,248,475	(37,232,656)	3,601,761
Taxation	31	(20,023,853)	(27,670,989)	(350,000)	(6,139,900)
(Loss)/profit after taxation but before minority interest		(12,909,745)	8,577,486	(37,582,656)	(2,538,139)
Minority interest		(7,555,889)	(270,045)	–	–
(Loss)/profit after taxation and minority interest		(20,465,634)	8,307,441	(37,582,656)	(2,538,139)
(Loss)/earning per share	32	(2.02 SEN)	0.83 SEN		

The annexed notes form an integral part of, and should be read in conjunction with these financial statements.

statements of changes in equity

for the year ended 31st March, 2001

In RM	Share Capital	Share Premium	Reserve on Consolidation	Translation Reserve	Retained Profits/ (Accumulated Losses)	Total Shareholders' Equity
GROUP						
At 1.4.99 (As previously reported)	494,222,420	242,195,600	60,902,392	2,699,976	91,150,488	891,170,876
Prior year adjustments (note 33)	–	–	–	–	(42,728,025)	(42,728,025)
Restated balance as at 1.4.99	494,222,420	242,195,600	60,902,392	2,699,976	48,422,463	848,442,851
Translation gain	–	–	–	2,901,330	–	2,901,330
Amortisation of reserve on consolidation	–	–	(6,738,589)	–	–	(6,738,589)
Issue of shares (note 22)	11,516,500	1,811,650	–	–	–	13,328,150
Net profit for the year	–	–	–	–	8,307,441	8,307,441
At 31.3.00	505,738,920	244,007,250	54,163,803	5,601,306	56,729,904	866,241,183
Realisation of translation reserve arising from disposal of a subsidiary	–	–	–	(3,781,179)	–	(3,781,179)
Translation loss	–	–	–	(797,507)	–	(797,507)
Amortisation of reserve on consolidation	–	–	(6,738,589)	–	–	(6,738,589)
Issue of shares (note 22)	1,776,000	151,430	–	–	–	1,927,430
Net loss for the year	–	–	–	–	(20,465,634)	(20,465,634)
At 31.3.01	507,514,920	244,158,680	47,425,214	1,022,620	36,264,270	836,385,704
COMPANY						
At 1.4.99 (As previously reported)	494,222,420	242,195,600	–	–	4,790,996	741,209,016
Prior year adjustments (note 33)	–	–	–	–	(2,719,961)	(2,719,961)
Restated balance as at 1.4.99	494,222,420	242,195,600	–	–	2,071,035	738,489,055
Issue of shares (note 22)	11,516,500	1,811,650	–	–	–	13,328,150
Net loss for the year	–	–	–	–	(2,538,139)	(2,538,139)
At 31.3.00	505,738,920	244,007,250	–	–	(467,104)	749,279,066
Issue of shares (note 22)	1,776,000	151,430	–	–	–	1,927,430
Net loss for the year	–	–	–	–	(37,582,656)	(37,582,656)
At 31.3.01	507,514,920	244,158,680	–	–	(38,049,760)	713,623,840

The annexed notes form an integral part of, and should be read in conjunction with these financial statements.

cash flow statements

for the year ended 31st March, 2001

In RM	Note	Group		Company	
		2001	2000	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Profit/(Loss) Before Taxation		7,114,108	36,248,475	(37,232,656)	3,601,761
Adjustments for:					
Amortisation of goodwill on consolidation		7,520,190	1,526,592	–	–
Amortisation of reserves on consolidation		(6,738,589)	(6,738,589)	–	–
Amortisation of leasehold land		178,781	178,781	53,455	53,455
Bad debts written off		128,226	19,840	8,304	–
Capital work-in-progress written off		9,079,753	–	–	–
Depreciation of fixed assets		8,294,751	10,508,502	772,613	996,401
Dividend revenue		(1,480,000)	(1,736,820)	–	(19,906,820)
Fixed assets written off		26,317	150,912	–	–
Gain on deemed disposal of associated company		(3,438,391)	–	–	–
Interest revenue		(32,638)	(114,451)	(7,590,000)	(7,590,000)
Interest expenses		40,110,996	24,697,432	20,844,343	20,187,253
Loss/(Gain) on disposal of fixed assets		3,017,172	198,433	–	(81,334)
Loss on deregistration of a subsidiary		63,664	–	–	–
Loss on disposal of other investments		43,028	339,246	43,028	339,246
Loss on disposal of a subsidiary		12,072,488	–	–	–
Overprovision of depreciation in prior year		(3,092,398)	–	–	–
Provision for doubtful debts		988,910	2,376,448	–	–
Provision for foreseeable losses no longer required		–	(69,625)	–	–
Provision for doubtful debts no longer required		–	(180,040)	–	(94,268)
Provision for slow moving stocks		–	82,938	–	–
Provision for diminution in value of investment		2,476,404	–	19,254,023	–
Realised loss on translation reserve		7,162,254	–	–	–
Share of losses/(profits) in associated companies		583,693	(1,808,269)	–	–
Sundry deposits written off		–	11,535	–	–
Unrealised (gain)/loss on foreign exchange		(2,979,056)	416,438	–	–
Operating Profit/(Loss) Before Working Capital Changes		81,099,663	66,107,778	(3,846,890)	(2,494,306)
Increase in land and development expenditure and amount due for contract works		(69,914,813)	(15,734,197)	–	–
Increase in stocks		(516,877)	(2,323,757)	–	–
Decrease in deferred income		–	(252,000)	–	–
Decrease/(Increase) in trade and other receivables		51,228,745	(36,854,320)	(9,630,503)	(55,381,610)
(Decrease)/Increase in trade and other payables		(8,548,537)	21,580,367	19,016,171	38,230,568
Cash Generated From/ (Used In) Operations		53,348,181	32,523,871	5,538,778	(19,645,348)

In RM	Note	Group		Company	
		2001	2000	2001	2000
Interest paid		(24,066,396)	(11,963,528)	(20,844,343)	(20,187,253)
Taxation paid		(1,143,174)	(822,647)	–	(565,990)
Interest received		32,638	114,451	7,590,000	7,590,000
Net Cash Generated From/ (Used In) Operating Activities		28,171,249	19,852,147	(7,715,565)	(32,808,591)
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend received		1,480,000	1,736,820	–	14,332,910
Proceed from disposal of the subsidiary, net of cash disposed	34	37,217,343	–	–	–
Proceeds from sales of fixed assets		509,540	1,516,030	658	255,314
Proceeds from disposal of other investments		540,053	378,672	540,054	378,672
Purchase of fixed assets	36	(4,015,385)	(7,794,267)	(36,269)	(71,409)
Capital work-in-progress disposed		20,835,000	7,012,081	–	–
Capital work-in-progress incurred		(73,616,400)	(50,292,370)	–	–
Net Cash (Used In)/Generated From Investing Activities		(17,049,849)	(47,443,034)	504,443	14,895,487
CASH FLOWS FROM FINANCING ACTIVITIES					
Net drawdown of short term bank borrowings		4,500,000	17,854,887	4,500,000	5,000,000
Proceeds from issuance of share capital		1,927,430	13,328,150	1,927,430	13,328,150
Repayment of term loan		(105,944)	–	–	–
Bond issue expenses		–	(746,445)	–	(746,445)
Payment of lease obligations and hire purchase creditors		(1,423,610)	(3,906,264)	(64,762)	(368,155)
Net Cash Generated From Financing Activities		4,897,876	26,530,328	6,362,668	17,213,550
Translation exchange difference		(714,992)	(1,085,876)	–	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		15,304,284	(2,146,435)	(848,454)	(699,554)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		(3,960,125)	(1,813,690)	901,246	1,600,800
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	37	11,344,159	(3,960,125)	52,792	901,246

The annexed notes form an integral part of, and should be read in conjunction with these financial statements.

notes to the financial statements

for the year ended 31st March, 2001

The financial statements of the Group and of the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia.

1. significant accounting policies

a. Basis of Accounting

The financial statements of the Group and of the Company are prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

b. Investments

Investments in subsidiaries, associated companies and other unquoted investments held on a long term basis are stated at cost and provision is made for any permanent diminution in value determined on an individual basis.

c. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries made up to the end of the financial year.

Intragroup balances and transactions and resulting unrealised profits and losses (unless cost cannot be recovered) are eliminated on consolidation.

The financial statements of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements based on the acquisition method from the effective date of acquisition or up to the effective date of disposal respectively.

The consolidated financial statements are prepared on the basis that excess of losses attributable to minority shareholders over their equity interest will be absorbed by the Group. All profits subsequently reported by the subsidiary company will be allocated to the Group until the minority shareholders' share of losses previously absorbed by the Group has been recovered.

Goodwill or reserve on consolidation represents the difference between the purchase consideration and the fair value of the Group's share of net assets of subsidiaries at the date of their acquisition.

d. Associated Company

An associated company is defined as a company, not being a subsidiary, in which the Group has a long term equity interest of between 20% to 50% and in whose financial and operating policy decisions the Group exercises significant influence.

Investments in associated companies are stated at cost in the Company's financial statements. Provision for diminution in value is made when the directors are of the opinion that there is a permanent diminution in the value of the investment.

The Group's interest in associated companies is stated at cost plus adjustments for post-acquisition changes in the Group's share of net assets of the associated companies. The Group's share of post-acquisition results of the associated companies is accounted for using the equity method of accounting in the income statement.

The Group's share of post-acquisition losses is restricted to the carrying value of the investment in that associated company. Should the associated company subsequently reports profits, the Group will only resume to recognise its share of profits after its share of profits equals to its share of losses previously not recognised.

Where audited financial statements of the associated companies are not co-terminous with those of the Group, the share of results is based on the unaudited management financial statements made up to the financial year end of the Group.

e. Amortisation of Goodwill and Reserve On Consolidation

Goodwill or reserve on consolidation arising from acquisition of subsidiaries and associated companies is amortised through the income statement over a period of between 9 and 25 years or the expected useful life, whichever is the shorter. Goodwill or reserve on consolidation is written down when there is a permanent impairment in their carrying value.

f. Fixed Assets and Depreciation

Long term leasehold land of the Company is stated at valuation.

All other fixed assets are stated at cost less accumulated depreciation except for capital work-in-progress which are not depreciated.

Leasehold land is amortised over their remaining lease periods ranging from 66 years to 94 years.

Depreciation of other fixed assets is calculated on the straight line method to write off the cost of the fixed assets over their estimated useful lives.

The annual rates used for this purpose are:

Vessel	4%
Office building, factory building and shoplots	2% - 4%
Highway	4%
Warehouse and jetty	10%
Furniture and fittings	10% - 25%
Plant and machinery	10% - 25%
Computers	10% - 33.3%
Motor vehicles	16.7% - 25%
Partition and renovation	10%
Equipment	10% - 20%

Fully depreciated fixed assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

The long term leasehold land of the Company held under fixed assets is stated at the Directors' valuation based on valuation by professional valuers in 1984 using the open market value basis. The long term leasehold land has not been revalued since the last valuation exercise as the Group and the Company have not adopted a policy of regular revaluation of such assets.

g. Debtors

Known bad debts are written off and specific provision is made for those debts considered to be doubtful of collection.

h. Revenue Recognition

Profit from sales of properties under development and from contract works undertaken are recognised in the income statement on the percentage of completion basis where the outcome of the developments and contracts can be reliably estimated. The percentage of completion basis is computed based on proportion of which the development costs and the contract costs incurred for work performed to date bear to the estimated total development and contract costs respectively.

Revenue from sales of finished goods and merchandise and from services are recognised in the income statement when the goods are delivered and services are rendered respectively.

Hotel and golfing revenue is recognised in the income statement on receivable basis.

Toll revenue is recognised in the income statement on receipt basis.

Rental and interest revenue are recognised in the income statement on receivable basis.

Dividend revenue from investment in subsidiaries, associated companies and other investments is recognised in the income statement on the date they are declared to be payable.

Revenue from sale of land and completed landed properties is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risk and reward of ownership have been transferred to the buyer.

i. Deferred Land and Development Expenditure

Deferred land and development expenditure consists of cost of land which is currently not under active development and all other development expenditure incurred to date including borrowing costs.

j. Land and Development Expenditure

Land and development expenditure consists of cost of land which is currently under active development and is expected to be completed within the normal operating cycle, development expenditure incurred to date including borrowing costs and a proportion of estimated profit attributable to development work performed to date, less progress payments received and receivable.

Where foreseeable losses on development projects are anticipated, full provision for these losses is made in the financial statements.

k. Amount Due From/(To) Customers For Construction Contracts

Amount due from/(to) customers for construction contracts consists of construction expenditure incurred to date and a proportion of estimated profit attributable to contract work performed to date less progress billings received and receivable. Amount due from customers for construction contracts arises when costs incurred plus recognised profits exceeds progress billing whereas amount due to customer for construction contracts arises when progress billing exceed costs incurred plus recognised profits.

Where foreseeable losses on contracts are anticipated, full provision for these losses is made in the financial statements.

l. Expenditure Carried Forward

In previous years, preliminary, pre-operating expenses and bond issue expenses are deferred and amortised on straight line basis over a period of five years upon commencement of operations or the useful life, whichever is the shorter.

However, the Interpretation Bulletin IB-I issued by the Malaysian Accounting Standards Board in December, 2000, required that expenditure which do not meet the criteria of an asset should be expensed off as and when they are incurred. Arising therefrom, the Group and the Company changed their accounting policy to comply with the requirement of this bulletin.

This change in accounting policy has been accounted for retrospectively by prior year adjustments together with restatement of comparative figures as disclosed in note 33 to the financial statements. The effect of this change of accounting policy is a reduction in current year's loss attributable to shareholders of the Group and of the Company by RM2,277,271/- (2000: Increase in profit attributable to shareholders by RM2,595,429/-) and RM394,683/- (2000: RM394,683/-) respectively and a reduction in the retained profits of the Group and of the Company by RM31,079,147/- (2000: RM33,764,312/-) and RM1,535,812/- (2000: RM1,930,495/-) respectively.

m. Stocks

Stocks of raw materials, consumables, finished goods and merchandise are stated at the lower of cost and net realisable value. Cost include the standard cost of materials and incidentals in bringing the stocks into store and for manufactured stocks, it also include labour and relevant production overheads.

Stock of completed development properties are stated at the lower of cost or net realisable value. Cost is determined on the specific identification basis and includes cost of land, all direct building costs and other related development costs.

In arriving at net realisable value, due allowance has been made for all obsolete and slow-moving items.

n. Leases

Fixed assets on leases that give rights approximating to ownership are accounted for under the finance lease method in which the fair value of the leases are capitalised as fixed assets and depreciated in accordance with the Group's and Company's policy on depreciation of fixed assets. The capital element of the leases are included in creditors and the related financing charges are allocated to the income statement on a systematic basis over the period of the lease.

o. Hire Purchase Creditors

Cost of fixed assets acquired under the hire purchase instalment plans are capitalised as fixed assets and depreciated in accordance with the Group's and the Company's policy on depreciation of fixed assets. The hire purchase obligations are included in creditors and the related financing charges are allocated to the income statement over the period of the respective agreements.

p. Foreign Currencies**i. Transactions in foreign currencies**

Transactions in foreign currencies are translated into Ringgit Malaysia at the rates of exchange ruling at the dates of the transactions and where settlement had not taken place by 31st March, 2001, at the approximate rates ruling as at that date. All gains and losses on exchange are included in the income statements.

ii. Translation of foreign currency financial statement

Assets, liabilities and reserves of foreign subsidiaries are translated into Ringgit Malaysia at the rates of exchange as at the financial year end. Income statements items are translated at the average rate of exchange for the year. The translation differences arising therefrom are recorded as movement in translation reserve. Upon disposal of a foreign subsidiary, the cumulative amount of translation differences at the date of disposal of the subsidiary is taken to the income statement.

The principal exchange rates (denominated in units of Ringgit Malaysia per foreign currency) used in the translation of foreign currencies are as follows:

In RM	2001		2000	
	Average Rate	Year End Rate	Average Rate	Year End Rate
Singapore Dollar	2.109	2.110	2.213	2.210
Hong Kong Dollar	2.072	2.073	2.055	2.083
Chinese Renminbi	2.217	2.183	2.217	2.183
United States Dollar	3.800	3.800	3.800	3.800
Sterling Pound	5.426	5.430	6.066	6.060
Deutsche Mark	1.714	1.710	1.859	1.860

q. Deferred Taxation

Provision is made by using the liability method for deferred taxation in respect of all material timing differences except where it is thought reasonable that the tax effects of such deferrals will continue in the foreseeable future. Deferred tax benefits are only recognised to the extent of any deferred tax liability and where there is a reasonable expectation of realisation in the near future.

r. Cash and Cash Equivalents

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

2. fixed assets

In RM	Long Term Leasehold Land	Shoplots & Buildings	Highway	Plant & Machinery	Vessel, Motor Vehicles, Furniture & Fittings Renovation & Equipment	Total
Group						
Cost/Valuation						
At 1.4.00	16,656,936	7,357,628	112,031,301	13,728,569	47,000,080	196,774,514
Additions	–	–	1,744,980	49,488	2,386,790	4,181,258
Disposals	–	–	–	(3,348)	(4,774,438)	(4,777,786)
Assets of subsidiary disposed	–	–	(113,776,281)	–	(198,652)	(113,974,933)
Written off	–	–	–	(8,012)	(135,834)	(143,846)
Translation difference	–	–	–	–	(139,355)	(139,355)
At 31.3.01	16,656,936	7,357,628	–	13,766,697	44,138,591	81,919,852
Accumulated Depreciation						
At 1.4.00	2,045,702	869,181	16,499,002	8,383,768	16,484,594	44,282,247
Charge for the year	178,781	167,473	2,084,636	1,496,220	4,546,422	8,473,532
Overprovision of depreciation in previous years	–	–	(3,092,398)	–	–	(3,092,398)
Disposals	–	–	–	(1,972)	(1,249,102)	(1,251,074)
Assets of subsidiary disposed	–	–	(15,491,240)	–	(72,160)	(15,563,400)
Written off	–	–	–	(175)	(117,354)	(117,529)
Translation difference	–	–	–	–	(54,404)	(54,404)
At 31.3.01	2,224,483	1,036,654	–	9,877,841	19,537,996	32,676,974
Net Book Value						
At 31.3.01	14,432,453	6,320,974	–	3,888,856	24,600,595	49,242,878
At 31.3.00	14,611,234	6,488,447	95,532,299	5,344,801	30,515,486	152,492,267
Depreciation charge for the year ended 31.3.00	178,781	62,884	4,138,377	2,269,749	4,697,254	11,347,045

In RM	Long Term Leasehold Land	Shoplots & Buildings	Highway	Plant & Machinery	Vessel, Motor Vehicles, Furniture & Fittings Renovation & Equipment	Total
Group						
Analysis of Cost/Valuation						
At 31.3.01						
At cost	12,246,936	7,357,628	–	13,766,697	44,138,591	77,509,852
At 1984 valuation	4,410,000	–	–	–	–	4,410,000
	16,656,936	7,357,628	–	13,766,697	44,138,591	81,919,852
At 31.3.00						
At cost	12,246,936	7,357,628	112,031,301	13,728,569	47,000,080	192,364,514
At 1984 valuation	4,410,000	–	–	–	–	4,410,000
	16,656,936	7,357,628	112,031,301	13,728,569	47,000,080	196,774,514

In RM	Long Term Leasehold Land	Buildings	Motor Vehicles, Furniture & Fittings, Renovation & Equipment	Total
Company				
Cost/Valuation				
At 1.4.00	4,410,000	3,926,240	6,892,179	15,228,419
Additions	–	–	36,269	36,269
Disposals	–	–	(1,100)	(1,100)
At 31.3.01	4,410,000	3,926,240	6,927,348	15,263,588
Accumulated Depreciation				
At 1.4.00	1,202,728	745,945	4,122,003	6,070,676
Charge for the year	53,455	140,844	631,767	826,066
Disposals	–	–	(440)	(440)
At 31.3.01	1,256,183	886,789	4,753,330	6,896,302

In RM	Long Term Leasehold Land	Buildings	Motor Vehicles, Furniture & Fittings, Renovation & Equipment	Total
Company				
Net Book Value				
At 31.3.01	3,153,817	3,039,451	2,174,018	8,367,286
At 31.3.00	3,207,272	3,180,295	2,770,176	9,157,743
Depreciation charge for the year ended 31.3.00	53,455	140,844	855,557	1,049,856
Analysis of Cost/Valuation				
At 31.3.01				
At cost	–	3,926,240	6,927,348	10,853,588
At 1984 valuation	4,410,000	–	–	4,410,000
	4,410,000	3,926,240	6,927,348	15,263,588
At 31.3.00				
At cost	–	3,926,240	6,892,179	10,818,419
At 1984 valuation	4,410,000	–	–	4,410,000
	4,410,000	3,926,240	6,892,179	15,228,419

- The leasehold land of the Group and of the Company have an unexpired lease period of more than 50 years.
- The leasehold land of the Group and of the Company stated at valuation was revalued by the Directors in 1984 based on valuation by independent professional valuers on the open market value basis. The net book value of the leasehold land should they be stated at cost would be RM250,089/- (2000: RM269,371/-) to the Group and to the Company.
- Included in the fixed assets of the Group and of the Company are assets acquired under hire purchase instalment plans and lease financing as follows:

In RM	Group		Company	
	2001	2000	2001	2000
At cost				
Hire purchase	8,789,251	3,694,697	781,145	781,145
Lease financing	1,966,556	1,742,166	–	–
	10,755,807	5,436,863	781,145	781,145
At net book value				
Hire purchase	4,699,636	2,567,077	185,672	185,672
Lease financing	130,831	398,231	–	–
	4,830,467	2,965,308	185,672	185,672

- Leasehold land of the Group and of the Company with net book value of RM14,023,368/- (2000: RM13,115,674/) and RM3,153,817/- (2000: RM3,207,272/-) respectively are pledged as securities for corporate bonds issued by the Company and banking facilities of the Group and of the Company.

3. deferred land and development expenditure

In RM	Group	
	2001	2000
At cost:		
Leasehold land	475,284,609	412,711,522
Leased land	34,855,886	34,855,886
Development expenditure	90,451,106	88,461,347
Total land and development expenditure	600,591,601	536,028,755

Leasehold land, leased land and development expenditure totalling RM516,494,540/- (2000: RM523,061,874/-) are pledged as securities for corporate bonds issued by the Company and banking facilities of the Group and of the Company.

4. investment in subsidiaries

In RM	Group		Company	
	2001	2000	2001	2000
a. Unquoted shares, at cost	–	500	73,409,486	73,409,486
Less: Provision for diminution in value	–	–	(34,047,618)	(16,070,000)
	–	500	39,361,868	57,339,486

b. The subsidiaries are:

Name of Company	Country of Incorporation	Principal Activities	Effective Equity Interest			
			Direct		Indirect	
			2001	2000	2001	2000
Held By The Company						
Alpha Terrace Sdn. Bhd.	Malaysia	Investment holdings	100%	100%	–	–
Arosa Development Sdn. Bhd.	Malaysia	Property development	100%	100%	–	–
Arosa Development Management Sdn. Bhd.	Malaysia	Dormant	100%	100%	–	–
FACBAerospace Sdn. Bhd.	Malaysia	Investment holdings	100%	100%	–	–
FACB Capital Sdn. Bhd.	Malaysia	Investment holdings, consultancy and money lending	100%	100%	–	–
FACB Construction Sdn. Bhd.	Malaysia	Construction	100%	100%	–	–
FACB Industries Sdn. Bhd.	Malaysia	Dormant	100%	100%	–	–
FACB Land Sdn. Bhd.	Malaysia	Property development	100%	100%	–	–
FACB Management Sdn. Bhd.	Malaysia	Provision of management services	100%	100%	–	–
FACB Marketing And Sales Services Sdn. Bhd.	Malaysia	Dormant	100%	100%	–	–
FACBNET Sdn. Bhd.	Malaysia	Dormant	100%	100%	–	–

Name of Company	Country of Incorporation	Principal Activities	Effective Equity Interest			
			Direct 2001	Direct 2000	Indirect 2001	Indirect 2000
First Holdings Sdn. Bhd.	Malaysia	Investment holdings	100%	100%	–	–
First Multimedia Corporation Sdn. Bhd.	Malaysia	Dormant	100%	100%	–	–
First Network (M) Sdn. Bhd.	Malaysia	Dormant	100%	100%	–	–
First Travel And Tours (M) Sdn. Bhd.	Malaysia	Travel & tours agency	70%	70%	–	–
Greagawarni Sdn. Bhd.	Malaysia	Project contractor	100%	100%	–	–
Ikhlis Perdana Sdn. Bhd.	Malaysia	Investment holdings	90%	90%	–	–
Norasia Investments Ltd.	Hong Kong	Investment holdings	100%	100%	–	–
Nexus Vacation Club Sdn. Bhd. (formerly known as Pebblesoft (M) Sdn. Bhd.)	Malaysia	Dormant	100%	100%	–	–
Sunnyland Corporation Ltd.	Hong Kong	Dormant	100%	100%	–	–
Sunnyland Industries Ltd.	Hong Kong	Investment holdings	100%	100%	–	–
Held through Arosa Development Sdn. Bhd.						
Arosa Builders Sdn. Bhd.	Malaysia	Construction	–	–	100%	100%
Held through FACB Land Sdn. Bhd.						
Bukit Unggul Golf and Country Resort Sdn. Bhd.	Malaysia	Property development	–	–	100%	100%
Held through FACB Construction Sdn. Bhd.						
Astor Developments Ltd.****	Hong Kong	Dormant	–	–	100%	100%
Held through Norasia Investment Ltd.						
Scanply International Wood Products Ltd.	Hong Kong	Trading of wood products	–	–	100%	100%
Held through Sunnyland Industries Ltd.						
Sunnyland Industries & Investments (Yunfu) Ltd.	China	Property development & highway construction	–	–	100%	100%
Guangdong Province Yunfu City Yunliang Road Construction Co. Ltd.**	China	Construction and operation of highway	–	–	–	68%
Held through First Holdings Sdn. Bhd.						
Karambunai Resorts Sdn. Bhd.	Malaysia	Property development	–	–	100%	100%

Name of Company	Country of Incorporation	Principal Activities	Effective Equity Interest			
			Direct		Indirect	
			2001	2000	2001	2000
Held through Ikhlas Perdana Sdn. Bhd.						
Composites Technology Development Corporation Sdn. Bhd.	Malaysia	Property development	–	–	63%	63%
Held through Sunnyland Corporation Ltd.						
Sunnyland Development (Yunfu) Ltd.	China	Dormant	–	–	95%	95%
Sunnyland Industry Development (Yunfu) Ltd.	China	Dormant	–	–	95%	95%
Sunnyland City Re-Development (Yunfu) Ltd.	China	Dormant	–	–	95%	95%
Held through Bukit Unggul Golf And Country Resort Sdn. Bhd.						
Karambunai Two Golf & Country Club Sdn. Bhd.	Malaysia	Dormant	–	–	100%	100%
Bukit Unggul Country Club Berhad	Malaysia	Golf and country club operation and management	–	–	100%	100%
Held through Scanply International Wood Products Ltd.						
Scanply International Wood Products Ltd.	United Kingdom	Sales agent	–	–	90%	90%
Scanply International Wood Products (Deutschland) GmbH***	Germany	Sales agent	–	–	–	92%
Scanply International Wood Products (Singapore) Pte. Ltd.	Singapore	Trading of wood products	–	–	100%	100%
Scanply Wood Products (Malaysia) Sdn. Bhd.	Malaysia	Purchasing and sourcing of timber for sale to related companies	–	–	100%	100%
Scanply International Wood Products, Inc.*	United States of America	Trading of wood products	–	–	100%	–

Name of Company	Country of Incorporation	Principal Activities	Effective Equity Interest			
			Direct		Indirect	
			2001	2000	2001	2000
Held through Karambunai Resorts Sdn. Bhd.						
Dapan Holdings Sdn. Bhd.	Malaysia	Property development	–	–	100%	100%
Karambunai Golf Management Berhad	Malaysia	Management and operation of golf club	–	–	100%	100%
Nexus Bay Resort Karambunai Sdn. Bhd.	Malaysia	Dormant	–	–	100%	100%
Nexus Resort Karambunai Sdn. Bhd.	Malaysia	Resort hotel operation and management	–	–	100%	100%
Nexus Naga S.A.*	Panama	Dormant	–	–	100%	100%
Nexus Resorts and Hotels International Sdn. Bhd.	Malaysia	Dormant	–	–	100%	100%
Sahara Red Incorporated*	British Virgin Island	Investment holdings	–	–	100%	100%

c. The financial statements of the following subsidiaries are not audited by the Company's auditors:

Scanply International Wood Products Ltd. [Hong Kong]
Scanply International Wood Products Ltd. [United Kingdom]
Scanply International Wood Products (Deutschland) GmbH
Scanply International Wood Products (Singapore) Pte. Ltd.
Scanply Internatinal Wood Products, Inc. (United States of America)
Norasia Investments Ltd.
Sunnyland Industries & Investments (Yunfu) Ltd.
Sunnyland Industries Ltd.
Sunnyland Corporation Ltd.
Guangdong Yunfu Province City Yunliang Road Construction Co. Ltd.
Nexus Naga S.A.
Sahara Red Incorporated
Sunnyland Development (Yunfu) Ltd.
Sunnyland Industry Development (Yunfu) Ltd.
Sunnyland City Re-Development (Yunfu) Ltd.
Astor Developments Ltd.

* Subsidiaries included in the consolidated financial statements based on unaudited management financial statements.

** Subsidiary disposed off during the year.

*** Subsidiary written off during the year pursuant to a notice of deregistration of company issued by the District Court Usingen in Germany on 25th January, 2000.

**** Subsidiary deregistered after financial year end in accordance with Section 291AA of the Companies Ordinance, Hong Kong.

5. interests in associated companies

In RM	Group		Company	
	2001	2000	2001	2000
Unquoted shares, at cost	3,500,467	3,500,467	2,175,406	2,175,406
Less: Transfer to other investments (note 6)	(1,200,000)	–	–	–
	2,300,467	3,500,467	2,175,406	2,175,406
Less: Provision for diminution in value	(1,276,405)	–	(1,276,405)	–
	1,024,062	3,500,467	899,001	2,175,406
Group's share of post acquisition profit/(losses)	1,131,136	(1,723,562)	–	–
	2,155,198	1,776,905	899,001	2,175,406
Represented By:				
Share of net assets of associated companies	1,962,334	1,584,041		
Goodwill on acquisition	192,864	192,864		
	2,155,198	1,776,905		

The associated companies, are as follows:

Name of Company	Country of Incorporation	Principal Activities	Effective Equity Interest			
			Direct 2001	Direct 2000	Indirect 2001	Indirect 2000
Held by the Company						
Beribu Ukiran Sdn. Bhd.	Malaysia	Property development	40%	40%	–	–
CTRM-FACB Consortium Sdn. Bhd.	Malaysia	Property development	40%	40%	–	–
DapanNet Sdn. Bhd.	Malaysia	Multi-media services	30%	30%	–	–
Facell Foam Sdn. Bhd.*	Malaysia	Developing, manufacturing, marketing and selling cross linked polyethylene foam	25%	25%	–	–
Held through FACBAerospace Sdn. Bhd.						
Excelnet Sdn. Bhd.**	Malaysia	Design house	–	–	15.50%	21.43%
Held through First Holdings Sdn. Bhd.						
Richpool Sdn. Bhd.	Malaysia	Investment holdings	–	–	25%	25%
Held through Karambunai Resorts Sdn. Bhd.						
Inovasi Galakan Sdn. Bhd.	Malaysia	Investment holdings	–	–	30%	30%
Held through Bukit Unggul Golf And Country Resort Sdn. Bhd.						
Cendera Pesona Sdn. Bhd.	Malaysia	Investment holdings	–	–	30%	30%

* The interest in Facell Foam Sdn. Bhd. has been disposed to HT Troplast AG after financial year end vide a Sale Share Agreement.

** During the year, the interest in Excelnet Sdn. Bhd. was diluted from 21.43% to 15.50% as FACBAerospace Sdn. Bhd. renounced its rights to subscribe for shares allotted by this associated company. As a result, Excelnet Sdn. Bhd. became other investments during the year.

6. other investments

In RM	Group		Company	
	2001	2000	2001	2000
At cost;				
Unquoted shares				
– In Malaysia	502,000	502,000	310,000	310,000
Add: Transfer from investment in associated companies (note 5)	1,200,000	–	–	–
– Outside Malaysia	–	583,082	–	583,082
Less: Provision for diminution in value	(1,199,999)	–	–	–
	502,001	1,085,082	310,000	893,082
Transferable contribution rights	140,000	140,000	–	–
	642,001	1,225,082	310,000	893,082

The transferable contribution rights is in respect of rights to membership of club which is registered in the name of third parties.

7. long term debtors

In RM	Group	
	2001	2000
Loan debtors	5,818	15,272
Amount owing by an associated company	2,830,000	16,980,000
	2,835,818	16,995,272

These balances are trade in nature, unsecured, interest free and are receivable in various instalments in accordance with the terms stipulated in the respective agreement.

8. capital work-in-progress

In RM	Group	
	2001	2000
At cost:		
Leasehold land		
At beginning of the year	203,395,212	161,424,073
Addition	73,616,400	48,983,220
Disposal	(20,835,000)	(7,012,081)
At end of the year	256,176,612	203,395,212
Leased land	99,728,246	99,728,246
	355,904,858	303,123,458
Development expenditure		
At beginning of the year	38,121,108	36,811,958
Additions	–	1,309,150
Written off	(9,079,753)	–
	29,041,355	38,121,108
At end of the year	384,946,213	341,244,566

This is in respect of cost of land and development expenditure incurred on the construction of real estate investment properties.

Leasehold land, leased land and development expenditure totalling RM318,790,389/- (2000: RM338,105,473/-) are pledged as securities for corporate bonds issued by the Company and banking facilities of the Group.

9. goodwill on consolidation

In RM	Group	
	2001	2000
Goodwill arising from acquisition of subsidiaries	27,830,995	27,830,995
Less: Accumulated amortisation	(14,022,341)	(6,502,151)
	13,808,654	21,328,844

10. land and development expenditure

In RM	Group	
	2001	2000
At cost:		
Leasehold land	84,392,790	87,345,281
Development expenditure	305,607,475	310,255,820
Total land and development expenditure	390,000,265	397,601,101
Add: Portion of profit attributable to development work performed to date	31,650,318	54,769,451
Less: Provision for foreseeable losses	(270,589)	(270,589)
Less: Progress billings	(68,946,565)	(95,779,572)
	352,433,429	356,320,391

Included in development expenditure is interest on borrowings incurred during the year of RM455,400/- (2000: RM9,492,800/).

The above land and development expenditure with carrying value of RM347,029,411/- (2000: RM302,252,710/-) are pledged as securities for corporate bonds issued by the Company and banking facilities of the Group.

11. amount due from/(to) customers for constructions contracts

In RM	Group	
	2001	2000
Contract cost	162,795,721	175,593,231
Add: Portion of profit attributable to contract work performed to date	340,170	381,882
	163,135,891	175,975,113
Less: Progress billings	(107,625,525)	(129,703,676)
	55,510,366	46,271,437
Represented By:		
Amount due from customers for construction contracts	56,831,641	48,256,534
Amount due to customers for construction contracts	(1,321,275)	(1,985,097)
	55,510,366	46,271,437

a. The contract costs incurred during the year include:

In RM	Group	
	2001	2000
Depreciation of fixed assets	778,464	659,762
Interest expense	7,714	32,435

b. The total retention sums included in the progress billings amounted to RM8,441,942/- (2000: RM6,387,681/).

12. stocks

In RM	Group	
	2001	2000
At cost:		
Completed development properties	846,129	845,919
Consumables	584,983	583,070
Finished goods	4,485,609	4,191,713
	5,916,721	5,620,702
Less: Provision for slow moving stocks	–	(165,876)
	5,916,721	5,454,826

13. trade debtors

In RM	Group		Company	
	2001	2000	2001	2000
Trade debtors	201,475,204	260,143,534	5,399,221	5,399,221
Less: Provision for doubtful debts	(3,539,536)	(3,903,739)	–	–
	197,935,668	256,239,795	5,399,221	5,399,221

14. other debtors, deposits and prepayments

In RM	Group		Company	
	2001	2000	2001	2000
Income tax recoverable	6,675,146	4,856,147	4,066,640	4,066,640
Sundry debtors	76,999,847	79,662,719	49,307,524	45,650,222
Deposits	17,135,999	19,547,997	435,015	435,015
Prepayments	3,464,460	2,122,354	1,919,677	416,168
	104,275,452	106,189,217	55,728,856	50,568,045
Less: Provision for doubtful debts	(1,799,362)	(2,009,656)	(407,756)	(407,756)
	102,476,090	104,179,561	55,321,100	50,160,289

15. amount owing by/(to) subsidiaries

In RM	Company	
	2001	2000
Amount owing by subsidiaries:		
Trade	–	–
Non-trade	1,031,161,137	1,036,608,525
	1,031,161,137	1,036,608,525
Amount owing to subsidiaries:		
Non-trade	26,367,515	32,001,826

The above balances are unsecured, interest free and have no fixed term of repayment except for balances totalling RM138,000,000/- (2000: RM138,000,000/-) owing by certain subsidiaries to the Company which bear interest at the rate of 5.5% (2000: 5.5%) per annum.

16. amount owing by/(to) associated companies

In RM	Group		Company	
	2001	2000	2001	2000
Amount owing by associated companies:				
Trade	26,898,541	21,545,424	–	–
Non-trade	24,970,142	5,978,009	15,510,223	5,668,489
	51,868,683	27,523,433	15,510,223	5,668,489
Amount owing to associated company:				
Non-trade	(4,081)	(67,036)	(4,081)	(67,036)

The above balances are unsecured, interest free and have no fixed term of repayment except for RM9,150,400/- (2000: RM6,902,000/-) and RM9,150,400/- (2000: Nil) owing by an associated company to the Group and to the Company respectively which are subject to interest at the rate of 9.5% (2000: 9.5%) per annum.

17. cash on deposits with licensed banks

Cash on deposits with licensed banks totalling RM1,463,641/- (2000: RM1,495,726/-) are pledged as securities for banking facilities of the Group.

18. other creditors and accruals

In RM	Group		Company	
	2001	2000	2001	2000
Other creditors	94,088,167	98,730,196	11,829,319	10,459,287
Accruals	92,303,961	62,630,470	60,918,766	39,149,934
	186,392,128	161,360,666	72,748,085	49,609,221

19. amount owing to a director

This balance is non-trade in nature, unsecured, interest free and has no fixed term of repayment.

20. hire purchase and lease creditors

In RM	Group		Company	
	2001	2000	2001	2000
Hire purchase creditors	4,766,937	6,235,702	350,812	437,284
Interest in suspense	(747,179)	(1,063,264)	(84,237)	(105,947)
	4,019,758	5,172,438	266,575	331,337
Payable within 1 year	(1,573,220)	(2,181,073)	(104,229)	(128,005)
Payable after 1 year but not later than 5 years	2,446,538	2,991,365	162,346	203,332
Lease creditors	197,956	307,346	–	–
Interest in suspense	(27,781)	(32,114)	–	–
	170,175	275,232	–	–
Payable within 1 year	(85,204)	(232,117)	–	–
Payable after 1 year but not later than 5 years	84,971	43,115	–	–
Total principal sum payable				
– within 1 year	1,658,424	2,413,190	104,229	128,005
– after 1 year but not later than 5 years	2,531,509	3,034,480	162,346	203,332
	4,189,933	5,447,670	266,575	331,337

21. bank borrowings

In RM	Group		Company	
	2001	2000	2001	2000
SECURED				
Term loans, repayable				
within twelve months (note 25)	47,471,538	37,533,693	–	–
Bank overdrafts	23,174,797	10,526,378	–	–
Bridging loan	4,500,000	–	4,500,000	–
Revolving credits	37,000,000	37,000,000	37,000,000	37,000,000
	112,146,335	85,060,071	41,500,000	37,000,000
UNSECURED				
Bank overdrafts	309,074	1,986,433	–	–
	112,455,409	87,046,504	41,500,000	37,000,000

The secured bank overdrafts bear interest at rates ranging from 9.70% to 17.20% (2000: 8.55% to 11.50%) per annum and are secured as follows:

- a. fixed charges on properties of the subsidiaries;
- b. second debenture comprising fixed and floating charges on all assets of certain subsidiaries;
- c. pledge of import letter of credit documents and related inventories;
- d. pledge of trade receivables from export sales;
- e. assignment of export credit insurance policies;
- f. right of offset over positive balances;
- g. pledge of cash on deposit;
- h. corporate guarantee of the Company and of a subsidiary; and
- i. personal guarantee by a Director of the Company.

The secured revolving credit facilities bear interest at rates ranging from 6.50% to 10.80% (2000: 5.95% to 11.50%) per annum and are secured as follows:

- a. fixed charge over a subsidiary's leasehold land; and
- b. fixed charge over the Company's leasehold land.

The secured bridging loan bear interest at 6.50% (2000: Nil) per annum and are secured by a fixed charge over a subsidiary's leasehold land.

The unsecured bank overdrafts bear interest at rates ranging from 9.14% to 9.40% (2000: 8.80% to 10.15%) per annum and are supported by a corporate guarantee of the Company.

22. share capital

In RM	Group/Company	
	2001	2000
Ordinary shares of RM0.50 each		
Authorised:		
At beginning of the year	1,000,000,000	1,000,000,000
Created during the year	1,000,000,000	–
At end of the year	2,000,000,000	1,000,000,000
Issued and fully paid:		
At beginning of the year	505,738,920	494,222,420
Issued during the year	1,776,000	11,516,500
At end of the year	507,514,920	505,738,920

- a. The shares issued during the year rank pari passu in all respect with the existing shares and were solely due to the exercise of options under the employees' share option scheme of the Group ("ESOS") at the following exercise price:

Issue Price	Number of Shares	
	2001	2000
1.10	250,000	2,870,000
0.50	3,289,000	19,348,000
0.61	13,000	815,000
	3,552,000	23,033,000

- b. As at year end, the outstanding options to take up the unissued share capital of the Company pursuant to the ESOS are as follows:

Issue Price	Number of Ordinary Shares of RM0.50 Each	
	2001	2000
1.10	8,227,000	10,949,000
0.50	8,627,000	15,540,000
0.61	497,000	710,000
	17,351,000	27,199,000

- c. As at year end, the number of unexercised warrants 1997/2007 of the Company was 98,844,384. The exercise price of these warrants is at RM1.21 per new ordinary share of the Company.

23. reserves

In RM	Group		Company	
	2001	2000	2001	2000
DISTRIBUTABLE				
Retained profits/ (Accumulated losses)	36,264,270	56,729,904	(38,049,760)	(467,104)
NON-DISTRIBUTABLE				
Share premium	244,158,680	244,007,250	244,158,680	244,007,250
Reserve on consolidation	47,425,214	54,163,803	–	–
Foreign exchange translation reserve	1,022,620	5,601,306	–	–
	292,606,514	303,772,359	244,158,680	244,007,250
	328,870,784	360,502,263	206,108,920	243,540,146
Retained Profits/(Accumulated Losses) Are Represented By:				
The Company	(38,049,760)	(467,104)		
Subsidiary companies	73,182,894	58,920,570		
Associated companies	1,131,136	(1,723,562)		
	36,264,270	56,729,904		

24. redeemable bonds - secured

This represents RM300,000,000/- nominal value of 5-year 5.5% redeemable secured bonds 1997/2002 ("Bonds") issued under a Trust Deed dated 2nd June, 1997 together with 98,844,384 detachable warrants 1997/2002.

The securities for the Bonds are as follows:

- a first legal charge on land and buildings of two subsidiaries with a security coverage of at least 1.8 times of the nominal value of the outstanding Bonds; and
- debentures comprising fixed and floating charges on assets of the Company and of four subsidiaries to the extent of RM300 million.

The Bonds are required to be redeemed by the Company at its nominal amount together with interest accrued on the day preceding the fifth anniversary of the date of issuance of the Bonds.

25. term loans - secured

In RM	Group	
	2001	2000
Term Loan I		
8.23% to 8.71% (2000 : 10.30% to 11.15%) term loan repayable in 28 quarterly instalments commencing on the 39th months from the date of first drawdown	132,695,789	132,739,578
Term Loan II		
10.68% to 15.03% (2000 : 6.94% to 10.24%) term loan repayable in 6 half yearly instalments commencing in September, 1996	37,471,538	37,533,693
	170,167,327	170,273,271
Repayment due within twelve months (note 21)	(47,471,538)	(37,533,693)
Repayment due after twelve months	122,695,789	132,739,578

The term loans are secured as follows:

- a. fixed charges on certain development properties of the Group;
- b. debenture comprising fixed and floating charges over all present and future assets of certain subsidiaries;
- c. assignment of rights, title and interest in the net revenue, Guangdong Province Yunfu City Yunliang Road Construction Co. Ltd.;
- d. assignment of rights, title and interest in bank account opened for the toll operation of Guangdong Province Yunfu City Yunliang Road Construction Co. Ltd.;
- e. deed of mortgage on the Company's entire investment in the shares of a subsidiary;
- f. corporate guarantee of the Company and of a subsidiary; and
- g. personal guarantee by a Director of the Company.

26. deferred taxation

In RM	Group	
	2001	2000
At beginning of the year	31,619,960	35,548,717
Transferred to income statement (note 31)	(35,684)	(3,927,310)
Translation difference	(2,411)	(1,447)
At end of the year	31,581,865	31,619,960

This is in respect of estimated tax liabilities arising from timing differences as follows:

In RM	Group	
	2001	2000
Capital allowances claimed on fixed assets in excess of their depreciation charge	172,307	224,902
Repayment of lease rentals for finance lease assets in excess of their depreciation charge	14,500	–
Excess of Carrying value of development properties which are stated at the Group's cost at the time of acquisition of subsidiary over the original cost incurred by the subsidiary on these properties	31,395,058	31,395,058
	31,581,865	31,619,960

The estimated deferred tax liabilities/(benefits) arising from timing differences not provided in the financial statements are as follows:

In RM	Group		Company	
	2001	2000	2001	2000
Capital allowances claimed on fixed assets in excess of their depreciation charge	326,000	333,000	232,000	251,000
Repayment of lease rentals for finance lease assets in excess of their depreciation charge	3,400	97,000	–	–
Unrelieved tax losses	(14,690,000)	(13,372,000)	(3,625,000)	(3,625,000)
Unabsorbed capital allowances	(3,366,000)	(3,111,000)	(547,000)	(547,000)
Others	834,100	–	–	–
	(16,892,500)	(16,053,000)	(3,940,000)	(3,921,000)

The estimated unrelieved tax losses and unabsorbed capital allowances are subject to agreement by the Inland Revenue Board and are not available for set-off within the Group.

27. long term creditors

This balance is in respect of lease premium on a subsidiary's leased land which is payable after one year less advances to the lease creditors involved.

28. revenue

In RM	Group		Company	
	2001	2000	2001	2000
Revenue comprises the following:				
Construction contract revenue	53,389,313	74,130,410	–	–
Revenue from completed and uncompleted development properties sold	85,102,019	126,395,806	–	–
Sales of goods and services	56,872,569	53,239,270	–	–
Hotel and golfing revenue	32,470,189	22,086,760	–	–
Toll revenue	5,285,311	7,120,434	–	–
Dividend receivable	–	16,820	–	19,906,820
Rental and interest revenue	2,194,781	2,047,234	1,249,060	1,300,652
	235,314,182	285,036,734	1,249,060	21,207,472

29. cost of sales

In RM	Group	
	2001	2000
Cost of sales comprise the following:		
Attributable cost of construction contracts	55,581,847	74,301,706
Cost of sales and services	70,035,811	65,524,719
Cost attributable to completed and uncompleted development properties sold	29,881,005	45,240,250
	155,498,663	185,066,675

30. profits/(loss) before taxation

a. Profit/(Loss) before taxation is arrived at after charging/(crediting):

In RM	Group		Company	
	2001	2000	2001	2000
Amortisation of leasehold land	178,781	178,781	53,455	53,455
Amortisation of goodwill on consolidation	7,520,190	1,526,592	–	–
Auditors' remuneration				
– current year	284,734	325,272	25,000	25,000
– overprovision in prior year	(3,686)	(132,328)	–	–
Bad debts written off	128,226	19,840	8,304	–
Capital work-in-progress written off	9,079,753	–	–	–
Depreciation of fixed assets	7,516,287	10,508,502	772,611	996,401
Directors' remuneration				
– other emoluments	–	–	–	–
– directors of the Company	396,000	377,575	396,000	377,575
– directors of the subsidiaries	914,223	1,664,935	–	–
Fixed assets written off	26,317	150,912	–	–
Interest expense				
– bank overdraft	1,444,320	473,695	–	–
– bonds	16,044,600	12,733,904	16,500,000	16,500,000
– hire purchase	505,974	697,738	22,609	76,773
– term loans	21,156,885	3,677,413	4,308,452	3,677,413
– others	948,058	7,073,313	35,891	9,840
Lease charges	11,159	41,369	–	–
Loss on deregistration of a subsidiary	63,664	–	–	–
Loss on disposal of a subsidiary	12,072,488	–	–	–
Loss on disposal of other investments	43,028	339,246	43,028	339,246
Provision for diminution in value of investments	2,476,404	–	19,254,023	–
Provision for doubtful debts	988,910	2,376,448	–	–
Provision for slow moving stocks	–	82,938	–	–
Realised loss on foreign exchange	69,792	665,553	–	–
Realised loss on translation reserve	7,162,254	–	–	–
Rental of equipment	178,275	410,181	–	–
Rental of motor vehicles	5,580	10,929	–	–
Rental of premises	1,112,362	1,398,009	243,970	240,290
Sundry deposit written off	–	11,535	–	–
Unrealised (gain)/loss on foreign exchange	(2,979,056)	416,138	–	–
Amortisation of reserves on consolidation	(6,738,589)	(6,738,589)	–	–
Dividend received				
– Malaysia	(1,480,000)	(1,720,000)	–	(19,890,000)
– Foreign	–	(16,820)	–	(16,820)
Equipment rental revenue	(705,636)	(597,380)	–	–
Loss/(Gain) on disposal of fixed assets	3,017,172	198,433	–	(81,334)
Gain on deemed disposal of associated company	(3,438,391)	–	–	–
Interest revenue	(32,638)	(114,541)	(7,590,000)	(7,590,000)
Overprovision of depreciation in prior year	(3,092,398)	–	–	–
Premises rental revenue	(32,256)	(89,657)	–	–
Provision for doubtful debts no longer required	–	(180,040)	–	(94,268)
Provision for foreseeable losses no longer required	–	(69,625)	–	–

b. Employees Information

In RM	Group		Company	
	2001	2000	2001	2000
Staff costs	25,515,137	23,223,090	1,532,364	1,719,660

The number of employees including full-time Directors of the Group and of the Company as at financial year end were 991 (2000: 932) and 55 (2000 : 50) respectively.

31. taxation

In RM	Group		Company	
	2001	2000	2001	2000
Taxation for the year	20,175,957	32,671,123	350,000	6,139,900
Share of tax in associated companies	–	75,600	–	–
Transferred from deferred taxation (note 26)	(35,684)	(3,927,310)	–	–
	20,140,273	28,819,413	350,000	6,139,900
Overprovision of taxation in prior years	(116,420)	(1,148,424)	–	–
	20,023,853	27,670,989	350,000	6,139,900

The effective rate of taxation applicable to the profits of the Group is higher than the statutory rate of taxation mainly due to certain expenses and attributable cost of development properties sold being disallowed for taxation purposes and that there were no group relief available for losses incurred by certain subsidiaries to be off set against the taxable profits of other subsidiaries.

The taxation of the Company for the year is in respect of tax on non-business income.

The Company has estimated tax credit of approximately RM30,627,182/- (2000 : RM24,170,431/-) under Section 108 of the Income Tax Act, 1967, to frank future payment of dividends of approximately RM78,755,611/- (2000 : RM62,152,537/-), without incurring additional tax liability, subject to agreement by the Inland Revenue Board.

The Group and the Company have the following estimated unrelieved tax losses and unabsorbed capital allowances available for set off against future taxable profits subject to agreement by the Inland Revenue Board:

In RM	Group		Company	
	2001	2000	2001	2000
Unrelieved tax losses	52,467,822	47,764,222	12,947,122	12,947,122
Unabsorbed capital allowances	12,025,872	11,111,472	1,953,596	1,953,596
	64,493,694	58,875,694	14,900,718	14,900,718

32. (loss)/earnings per share

Basic

The basic (loss)/earnings per share has been calculated based on the Group's (loss)/profit after taxation and minority interest of RM(20,465,634/-) (2000: RM8,307,441/-) and the weighted average number of ordinary shares in issue during the financial year of 1,014,031,437 (2000: 999,155,714) shares.

Diluted

The diluted (loss)/earnings per share is not presented in the financial statements as the effect of the assumed conversion of outstanding warrants and ESOS options during the financial year is anti-dilutive.

33. prior year adjustments

In RM	Group		Company	
	2001	2000	2001	2000
Reduction in sale consideration of land disposed in 1998 by a subsidiary	–	11,320,000	–	–
Less: Attributable taxation	–	(3,169,600)	–	–
	–	8,150,400	–	–
Adjustments arising from a change of accounting policy for treatment of expenditure carried forward:				
– Intangible assets written off due to a change of accounting policy [note 1(l)]	–	31,617,566	–	1,535,812
– Reversal of accumulated amortisation	–	813,313	–	789,466
Balance brought forward	–	2,685,165	–	394,683
Amortisation made in the year ended 31.3.00	–	(538,419)	–	–
Minority interest share of amortisation [note 1(l)]	–	2,960,059	–	1,184,149
	–	42,728,025	–	2,719,961

34. disposal and written off of subsidiaries

The subsidiaries namely Guangdong Province Yunfu City Yunliang Road Construction Co. Ltd. and Scanply International Wood Products (Deutschland) GmbH, have been disposed of and written off due to deregistration respectively during the year.

i. Effect On Consolidated Income Statements

The effect on the consolidated results of the Group for the current period to the respective date of disposal/written off and the comparative results of the same subsidiaries for the previous year were as follows:

In RM	2001	2000
Revenue	5,285,311	7,120,434
Cost of sales	(1,671,817)	(1,068,065)
Net income	3,613,494	6,052,369
Other operating revenue	41,351,757	65,568
Administrative costs	(2,139,418)	(155,400)
Other operating costs	(25,661,683)	(4,132,143)
(Included in the other operating costs are loss on disposal of a subsidiary of RM12,072,488/-, loss on deregistration of a subsidiary of RM63,664/- and realised loss on translation reserve of RM7,162,254/-)	(27,801,101)	(4,287,543)
Profit from operations	17,164,150	1,830,394
Finance costs	(1,093,789)	–
Profit before taxation	16,070,361	1,830,394
Taxation	–	(154)
Profit after taxation	16,070,361	1,830,240
Minority interest	(7,781,129)	(402,653)
Profit attributable to shareholders	8,289,232	1,427,587

ii. Effect On Consolidated Financial Position

The effect on the consolidated financial position of the Group as at the respective date of disposal/written off and the comparative financial position of the same subsidiaries as at the end of the previous year were as follows:

In RM	2001	2000
Fixed assets	98,411,532	95,678,192
Debtors	455,478	1,936,920
Stocks	54,982	5,565
Cash at bank and in hand	724,134	2,491,155
Creditors	(20,892,316)	(56,780,520)
Translation reserve	(3,781,179)	(10,950,972)
	74,972,631	32,380,340
Minority interest	(17,732,748)	(9,942,938)
Share of net assets disposed/written off	57,239,883	22,437,402
Loss on disposal/written off of subsidiaries	(12,136,152)	
Realised loss on translation reserve	(7,162,254)	
	37,941,477	
Less: Cash at bank and in hand of the subsidiary disposed	(724,134)	
Proceed from disposal of the subsidiary, net of cash disposed	37,217,343	

35. acquisition of subsidiary

On 20th January, 2001, the Company through its wholly owned subsidiary, Scanply International Wood Products Ltd., acquired 1 share of USD1/- representing 100% equity interest in Scanply International Wood Products Inc., a company incorporated in United States of America, for a purchase consideration equivalent to RM3.80.

i. Effect On Consolidated Income Statements

The effect on the consolidated results of the Group for the current period from the date of acquisition was as follows:

In RM	2001	2000
Revenue	1,757,511	–
Cost of sales	(1,498,301)	–
Net income	259,210	–
Distribution costs	(170,393)	–
Administrative costs	(948,023)	–
Other operating costs	(30,893)	–
	(1,149,309)	–
Loss from operations	(890,099)	–
Finance costs	(61,785)	–
Loss before taxation	(951,884)	–

ii. Effect On Consolidated Financial Position

The effect on the consolidated financial position of the Group for the current period from the date of acquisition was as follows:

In RM	2001	2000
Fixed assets	870,552	–
Stocks	1,074,564	–
Debtors	1,261,216	–
Cash and bank balances	207,871	–
Creditors	(472,655)	–
Inter-company balances	(2,845,570)	–
Bank borrowings	(1,047,073)	–
Translation reserve	(789)	–
	(951,884)	–

36. purchase of fixed assets

During the year, the Group and the Company acquired fixed assets with aggregate cost of RM4,181,258 (2000: RM8,083,583/) and RM36,269/– (2000: RM71,409/–) respectively which are satisfied by the following:

In RM	Group		Company	
	2001	2000	2001	2000
Hire purchase financing	145,872	289,316	–	–
Finance lease	20,001	–	–	–
Cash payments	4,015,385	7,794,267	36,269	71,409
	4,181,258	8,083,583	36,269	71,409

37. cash and cash equivalents

Cash and cash equivalents comprise the following balance sheet amounts:

In RM	Group		Company	
	2001	2000	2001	2000
Cash held under housing development accounts	54,021	19,451	–	–
Cash and bank balances	33,178,975	6,660,218	52,792	901,246
	33,232,996	6,679,669	52,792	901,246
Cash on deposits with licensed banks	1,595,034	1,873,017	–	–
Bank overdrafts	(23,483,871)	(12,512,811)	–	–
	11,344,159	(3,960,125)	52,792	901,246

Cash and cash equivalents of the Group which are not freely available for the Group's use are as follows:

- cash held under housing development accounts maintained pursuant to the requirements of the Housing Developers (Housing Development Account) Regulations, 1991;
- fixed deposits amounting to RM1,463,641/– (2000: RM1,495,726/–) pledged for bank guarantee facilities granted to certain subsidiaries. These deposits can only be utilised to repay the said facilities; and
- cash at bank amounting to RM26,770,100/– (2000: Nil) belonging to a subsidiary in the Peoples' Republic of China is assigned to a bank for repayment of Term Loan II as disclosed in note 25.

38. significant related parties transactions

a. The significant transactions with related subsidiaries are as follows:

In RM	Company	
	2001	2000
Gross dividend revenue	–	(19,890,000)
Interest revenue	(7,590,000)	(7,590,000)
Travelling expenses	–	395,769

b. The significant transactions with associated companies are as follows:

In RM	Group		Company	
	2001	2000	2001	2000
Interest revenue	–	(745,960)	–	–
Reduction in sale consideration of land previously disposed	–	11,320,000	–	–
Rental revenue	(840,000)	(840,000)	(840,000)	(840,000)

c. The significant transactions with companies in which certain Directors and persons connected to the Directors have substantial financial interest are as follows:

In RM	Group	
	2001	2000
Contract revenue received/receivable from the following companies in which a Director of the Company, Tan Sri Dr. Chen Lip Keong, has substantial interest:		
– Majurama Developments Sdn. Bhd.	(450,896)	(2,760,641)
– Punca Rahmat Sdn. Bhd.	(320,730)	(3,687,643)
Equipment rental revenue received/receivable from Ariston Sdn. Bhd., a company in which the Directors of the Company, Tan Sri Dr. Chen Lip Keong and Puan Sri Lee Chou Sarn, have substantial interest and are also the Directors of that company	(501,921)	(562,687)
Office rental payable to First Allied Holdings Sdn. Bhd., a company in which a Director of the Company, Tan Sri Dr. Chen Lip Keong, has substantial interest	36,000	192,000
Sales of furnitures to Teak & Mahagony, a company incorporated in Singapore in which Mr. Kristian Vilain Jensen, a Director of a subsidiary has interest	(428,241)	(1,223,061)
Office rental revenue received/receivable from Petaling Tin Berhad, a public listed company in which a Director of the Company, Tan Sri Dr. Chen Lip Keong is also a Director of that company	(261,360)	(65,340)

The Directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms mutually agreed upon between the parties involved.

39. tax exempt income account

The Company has undistributed tax exempt income of RM1,427,000/- (2000: RM1,427,000/-), available for distribution by way of tax exempt dividend subject to agreement by the Inland Revenue Board.

40. significant events

- a. Pursuant to a Notice of Deregistration of Company issued by the District Court Usingen in Germany on 25th January, 2000, the entire investment in Scanply International Wood Products (Deutschland) GmbH has been written off during the financial year.
- b. On 10th May, 2000, Dapan Holdings Sdn. Bhd., a wholly owned subsidiary of the Company, entered into a Supplemental Agreement to reduce the sale consideration of a portion of land measuring approximately 127.64 acres held under CL 015414972, District of Kota Kinabalu, Sabah ("Subject Property") previously disposed by Dapan Holdings Sdn. Bhd. to Beribu Ukiran Sdn. Bhd., an associated company of the Company, pursuant to an earlier Sale and Purchase Agreement dated 31st March, 1997. The reduction in sale consideration from RM56,600,000/- to RM45,280,000/- stems from a discussion with the Securities Commission and a review of the Bukit Sierra project which will be developed on the Subject Property. The effect on reduction in sale consideration of RM11,320,000/- had been accounted for as a Prior Year Adjustment in the financial statements for the year ended 31st March, 2000.
- c. On 28th September, 2000, the shareholders of the Company at an Extraordinary General Meeting, approved the following:
 - i. proposed issue of RM420,000,000/- nominal value 4-year zero coupon redeemable secured bonds 2001/2005 to a primary subscriber at an issue price of approximately 67% of the nominal value of bonds 2001/2005;
 - ii. proposed renounceable rights issue of up to 886,270,535 new ordinary shares of RM0.50 each in the Company ("Rights Shares") together with up to 886,270,535 warrants 2001/2006 ("Rights Warrants") at an issue price of RM0.50 per share, payable in full upon acceptance, on the basis of 3 Rights Shares plus 3 Rights Warrants for every 4 existing ordinary shares held in the Company on a date to be determined and announced later ("Proposed Rights Issue To Shareholders");
 - iii. proposed bonus issue of up to 295,423,512 new ordinary shares of RM0.50 each in the Company credited as fully paid-up, on the basis of 1 bonus share for every 3 Rights Shares subscribed under the Proposed Rights Issue to Shareholders;
 - iv. proposed issue of warrants 2001/2006 ("Swap Warrants") in the Company for a cash consideration of 1 sen per Swap Warrant, payable in full upon acceptance, plus the surrender and cancellation of 1 existing warrant 1997/2007 held for every 1 Swap Warrant on a date or over a period to be determined and announced later; and
 - v. proposed increase in the authorised share capital of the Company from RM1,000,000,000/- comprising 2,000,000,000 ordinary shares of RM0.50 each to RM2,000,000,000/- comprising 4,000,000,000 ordinary shares of RM0.50 each.

The above proposals ("Proposals") have been approved by the Securities Commission on 17th July, 2000. Save and except for items c(i) and (v), the above Proposals are currently pending completion. On 17th July, 2001, the Securities Commission granted the Company a further extension of time until 17th January, 2002 to fully complete the Proposals.

- d. On 15th December, 2000, a wholly owned subsidiary, Sunnyland Industries Limited, entered into a Sale and Purchase Agreement with Guangdong Province Highway Management Bureau and Yunfu City Highway Bureau to dispose of its 68% equity interest in Guangdong Province Yunfu City Yunliang Road Construction Company Limited together with the rights over a land for a total cash consideration equivalent to RM43,457,270/- (based on RMB94,884,870/- converted at an exchange rate of RMB1: RM0.458).
- e. On 20th January, 2001, the Company through its wholly owned subsidiary, Scanply International Wood Products Ltd., acquired 1 share of USD1/- representing 100% equity interest in Scanply International Wood Products Inc., a company incorporated in United States of America, for a purchase consideration equivalent to RM3.80 (based on USD1/- converted at an exchange rate of USD1 : RM3.80).

41. subsequent events

- a. On 12th April, 2001, the Company issued RM420 million nominal value 4-year zero coupon redeemable secured bonds 2001/2005. The bonds 2001/2005 were issued for the purchase and cancellation of RM250 million nominal value of the existing RM300 million nominal value 5-year 5.5% redeemable secured bonds 1997/2002.
- b. On 12th April, 2001, Astor Developments Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong, was deregistered from the Registrar of Companies in accordance with Section 291AA of the Companies Ordinance, Hong Kong.
- c. On 17th May, 2001, the shareholders at an Extraordinary General Meeting, approved the waiver for Tan Sri Dr. Chen Lip Keong and parties identified as deemed acting in concert with him, namely Puan Sri Lee Chou Sarn and Lipkland Holdings Sdn. Bhd., individually and/or collectively as a group, from the obligation to extend a mandatory offer for the remaining ordinary shares in the Company not already owned by them, pursuant to the proposed additional undertaking in relation to the Proposals.
- d. On 23rd May, 2001, the Company entered into a reconstruction agreement with Sri Hartamas Berhad ("SHB"), through its Special Administrators, to inject the following 2 business undertakings of the Group into a proposed subsidiary for an indicative aggregate consideration of RM660,000,000/- to be satisfied by issuance of 660,000,000 new ordinary shares of RM1/- in the said subsidiary and thereafter to transfer the listing status of SHB to that subsidiary:
 - i. The business undertaking of a hotel known as Nexus Resort Karambunai, presently owned by Karambunai Resorts Sdn. Bhd. and operated by Nexus Resort Karambunai Sdn. Bhd..
 - ii. The business undertaking of developing the unsold gross land measuring approximately 915 acres within a mixed township project known as "Bukit Unggul Eco-Media City" or "Bukit Unggul Tele Suburb" presently owned and developed by Bukit Unggul Golf and Country Resort Sdn. Bhd..
- e. On 2nd July, 2001, the Company disposed of its entire investment in an associated company comprising 1,250,000 ordinary shares of RM1/- each in the capital of Facell Foam Sdn. Bhd. ("FFSB"), for a cash consideration of RM1/- and on condition that FFSB shall settle a portion of the advances owing to the Company amounting to RM2,976,344/-.
- f. On 20th July, 2001, the Company subscribed for the entire issued and paid-up share capital of a newly incorporated subsidiary, namely Bukit Unggul Tele-Suburb Sdn. Bhd., comprising 2 ordinary shares of RM1/- each for a cash consideration of RM2/-.

42. segment information – group

In RM	Revenue	Profit/ (Loss) Before Taxation	Total Assets Employed
a. Major segment by activity			
For year ended 31.3.01			
Property development			
– Leisure and tourism	83,544,699	36,056,422	1,492,041,634
– Others	68,685,700	(8,104,061)	182,631,708
Leisure and tourism	47,251,139	(5,174,597)	46,187,762
Manufacturing and trading	42,895,618	1,932,571	27,957,352
Information technology	424,174	2,913,020	99,161
Infrastructure	5,285,311	35,368,767	–
Management services, venture capital and investment holdings	2,194,782	(55,878,014)	107,595,008
	250,281,423	7,114,108	1,856,512,625
Less: Group's share of associated companies			
Property development			
– Others	(14,543,067)		
Information technology	(424,174)		
	(14,967,241)		
	235,314,182		
For year ended 31.3.00			
Property development			
– Leisure and tourism	125,648,800	70,147,424	1,420,079,898
– Others	74,933,603	(2,793,822)	157,988,188
Leisure and tourism	32,616,901	(13,653,626)	62,375,002
Manufacturing and trading	45,564,856	(287,772)	28,374,084
Information technology	9,662,293	1,473,364	111,995
Infrastructure	7,164,246	1,864,520	102,447,342
Management services, venture capital and investment holdings	2,064,054	(20,501,613)	106,242,908
	297,654,753	36,248,475	1,877,619,417
Less: Group's share of associated companies			
Manufacturing and trading	(2,955,726)		
Information technology	(9,662,293)		
	(12,618,019)		
	285,036,734		

In RM	Revenue	Profit/ (Loss) Before Taxation	Total Assets Employed
b. Major segment by geographical location			
For year ended 31.3.01			
Malaysia	202,100,493	(26,054,709)	1,789,433,749
Hong Kong	30,575,817	4,562,188	21,789,078
Singapore	10,053,488	(1,157,325)	2,622,412
China	5,285,311	30,199,879	38,750,456
United Kingdom	508,803	(70,544)	502,190
United States of America	1,757,511	(951,885)	3,414,200
Germany	–	–	–
British Virgin Island	–	586,504	540
	<u>250,281,423</u>	<u>7,114,108</u>	<u>1,856,512,625</u>
Less: Group's share of associated companies Malaysia	<u>(14,967,241)</u>		
	<u>235,314,182</u>		
For year ended 31.3.00			
Malaysia	248,562,963	39,712,388	1,723,462,308
Hong Kong	30,952,590	(3,511,584)	24,553,096
Singapore	10,974,954	(188,275)	3,898,909
China	7,164,246	266,596	125,395,089
United Kingdom	–	3,405	227,196
United States of America	–	–	–
Germany	–	(34,055)	82,819
British Virgin Island	–	–	–
	<u>297,654,753</u>	<u>36,248,475</u>	<u>1,877,619,417</u>
Less: Group's share of associated companies Malaysia	<u>(12,618,019)</u>		
	<u>285,036,734</u>		

43. contingent liabilities – unsecured

In RM	Company	
	2001	2000
Corporate guarantee given by the Company to financial institutions and third parties for banking and credit facilities of the subsidiaries	220,410,000	219,225,000

44. denominations

The currencies quoted in the financial statements and the symbols used to denote them are:

RM	–	Ringgit Malaysia
HKD	–	Hong Kong Dollar
RMB	–	China Renminbi
USD	–	United States Dollar
DEM	–	Deutsche Mark

45. material litigation against the group and the company

A minority shareholder of a subsidiary, First Travel and Tours (M) Sdn. Bhd. (“FTT”), has presented a legal petition against FTT, the Company and a Director of the Company (“Respondents”) to wind-up FTT pursuant to Section 181 of the Companies Act, 1965, on allegation that the affairs of FTT were being conducted in a manner oppressive to him and in disregard of his interest as shareholder. The Respondents have applied to strike out the petition and the matter has been fixed for mention on 19th October, 2001.

No provision has been made for possible losses arising from the above legal proceedings as the legal proceedings are still pending and the Directors are of the opinion that the matter will be amicably settled.

46. comparative figures

The comparative figures stated are in respect of the year ended 31st March, 2000.

The presentation of the financial statements for the current financial year has been made in accordance with the requirements of Malaysian Accounting Standards Board (MASB).

The following comparative figures in the balance sheet of the Company have been restated to reflect the prior year adjustments stated in note 33 to the financial statements.

In RM	Group		Company	
	As restated	As previously reported	As restated	As previously reported
Balance Sheet				
Retained profits/ (Accumulated losses)				
as at 31st March 2000	56,729,904	87,809,051	(467,104)	1,068,708
Expenditure carried forward	–	27,966,399	–	1,535,812
Minority interest	11,380,753	11,919,172	–	–
Other creditors and accruals	161,360,666	157,709,499	–	–
Income statements				
Profit/(Loss) after taxation and				
minority interest as at 31st March, 2000	8,307,441	5,622,276	(2,538,139)	(2,932,822)

47. registered office and principal place of business

Level 19, Menara PanGlobal, No. 8, Lorong P.Ramlee, 50250 Kuala Lumpur.

group properties *as at 31 March 2001*

Location	Area (Hectares)	Description	Tenure	Year of Expiry	Age of Building	Net Book Value RM'000
CL. 045091174 Mukim Menggatal Kota Kinabalu Sabah	224.57	Resort Development	Leasehold: 999 years	2897	–	833,817
CL. 045091174 Mukim Menggatal Kota Kinabalu Sabah	364.21	Resort Development	Leasehold: 99 years	2093	–	134,584
Lots P.T. 2180 2181 & 2182 Mukim of Dengkil District of Sepang Selangor	529.74	Resort Development	Leasehold: 99 years	2087	–	333,521
H.S. (D) 38228 Lot P.T. 6 Mukim Ampang District of Ulu langat Selangor	2.99	Mixed Development	Leasehold: 99 years	2078	–	15,536
Mukim Durian Tunggal District of Alor Gajah Melaka	33.18	Industrial Development	Leasehold: 99 Years	–	–	13,460
Country Lease No. 015414972 Mile 13 Tuaran Road District of Kota Kinabalu Sabah	116.14	Mixed Development	Leasehold: 999 years	2905	–	11,211
Lot No.4, Section 36 Town of Petaling Jaya Selangor	0.82	Four storey office/ showroom building and annexed factory	Leasehold: 99 years	2060	6 years	5,681
P.T. 34569 Mukim of Petaling District of Petaling Selangor	0.37	Commercial	Leasehold: 99 years	2095	–	2,385
H.S. (M) 808 813 & 814 Lots P.T. 6032 6037 & 6038 Mukim Batu Berendam Melaka	2.76	Mixed Development	Leasehold: 99 years	2095	–	2,860
H.S. (D) 32544 Lot P.T. 8781 Mukim of Petaling District of Petaling Selangor	4.10	Mixed Development	Leasehold: 99 years	2086	–	768

statement of shareholders as at 3 August 2001

Authorised Share Capital	:	RM2,000,000,000.00 divided into 4,000,000,000 ordinary shares of RM0.50 each
Issued & Fully Paid-Up	:	RM507,514,920.00 divided into 1,015,029,840 ordinary shares of RM0.50 each
Class of Shares	:	Ordinary Shares of RM0.50 each
Voting Rights	:	1 vote per share

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 – 999	1,370	1.568	452,299	0.045
1,000 – 10,000	74,054	84.760	276,130,310	27.204
10,001 – 100,000	11,512	13.176	296,146,449	29.176
100,001 and above	433	0.496	442,300,782	43.575
Total	87,369	100.000	1,015,029,840	100.000

Top Thirty Shareholders as at 3 August 2001

Name of Shareholders	No. of Shares	%
1. HSBC Nominees (Tempatan) Sdn Bhd <i>Qualifier Name: BCV for Tan Sri Dr Chen Lip Keong</i>	144,360,500	14.222
2. HSBC Nominees (Asing) Sdn Bhd <i>Qualifier Name: BCV for LKC Investment Ltd</i>	33,400,000	3.291
3. HSBC Nominees (Asing) Sdn Bhd <i>Qualifier Name: BCV for Golden Sky Financial Corporation</i>	32,952,000	3.246
4. Tan Sri Dr Chen Lip Keong	31,631,500	3.116
5. HDM Nominees (Tempatan) Sdn Bhd <i>Qualifier Name: Pledged Securities Account for Song Meng Kong</i>	25,917,000	2.553
6. SFB Nominees (Tempatan) Sdn Bhd <i>Qualifier Name: Pledged Securities Account for Lipkland Holdings Sdn Bhd</i>	19,000,000	1.872
7. HSBC Nominees (Asing) Sdn Bhd <i>Qualifier Name: BOB HK for Asian Emerging Countries Fund</i>	13,839,000	1.363
8. HDM Nominees (Asing) Sdn Bhd <i>Qualifier Name: GS Asian Countries Fund</i>	12,517,000	1.233
9. Lembaga Tabung Angkatan Tentera	5,000,000	0.493
10. The Central Depository (Pte) Limited	4,297,664	0.423
11. Chan Peng Leong	4,267,000	0.420
12. Aseam Malaysia Nominees Sdn Bhd	4,064,000	0.400
13. Permodalan Nasional Berhad	3,028,000	0.298
14. F.I.T. Nominees (Asing) Sdn Bhd <i>Qualifier Name: Platinum BRKG Co. Ltd. for Inderbethal Sing Thakral</i>	2,700,000	0.266
15. Cartaban Nominees (Asing) Sdn Bhd <i>Qualifier Name: SSBT Fund ZV6M for State Street Bank & Trust Funds for Employee Trusts</i>	2,690,137	0.265
16. HSBC Nominees (Asing) Sdn Bhd <i>Qualifier Name: CMB LDN for Ishares, Inc.</i>	2,354,000	0.232
17. Lee Kian Chan	2,171,800	0.214
18. Cartaban Nominees (Asing) Sdn Bhd <i>Qualifier Name: SSBT Fund ZV3M for IFC EMG Markets Fund - Malaysia</i>	2,107,900	0.208

Name of Shareholders		No. of Shares	%
19.	Mayban Securities Nominees (Asing) Sdn Bhd <i>Qualifier Name: OCBC Securities Pte Ltd for KMP Investments Pte Ltd</i>	2,012,000	0.198
20.	Citicorp Nominees (Asing) Sdn Bhd <i>Qualifier Name: TNTC for Government of Singapore Investment Corporation Pte Ltd</i>	1,439,000	0.142
21.	Citicorp Nominees (Asing) Sdn Bhd <i>Qualifier Name: CB LDN for RG Zelfselect Fund (ZS Maleisie)</i>	1,380,000	0.136
22.	HSBC Nominees (Asing) Sdn Bhd <i>Qualifier Name: CMB LDN for MSCI Equity Index Fund Malaysia (Barlays G Inv)</i>	1,358,000	0.134
23.	Malaysia Nominees (Asing) Sendirian Berhad <i>Qualifier Name: Oversea-Chinese Bank Nominees Pte Ltd for Rikhipal Singh Thakral</i>	1,300,000	0.128
24.	F.I.T. Nominees (Asing) Sdn Bhd <i>Qualifier Name: Platinum B'king Co. Ltd. for Rajinderpal Thakralbutra</i>	1,202,000	0.118
25.	Zubaidah binti Bunyamin	1,099,910	0.108
26.	Lipkland Holdings Sdn Bhd	1,000,000	0.099
27.	HLG Nominee (Asing) Sdn Bhd <i>Qualifier Name: Bank of China Nominees (Pte) Ltd for Sim Teow Gok</i>	979,000	0.097
28.	Azian binti Aiyub Ghazali	975,000	0.096
29.	RC Nominees (Asing) Sdn Bhd <i>Qualifier Name: DMG & Partners Securities Pte Ltd for The Kwang Hwa</i>	950,000	0.094
30.	UOBM Nominees (Asing) Sdn Bhd <i>Qualifier Name: DMG & Partners Securities Pte Ltd for Ngan Tang Joo</i>	885,000	0.087
Total		360,877,411	35.554

analysis of shareholdings as at 3 August 2001

Type of Shareholders	Bumiputra shareholding	%	Non-Bumiputra shareholding	%	Foreign shareholding	%
Individual:						
Bumiputra	27,404,540	2.700	–	–	–	–
Chinese	–	–	321,806,318	31.704	–	–
Indian	–	–	7,671,336	0.756	–	–
Others	–	–	1,478,994	0.146	13,383,245	1.319
Nominees Companies	153,001	0.015	285,247,387	28.102	335,783,559	33.081
Bank/Financial Institution	3,472,989	0.342	749,333	0.074	–	–
Company/Corporate Bodies	1,927,725	0.190	5,280,450	0.520	5,084,963	0.501
Government Agency	5,018,000	0.494	–	–	–	–
Other Companies	562,000	0.055	6,000	0.001	–	–
	38,538,255	3.796	622,239,818	61.303	354,251,767	34.901

Substantial Shareholdings

Register of Substantial Shareholders as at 3 August 2001

	Direct no. of ordinary shares held	%	Indirect no. of ordinary shares held	%
Lipkland Holdings Sdn Bhd	1,000,000	0.10	^{*a} 223,292,000	22.00
Tan Sri Dr Chen Lip Keong	^{*b} 300,000	0.03	^{*c} 224,292,000	22.10
Puan Sri Lee Chou Sarn	–	–	^{*c} 224,292,000	22.10

Notes:

^{*a} The beneficial interest in 223,292,000 ordinary shares of RM0.50 each are held through and/or by the following:

	No. of shares held
Tan Sri Dr Chen Lip Keong	31,631,500
HSBC Nominees (Tempatan) Sdn Bhd	139,260,500
HSBC Nominees (Asing) Sdn Bhd	33,400,000
SFB Nominees (Tempatan) Sdn Bhd	19,000,000
	223,292,000

^{*b} In addition to the 300,000 shares held, 31,631,500 shares are registered in the name of Tan Sri Dr Chen Lip Keong which are held in trust for Lipkland Holdings Sdn Bhd as set out in note ^{*a} above.

^{*c} Deemed interested through their shareholdings in Lipkland Holdings Sdn Bhd.

statement of warrant holders as at 3 August 2001

No. of Warrants as at 3 August 2001	:	98,844,384
Exercise Price	:	RM1.21
Exercise Period	:	27 June 1997 to 27 March 2007
Exercise Rights	:	Each warrant entitles the holder to subscribe for one (1) ordinary share of RM0.50 each in the Company at any time during the Exercise Period

Size of Holdings	No. of Warrant holders	%	No. of Warrants	%
1 – 999	983	21.117	318,569	0.322
1,000 – 10,000	3,581	76.928	6,374,043	6.449
10,001 – 100,000	84	1.805	1,899,040	1.921
100,001 and above	7	0.150	90,252,732	91.308
Total	4,655	100.000	98,844,384	100.000

Top Thirty Warrant holders as at 3 August 2001

Name of Warrant holders	No. of Warrants	%
1. Public Merchant Nominees (Tempatan) Sdn Bhd <i>Qualifier Name: Public Merchant Bank Berhad</i>	66,812,181	67.593
2. Lipkland Holdings Sdn Bhd	8,700,000	8.802
3. Tan Sri Dr Chen Lip Keong	6,100,000	6.171
4. HSBC Nominees (Asing) Sdn Bhd <i>Qualifier Name: BCV for Golden Sky Financial Corporation</i>	2,904,451	2.938
5. Chan Peng Leong	2,250,000	2.276
6. HDM Nominees (Tempatan) Sdn Bhd <i>Qualifier Name: Pledged Securities Account for Song Meng Kong</i>	2,194,100	2.220
7. HSBC Nominees (Asing) Sdn Bhd <i>Qualifier Name: BOB HK for Asian Emerging Countries Fund</i>	1,292,000	1.307
8. Straits Nominees (Asing) Sdn Bhd <i>Qualifier Name: GK GOH SPL for Lee Seng Set (8J/127850)</i>	98,000	0.099
9. The Central Depository (Pte) Limited	85,692	0.087
10. RC Nominees (Tempatan) Sdn Bhd <i>Qualifier Name: Long Tian Fong (SBB KKI)</i>	65,000	0.066
11. Soon Bee Hong	61,000	0.062
12. Ke-Zan Nominees (Asing) Sdn Bhd <i>Qualifier Name: Kim Seng Securities (Private) Limited for Toh Cheng Yan</i>	58,000	0.059
13. Kong Sin Ming	50,000	0.051
14. Mayban Securities Nominees (Asing) Sdn Bhd <i>Qualifier Name: OCBC Securities Pte Ltd for Kam Choe Beng</i>	42,000	0.043
15. JB Nominees (Asing) Sdn Bhd <i>Qualifier Name: Vickers Ballas & Company Pte Ltd for Goh Eng Choon</i>	40,000	0.041
16. HDM Nominees (Asing) Sdn Bhd <i>Qualifier Name: Vickers Ballas & Company Pte Ltd for Tan Keat Leng</i>	40,000	0.041
17. RHB Nominees (Tempatan) Sdn Bhd <i>Qualifier Name: RHB-Cathay Securities Pte Ltd for Chia Chee Poh</i>	37,000	0.037
18. Kenanga Nominees (Tempatan) Sdn Bhd <i>Qualifier Name: J.M. Sassoon & Co. (Pte) Ltd for Ng Seng Loong</i>	36,000	0.036
19. Siow Fatt Yew	35,000	0.035
20. Tan Leh Seng	30,000	0.030
21. Mohd Hamdan bin Manap	30,000	0.030
22. Tey Thian Sing @ Tee Thian Kern	30,000	0.030
23. Cartaban Nominees (Asing) Sdn Bhd <i>Qualifier Name: DBSS Singapore for Ambernathan Govindasamy (0006496)</i>	30,000	0.030
24. Menteri Kewangan Malaysia	27,842	0.028
25. HDM Nominees (Asing) Sdn Bhd <i>Qualifier Name: Vickers Ballas & Company Pte Ltd for Tan Chor Keng</i>	27,000	0.027
26. Sim See Mong	25,000	0.025
27. Low Hwee Whye	25,000	0.025
28. Mayban Nominees (Tempatan) Sdn Bhd <i>Qualifier Name: Pledged Securities Account for Tan Thong Guan</i>	25,000	0.025
29. Ke-Zan Nominees (Asing) Sdn Bhd <i>Qualifier Name: Kim Seng Securities (Private) Limited for Shun Sing Trading Pte Ltd</i>	25,000	0.025
30. RHB Nominees (Asing) Sdn Bhd <i>Qualifier Name: RHB-Cathay Securities Pte Ltd for Lee Chan Meng</i>	25,000	0.025
Total	91,200,266	92.267

analysis of warrant holdings as at 3 August 2001

Type of Warrantheolders	Bumiputra warrantheolding	%	Non-Bumiputra warrantheolding	%	Foreign warrantheolding	%
Individual:						
Bumiputra	496,666	0.503	–	–	–	–
Chinese	–	–	11,329,404	11.462	–	–
Indian	–	–	128,133	0.130	–	–
Others	–	–	16,933	0.017	271,700	0.275
Nominees Companies	66,812,181	67.593	2,997,362	3.032	7,865,637	7.958
Bank/Financial Institution	11,000	0.011	13,000	0.013	–	–
Company/Corporate Bodies	50,835	0.051	8,736,499	8.839	85,692	0.087
Government Agency	28,842	0.029	–	–	–	–
Other Companies	500	0.001	–	–	–	–
	67,400,024	68.188	23,221,331	23.493	8,223,029	8.320

Substantial Warrantheoldings

Register of Substantial Warrantheolders as at 3 August 2001

	Direct no. of warrantheolds held	%	Indirect no. of warrantheolds held	%
Lipkland Holdings Sdn Bhd	8,700,000	8.80	–	–
Tan Sri Dr Chen Lip Keong	6,100,000	6.17	*a 8,700,000	8.80
Puan Sri Lee Chou Sarn	–	–	*a 8,700,000	8.80

Notes:

*a Deemed interested through their shareholdings in Lipkland Holdings Sdn Bhd

statement of bondholder as at 3 August 2001

Type of Bond : RM50,000,000 nominal value 5.5% redeemable secured bonds 1997/2002
Sole Bondholder : Abrar Discounts Berhad

This annexure supersedes the proxy form incorporated in the FACB Resorts Berhad (6461-P) Annual Report 2001.
Kindly use this form to nominate your proxy.

proxy form

Number of shares	CDS Account No.

I/We, _____
(Please use block letters)

of _____
(Full address)

being a member/members of FACB Resorts Berhad hereby appoint _____

_____ 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 Thirty-Fifth Annual General Meeting of the Company to be held at Nirwana Ballroom 1&2, Mutiara Hotel, Jalan Sultan Ismail, 50250 Kuala Lumpur on Friday, 28 September 2001 at 10.00 am and any adjournment thereof.

Ordinary Resolutions		For	Against
No. 1	Adoption of Directors' Report and Audited Accounts		
No. 2	Re-election of Directors		
No. 3	Dato' Nik Kamaruddin bin Ismail (Article 107)		
No. 4	Encik Ainuddin bin Tun Abdul Hamid (Article 107)		
No. 5	Tengku Datuk (Dr) Zainal Adlin bin Tengku Mahamood (Article 108)		
No. 6	Dato' Kalimullah bin Masheerul Hassan (Article 108)		
No. 7	Re-appointment of Auditors		
No. 8	Resolution pursuant to Section 132D of the Companies Act, 1965		

(Please indicate with an "X" in the appropriate box against each Resolution how you wish your proxy to vote. If this proxy form is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit).

Signed this _____ day of _____ 2001

Signature/Seal of Shareholder _____

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its attorney.
2. All forms of proxy should be deposited at the Company's Registered Office, Level 19, Menara PanGlobal, No. 8, Lorong P. Ramlee, 50250 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or any adjournment thereof.

affix stamp

The Group Company Secretary
FACB Resorts Berhad
Level 19, Menara PanGlobal
No. 8, Lorong P. Ramlee
50250 Kuala Lumpur

FACB Resorts Berhad 6461-P

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nexus
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