

# 2008

ANNUAL REPORT

## LUXURIOUS EXPERIENCE



Karambunai Corp Bhd 6461-P





**Karambunai Corp Bhd**  
Annual Report 2008

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[www.karambunaicorp.com](http://www.karambunaicorp.com)

[www.nexusresort.com](http://www.nexusresort.com)



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# Corporate Profile

Karambunai Corp Bhd and its group of companies (“KCB”) is a leading tourism player in Sabah, Malaysia with its world-class property popularly known as Karambunai in Kota Kinabalu, Sabah Borneo.

Karambunai is located 30 kilometres north-east of Kota Kinabalu City and lies within a 4,000 acre of eco-sanctuary that is tucked away, yet, in the midst of civilization. Nestled by South China Sea on one end, rolling hills in the center and a natural cove on the other end, Karambunai is a natural perfection of white sandy beach, wetland, crystal blue cove, flatland, highland, rainforest and river.

KCB’s flagship asset is the Nexus Resort Karambunai, a premier luxury 5-star 485-room international-class resort hotel with a world-class 18-hole golf course, combining elements of modern architecture with Borneo design and style. Its luxurious accommodation includes the 236 Borneo Wing guestrooms, nestled within a cluster of 7 two-storey buildings, amid a lush tropical garden. The five-storey Ocean Wing offers tastefully stylish accommodations, with each guestroom unveiling private balconies that offers panoramic vistas of beach and cobalt blue seas. 6 Royal and Presidential Villas, with their private gardens and most with private swimming pools, offers the ultimate in luxury accommodation.

KCB’s latest development in Karambunai is Nexus Residence Karambunai (“NRK”), which features up-market beachfront resort villas and will comprise approximately 2,000 units when completed. NRK is an exclusive beachfront property development project sprawled over 270 acres within the peninsular of Karambunai in Kota Kinabalu, Sabah. The development is on par with the world’s most luxurious holiday destinations of Hawaii,





Bali, Hilton Head, Cancun and Phuket. The main buyers of NRK products are mainly foreigners who are participants under the “Malaysia My Second Home” programme, including Hong Kong, Singapore, London, Dublin, Japan, Korea, Taiwan and China.

KCB is also a major property developer in Kota Kinabalu with its 415 acres of mixed residential and commercial development in Bandar Sierra, which is about 15 minutes’ drive from the city centre. Located within the northern growth area of Kota Kinabalu, Bandar Sierra’s location is strategic as it is near the Sabah State’s new Federal Administration Centre as well as several institutions of higher learning, the new Sepangar Bay Naval base and the Kota Kinabalu Industrial Park. The Group is confident that its Bandar Sierra township will enjoy strong demand for its residential and commercial properties given the growing population in northern Kota Kinabalu.

Over in Peninsular Malaysia, KCB owns 1,363 acres of land known as Bukit Unggul Eco-Media City, located within close proximity to the Kuala Lumpur International Airport, Putrajaya and Cyberjaya. Completed developments include the 18-hole international class golf course with full club facilities, namely Bukit Unggul Country Club (“BUCC”). Designed by American guru, Ronald Fream, BUCC is well known for its unique mature rainforest environment. Bukit Unggul Eco-Media City will be developed as a mixed development township comprising of residential, commercial and recreational components amidst the scenic and centuries-old tropical forest situated in the Multimedia Super Corridor area.







# *The Art of Culture*





# Notice of 42nd Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty-Second Annual General Meeting of Karambunai Corp Bhd will be held at the Balingoi, Nexus Resort Karambunai, No. 1, Nexus Drive West, Karambunai, off Jalan Sepangar, Menggatal, 88450 Kota Kinabalu, Sabah, Malaysia on Thursday, 25 September 2008 at 10.00 a.m. for the following purposes :-

## AGENDA

1. To receive and adopt the Audited Financial Statements of the Company for the year ended 31 March 2008 together with the Reports of Directors and Auditors. Resolution 1
2. To approve Directors' fees for the year ended 31 March 2008. Resolution 2
3. To re-elect the following Directors retiring pursuant to the Company's Articles of Association :-  
  
Under Article 107  
Tan Sri Datuk Seri Panglima Abdul Kadir Bin Haji Sheikh Fadzir Resolution 3  
Tan Sri Dr Chen Lip Keong Resolution 4  
Datuk Wan Kassim Bin Ahmed Resolution 5

4. To appoint Auditors and to authorise the Directors to fix their remuneration.

Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965 (a copy of which is annexed and marked "annexure A" as in the Annual Report 2008) has been received by the Company for the nomination of Messrs. Moore Stephens AC who have given their consent to act, for appointment as Auditors of the Company and to propose the following Ordinary Resolution:-

"**THAT** the retirement of Messrs Moore Stephens as Auditors of the Company be and is hereby accepted and in place thereof, Messrs Moore Stephens AC having consented to act, be and are hereby appointed Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and authority be and is hereby given for the Directors to determine their remuneration." Resolution 6

5. **Special Business**

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

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



By Order of the Board

CHANG YUET MEI, MAICSA 0781552  
YEW NYUK KWEI, MACS 01247  
Company Secretaries

Kota Kinabalu  
3 September 2008

**Notes :-**

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation either under its common seal, or the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy and the power of attorney or other authority (if any) under which the instrument is signed or a notarially certified copy of that power of authority, shall be deposited at the Company's Registered Office, No. 1, Nexus Drive East, Karambunai, Menggatal, 88450 Kota Kinabalu, Sabah, Malaysia not less than forty-eight (48) hours before the time for holding the meeting or any adjourned meeting.
5. The 2008 Annual Report is in CD-ROM format. Printed copies of the Annual Report shall be provided to the shareholders upon request. Shareholders who wish to receive a printed copy of the Annual Report and who require assistance with viewing the CD-ROM, kindly contact Mr Goh Chin Khoon at Tel: 03-79681222 & Fax: 03-79588013 or Ms Joanne Yew at Tel: 088-499934 / 411111 & Fax: 088-412111 or e-mail to joanneyew@karambunaicorp.com

**EXPLANATION NOTES ON SPECIAL BUSINESS**

**RESOLUTION 7**

The Ordinary Resolution 7 is proposed pursuant to Section 132D of the Companies Act, 1965 and 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 a general meeting, will expire at the next Annual General Meeting of the Company.

## Statement Accompanying Notice of Annual General Meeting

**DETAILS OF DIRECTORS FOR RE-ELECTION AT THE FORTY-SECOND ANNUAL GENERAL MEETING OF KARAMBUNAI CORP BHD**

1. The Directors who are standing for re-election at the Forty-Second Annual General Meeting of the Company to be held at the Balingoi, Nexus Resort Karambunai, No. 1, Nexus Drive West, Karambunai, off Jalan Sepangar, Menggatal, 88450 Kota Kinabalu, Sabah, Malaysia on Thursday, 25 September 2008 at 10.00 a.m. are as follows :-
  - i) Directors standing for re-election pursuant to Article 107 of the Company's Articles of Association:-
 

|                                                                |              |
|----------------------------------------------------------------|--------------|
| Tan Sri Datuk Seri Panglima Abdul Kadir Bin Haji Sheikh Fadzir | Resolution 3 |
| Tan Sri Dr Chen Lip Keong                                      | Resolution 4 |
| Datuk Wan Kassim Bin Ahmed                                     | Resolution 5 |
2. The details of the three Directors seeking re-election are set out in their respective profiles which appear on pages 20 to 22 of this Annual Report.

Further details of their attendance at the Board meeting of the Company held during the financial year ended 31 March 2008 are set out on page 47 of this Annual Report.



# Chairman's Statement



*Dear Shareholders,*

On behalf of the Board of Directors, I am pleased to present the Annual Report of Karambunai Corp Bhd ("KCB") for the financial year ended 31 March 2008.

## **Economic Review**

Malaysia continues to enjoy a commendable level of growth whereby the economy expanded by 6.3 percent in 2007, the fastest pace in the last three years. This has been largely due to strong domestic demand from the private and public sectors. This is also the result of the increasingly more diversified structure of the Malaysian economy. The growth has also been achieved with relative price stability, high level of savings at 38 percent of the GDP and a strong external balance with international reserves exceeding USD120 billion.

## **Financial Review**

For the financial year ended 31 March 2008, the Group reported a revenue of RM172.5 million, translating into an increase of 20.1% as compared to the previous year. The double-digit growth in revenue was a result of higher contribution from the property development segment whilst the leisure and tourism segment continued to provide a steady and reliable source of income for the Group. The Group managed to achieve an operating profit of RM0.03 million whilst recording a pre-tax loss of RM41.5 million after taking into account total financing cost of RM41.8 million for the financial year.





### Dividend

The Board of Directors does not recommend any dividend declaration for the year under review.

### Strategic Focus

The KCB Group is strategically focused on maintaining its status as a world-class resort operator and developer. Following the success of Nexus Resort Karambunai, the "Nexus" brand-name is now gaining recognition internationally for its service quality and charming hospitality. The Group has since leveraged on this success by developing the Nexus Residence Karambunai, which features up-market beachfront resort villas spanning across 270 acres and targets mainly foreign buyers under the Malaysia My Second Home" programme.

The maturity of the existing assets of Nexus Resort Karambunai and Nexus Golf Resort Karambunai is also an opportunity for the Group to further unlock the value of its strategic landbank in Karambunai.

Meanwhile, the new Federal Administrative Centre of Sabah and implementation of the Sabah Development Corridor has led to increased economic activities in Sabah, especially in the northern growth area. Consequently, the Group intends to channel more resources for the development of the Bandar Sierra township which is expected to benefit from the population boom in the northern part of Kota Kinabalu.

### Corporate Development

The Group announced the proposed disposal of approximately 8,202 square metres of leasehold land in Petaling Jaya together with a four storey office building with an annexed single storey warehouse and ancillary building for a cash consideration of RM12 million on the 7 December 2007.

The disposal is part of KCB Group's exercise to streamline its assets by disposing non-core assets and the cash consideration will be utilized to reduce KCB's borrowings as well as fund the Group's working capital needs.





# Chairman's Statement

## Corporate Social Responsibility

Being a responsible corporate citizen, the Group is committed towards its social responsibility through 3 main themes – environmental protection, social obligations and organisational management.

As one of the established resort operator and property developer in Sabah, the Group has always maintained an 'environment-friendly' approach in relation to the operations of Nexus Resort and the developments of Nexus Residence and Bandar Sierra. This include policies implemented across the KCB group of companies with the objective to minimize wastage, maximize the use of energy-saving devices, proper disposal of waste materials, recycling of used materials and adopting environmental best-practices whenever possible.

In terms of social activities, the Group has been actively pursuing philanthropic activities including the organizing of festive season open house for less fortunate students, participating in blood donation drive, contributing towards charity homes and the cleaning up of public beach. We will continue to engage in social activities as our way of showing appreciation to the local community in which we operate in.

Our organization comprise of over 1,000 employees and we recognize the importance of our human assets. We aim to provide a conducive working environment by providing for work-life balance, staff development, diversity, employee welfare as well as health and safety. As a result, the Group has managed to achieve key milestones in its various businesses due to the dedication and commitment of its employees. To this end, the Group will continue its role as a caring employer to maintain an effective organization that is ready to meet challenges of the future.





### Future Outlook

Recent developments in the global economy including high commodity prices as well as volatility in the global financial markets has resulted in greater inflationary pressure as well as possible tightening of credit markets. As an open economy, Malaysia will also be exposed to possible adverse economic conditions.

Conversely, the various efforts to develop Sabah by both the private and public sector including the expansion of the Kota Kinabalu International Airport, the implementation of the Sabah Development Corridor and various other initiatives is expected to act as a buffer for any global economic slowdown in the state of Sabah.

The Group intends to leverage on its world-class asset quality and projects in strategic locations to cushion any adverse economic conditions. Barring any unforeseen circumstances, the Group is cautiously optimistic that it will continue to perform satisfactorily in the next financial year.

### Acknowledgement

We would like to place on record our sincere thanks to the shareholders, customers, business associates, relevant authorities and other stakeholders for your continued support and belief in us. We are also appreciative of the management and staff for their continued commitment and contribution in pursuit of the Group's goals.

**Tan Sri Datuk Seri Panglima Abdul Kadir  
bin Haji Sheikh Fadzir**

Chairman

31 July 2008  
Kota Kinabalu

## CEO's Statement



It is my pleasure to report on the performance of Karambunai Corp Bhd ("KCB") for the financial year ended 31 March 2008.

### **Business Management**

The global economy in 2007 continues to face substantial challenges including the financial distress caused by the fallout of the US subprime crisis, the correction in a number of residential property markets and the surge in global headline inflation driven by record oil and food prices.

Against this negative backdrop, the Malaysian economy performed relatively well given the strong economic fundamentals and sustained domestic demand from the private and public sector. Sabah also experienced rapid economic developments especially in Kota Kinabalu town as evidenced by the development of several iconic projects including the One Borneo hyper-mall, expansion of the Kota Kinabalu International Airport and the shifting of the Federal Administrative Centre of Sabah to the northern side of Kota Kinabalu in the early part of 2007. The aggressive campaign by the Sabah State government and the Malaysian tourism agency to promote Sabah as a holiday destination for local and foreign tourists had also accelerated the development of tourism industry in the state. Tourism activities in Sabah reached an unprecedented level whereby tourist arrivals reached 2.48 million in the year 2007 as compared to 2.09 million in 2006.

With Kota Kinabalu, Sabah as the Group's main operations base, KCB was able to benefit from the rapid economic growth and continued tourism boom in the state of Sabah for its resort and property development businesses. This led to a commendable growth of 20.1% in revenue, although it recorded a pre-tax loss of RM41.5 million after taking into account total financing cost of RM41.8 million for the financial year.





## Review of Operations

### Nexus Resort Karambunai ("Nexus Resort")

Nexus Resort has been in operations for over a decade and has won numerous accolades over the years. 2007 is no exception as Nexus Resort continues to win a string of prestigious awards including the "Excellence in Hotel Services (3, 4 & 5 Stars)" at the Sabah Tourism Awards 2007, 3 Hospitality Asia Platinum Awards ("HAPA") for "Top 5 in MICE Hotel of the Year", "Best Golf Resort of the Year" and "Top 10 for Best Luxury Hotel of the Year" and recognition from SAGA Travellers World, Virgin Holidays. It also won the ASEAN Green Hotel Recognition Award 2008 for "ASEAN Green Hotel Standard Recognition Award 2008 - 2009" in appreciation of the resort's continuous effort to conserve the environment by adopting energy conservation measures that leads towards environmental protection.

The string of awards bear testimony to the efforts by the Nexus Resort team to maintain a high standard of service for a truly unique and unforgettable stay experience in the resort. Our resort guests come from all over the world including United Kingdom and the rest of Europe, Japan, South Korea, Hong Kong, China and Australia.

Amidst a competitive operating environment in the 5-star resort industry in Sabah, Nexus Resort Karambunai managed to increase its Average Room Rate ("ARR") by a commendable 9% during the financial period under review.

### Nexus Golf Resort Karambunai ("Nexus Golf")

Nexus Golf is one of the premier golf courses in Kota Kinabalu and testaments to it were evident when the golf course was voted as the "Best Resort Course in Malaysia", "Best Golf Course in East Malaysia" and "One of Malaysia's Three Most Memorable Golf Course in Malaysia" by a leading golf magazine during the financial period.

Nexus Golf was also selected to host the 105th Malaysian Amateur Open in May 2007. This was indeed a significant achievement for Nexus Golf as it is the first time in the history of Malaysian Amateur Open that the prestigious event was held in East Malaysia.

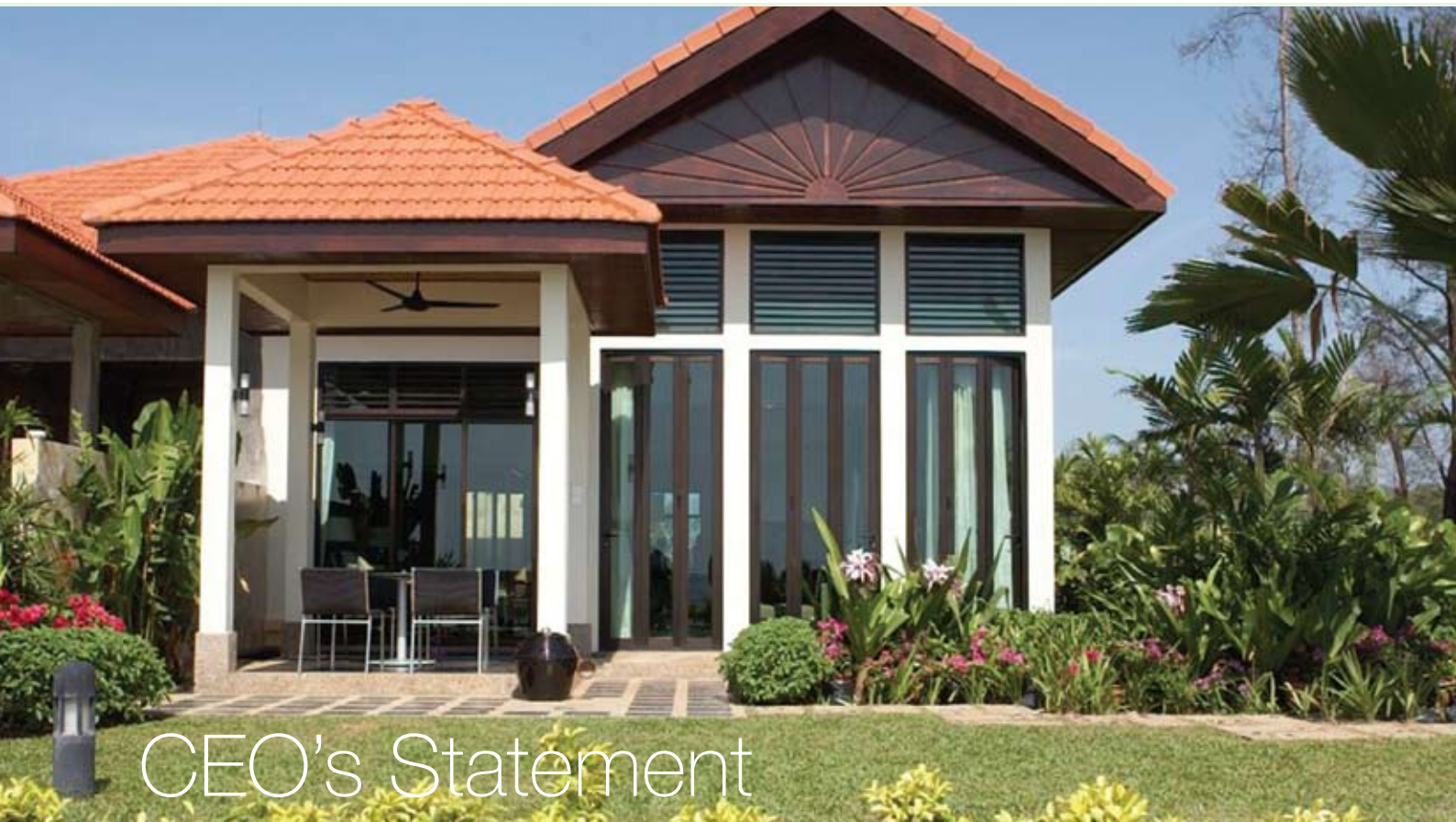
### Nexus Residence Karambunai ("Nexus Residence")

KCB's latest development project is the Nexus Residence project, an exclusive beachfront property development sprawled over 270 acres in Karambunai. The first phase, Dillenia precinct, has enjoyed a very high take-up rate where overseas buyers form the majority of the villa owners.

The initial success of the Nexus Residence project is a result of meticulous planning and understanding of the luxury international property market including comparisons with luxurious destinations of the world like Hawaii, Bali, Hilton Head, Cancun and Phuket. Besides the intricate Borneo design of the units, the location of Nexus Residence is also a winning factor for KCB as homebuyers are immediately drawn to the stunning beachfront location of the private residences. It is indeed heartening to note that besides being a commercially successful project, the Group is also making a significant headway in developing the luxury villa market in Sabah and in the process, helping to create greater awareness of Sabah as an alternative choice for buyers of the luxury property market worldwide.

We are confident that Nexus Residence project will be a showcase for luxury properties in Sabah as the end-products comes with architectural brilliance, glorious water designs, luxuriant landscaping and enjoys exclusive privacy with each unit facing either the ocean, lagoon, canal or rainforest.





## CEO's Statement





### Bandar Sierra Township

Sprawling over 415 acres of land-bank in the northern part of Kota Kinabalu, our Bandar Sierra township is strategically located near the new Federal Administrative Centre as well as several higher institutions of learning. The Group is benefiting from the congregation of the population towards the northern growth corridor of Kota Kinabalu city.

To-date, Bandar Sierra has successfully launched several phases including apartments, terrace houses, semi-detached houses, bungalows as well as shophouses. We expect that Bandar Sierra will fill the gap for housing needs in the northern growth corridor of Kota Kinabalu given the strategic location and practical designs of the Bandar Sierra homes.

### Bukit Unggul Eco-Media City

Over in Peninsular Malaysia, the Group owns approximately 1,363 acres of land known as Bukit Unggul Eco-Media City, strategically located within close proximity to the Kuala Lumpur International Airport, Putrajaya and Cyberjaya. Completed developments include the 18-hole international class golf course with full club facilities, namely Bukit Unggul Country Club ("BUCC"). Designed by American guru, Ronald Fream, BUCC is well known for its unique mature rainforest environment. The Group intends to develop Bukit Unggul Eco-Media City as a mixed development township comprising residential, commercial and recreational components amidst the scenic and centuries-old tropical forest situated in the Multimedia Super Corridor area.

### Future Developments

Going forward, KCB will continue to strive and focus on maintaining its position as a world-class resort operator and property developer. The Group has lined up its strategies and business plans for the upcoming financial year taking into account the recent global economic developments including the high commodity prices and inflationary pressures.

The Group intends to refurbish its flagship asset, Nexus Resort as part of its continuous efforts to improve the hotel building and its surrounding infrastructure. The refurbishment will be done with minimal disruption to the resort operations and is expected to be completed within a period of 2 years.

Also, with the completion of the Dillenia precinct of Nexus Residence, there will be additional resort villas for rental as some of the buyers have signed a leaseback arrangement with the Group. This will be an additional income stream for the Group by managing and operating the villas under the Nexus brandname.

Riding on the success of the Dillenia precinct, KCB also intends to launch the new "Amabilis" precinct comprising of luxury villas and the "Nexus Residence Commercial" comprising of commercial lots under the Nexus Residence project.

The Group has also planned new launches for its Bandar Sierra township comprising 3 phases (i.e. landed properties, apartments and commercial lots) to meet the growing housing demands in the northern part of Kota Kinabalu.

The combined Gross Development Value ("GDV") for the new launches in Nexus Residence and Bandar Sierra is estimated to be in the region of RM500 million.

### Conclusion

It has been more than a decade since the Group embarked on its quest to become a world-class integrated resort developer and operator. There have been various challenges and issues over the years and we are proud to say that we have achieved significant milestones and establish ourselves internationally with a home-grown "Nexus" brand.

Going forward, we will continue to strive for excellence and maintain the competitive edge in the Group's various business units. We are mindful of the global economic uncertainties and its possible effect on our businesses. Taking that into consideration and through careful planning, we are cautiously optimistic that the Group will be able to deliver a satisfactory set of results in the coming financial year.

Finally, I would like to extend my heartfelt thanks to our shareholders, customers, bankers, business associates and regulatory authorities for their continued support, guidance and assistance extended to the Group. I would also like to record my sincere appreciation to the employees for their perseverance and contribution during the financial year.

**Datuk Robin Loh Hoon Loi**  
Chief Executive Officer

31 July 2008  
Kota Kinabalu





# *Exclusive Environment*



## Board of Directors

Tan Sri Datuk Seri Panglima Abdul Kadir  
bin Haji Sheikh Fadzir  
(Chairman)

Datuk Robin Loh Hoon Loi  
(Chief Executive Officer)

Chen Yiy Fon  
(Chief Operating Officer)

Tan Sri Dr Chen Lip Keong  
(President)

Datuk Wan Kassim bin Ahmed

Tuan Haji Zainal Abidin bin Ali

Leow Ming Fong @ Leow Min Fong

Chen Yiy Hwuan

# Corporate Information

## Company Secretaries

Chang Yuet Mei, MAICSA 0781552  
Yew Nyuk Kwei, MACS 01247

## Audit Committee

Datuk Wan Kassim bin Ahmed  
(Chairman, Independent Non-Executive Director)

Mr Leow Ming Fong @ Leow Min Fong  
(Independent Non-Executive Director)

Tuan Haji Zainal Abidin bin Ali  
(Independent Non-Executive Director)

## Remuneration Committee

Datuk Wan Kassim bin Ahmed  
(Chairman, Independent Non-Executive Director)

Mr Leow Ming Fong @ Leow Min Fong  
(Independent Non-Executive Director)

Datuk Robin Loh Hoon Loi  
(Non-Independent Executive Director)

## Nomination Committee

Datuk Wan Kassim bin Ahmed  
(Chairman, Independent Non-Executive Director)

Mr Leow Ming Fong @ Leow Min Fong  
(Independent Non-Executive Director)

## Auditors

Moore Stephens

## Solicitors

Yap Chin & Tiu  
Ben & Partners  
Lim Guan Seng & Co

## Bankers

DBS Bank Ltd, Labuan Branch  
Oversea-Chinese Banking Corporation Ltd,  
Labuan Branch  
Malaysian Assurance Alliance Berhad  
Bank Kerjasama Rakyat Malaysia Berhad

## Stock Exchange Listing

Main Board of Bursa Malaysia Securities  
Berhad

## Registrars

Semangat Corporate Resources Sdn Bhd.  
2<sup>nd</sup> Floor, No. 118, Jalan Semangat  
46300 Petaling Jaya, Selangor Darul Ehsan  
Tel : 03-79681001  
Fax : 03-79588013

## Registered Office

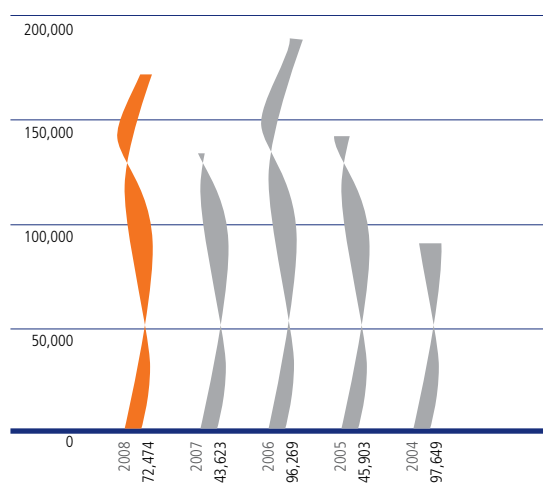
No. 1, Nexus Drive East  
Karambunai Menggatal  
88450 Kota Kinabalu  
Sabah, Malaysia  
Tel : 088-411 111  
Fax : 088-412 111



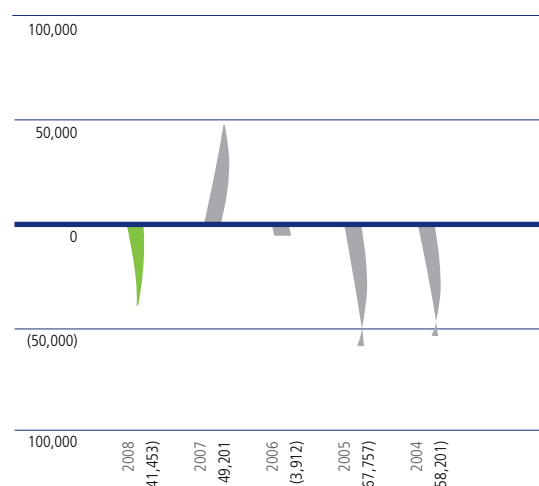
| RM'000                        | 2008      | 2007      | 2006      | 2005      | 2004      |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|
| Turnover                      | 172,474   | 143,623   | 196,269   | 145,903   | 97,649    |
| (Loss)/Profit Before Taxation | (41,453)  | 49,201    | (3,912)   | (67,757)  | (58,201)  |
| Shareholders' Funds           | 841,120   | 873,212   | 818,461   | 832,089   | 895,940   |
| Total Assets                  | 1,824,124 | 1,859,542 | 1,886,571 | 1,860,305 | 1,841,773 |
| RM                            |           |           |           |           |           |
| Net Tangible Asset Per Share  | 0.41      | 0.42      | 0.39      | 0.40      | 0.43      |
| Earnings/(Loss) Per Share     | (0.02)    | 0.03      | (0.01)    | (0.03)    | (0.03)    |

## Financial Summary

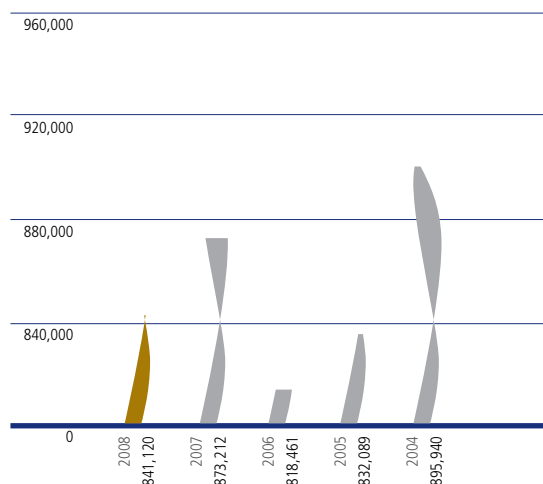
**TURNOVER (RM'000)**



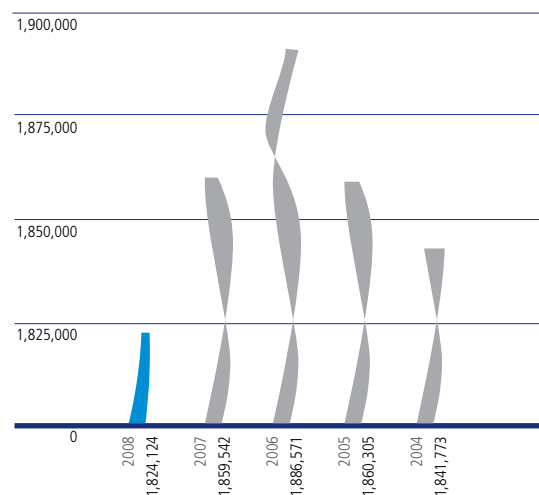
**PROFIT/(LOSS) BEFORE TAXATION (RM'000)**



**SHAREHOLDERS' FUNDS (RM'000)**



**TOTAL ASSETS (RM'000)**



# Board of Directors' Profile

## **TAN SRI DATUK SERI PANGLIMA ABDUL KADIR BIN HAJI SHEIKH FADZIR**

Chairman, Independent Non-Executive Director, Malaysian, aged 69

Tan Sri Datuk Seri Panglima Abdul Kadir bin Haji Sheikh Fadzir was appointed to the Board as Director and Chairman on 1 March, 2006.

Tan Sri Kadir graduated from Lincoln's Inn, London in 1970.

Tan Sri Kadir was Minister of Information prior to his resignation from the Cabinet on 14 February 2006. He is a lawyer by profession, having practised as a partner in the legal firms Hisham, Sobri & Kadir and Kadir, Khoo & Aminah from 1974 to 1982 and 1987 to 1990 respectively. Tan Sri Kadir had been holding full-time positions with the Federal Government since 1970 beginning as political secretary, parliamentary secretary, deputy minister and minister in various ministries almost continuously until his resignation as Minister of Information. Tan Sri Kadir was Minister of Culture, Arts and Tourism for 5 years before appointment as Minister of Information in 2004. During his tenure as Minister of Tourism, he was also the Chairman, Tourism Promotion Board Malaysia.

Currently, Tan Sri Kadir also sits on the Board of MNC Wireless Berhad.

## **TAN SRI DR CHEN LIP KEONG**

President, Non-Independent Executive Director, Malaysian, aged 61

Tan Sri Dr Chen Lip Keong was appointed to the Board as Director on 31 January 1991 and as President and Chief Executive Officer on 22 December 1992. Tan Sri Dr Chen relinquished his position as Chief Executive Officer on 1 August 2007.

Tan Sri Dr Chen graduated with a Bachelor of Medicine and Surgery from University of Malaya in 1973 (M.B.B.S. Malaya). He has extensive corporate, managerial and business experience since 1976.

Currently, Tan Sri Dr Chen is also the Chairman and President of FACB Industries Incorporated Berhad and Petaling Tin Berhad.



**DATUK ROBIN LOH HOON LOI**

Chief Executive Officer, Non-Independent Executive Director, Malaysian, aged 47

Datuk Robin Loh Hoon Loi was appointed to the Board as Director and Chief Operating Officer of Karambunai Corp Bhd (KCB) on 1 May 2004. He also serves as a member of the Remuneration Committee. He was promoted as Chief Executive Officer on 1 August 2007.

Datuk Robin Loh has extensive experience in the hotel industry, property development and project management. He is also a Director of Beribu Ukiran Sdn Bhd, a subsidiary of FACB Industries Incorporated Berhad and is currently overseeing the Bandar Sierra's development located in Menggatal, Sabah. Prior to joining the KCB Group, he has worked for an international hotel and a well established property developer.

Currently, Datuk Robin Loh is the Deputy President of Sabah Housing and Real Estate Developers' Association, a Committee Member of the Malaysia Developers' Council, President of Sabah Golf Association and Vice President of Malaysian Golf Association.

**CHEN YIY FON**

Chief Operating Officer, Non-Independent Executive Director, Malaysian, aged 27

Mr Chen Yiy Fon was appointed to the Board as Director and Chief Operating Officer of Karambunai Corp Bhd (KCB) on 1 August 2007.

Mr Chen graduated with a Bachelor of Arts (Honours) in Business Economics from University of Southern California, Los Angeles in 2003. He interned at Morgan Stanley, Los Angeles, California in 2003 as Financial Advisor Assistant. In 2004, he was an intern in Credit Suisse First Boston, Singapore before joining Karambunai Resorts Sdn Bhd, a wholly-owned subsidiary of KCB in 2005 as Project Planning Manager and was promoted to Executive Director in 2006.

Currently, Mr Chen also sits on the Board of FACB Industries Incorporated Berhad and Petaling Tin Berhad.

# Board of Directors' Profile

## **DATUK WAN KASSIM BIN AHMED**

Independent Non-Executive Director, Malaysian, aged 59

Datuk Wan Kassim bin Ahmed was appointed to the Board as Director on 20 October 1998. He also serves as Chairman of the Audit, Remuneration and Nomination Committees.

Datuk Wan Kassim graduated with a Bachelor of Economics (Honours) from University of Malaya in 1973. He began his career with Messrs Kassim Chan, an audit firm in 1973 before joining Bank Bumiputra Malaysia Berhad. He then joined Shamelin Berhad for 10 years before starting his own management consultancy firm, United Kadila Sdn Bhd in 1984. He served as a Councillor for the Petaling Jaya Council between 1987 and 1991 and as a Board member of the Malaysian Tourist Development Board from 1992 to 1996.

Currently, Datuk Wan Kassim also sits on the Board of FACB Industries Incorporated Berhad, Petaling Tin Berhad, Octagon Consolidated Berhad and Nasioncom Holdings Berhad.

## **TUAN HAJI ZAINAL ABIDIN BIN ALI**

Independent Non-Executive Director, Malaysian, aged 64

Tuan Haji Zainal Abidin bin Ali was appointed to the Board as Director on 21 November 2003. He also serves as a member of the Audit Committee.

Tuan Haji Zainal graduated with a Diploma in Political Science from Universiti Kebangsaan Malaysia. He was with the Royal Malaysia Police until 1999 and was a very experienced Police Officer in Management and Community Relation, Crime Investigation Department and Officer-in-Charge of police districts and training. Tuan Haji Zainal's last rank position was Senior Assistant Commissioner.

Currently, Tuan Haji Zainal sits on the panel in the Industrial Court, Kuala Lumpur and is the Executive Director of Grand Saga Sdn Bhd.



**LEOW MING FONG @ LEOW MIN FONG**

Independent Non-Executive Director, Malaysian, aged 58

Mr Leow Ming Fong @ Leow Min Fong was appointed to the Board as Director on 15 May 2006. He also serves as a member of the Audit, Remuneration and Nomination Committees.

Mr Leow is a Fellow of Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Certified Public Accountants, Malaysian Institute of Chartered Accountants and Malaysian Institute of Management. He has extensive experience in the field of audit and had worked in KPMG for 32 years since 1974 until his retirement on 31 December 2005. He was an Audit Partner in KPMG Malaysia and concurring partner for portfolio of clients including several public listed companies and multinational companies

Currently, Mr Leow also sits on the Board of Kurnia Asia Berhad

**CHEN YIY HWUAN**

Non-Independent Executive Director, Malaysian, aged 28

Mr Chen Yiy Hwuan was appointed to the Board as Director on 1 August 2007 and as Executive Director on 30 November 2007.

Mr Chen graduated with a Bachelor of Arts (Honours) in Accounting with Business Economics from Middlesex University, United Kingdom in 2002. He joined Petaling Tin Berhad in 2003 and subsequently moved to Alliance Merchant Bank Berhad, Kuala Lumpur in 2004, specialising in the area of corporate finance. He returned to Petaling Tin Berhad in 2004 and has been involved in corporate finance and management areas of the company.

Currently, Mr Chen also sits on the Board of FACB Industries Incorporated Berhad and Petaling Tin Berhad.

**Other Information:**

1. Chen Yiy Hwuan and Chen Yiy Fon are the sons of Tan Sri Dr Chen Lip Keong.
2. Except for the following directors, none of the Directors have any conflict with the Group.
  - Tan Sri Dr Chen Lip Keong by virtue of his interests in privately owned companies, FACB Industries Incorporated Berhad and Petaling Tin Berhad, wherein some of their subsidiaries are also involved in property development.
3. None of the Directors has been convicted for offences within the past ten (10) years other than traffic offences, if any.