



Karambunai Corp Bhd 6461-P

ANNUAL REPORT 2009



www.karambunaicorp.com
www.nexusresort.com

www.bandarsierra.com
www.nexusresidence.com

www.karambunaigolf.com
www.bukitunggul.com

Annual Report 2009



Luxurious holiday homes.



*Karambunai is Borneo,
Borneo is Karambunai.*



Relaxing moments in Karambunai.



Award-winning dining outlets in Karambunai.

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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 the Nexus Residence Karambunai project ("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. The first phase in Nexus Residence, the Dillenia precinct, is now partially completed and the buyers' units under the leaseback arrangements to KCB is now managed as the new "Villas & Suites at Nexus Resort Karambunai". This will complement the existing 485-room inventory of Nexus Resort as premier villas with sea-fronting view and has started operating in the second half of 2009.



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.

Over in Peninsular Malaysia, KCB owns 1,363 acres of land in 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.



Notice of 43rd ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Third Annual General Meeting of Karambunai Corp Bhd will be held at The Cocktail Lounge, Nexus Golf Resort Karambunai, No. 2, Nexus Drive West, Karambunai, off Jalan Sepangar, Menggatal, 88450 Kota Kinabalu, Sabah, Malaysia on Tuesday, 29 September 2009 at 10.00 a.m. for the following purposes :-

AGENDA

AS ORDINARY BUSINESS:-

1. To receive and adopt the Audited Financial Statements of the Company for the year ended 31 March 2009 together with the Reports of Directors and Auditors.

Resolution 1

2. To approve Directors' fees for the year ended 31 March 2009.

Resolution 2

3. To re-elect the following Directors retiring pursuant to the Company's Articles of Association :-

Under Article 107

Datuk Robin Loh Hoon Loi

Resolution 3

Leow Ming Fong @ Leow Min Fong

Resolution 4

4. To pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965:-

"**THAT** pursuant to Section 129(6) of the Companies Act, 1965, Tan Sri Datuk Seri Panglima Abdul Kadir Bin Haji Sheikh Fadzir who is over the age of seventy years, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting."

Resolution 5

5. To re-appoint Messrs Moore Stephens AC as Auditors of the Company and to authorise the Directors to fix their remuneration.

Resolution 6

AS SPECIAL BUSINESS:-

6. 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

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

By Order of the Board

LIM TIONG JIN, MIA 16286
CHANG YUET MEI, MAICSA 0781552
Company Secretaries

Kota Kinabalu
7 September 2009

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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 notarily 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 2009 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 Khoo at Tel: 03-7968 1001 & Fax: 03-7958 8013 or Ms Candice Lo at Tel: 088-499 934 & Fax: 088-412 111 or e-mail to cosec@karambunaicorp.com
6. The 2009 Annual Report may be downloaded at www.karambunaicorp.com/index.html

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-THIRD ANNUAL GENERAL MEETING OF KARAMBUNAI CORP BHD**

1. The Directors who are standing for re-election at the Forty-Third Annual General Meeting of the Company to be held at The Cocktail Lounge, Nexus Golf Resort Karambunai, No. 2, Nexus Drive West, Karambunai, off Jalan Sepangar, Menggatal, 88450 Kota Kinabalu, Sabah, Malaysia on Tuesday, 29 September 2009 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:-

Datuk Robin Loh Hoon Loi
Resolution 3

Leow Ming Fong @ Leow Min Fong
Resolution 4
 - ii) Director standing for re-appointment pursuant to Section 129(6) of the Companies Act, 1965:-

Tan Sri Datuk Seri Panglima Abdul Kadir Bin Haji Sheikh Fadzir
Resolution 5
2. The details of the three Directors seeking re-election / re-appointment are set out in their respective profiles which appear on pages 20 to 23 of this Annual Report.

Further details of their attendance at the Board Meetings of the Company held during the financial year ended 31 March 2009 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 2009.

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

ECONOMIC REVIEW

It has been a challenging year in 2008 for Malaysia. In terms of growth, the world economy has slowed sharply from an average of nearly 5 per cent per annum from 2004 to 2007 to only 3.2 per cent in 2008. Meanwhile, Malaysia recorded a GDP growth of 4.6% in 2008 but experienced a rapid slowdown in the fourth quarter of 2008 whereby GDP only expanded by 0.1%.

This is a result of the steep deterioration in the developed economies and the significant effect of the global financial crisis and credit crunch on the developing economies whereby the crisis has resulted in a sharp decline in business and consumer spending. Fortunately, Malaysia had the experience of the Asian financial crisis back in 1997/1998 and hence, the Malaysian economy had built up the capacity and strengths to weather the global slowdown better as compared to peer economies in the region.

FINANCIAL REVIEW

For the financial year ended 31 March 2009, the Group reported revenue of RM198.4 million (as compared to RM172.5 million in the previous corresponding year). The increase in revenue was a result of higher contribution from the property development segment which was partially offset by a lower contribution from the leisure & tourism segment as a result of lower tourist arrivals to Sabah. The Group managed to achieve an operating profit of RM0.8 million whilst recording a pre-tax loss of RM35.9 million after taking into account financing cost, impairment and allowance for doubtful debts during the financial year.

DIVIDEND

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

STRATEGIC FOCUS

The Group has always strived to maintain its position as a leading resort operator and developer. Throughout the years, Nexus Resort Karambunai has established itself as a preferred resort destination and the "Nexus" brand-name continues to gain acceptance and recognition for its service quality and charming hospitality.

Leveraging on this success, the Group launched the first phase of Nexus Residence Karambunai, which comprises of 243 units of up-market beachfront resort villas. To-date, we have successfully completed and handed over 149 units of the villas and the remaining units are expected to be completed and handed over in the coming months.

Given the maturity of its existing assets of Nexus Resort and Nexus Golf, the Group continues to explore opportunities to unlock the value of its strategic landbank totaling 1,500 acres in the Karambunai peninsular. The long-term potential for future development is huge given that the Karambunai Masterplan envisions an integrated resort destination complete with various components of residential and commercial developments that is on par with other world-class resort destinations across the globe.





Chairman's STATEMENT

CORPORATE DEVELOPMENT

During the year, the Group completed the disposal of leasehold land in Petaling Jaya in the month of August 2008.

The Group also announced the proposed acquisition of 60% equity interest in Beribu Ukiran Sdn Bhd ("BUSB"), from FACB Industries Incorporated Berhad ("FACBII") for a total cash of RM3.16 million, proposed debt novation of RM33.4 million owing to FACBII from BUSB to another wholly-owned subsidiary, Dapan Holdings Sdn Bhd ("DHSB") and proposed termination of the Shareholders Agreement between KCB and FACBII. The transaction was completed in the month of October 2008.

CORPORATE SOCIAL RESPONSIBILITY

The Group is committed towards its social responsibility through the following themes – environmental protection, social obligations and organisation.

As an established resort operator and property developer in Sabah, the Group adopts an 'environment-friendly' approach for the operations of Nexus Resort and the development of Bandar Sierra and Nexus Residence projects. 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.

For social activities, the Group is involved in philanthropic activities including organizing activities for less fortunate students, blood donation drives, contribution towards charity homes and the cleaning up of public beach. The engagement in social activities is the Group's way of showing appreciation to the local community in which we operate our businesses.

In the Group's organization of over 1,000 employees, we recognize the importance of our human resources. Key initiatives to further strengthen the organisation includes providing a conducive working environment for our employees, staff development & training, diversity, employee welfare as well as health and safety.

FUTURE OUTLOOK

The year 2009 is likely to continue to be a difficult and volatile year for businesses. The global economy is expected to remain weak following the synchronized recession in the advanced economies. Whilst Malaysia has successfully maintained the stability of its financial system during this period of uncertainty, the economy is not insulated from these global developments given the high degree of openness in the Malaysian economy.



Amidst the tough operating conditions, the Group is cautiously managing its business operations with focus on revenue sustainability and cashflow management. Barring any unforeseen circumstances, the Group expects to cushion the adverse economic conditions by leveraging on its world-class asset quality and projects in strategic location.

ACKNOWLEDGEMENT

We are saddened by the sudden demise of our director, Allahyarham Tuan Haji Zainal Abidin bin Ali, who passed away on 11 July 2009. He joined the Board as a Director on 21 November 2003 and has remained on the Board until his demise. His counsel and advice to the Group will be greatly missed. On behalf of the Board of Directors, management and staff of the Group, we wish to extend our deepest condolence to his family.

We would also 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 2009
Kota Kinabalu





CEO's STATEMENT



Dear Shareholders,

It is my pleasure to report on the performance of Karambunai Corp Bhd ("KCB") for the financial year ended 31 March 2009.



Datuk Robin Loh Hoon Loi
Chief Executive Officer

BUSINESS MANAGEMENT

2008 was indeed a challenging year for many economies and businesses. In the first few months of the year, the high level of oil price contributed much to the spiraling inflation across many sectors and increased the costs of doing businesses. Later in the year, the gloomy economic conditions had worsened and threatened the global economy with a large scale financial crisis that has been compared with the Great Depression of the 1930s.

As an open economy, Malaysia was not spared either as GDP growth slowed to 4.6% in 2008 from 6.3% in the previous year. The Malaysian economy slowed significantly in the second half of 2008 due to the intensified and synchronized economic downturn in the developed economies. Like other emerging market economies, the impact of the global financial crisis on the Malaysian economy was transmitted to the real economy. Being a trade sensitive economy, Malaysia felt the impact of the economic deterioration in the developed countries through the trade channel. Coupled with lower intra-regional trade and lower commodity prices, growth in Malaysia's exports sharply decelerated from a growth of 16.8% in 3Q08 to a drop of 7.4% in 4Q08. The large impact of the global economic meltdown on Malaysia's exports was due to the export sector's large contribution to the country's GDP.

Meanwhile, tourism activities in Sabah were also affected negatively as it recorded tourist arrivals of 2.3 million in 2008 as compared to 2.48 million a year earlier. It is likely that the drop in international arrivals was due to a conscious cutback on travel to Sabah by holiday seekers, normally a leading destination famous for its fauna, flora and eco-tourism attractions.

Despite encountering the gloomy economic scenario, KCB managed to increase its revenue to RM198.39 million in the current financial year from RM172.47 million in the previous corresponding period. This was largely due to higher revenue contribution from the property development segment arising from partial completion of the Dillenia Phase in the Nexus Residence project. The Group however recorded an after-tax loss of RM35.4 million after taking into account financing cost, impairment and allowance for doubtful debts during the financial year.



REVIEW OF OPERATIONS

Nexus Resort Karambunai ("Nexus Resort")

As an established 5-star international hotel in Kota Kinabalu, Nexus Resort is one of the key assets of the Group and is recognized as one of the leading resort destination internationally.

Whilst it has been a challenging year for the resort & hotel industry in Sabah, we are pleased that Nexus Resort managed to win the "Best Performance – Hotel Internet Revenue Malaysia Market" by Fastbooking Asia Pvt. Ltd., "Top 5 HAPA Signature Leisure & Recreation Resort" in the HAPA (Hospitality Asia Platinum Award) 2008 – 2010 Regional Series and "Top Stay Award" & "Good Food Award" for 2008 by SAGA Holidays.

It is pertinent that Nexus Resort continues to maintain a high standard of service catering to our diversified range of international guests such that their stay with us remains a truly unique and memorable experience.

Nexus Golf Resort Karambunai ("Nexus Golf")

Nexus Golf is one of the premier golf courses in East Malaysia, specifically in Kota Kinabalu. Designed by world-renowned golf architect, Ronald Fream, Nexus Golf is an 18-hole par 72 golf course that has hosted several prestigious events such as the 105th Malaysian Amateur Golf Open and has won numerous awards over the years.

Most recently, Nexus Golf hosted the APGC Senior Amateur Golf Championship 2008, the most prestigious senior golf championship in Asia-Pacific and is held for the first time in Malaysian Borneo & successfully staged at Nexus Golf.





CEO's STATEMENT

Nexus Residence Karambunai ("Nexus Residence")

The Group's flagship development project is the Nexus Residence project, an exclusive beachfront property development sprawled over 270 acres in Karambunai. The 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 definitely a winning factor as buyers are immediately drawn to the beautiful beachfront location of the private residences.

The first phase, Dillenia precinct, was successfully launched and is now partially completed whereby more than half of the 243 units have received the Occupation Certificate since May 2009.

The Group is proud of the fact that it is making a significant headway in developing the luxury property market in Sabah and in the process, helping to create greater awareness of Sabah as an alternative choice for the luxury property market worldwide. We are also 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.

Bandar Sierra Township

With over 415 acres of land-bank in the northern part of Kota Kinabalu, the Group's Bandar Sierra mixed development township is strategically located near the new Federal Administrative Centre as well as several higher institutions of learning. Demand for the Group's properties in Bandar Sierra remains strong due to the congregation of the Kota Kinabalu 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 continue to fill the gap for housing needs in the northern growth corridor of Kota Kinabalu given its strategic location and practical designs of the Bandar Sierra properties.

Bukit Unggul Eco-Media City

Over in Peninsular Malaysia, the Group owns approximately 1,363 acres of land in 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

The global financial crisis has led to decline in economies and businesses worldwide resulting in the softening of the domestic property market and slowdown in private consumption. In light of the uncertainties, we have also had to review our strategies and plans for the Group in the coming months.

Despite the challenging times, the Group will pursue with the refurbishment of the hotel rooms in its flagship asset, Nexus Resort. The objective of the refurbishment is to maintain quality excellence of the resort and improved competitive edge in the near future.

With the partial completion of the Dillenia precinct of Nexus Residence and the leaseback arrangements that most of the buyers have signed with the Group, we are now operating the new "Villas & Suites at Nexus Resort Karambunai", the premier villas with sea-fronting view. This will complement our existing 485-room inventory in Nexus Resort by offering a new premium product to our guests.

Based on the success of the Dillenia precinct, the Group also intends to launch the second phase of Nexus Residence, located just next to the Dillenia precinct.

At the same time, we are also embarking on an interesting new development in Karambunai, which is the Karambunai Golf Community. With a total area of almost 300 acres, the golf community will comprise of a second golf course in Karambunai, commercial and residential components including bungalow lots and luxury condominiums.

The Group has also launched the new Phase 3A2 in Bandar Sierra comprising of 192 units of apartments in May 2009 and intends to further launch 2 other phases (i.e. landed properties and shoplots) in the coming months to meet the growing housing demands in the northern part of Kota Kinabalu.

CONCLUSION

Whilst the global economic outlook remains uncertain at this juncture, we are bracing ourselves for the impact on our businesses. With careful and meticulous planning, once again 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 2009

Kota Kinabalu









Corporate INFORMATION

BOARD OF DIRECTORS

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

Tan Sri Dr Chen Lip Keong
(President)

Datuk Robin Loh Hoon Loi
(Chief Executive Officer)

Chen Yiy Fon
(Chief Operating Officer)

Datuk Wan Kassim bin Ahmed

Leow Ming Fong @ Leow Min Fong

Chen Yiy Hwuan

COMPANY SECRETARIES

Lim Tiong Jin, MIA 16286
Chang Yuet Mei, MAICSA 0781552

AUDIT COMMITTEE

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

Mr Leow Ming Fong @ Leow Min Fong
(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 AC

SOLICITORS

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

BANKERS

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

STOCK EXCHANGE LISTING

Main Board of Bursa Malaysia
Securities Berhad

REGISTRARS

Semangat Corporate Resources Sdn Bhd
Ground Floor, No. 118, Jalan Semangat
46300 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7968 1001
Fax : 03-7958 8013

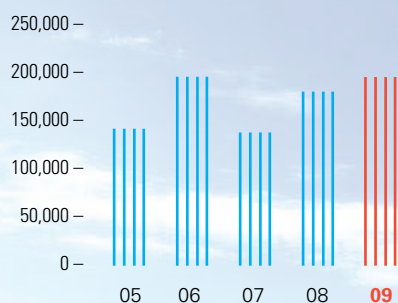
REGISTERED OFFICE

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

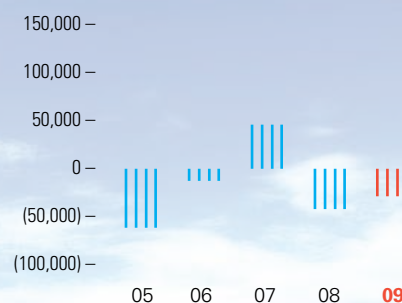
19 Financial SUMMARY

RM'000	2009	2008	2007	2006	2005
Turnover	198,390	172,474	143,623	196,269	145,903
(Loss)/ Profit Before Taxation	(35,952)	(41,453)	49,201	(3,912)	(67,757)
Shareholders' Funds	805,660	841,120	873,212	818,461	832,089
Total Assets	1,789,546	1,824,124	1,859,542	1,886,571	1,860,305
RM					
Net Tangible Asset Per Share	0.39	0.41	0.42	0.39	0.40
(Loss)/ Earnings Per Share	(0.017)	(0.016)	0.03	(0.01)	(0.03)

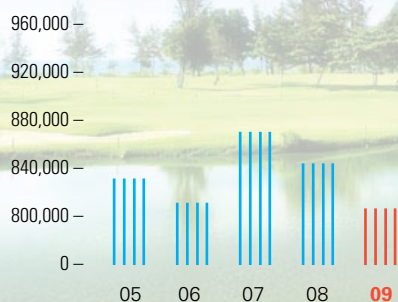
TURNOVER
(RM'000)



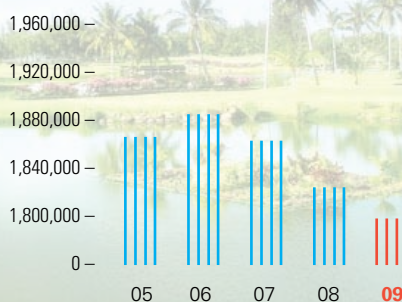
**PROFIT/(LOSS)
BEFORE TAXATION**
(RM'000)



**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 70

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 as a Barrister-at-Law from Lincoln's Inn, London in 1970. He practiced as a partner in the legal firms, Hisham, Sobri & Kadir and Kadir, Khoo & Aminah from 1974 to 1982 and 1987 to 1990 respectively. He had been holding fulltime positions with the Federal Government since 1970 beginning as political secretary, parliamentary secretary, deputy minister and minister in various ministries almost continuously 36 years.

He was the Minister of Culture, Arts and Tourism Malaysia from 1999-2004 (5 years). During this time he was also a Chairman of Tourism Board Malaysia.

In 2006, he moved to become the Minister of Information Malaysia before resigning from cabinet on 14 February 2006 to move to private sector.

Currently, Tan Sri Kadir is also a Chairman of MNC Wireless Berhad, besides also being Chairman and Director of a few other companies.

TAN SRI DR CHEN LIP KEONG

President, Non-Independent Executive Director, Malaysian, aged 62

Tan Sri Dr Chen Lip Keong was appointed to the Board as Director on 31 January 1991 and is the controlling shareholder, President and Executive Director of the Company.

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

Currently, Tan Sri Dr Chen is also the controlling shareholder, President and Executive Director of Petaling Tin Berhad and the controlling shareholder and Executive Director of FACB Industries Incorporated Berhad. In addition Tan Sri Dr Chen is also the Founder, controlling shareholder, President/CEO of NagaCorp Ltd, a company listed in Hong Kong.

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DATUK ROBIN LOH HOON LOI

Chief Executive Officer, Non-Independent Executive Director, Malaysian, aged 48

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 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 and President of Malaysian Golf Association.

CHEN YIY FON

Chief Operating Officer, Non-Independent Executive Director, Malaysian, aged 28

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 is also an Executive Director of FACB Industries Incorporated Berhad and Petaling Tin Berhad.



Board of DIRECTORS' PROFILE

DATUK WAN KASSIM BIN AHMED

Independent Non-Executive Director, Malaysian, aged 60

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 and Octagon Consolidated Berhad.

LEOW MING FONG @ LEOW MIN FONG

Independent Non-Executive Director, Malaysian, aged 59

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.

23**CHEN YIY HWUAN**

Non-Independent Executive Director, Malaysian, aged 29

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 as Special Assistant to CEO in the areas of management and corporate finance.

Currently, Mr Chen is also an Executive Director of FACB Industries Incorporated Berhad and Petaling Tin Berhad.





In The NEWS





Calendar Of

JULY 2008

Nexus Resort – Digital Photography Bootcamp



OCT 2008

Bandar Sierra – Sabah International Expo 2008 (SIE 2008) & PROPEX 2008

NOV 2008

Nexus Golf – Asia Pacific Senior Amateur Golf Championship



29

EVENTS

NOV 2008

Nexus Resort
– Sabah Open Dart
Championship



DEC 2008

Nexus Residence – Handover
Ceremony by the Mayor on
Dillenia Precinct



FEB 2009

Nexus Resort – “Best Performance
– Hotel Internet Revenue” Malaysia
Market 2008 at the Fastbooking Asia
Appreciation Evening Cocktail



MAR 2009

Nexus Resort – Earth Hour





Our AWARDS



1



2



3



4



1. 2008

SAGA Holidays, Travellers World
Top Stay Award

2. 2008

SAGA Holidays, Travellers World
Good Food Award

3. 2008 – 2010

Regional Series, Top 5 HAPA Signature Leisure &
Recreation Resort
HAPA (Hospitality Asia Platinum Award)

4. 2008

Fastbooking Asia Pvt. Ltd
Best Performance – Hotel Internet Revenue
Malaysia Market



5. 2008

ASEAN Green Hotel Recognition Award
ASEAN Green Hotel Standard Recognition
Award 2008 - 2009

6. 2007

Sabah Tourism Awards 2007
Winner ñ Excellence in Hotel Services (3, 4 & 5 Stars)

7. 2007

HAPA (Hospitality Asia Platinum Award) 2007-2008

- i. Top 5 HAPA MICE Hotel of the Year
- ii. Top 5 HAPA Golf Resort of the Year
- iii. Top 10 HAPA Luxury Resort of the Year