

# **69th ANNUAL REPORT 2000**

**NEGRI SEMBILAN OIL PALMS BERHAD 592-D  
(Incorporated in Malaysia)**

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**CONTENTS**

	Page
FINANCIAL HIGHLIGHT AND FINANCIAL CALENDAR	1
NOTICE OF ANNUAL GENERAL MEETING	2
CORPORATE INFORMATION	3
GROUP FINANCIAL PROFILE	4 - 5
PLANTATION STATISTICS	6
CHAIRMAN'S STATEMENT	7 - 8
AUDIT COMMITTEE	9
DIRECTORS' REPORT	10 -15
STATEMENT BY DIRECTORS	16
STATUTORY DECLARATION	16
AUDITORS' REPORT	17
CONSOLIDATED BALANCE SHEET	18
CONSOLIDATED INCOME STATEMENT	19
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	20
CONSOLIDATED CASH FLOW STATEMENT	21
BALANCE SHEET	22
INCOME STATEMENT	23
STATEMENT OF CHANGES IN EQUITY	24
CASH FLOW STATEMENT	25
NOTES TO THE FINANCIAL STATEMENTS	26 - 42
SHAREHOLDING STATISTICS	43 - 45
LIST OF ALL PROPERTIES	46
FORM OF PROXY	47

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**FINANCIAL HIGHLIGHT AND FINANCIAL CALENDAR**

**FINANCIAL HIGHLIGHT - GROUP**

	<b>2000</b>	<b>1999</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	38,663	59,712
Operating profit	4,326	16,224
Exceptional items	1,394	1,846
Share of results in associated companies	(115)	(15)
Profit before taxation	5,605	18,055
Taxation	(1,939)	(121)
Profit after taxation	3,666	17,934
Minority interests	186	(782)
Profit for the year attributable to shareholders	3,852	17,152
Dividends	3,360	3,360
Issued and paid-up share capital	29,173	29,173
Shareholders' funds	119,992	119,640
Earnings per stock unit	13.2 sen	58.8 sen
Gross dividends	16%	16%
Dividend cover (times)	1.1	5.1
Net tangible assets per stock unit	RM4.11	RM4.10

**FINANCIAL CALENDAR**

Financial year	1 January to 31 December, 2000
Announcement of results	
First financial quarter ended 31 March, 2000	26 May, 2000
Second financial quarter ended 30 June, 2000	11 August, 2000
Third financial quarter ended 30 September, 2000	29 November, 2000
Fourth financial quarter ended 31 December, 2000	26 February, 2001
Dividend payment	
First interim	11 October, 2000
Second interim	20 April, 2001
Issue of 2000 Annual Report	3 May, 2001
Sixty Ninth Annual General Meeting	21 May, 2001

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Sixty Ninth Annual General Meeting of the Company will be held at its Registered Office, No. 107-1 Changkat Tambi Dollah, 55100 Kuala Lumpur on Monday, 21 May, 2001 at 2.30 p.m. for the following purposes: -

1. To receive and adopt the audited financial statements for the year ended 31 December, 2000 and reports of the directors and auditors thereon.
2. To approve the directors' remuneration for the year ended 31 December, 2000.
3. To re-elect the following directors retiring under the provisions of the Articles of Association of the Company: -
  - (i) Mr Goh Pock Ai
  - (ii) Mr Goh Beng Hwa @ Gho Bin Hoa
  - (iii) Mr Goh Yeok Beng
  - (iv) Dato' Ong Bok Lim
4. To consider and if thought fit, pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965: -

"That Mr Wong Aun Phui, who retires pursuant to Section 129 of the Companies Act, 1965 be re-appointed a director of the Company to hold office until the next Annual General Meeting of the Company."
5. To re-appoint auditors and to authorise the directors to fix their remuneration.
6. To transact any other ordinary business of the Company of which proper notice shall have been given to the Company.

By order of the Board

Gan Kok Tiong  
Company Secretary

Kuala Lumpur  
3 May, 2001

**NOTES:**

1. A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. If the member is a corporation, the Form of Proxy must be executed under its common seal or under the hand of a person duly authorised in writing.
3. The Form of Proxy must be deposited at the Registered Office, No. 107-1 Changkat Tambi Dollah, 55100 Kuala Lumpur not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

**EXECUTIVE CHAIRMAN** Goh Eng Chew

**EXECUTIVE DIRECTORS** Wong Aun Phui  
Goh Pock Ai

**DIRECTORS** Goh Beng Hwa  
Goh Yeok Beng  
Goh Lei Eng  
Dr Goh Han Teng P.B.M., O.ST.J., F.I.M.G.T., D.DG., M.O.I.F.,  
A.I.M.(P.C.), L.F.A.B.I.  
Gho Lian Chin  
Goh Wei Lei  
Sio Sit Po  
Dato' Ong Bok Lim

**ALTERNATE DIRECTORS** Goh Seh Kiat (alternate to Goh Lei Eng)  
Gho Bun Tjin (alternate to Gho Lian Chin)

**AUDIT COMMITTEE**

**CHAIRMAN** Goh Beng Hwa (Independent Non-Executive Director)  
**MEMBERS** Dato' Ong Bok Lim (Independent Non-Executive Director)  
Wong Aun Phui (Executive Director)

**COMPANY SECRETARY** Gan Kok Tiong B.Commerce (Hons.), PA(M), CPA

**REGISTERED OFFICE** 107-1, Changkat Tambi Dollah  
55100 Kuala Lumpur  
Telephone: 03-21488901  
Fax: 03-21428195

**AUDITORS** Arthur Andersen & Co.  
Public Accountants

**PRINCIPAL BANKERS** Malayan Banking Berhad  
Bumiputra-Commerce Bank Berhad  
Hong Leong Bank Berhad

**REGISTRAR AND MANAGING AGENT** Sin Thye Management Sdn Bhd  
107-1, Changkat Tambi Dollah  
55100 Kuala Lumpur  
Telephone: 03-21488901  
Fax: 03-21428195

**STOCK EXCHANGE LISTING** Kuala Lumpur Stock Exchange

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
(Incorporated in Malaysia)

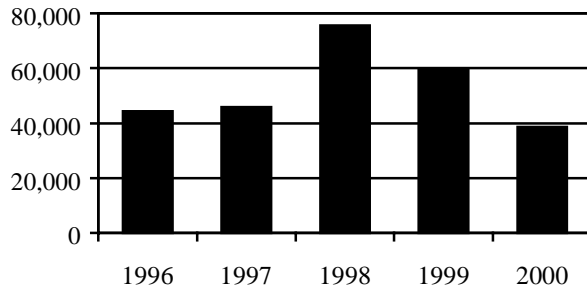
**GROUP FINANCIAL PROFILE**

	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	44,315	45,894	75,587	59,712	38,663
Operating profit	12,607	11,196	23,569	16,224	4,326
Exceptional items	653	1,005	4,170	1,846	1,394
Share of results in associated companies	(18)	(150)	(311)	(15)	(115)
Profit before taxation	13,242	12,051	27,428	18,055	5,605
Taxation	(3,778)	(3,077)	(6,732)	(121)	(1,939)
Profit after taxation	9,464	8,974	20,696	17,934	3,666
Minority interests	(1,284)	(873)	(1,655)	(782)	186
Profit for the year attributable to shareholders	8,180	8,101	19,041	17,152	3,852
Transfer to capital reserve	(246)	(505)	(2,995)	(1,352)	(828)
Retained profits brought forward	7,934	7,596	16,046	15,800	3,024
Profits available for appropriation	40,971	46,250	51,145	63,831	76,271
Dividends	48,905	53,846	67,191	79,631	79,295
Retained profits carried forward	(2,655)	(2,701)	(3,360)	(3,360)	(3,360)
	46,250	51,145	63,831	76,271	75,935
Assets Employed					
Fixed assets	54,204	53,875	53,963	53,618	53,458
Investments	27,902	31,553	25,240	23,062	20,248
Net current assets	19,649	22,276	46,593	63,285	65,994
	101,755	107,704	125,796	139,965	139,700
Financed by					
Share capital	29,173	29,173	29,173	29,173	29,173
Reserves	53,780	59,785	76,753	90,467	90,819
Shareholders' funds	82,953	88,958	105,926	119,640	119,992
Long term liabilities	2,625	2,292	2,346	2,456	2,478
Minority interests	16,177	16,454	17,524	17,869	17,230
	101,755	107,704	125,796	139,965	139,700
Earnings per stock unit (sen)	28.0	27.8	65.3	58.8	13.2
Net tangible assets per stock unit (RM)	2.84	3.05	3.63	4.10	4.11
Gross dividends (%)	13	13	16	16	16
Dividend cover (times)	3.1	3.0	5.7	5.1	1.1

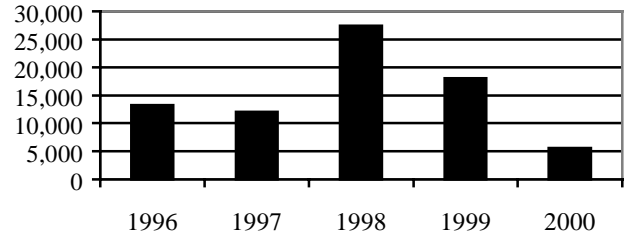
**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**GROUP FINANCIAL PROFILE**

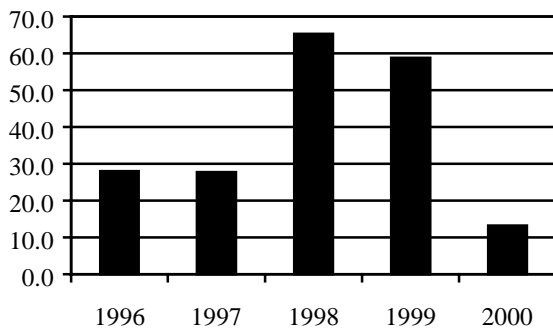
REVENUE  
RM'000



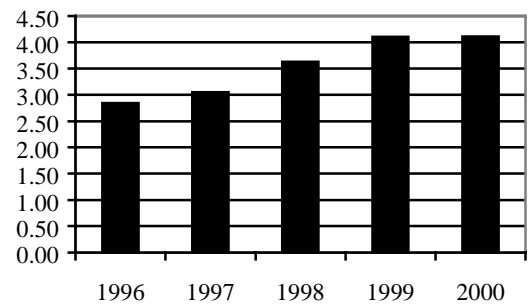
PROFIT BEFORE TAXATION  
RM'000



EARNINGS PER STOCK UNIT  
SEN



NET TANGIBLE ASSETS  
PER STOCK UNIT  
RM



**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**PLANTATION STATISTICS**

	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
<b>PLANTED AREA (HECTARES)</b>					
As at 31, December					
Mature	6,568	6,104	6,159	6,152	6,801
Replanting and immature	771	1,429	1,416	1,423	761
	<u>7,339</u>	<u>7,533</u>	<u>7,575</u>	<u>7,575</u>	<u>7,562</u>
<b>PRODUCTION (M/T)</b>					
ffb - own estates	115,190	109,236	93,314	117,944	113,621
- purchased	60,589	61,651	69,661	80,693	75,413
	<u>175,779</u>	<u>170,887</u>	<u>162,975</u>	<u>198,637</u>	<u>189,034</u>
Crude palm oil	22,427	20,638	19,123	21,790	21,643
Palm kernel	7,351	6,924	6,266	7,256	7,017
<b>EXTRACTION RATE (%)</b>					
Crude palm oil	17.99	18.10	17.76	17.49	17.93
Palm kernel	5.90	6.07	5.82	5.83	5.81

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**CHAIRMAN'S STATEMENT**

On behalf of the Board of Directors, I am pleased to present the Annual Report and the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December, 2000.

**FINANCIAL RESULTS**

Revenue of the Group decreased by 35.25% from RM59,711,925 to RM38,663,266 and profit before taxation decreased by 68.96% from RM18,055,359 to RM5,604,826. The reduction in the revenue and profit was due to the decline in the average selling prices of fresh fruit bunches ('ffb'), crude palm oil and palm kernel.

Profit after taxation decreased by 79.56% from RM17,934,307 to RM3,666,142. The decrease in profit after taxation is higher than the decrease in profit before taxation as 1999 was a tax waiver year. After taking into account of minority interests, the profit of the Group attributable to shareholders decreased by 77.54% from RM17,152,108 to RM3,852,134. Shareholders' funds increased from RM119,639,199 to RM119,991,842.

At Company level, the revenue decreased by 41.39% from RM19,382,282 to RM11,358,859 and profit before taxation decreased by 53.16% from RM16,090,109 to RM7,536,032.

**DIVIDENDS**

The Board has declared a second interim dividend of 8% or 8 sen per stock unit less 28% taxation payable on 20 April, 2001. Together with the first interim dividend of 8% or 8 sen per stock unit less 28% taxation paid on 11 October, 2000, the total dividends in respect of the financial year ended 31 December, 2000 are 16% or 16 sen per stock unit less 28% taxation. (1999: 16% or 16 sen per stock unit less 28% taxation) In view of the declaration of the second interim dividend, the Board does not recommend a final dividend in respect of the financial year ended 31 December, 2000.

**OPERATIONS REVIEW**

**Senama Estate**

Production of ffb decreased from 23,869 m/t to 19,253 m/t.

**Ibam Estate**

Production of ffb decreased from 50,218 m/t to 49,074 m/t.

**Gula Estate (Eng Thye Plantations Berhad)**

Production of ffb decreased from 31,323 m/t to 31,178 m/t. However, purchase of ffb increased from 46,876 m/t to 52,711 m/t. Overall, crude palm oil production increased from 13,387 m/t to 14,917 m/t and palm kernel production increased from 4,868 m/t to 5,131 m/t. As at 31 December, 2000, total immature area was 385 acres and the young palms are expected to attain maturity in Year 2001.

**Maran Estate (Timor Oil Palm Plantation Berhad)**

Production of ffb increased from 12,534 m/t to 14,116 m/t. However, purchase of ffb decreased from 33,817 m/t to 22,702 m/t. Overall, crude palm oil production decreased from 8,403 m/t to 6,726 m/t and palm kernel production decreased from 2,388 m/ to 1,886 m/t. As at 31 December, 2000, total immature area was 1,495 acres of which 1,018 acres and 477 acres are expected to attain maturity in Year 2001 and Year 2002 respectively.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**CHAIRMAN'S STATEMENT**

**CORPORATE DEVELOPMENT**

On 20 December, 2000, the Company announced the following Proposals: -

- (a) a bonus issue of 35,007,252 new shares of RM1.00 each to be credited as fully paid-up on the basis of six new shares for every five existing ordinary stock units held;
- (b) an employee share option scheme for eligible employees and eligible executive directors of the Group; and
- (c) an increase in the authorised share capital of the Company from RM50,000,000 to RM150,000,000.

The proposed bonus issue will be made by capitalising: -

- (i) RM20,992,081 from the asset revaluation surplus of RM41,984,162 arising from the revaluation of the Company's freehold and long term leasehold estates; and
- (ii) RM14,015,171 from the investment revaluation surplus of RM56,852,716 arising from the revaluation of the Company's cost of investments in its subsidiaries.

In conjunction with the proposed bonus issue, an independent firm of professional valuers, Messrs United Pacific Property Consultants Sdn Bhd had carried out valuations of the Group's freehold and leasehold estates resulting in the asset revaluation surplus and the investment revaluation surplus as stated in (i) and (ii) above. These valuations are subject to the approval of the Securities Commission. The approved assets and investment revaluation surplus will be incorporated in the financial statements of the Group and the Company for the financial year ending 31 December, 2001.

The Proposals are subject to the approvals of the Securities Commission, the Kuala Lumpur Stock Exchange and other relevant authorities, and the shareholders at an Extraordinary General Meeting.

**OUTLOOK FOR 2001**

The selling prices of crude palm oil and palm kernel have continued to weaken. Correspondingly, the results for the financial year ending 31 December, 2001 is expected to decline.

**APPRECIATION**

On behalf of the Board of Directors, I would like to thank the management and staff for their contribution. I must also thank our suppliers and customers for their co-operation and support.

Goh Eng Chew  
Executive Chairman

Dated: 26 February, 2001

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**AUDIT COMMITTEE**

The Audit Committee was formed on 25 June, 1994.

The composition of the Audit Committee is as follows: -

<b>Chairman</b>	Goh Beng Hwa (Independent Non-Executive Director)
<b>Members</b>	Dato' Ong Bok Lim (Independent Non-Executive Director) Wong Aun Phui (Executive Director)

**TERMS OF REFERENCE**

**Members**

The Audit Committee shall be appointed by the Board and shall consist of three directors with a majority of such directors being non-executive and not related to executive directors or someone who cannot have independent judgement.

**Meeting**

Audit Committee meeting should be held at least four times a year. Two members present shall form a quorum.

**Authority**

The Audit Committee is authorised to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Audit Committee. The Audit Committee is authorised to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise at the meeting of the Audit Committee, if it considers necessary. In carrying out its functions, the Audit Committee is free to communicate with management and the external auditors and is authorised to summon any employee to appear before the meeting of the Audit Committee.

**Functions**

The functions of the Audit Committee shall be: -

- (a) to review with the external auditors
  - the audit plan
  - their evaluation of the system of internal accounting controls
  - the audit report
- (b) to review the assistance given by the Company's officers to the auditors
- (c) to review the consolidated accounts of the Group and the accounts of the Company and thereafter to submit them to the Board of Directors of the Company
- (d) to review any related party transactions that may arise within the Company and the Group
- (e) to nominate persons for appointment as auditors of the Company and its subsidiaries
- (f) to perform such other functions as may be agreed to by the Board of Directors and the Audit Committee

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**DIRECTORS' REPORT**

The directors hereby submit their report together with the audited financial statements of the Company and of the Group for the financial year ended 31 December, 2000.

PRINCIPAL ACTIVITIES

The principal activities of the Group are the cultivation, processing and sale of fresh fruit bunches, crude palm oil and palm kernel.

The principal activities of the Company are the cultivation and sale of fresh fruit bunches and investment holding.

There have been no significant changes in these activities during the financial year.

RESULTS

	<u>Group</u> RM	<u>Company</u> RM
Profit for the year attributable to the shareholders of the Company	3,852,134	5,438,563
Transfer to capital reserve	(827,629)	-
	3,024,505	5,438,563
Retained profits brought forward	76,270,396	55,967,896
Profits available for appropriation	79,294,901	61,406,459
Dividends	(3,360,696)	(3,360,696)
Retained profits carried forward	75,934,205	58,045,763

DIVIDENDS

The amount of dividends paid or declared by the Company since 31 December, 1999 were as follows:

	RM
In respect of the financial year ended 31 December, 1999	
Third interim dividend of 6% less 28% taxation paid on 24 April, 2000	1,260,261
In respect of the financial year ended 31 December, 2000	
First interim dividend of 8% less 28% taxation paid on 11 October, 2000	1,680,348
Second interim dividend of 8% less 28% taxation payable on 20 April, 2001	1,680,348
	3,360,696

In view of the declaration of the second interim dividend, the directors do not recommend a final dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the statement of changes in equity and Note 12 to the financial statements.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**DIRECTORS' REPORT**

BAD AND DOUBTFUL DEBTS

Before the income statements and balance sheets 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 provision for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts is required.

At the date of this report, the directors are not aware of any circumstances which would require any debts to be written off or provided for as doubtful in the financial statements of the Company and of the Group.

CURRENT ASSETS

Before the income statements and balance sheets were made out, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business their values as shown in the accounting records of the Company and of the Group 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 Company and of the Group 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 methods of valuation of assets or liabilities of the Company and of the Group misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company or of the Group to meet their 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 Company or of the Group which would render any amount stated in the financial statements misleading.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**DIRECTORS' REPORT**

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Company and of the Group during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature other than that disclosed in Note 15 to the financial statements.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Company or of the Group for the financial year in which this report is made.

SIGNIFICANT EVENTS

The significant events are disclosed in Note 20 to the financial statements.

DIRECTORS

The directors who served since the date of the last report are:

Goh Eng Chew  
Wong Aun Phui  
Goh Pock Ai  
Goh Han Teng  
Goh Beng Hwa @ Gho Bin Hoa  
Goh Yeok Beng  
Goh Lei Eng  
Gho Lian Chin  
Goh Wei Lei  
Sio Sit Po  
Dato' Ong Bok Lim  
Goh Seh Kiat (alternate to Goh Lei Eng)  
Gho Bun Tjin (alternate to Gho Lian Chin )

In accordance with the Company's Articles of Association, Goh Pock Ai, Goh Beng Hwa @ Gho Bin Hoa, Goh Yeok Beng and Dato' Ong Bok Lim retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Wong Aun Phui retires pursuant to Section 129 of the Companies Act, 1965 and a resolution is being proposed for his re-appointment as director under the provision of Section 129(6) of the said Act to hold office until the next Annual General Meeting of the Company.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company or its subsidiaries are a party with the object of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 14 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 he is a member, or with a company in which he has a substantial financial interest, except for any benefit which may be deemed to have arisen by virtue of those transactions entered into in the ordinary

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**DIRECTORS' REPORT**

course of business between the Company and certain companies in which certain directors have interests as disclosed in Note 22 to the financial statements.

**DIRECTORS' INTERESTS**

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in the stock units of the Company and shares of its related corporations during the financial year were as follows:

<u>The Company</u>	<u>Number of Stock Units of RM1 Each</u>			
	1 January, <u>2000</u>	<u>Bought</u>	<u>Sold</u>	31 December, <u>2000</u>
Direct Interests:				
Wong Aun Phui	85,750	26,000	-	111,750
Goh Pock Ai	500	-	-	500
Goh Han Teng	17,000	-	-	17,000
Goh Beng Hwa @ Gho Bin Hoa	459,324	-	-	459,324
Gho Lian Chin	1,000	-	-	1,000
Gho Bun Tjin	1,000	-	-	1,000
Sio Sit Po	115,188	-	-	115,188
Indirect Interests:				
Goh Eng Chew	17,739,368	-	(148,000)*	17,591,368
Goh Beng Hwa @ Gho Bin Hoa	905,313	-	-	905,313
Gho Lian Chin	17,660,306	-	-	17,660,306
Goh Seh Kiat	17,607,773	-	-	17,607,773

\* due to cessation of interest in an investor

<u>Eng Thye Plantations Berhad</u> <u>- Subsidiary</u>	<u>Number of Ordinary Shares of RM1 Each</u>			
	1 January, <u>2000</u>	<u>Bought</u>	<u>Sold</u>	31 December, <u>2000</u>
Direct Interests:				
Wong Aun Phui	3,500	-	-	3,500
Goh Beng Hwa @ Gho Bin Hoa	3,500	-	-	3,500
Dato' Ong Bok Lim	35,000	-	-	35,000
Indirect Interests:				
Goh Eng Chew	35,525	-	-	35,525
Gho Lian Chin	35,525	-	-	35,525
Goh Seh Kiat	35,525	-	-	35,525

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**DIRECTORS' REPORT**

	<u>Number of Ordinary Shares of RM1 Each</u>			
	1 January, <u>2000</u>	<u>Bought</u>	<u>Sold</u>	31 December, <u>2000</u>
<u>Timor Oil Palm Plantation</u>				
<u>Berhad - Subsidiary</u>				
Direct Interests:				
Goh Eng Chew	10,000	-	-	10,000
Wong Aun Phui	1,000	-	-	1,000
Goh Pock Ai	10,000	-	-	10,000
Goh Yeok Beng	10,000	-	-	10,000
Goh Han Teng	10,000	-	-	10,000
Gho Lian Chin	10,000	-	-	10,000
Indirect Interests:				
Goh Eng Chew	22,000	-	-	22,000
Gho Lian Chin	22,000	-	-	22,000
<u>Tiong Thye Company Berhad</u>				
<u>- Holding Company</u>				
Direct Interests:				
Goh Eng Chew	105,000	-	-	105,000
Goh Han Teng	1,000	-	-	1,000
Goh Pock Ai	1,000	-	-	1,000
Gho Lian Chin	1,000	-	-	1,000
Gho Bun Tjin	1,000	-	-	1,000
Indirect Interests:				
Goh Eng Chew	10,038,000	-	-	10,038,000
Gho Lian Chin	5,670,000	-	-	5,670,000
Goh Seh Kiat	3,500,000	-	-	3,500,000

Goh Eng Chew, Gho Lian Chin and Goh Seh Kiat by virtue of their interests in the holding company are also deemed interested in the shares of all the related corporations to the extent the holding company has an interest.

None of the other directors in office at the end of the financial year had any interest in the stock units of the Company and shares of its related corporations during the financial year.

NUMBER OF EMPLOYEES AND REGISTERED OFFICE

The number of employees in the Group and the Company at the end of the financial year were 274 (1999 : 255) and 53 (1999 : 50) respectively. The registered office of the Group is located at 107-1, Changkat Tambi Dollah, 55100 Kuala Lumpur.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**DIRECTORS' REPORT**

ULTIMATE HOLDING COMPANY

The directors regard Tiong Thye Company Berhad, a company incorporated in Malaysia as the ultimate holding company.

AUDITORS

Arthur Andersen & Co. retire and have indicated their willingness to accept re-appointment.

Signed on behalf of the Board  
in accordance with a resolution  
of the directors

GOH ENG CHEW

WONG AUN PHUI

Kuala Lumpur  
Dated: 26 February, 2001



**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**AUDITORS' REPORT**

To the Shareholders of  
NEGRI SEMBILAN OIL PALMS BERHAD

We have audited the financial statements set out on pages 18 to 42. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion,

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

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 audit reports on the financial statements of the subsidiaries were not subject to any qualification or any adverse comment made under subsection (3) of Section 174 of the Act.

Arthur Andersen & Co.  
No. AF 0103  
Public Accountants

Pushpanathan a/l S.A. Kanagarayar  
No. 1056/3/01(J/PH)  
Partner of the Firm

Dated: 26 February, 2001

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**CONSOLIDATED BALANCE SHEET - 31 DECEMBER, 2000**

	<u>Note</u>	<u>2000</u> RM	<u>1999</u> RM
<b>CURRENT ASSETS</b>			
Cash and bank balances		8,176,368	4,271,779
Deposits with financial institutions	3	54,033,214	60,080,980
Trade debtors	4	1,191,374	2,337,437
Other debtors		7,122,708	1,614,439
Stocks	5	1,327,020	1,417,448
		71,850,684	69,722,083
<b>CURRENT LIABILITIES</b>			
Trade creditors		1,082,070	1,729,904
Other creditors		3,060,503	3,446,253
Taxation		33,078	-
Dividend payable		1,680,348	1,260,261
		5,855,999	6,436,418
NET CURRENT ASSETS		65,994,685	63,285,665
INVESTMENT IN ASSOCIATED COMPANIES	7	3,059,894	3,343,822
OTHER INVESTMENTS	8	17,187,735	19,717,767
FIXED ASSETS	9	53,458,217	53,617,716
DEFERRED TAXATION	10	(1,765,000)	(1,765,000)
RETIREMENT BENEFITS		(713,272)	(691,726)
MINORITY INTERESTS		(17,230,417)	(17,869,045)
		119,991,842	119,639,199
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	11	29,172,710	29,172,710
Reserves	12	90,819,132	90,466,489
		119,991,842	119,639,199

The accompanying notes are an integral part of this balance sheet.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2000**

	<u>Note</u>	<u>2000</u> RM	<u>1999</u> RM
Revenue	13	38,663,266	59,711,925
Cost of sales	13	<u>(29,814,418)</u>	<u>(38,160,938)</u>
Gross profit		8,848,848	21,550,987
Other operating income		3,372,269	2,686,595
Selling expenses		(1,045,572)	(1,130,539)
Administrative expenses		(5,478,892)	(5,382,239)
Replanting expenditure		<u>(1,371,449)</u>	<u>(1,501,067)</u>
Operating profit	14	4,325,204	16,223,737
Exceptional items	15	1,394,441	1,846,167
Share of results of associated companies		<u>(114,819)</u>	<u>(14,545)</u>
Profit before taxation		5,604,826	18,055,359
Taxation	16	<u>(1,938,684)</u>	<u>(121,052)</u>
Profit after taxation		3,666,142	17,934,307
Minority interests		<u>185,992</u>	<u>(782,199)</u>
Net profit for the year		<u><u>3,852,134</u></u>	<u><u>17,152,108</u></u>
Basic earnings per stock unit	17	<u><u>13.2 sen</u></u>	<u><u>58.8 sen</u></u>

The accompanying notes are an integral part of this statement.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER, 2000**

	<u>Share capital</u> RM	<u>Non- distributable reserves</u> RM	<u>Distributable reserves</u> RM	<u>Total</u> RM
At 1 January, 1999	29,172,710	3,777,063	72,975,988	105,925,761
Net profit for the year	-	-	17,152,108	17,152,108
Transferred to capital reserve relating to gain on sale of investments	-	-	(1,351,605)	(1,351,605)
Dividends (Note 18)	-	-	(3,360,696)	(3,360,696)
Foreign exchange difference	-	(77,974)	-	(77,974)
Transferred from income statement	-	-	1,351,605	1,351,605
At 31 December, 1999	<u>29,172,710</u>	<u>3,699,089</u>	<u>86,767,400</u>	<u>119,639,199</u>
At 1 January, 2000	29,172,710	3,699,089	86,767,400	119,639,199
Net profit for the year	-	-	3,852,134	3,852,134
Transferred to capital reserve relating to gain on sale of investments	-	-	(827,629)	(827,629)
Dividends (Note 18)	-	-	(3,360,696)	(3,360,696)
Foreign exchange difference	-	(138,795)	-	(138,795)
Transferred from income statement	-	-	827,629	827,629
At 31 December, 2000	<u>29,172,710</u>	<u>3,560,294</u>	<u>87,258,838</u>	<u>119,991,842</u>

An analysis of the movement in each category within reserves is set out in Note 12 to the financial statements.

The accompanying notes are an integral part of this statement.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2000**

	<u>2000</u>	<u>1999</u>
	RM	RM
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	5,604,826	18,055,359
Adjustment for:		
Share of results retained in associated companies	153,422	54,698
Depreciation	927,460	862,807
Bad debts written off	-	22,481
Fixed assets written off	-	6,652
Gain on sale of fixed assets	(3,500)	-
Retirement benefits	41,555	53,359
Interest income	(1,856,585)	(2,328,916)
Dividend income	(1,482,408)	(301,365)
Exceptional items	(1,394,441)	(1,846,167)
Operating profit before working capital changes	<u>1,990,329</u>	<u>14,578,908</u>
Decrease in debtors	423,212	335,232
Decrease in stocks	90,428	14,351
(Decrease)/increase in creditors	<u>(196,774)</u>	<u>280,139</u>
Cash generated from operations	2,307,195	15,208,630
Retirement benefit paid	(20,009)	(21,736)
Taxes paid	<u>(6,008,184)</u>	<u>(6,497,273)</u>
Net cash (used in)/generated from operating activities	<u>(3,720,998)</u>	<u>8,689,621</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of other investments	(1,793,042)	(21,551)
Proceeds from sale of other investments	4,313,283	3,911,840
Purchase of fixed assets	(800,154)	(523,891)
Proceeds from sale of fixed assets	3,500	-
Compensation received from compulsory acquisition of estate land	288,925	-
Interest received	1,878,112	2,224,392
Dividend received	<u>1,104,306</u>	<u>223,011</u>
Net cash generated from investing activities	<u>4,994,930</u>	<u>5,813,801</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid to shareholders of the Company	(2,940,609)	(3,780,783)
Dividends paid to minority interests	<u>(476,500)</u>	<u>(435,696)</u>
Net cash used in financing activities	<u>(3,417,109)</u>	<u>(4,216,479)</u>
Net (decrease)/increase in cash and cash equivalents	(2,143,177)	10,286,943
Cash and cash equivalents at 1 January	<u>64,352,759</u>	<u>54,065,816</u>
Cash and cash equivalents at 31 December	<u><u>62,209,582</u></u>	<u><u>64,352,759</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances	8,176,368	4,271,779
Deposits with financial institutions	<u>54,033,214</u>	<u>60,080,980</u>
	<u><u>62,209,582</u></u>	<u><u>64,352,759</u></u>

The accompanying notes are an integral part of this statement.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**BALANCE SHEET - 31 DECEMBER, 2000**

	<u>Note</u>	<u>2000</u> RM	<u>1999</u> RM
<b>CURRENT ASSETS</b>			
Cash and bank balances		741,133	458,012
Deposits with financial institutions	3	39,456,524	40,608,028
Trade debtors	4	753,147	1,398,640
Other debtors		4,058,366	204,059
Stocks	5	15,108	28,564
		<u>45,024,278</u>	<u>42,697,303</u>
<b>CURRENT LIABILITIES</b>			
Trade creditors		110,110	9,525
Other creditors		596,711	1,566,711
Dividend payable		1,680,348	1,260,261
		<u>2,387,169</u>	<u>2,836,497</u>
NET CURRENT ASSETS		42,637,109	39,860,806
INVESTMENT IN SUBSIDIARIES	6	21,837,480	21,837,480
INVESTMENT IN ASSOCIATED COMPANIES	7	1,795,325	1,795,325
OTHER INVESTMENTS	8	556,705	1,154,170
FIXED ASSETS	9	24,173,249	24,263,365
DEFERRED TAXATION	10	(947,000)	(947,000)
RETIREMENT BENEFITS		(184,285)	(173,430)
		<u>89,868,583</u>	<u>87,790,716</u>
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	11	29,172,710	29,172,710
Reserves	12	60,695,873	58,618,006
		<u>89,868,583</u>	<u>87,790,716</u>

The accompanying notes are an integral part of this balance sheet.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2000**

	<u>Note</u>	<u>2000</u> RM	<u>1999</u> RM
Revenue	13	11,358,859	19,382,282
Cost of sales	13	<u>(5,233,814)</u>	<u>(5,175,162)</u>
Gross profit		6,125,045	14,207,120
Other operating income		3,869,284	4,179,868
Selling expenses		(391,763)	(472,483)
Administrative expenses		<u>(2,066,534)</u>	<u>(1,824,396)</u>
Operating profit	14	7,536,032	16,090,109
Taxation	16	<u>(2,097,469)</u>	<u>(797,359)</u>
Net profit for the year		<u><u>5,438,563</u></u>	<u><u>15,292,750</u></u>

The accompanying notes are an integral part of this statement.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2000**

	<u>Share capital</u> RM	<u>Non- distributable reserves</u> RM	<u>Distributable reserve</u> RM	<u>Total</u> RM
At 1 January, 1999	29,172,710	75,528	46,610,424	75,858,662
Net profit for the year	-	-	15,292,750	15,292,750
Dividends (Note 18)	-	-	(3,360,696)	(3,360,696)
At 31 December, 1999	<u>29,172,710</u>	<u>75,528</u>	<u>58,542,478</u>	<u>87,790,716</u>
At 1 January, 2000	29,172,710	75,528	58,542,478	87,790,716
Net profit for the year	-	-	5,438,563	5,438,563
Dividends (Note 18)	-	-	(3,360,696)	(3,360,696)
At 31 December, 2000	<u>29,172,710</u>	<u>75,528</u>	<u>60,620,345</u>	<u>89,868,583</u>

An analysis of the movement in each category within reserves is set out in Note 12 to the financial statements.

The accompanying notes are an integral part of this statement.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2000**

	<u>2000</u>	<u>1999</u>
	RM	RM
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	7,536,032	16,090,109
Adjustments for:		
Depreciation	231,532	220,750
Retirement benefits	17,924	19,170
Interest income	(1,314,617)	(1,587,970)
Dividend income	(2,547,341)	(2,581,041)
Gain on sale of fixed asset	(3,500)	-
Fixed assets written off	-	3,850
Operating profit before working capital changes	<u>3,920,030</u>	<u>12,164,868</u>
Decrease in debtors	639,872	393,561
Decrease in stocks	13,456	4,970
(Decrease)/increase in creditors	<u>(32,604)</u>	<u>588,164</u>
Cash generated from operations	4,540,754	13,151,563
Retirement benefits paid	(7,069)	(8,120)
Taxes paid	<u>(4,915,447)</u>	<u>(5,362,307)</u>
Net cash (used in)/generated from operating activities	<u>(381,762)</u>	<u>7,781,136</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investment	(550,035)	-
Purchase of fixed asset	(141,416)	(113,694)
Proceeds from sale of fixed assets	3,500	-
Interest received	1,306,990	1,532,289
Dividend received	<u>1,834,949</u>	<u>1,859,074</u>
Net cash generated from investing activities	<u>2,453,988</u>	<u>3,277,669</u>
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
Dividends paid	<u>(2,940,609)</u>	<u>(3,780,783)</u>
Net (decrease)/increase in cash and cash equivalents	(868,383)	7,278,022
Cash and cash equivalents at 1 January	<u>41,066,040</u>	<u>33,788,018</u>
Cash and cash equivalents at 31 December	<u><u>40,197,657</u></u>	<u><u>41,066,040</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances	741,133	458,012
Deposits with financial institutions	<u>39,456,524</u>	<u>40,608,028</u>
	<u><u>40,197,657</u></u>	<u><u>41,066,040</u></u>

The accompanying notes are an integral part of this statement.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

1. PRINCIPAL ACTIVITIES

The principal activities of the Group are the cultivation, processing and sale of fresh fruit bunches, crude palm oil and palm kernel.

The principal activities of the Company are the cultivation and sale of fresh fruit bunches and investment holding.

There have been no significant changes in these activities during the financial year.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention modified by the revaluation of freehold and certain long term leasehold estates and the investments in subsidiaries and comply with applicable approved accounting standards in Malaysia.

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to the end of the financial year. Inter-company transactions are eliminated on consolidation and the consolidated financial statements reflect external transactions only.

The difference between the purchase price and fair value of the net assets of the subsidiaries at the date of acquisition is included in the consolidated balance sheet as goodwill or reserve arising on consolidation.

(c) Associated Companies

The Group treats associated companies as those companies in which a long term equity interest of between 20 and 50 percent is held and where it exercises significant influence through management participation.

The Group's share of results in associated companies is included in the consolidated income statement and the Group's interest in associated companies is stated at cost plus adjustments to reflect changes in the Group's share of the net assets of the associated companies.

(d) Fixed Assets and Depreciation

Fixed assets are stated at cost, except for freehold and certain leasehold estates which are stated at valuation, less accumulated depreciation and accumulated impairment losses.

The freehold and certain long term leasehold estates of the Group were revalued by the directors in 1978 based on valuations by a firm of professional valuers using the return on investment basis. The next revaluation will be performed in the financial year ending 31 December, 2001.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

Freehold estate is not depreciated. Depreciation of other fixed assets is provided on a straight-line basis calculated to write off the cost of each asset over its estimated useful life. The principal annual rates of depreciation are:

Long term leasehold estates	88 - 94 years
Buildings	4% - 20%
Motor vehicles and estate equipment	20%
Plant and machinery, office equipment, furniture and fittings	10% - 20%

(e) New Planting Expenditure

New planting expenditure incurred on land clearing and upkeep of oil palms to maturity are capitalised under estate costs and are not depreciated.

Interest expenses incurred on borrowings utilised to finance the development of the estate are capitalised up to the point of maturity of the oil palms.

(f) Replanting Expenditure

Replanting expenditure incurred in the year is expensed to the income statement. Replanting expenditure represents the total cost incurred from land clearing to the point of harvesting.

(g) Stocks

Stocks of oil palm produce and estate stores are stated at the lower of cost (determined on a weighted average basis) and net realisable value. Cost of stocks of oil palm produce includes where appropriate the cost of direct materials, direct labour and appropriate production overheads.

(h) Currency Conversion and Translation

Transactions in foreign currencies during the financial year are converted into Ringgit Malaysia at rates of exchange approximating those ruling at the transaction dates. Foreign currency monetary assets and liabilities at the balance sheet date are translated into Ringgit Malaysia at rates of exchange approximating those ruling at that date. All exchange differences are dealt with in the income statement.

The Group's share of net assets of a foreign associated company are translated into Ringgit Malaysia at the rates of exchange approximating those ruling at the balance sheet date. All exchange differences due to such currency translation are recognised via an exchange fluctuation reserve.

The exchange rates ruling at balance date used are as follows:

	<u>2000</u>	<u>1999</u>
	RM	RM
Singapore Dollar	2.16	2.25

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

(i) Retirement Benefits

The Group does not have a fixed retirement benefit policy and voluntarily provides for retirement benefits covering all eligible employees at rates determined by the directors.

(j) Investments

Investments in subsidiaries are stated at directors' valuation in 1979 based on the net tangible assets of the subsidiaries less provision for any permanent diminution in value. The next revaluation will be performed in the financial year ending 31 December, 2001.

Investments in associated companies and other quoted and unquoted investments held on a long term basis are stated at cost less provision for any permanent diminution in value.

Gains arising from sale of investments are transferred to capital reserve.

(k) Deferred Taxation

Deferred taxation is provided under the liability method for all material timing differences except where there is reasonable evidence that these timing differences will not reverse in the foreseeable future.

(l) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in banks, and deposits with financial institutions.

3. DEPOSITS WITH FINANCIAL INSTITUTIONS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u> RM	<u>1999</u> RM	<u>2000</u> RM	<u>1999</u> RM
Deposits with licensed banks	44,333,214	54,880,980	34,456,524	37,408,028
Deposits with licensed finance companies	9,700,000	5,200,000	5,000,000	3,200,000
	<u>54,033,214</u>	<u>60,080,980</u>	<u>39,456,524</u>	<u>40,608,028</u>

The Group's and Company's fixed deposits with licensed banks amounting to RM223,400 (1999 : RM199,789) and RM139,581 (1999 : RM136,289) respectively have been pledged to the banks for guarantee facilities provided to the Group and the Company.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

4. TRADE DEBTORS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u> RM	<u>1999</u> RM	<u>2000</u> RM	<u>1999</u> RM
Due from Seong Thye Plantations Sdn. Bhd., a related corporation in which certain directors have interests	534,575	1,108,319	534,575	1,108,319
Due from Timor Oil Palm Plantation Berhad, a subsidiary in which certain directors have interests	-	-	39,410	-
Due from Chin Teck Plantations Berhad, a company in which certain directors have interests	179,162	290,321	179,162	290,321
Other trade debtors	477,637	938,797	-	-
	<u>1,191,374</u>	<u>2,337,437</u>	<u>753,147</u>	<u>1,398,640</u>

5. STOCKS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u> RM	<u>1999</u> RM	<u>2000</u> RM	<u>1999</u> RM
Oil palm produce	648,857	691,478	-	-
Estate stores	678,163	725,970	15,108	28,564
	<u>1,327,020</u>	<u>1,417,448</u>	<u>15,108</u>	<u>28,564</u>

6. INVESTMENT IN SUBSIDIARIES

	<u>Company</u>	
	<u>2000</u> RM	<u>1999</u> RM
Unquoted shares, at valuation	<u>21,837,480</u>	<u>21,837,480</u>

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

The subsidiaries are:

Name of Company	Place of Incorporation	Paid-up Capital RM	Effective Interest		Principal Activities
			2000 %	1999 %	
Eng Thye Plantations Berhad	Malaysia	18,900,000	83.3	83.3	) ) To cultivate, ) process and ) sell crude
Timor Oil Palm Plantation Berhad	Malaysia	10,500,000	58.0	58.0	) palm oil and ) palm kernel

7. INVESTMENT IN ASSOCIATED COMPANIES

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Unquoted shares, at cost	1,817,173	1,817,173	1,795,325	1,795,325
Share of post acquisition profits	42,894	290,473	-	-
Foreign exchange differences	1,199,827	1,236,176	-	-
	<u>3,059,894</u>	<u>3,343,822</u>	<u>1,795,325</u>	<u>1,795,325</u>

The associated companies are:

Name of Company	Place of Incorporation	Effective Interest		Financial Year End	Principal Activities
		2000 %	1999 %		
Sin Thye Oil Mills Sdn. Bhd.	Malaysia	50.0	50.0	31 December	To process and sell crude palm oil and palm kernel. The company has not commenced operations
Sin Thye Management Sdn. Bhd.	Malaysia	30.0	30.0	31 December	Provision of management and advisory services and acting as an insurance agent
Huay Guan Investment Pte. Ltd.**	Singapore	37.5*	37.5*	31 December	Trading in stocks and shares

\* Includes interest held by a subsidiary

\*\* Associated company not audited by Arthur Andersen & Co.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

8. OTHER INVESTMENTS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u> RM	<u>1999</u> RM	<u>2000</u> RM	<u>1999</u> RM
Quoted shares, at cost:				
In Malaysia	550,130	95	550,035	-
Outside Malaysia	16,630,935	18,563,502	-	-
	<u>17,181,065</u>	<u>18,563,597</u>	<u>550,035</u>	<u>-</u>
Unquoted shares, at cost:				
In Malaysia	-	1,147,500	-	1,147,500
Outside Malaysia	6,670	6,670	6,670	6,670
	<u>6,670</u>	<u>1,154,170</u>	<u>6,670</u>	<u>1,154,170</u>
Total other investments	<u><u>17,187,735</u></u>	<u><u>19,717,767</u></u>	<u><u>556,705</u></u>	<u><u>1,154,170</u></u>
Market value of quoted shares:				
In Malaysia	548,187	30,727	517,500	-
Outside Malaysia	25,157,413	37,536,114	-	-
	<u><u>25,157,413</u></u>	<u><u>37,536,114</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

The directors are of the opinion that the shortfall between the cost of quoted investments in Malaysia and their market value is temporary in nature and it is their intention to hold the investments for long term purposes.

As reported in the previous year, the Company entered into a Conditional Agreement with a third party for the sale of shares in Soctek Sdn. Bhd., a company incorporated in Malaysia, wherein the Company is disposing 1,147,500 ordinary shares of RM1 each in Soctek Sdn. Bhd., at a consideration of approximately RM5,223,000. Although approvals from the relevant authorities have been obtained and the ownership of the said shares has been transferred to the purchaser, the final determination of the consideration will be on the basis of the net assets value of Soctek Sdn. Bhd. at completion date. Accordingly, the net carrying amount of the investment (after setting off against downpayment received) of RM836,811 has been reclassified to other debtors.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

9. FIXED ASSETS

	Valuation	<----- Cost ----->			
<u>Group</u>	Freehold and long term leasehold estates RM	Long term leasehold estate and buildings RM	Motor vehicles and estate equipment RM	Plant and machinery, office equipment, furniture and fittings RM	<u>Total</u> RM
<u>Valuation/cost</u>					
At 1 January, 2000	35,848,033	21,616,101	3,466,781	8,996,598	69,927,513
Additions	-	143,870	517,270	139,014	800,154
Disposal	(32,193)	-	(61,500)	-	(93,693)
At 31 December, 2000	35,815,840	21,759,971	3,922,551	9,135,612	70,633,974
<u>Accumulated Depreciation</u>					
At 1 January, 2000	2,221,671	4,065,991	2,953,305	7,068,830	16,309,797
Charge	78,520	234,997	250,995	362,948	927,460
Disposal	-	-	(61,500)	-	(61,500)
At 31 December, 2000	2,300,191	4,300,988	3,142,800	7,431,778	17,175,757
<u>Net Book Value</u>					
At 31 December, 2000	33,515,649	17,458,983	779,751	1,703,834	53,458,217
At 31 December, 1999	33,626,362	17,550,110	513,476	1,927,768	53,617,716
<u>Depreciation Charge</u>					
31 December, 1999	78,520	235,919	209,705	338,663	862,807

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

The details of freehold and long term leasehold estates are as follows:

<u>Group</u>	<u>Freehold estates</u> RM	<u>Long term leasehold estate</u> RM	<u>Total</u> RM
<u>Valuation</u>			
At 1 January, 2000	26,522,033	9,326,000	35,848,033
Disposal	(32,193)	-	(32,193)
At 31 December, 2000	<u>26,489,840</u>	<u>9,326,000</u>	<u>35,815,840</u>

Accumulated Depreciation

At 1 January, 2000	-	2,221,671	2,221,671
Charge	-	78,520	78,520
At 31 December, 2000	<u>-</u>	<u>2,300,191</u>	<u>2,300,191</u>

Group

	<u>Freehold estates</u> RM	<u>Long term leasehold estate</u> RM	<u>Total</u> RM
<u>Net Book Value</u>			
At 31 December, 2000	<u>26,489,840</u>	<u>7,025,809</u>	<u>33,515,649</u>
At 31 December, 1999	<u>26,522,033</u>	<u>7,104,329</u>	<u>33,626,362</u>

Depreciation Charge

31 December, 1999	<u>-</u>	<u>78,520</u>	<u>78,520</u>
-------------------	----------	---------------	---------------

The details of long term estate and buildings are as follows:

<u>Cost</u>	<u>Long term leasehold estate</u> RM	<u>Buildings</u> RM	<u>Total</u> RM
At 1 January, 2000	15,757,745	5,858,356	21,616,101
Additions	-	143,870	143,870
At 31 December, 2000	<u>15,757,745</u>	<u>6,002,226</u>	<u>21,759,971</u>

Accumulated Depreciation

At 1 January, 2000	421,692	3,644,299	4,065,991
Charge	51,782	183,215	234,997
At 31 December, 2000	<u>473,474</u>	<u>3,827,514</u>	<u>4,300,988</u>

Net Book Value

At 31 December, 2000	<u>15,284,271</u>	<u>2,174,712</u>	<u>17,458,983</u>
At 31 December, 1999	<u>15,336,053</u>	<u>2,214,057</u>	<u>17,550,110</u>

Depreciation Charge

31 December, 1999	<u>51,782</u>	<u>184,137</u>	<u>235,919</u>
-------------------	---------------	----------------	----------------

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

	Valuation	<----- Cost ----->			
<u>Company</u>	<u>Freehold estate</u>	<u>Long term leasehold estate and buildings</u>	<u>Motor vehicles and estate equipment</u>	<u>Plant and machinery, office equipment, furniture and fittings</u>	<u>Total</u>
<u>Valuation/cost</u>	RM	RM	RM	RM	RM
At 1 January, 2000	6,942,000	18,326,752	1,066,495	1,218,636	27,553,883
Additions	-	-	132,480	8,936	141,416
Disposal	-	-	(61,500)	-	(61,500)
At 31 December, 2000	<u>6,942,000</u>	<u>18,326,752</u>	<u>1,137,475</u>	<u>1,227,572</u>	<u>27,633,799</u>
<u>Accumulated Depreciation</u>					
At 1 January, 2000	-	1,360,366	1,012,066	918,086	3,290,518
Charge	-	114,739	68,023	48,770	231,532
Disposal	-	-	(61,500)	-	(61,500)
At 31 December, 2000	<u>-</u>	<u>1,475,105</u>	<u>1,018,589</u>	<u>966,856</u>	<u>3,460,550</u>
<u>Net Book Value</u>					
At 31 December, 2000	<u>6,942,000</u>	<u>16,851,647</u>	<u>118,886</u>	<u>260,716</u>	<u>24,173,249</u>
At 31 December, 1999	<u>6,942,000</u>	<u>16,966,386</u>	<u>54,429</u>	<u>300,550</u>	<u>24,263,365</u>
<u>Depreciation Charge</u>					
31 December, 1999	<u>-</u>	<u>114,994</u>	<u>61,665</u>	<u>44,091</u>	<u>220,750</u>

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

The details of long term leasehold estate and buildings are as follows:

<u>Cost</u>	Long term leasehold <u>estate</u> RM	<u>Buildings</u> RM	<u>Total</u> RM
At 1 January/31 December, 2000	16,086,530	2,240,222	18,326,752
<u>Accumulated Depreciation</u>			
At 1 January, 2000	421,692	938,674	1,360,366
Charge	51,782	62,957	114,739
31 December, 2000	473,474	1,001,631	1,475,105
<u>Net Book Value</u>			
At 31 December, 2000	15,613,056	1,238,591	16,851,647
At 31 December, 1999	15,664,838	1,301,548	16,966,386
<u>Depreciation Charge</u>			
At 31 December, 1999	51,782	63,212	114,994

Included in the above fixed assets of the Group and Company are fully depreciated assets at cost amounting to RM18,444,018 (1999 : RM18,484,196) and RM9,376,131 (1999 : RM8,770,659) respectively, which are still in use.

10. DEFERRED TAXATION

	<u>Group</u>		<u>Company</u>	
	<u>2000</u> RM	<u>1999</u> RM	<u>2000</u> RM	<u>1999</u> RM
(a) At 1 January	1,765,000	1,686,000	947,000	868,000
Transfer from income statement (Note 16)	-	79,000	-	79,000
At 31 December	1,765,000	1,765,000	947,000	947,000
(b) Timing differences between depreciation and corresponding capital allowances	6,997,033	6,909,770	3,566,140	3,531,140
Timing differences on provisions	(693,463)	(606,200)	(184,000)	(149,000)
	6,303,570	6,303,570	3,382,140	3,382,140

Deferred taxation is not provided on the surplus arising from the revaluation of freehold and certain long term leasehold estates as it is not the intention of the directors to dispose these properties.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

11. SHARE CAPITAL

	<u>2000</u>	<u>1999</u>
	RM	RM
Authorised:		
Shares of RM1 each	<u>50,000,000</u>	<u>50,000,000</u>
Issued and fully paid:		
Stock units of RM1 each	<u>29,172,710</u>	<u>29,172,710</u>

12. RESERVES

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM	RM	RM	RM
Non-distributable	3,560,294	3,699,089	75,528	75,528
Distributable	<u>87,258,838</u>	<u>86,767,400</u>	<u>60,620,345</u>	<u>58,542,478</u>
	<u>90,819,132</u>	<u>90,466,489</u>	<u>60,695,873</u>	<u>58,618,006</u>

The movement in each category of non-distributable reserve is as follows:

<u>Group</u>	<u>Share premium</u>	<u>Capital reserve</u>	<u>Exchange fluctuation reserve</u>	<u>Reserve on consolidation</u>	<u>Total</u>
	RM	RM	RM	RM	RM
At 1 January, 1999	75,528	1,028,316	1,893,077	780,142	3,777,063
Foreign exchange difference	-	-	(77,974)	-	(77,974)
At 31 December, 1999	<u>75,528</u>	<u>1,028,316</u>	<u>1,815,103</u>	<u>780,142</u>	<u>3,699,089</u>
At 1 January, 2000	75,528	1,028,316	1,815,103	780,142	3,699,089
Foreign exchange difference	-	-	(138,795)	-	(138,795)
At 31 December, 2000	<u>75,528</u>	<u>1,028,316</u>	<u>1,676,308</u>	<u>780,142</u>	<u>3,560,294</u>

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

<u>Company</u>	<u>Share premium</u> RM	<u>Capital reserve</u> RM	<u>Exchange fluctuation reserve</u> RM	<u>Reserve on consolidation</u> RM	<u>Total</u> RM
At 1 January/ 31 December, 1999	75,528	-	-	-	75,528
At 1 January/ 31 December, 2000	75,528	-	-	-	75,528

The movement in each category of distributable reserve is as follows:

<u>Group</u>	<u>Capital reserve relating to gain on sale of investments</u> RM	<u>Revaluation surplus</u> RM	<u>Retained profits</u> RM	<u>Total</u> RM
At 1 January, 1999	9,140,712	4,687	63,830,589	72,975,988
Net profit for the year	-	-	17,152,108	17,152,108
Transferred to capital reserve relating to gain on sale of investments	-	-	(1,351,605)	(1,351,605)
Dividends (Note 18)	-	-	(3,360,696)	(3,360,696)
Transferred from income statement	1,351,605	-	-	1,351,605
At 31 December, 1999	10,492,317	4,687	76,270,396	86,767,400

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

<u>Group</u>	Capital reserve relating to gain on sale of <u>investments</u> RM	Revaluation <u>surplus</u> RM	Retained <u>profits</u> RM	<u>Total</u> RM
At 1 January, 2000	10,492,317	4,687	76,270,396	86,767,400
Net profit for the year	-	-	3,852,134	3,852,134
Transferred to capital reserve relating to gain on sale of investments	-	-	(827,629)	(827,629)
Dividends (Note 18)	-	-	(3,360,696)	(3,360,696)
Transferred from income statement	827,629	-	-	827,629
At 31 December, 2000	<u>11,319,946</u>	<u>4,687</u>	<u>75,934,205</u>	<u>87,258,838</u>

<u>Company</u>	Capital reserve relating to gain on sale of <u>investments</u> RM	Retained <u>profits</u> RM	<u>Total</u> RM
At 1 January, 1999	2,574,582	44,035,842	46,610,424
Net profit for the year	-	15,292,750	15,292,750
Dividends (Note 18)	-	(3,360,696)	(3,360,696)
At 31 December, 1999	<u>2,574,582</u>	<u>55,967,896</u>	<u>58,542,478</u>
At 1 January, 2000	2,574,582	55,967,896	58,542,478
Net profit for the year	-	5,438,563	5,438,563
Dividends (Note 18)	-	(3,360,696)	(3,360,696)
At 31 December, 2000	<u>2,574,582</u>	<u>58,045,763</u>	<u>60,620,345</u>

13. REVENUE

Revenue of the Group represents the invoiced value of sales of crude palm oil, palm kernel and fresh fruit bunches. Revenue of the Company represents the invoiced value of sales of fresh fruit bunches.

The cost of sales in relation to the Group's invoiced value of sales consists of cost of cultivation, raw materials, labour and overheads.

The cost of sales in relation to the Company's invoiced value of sales consists of cost of cultivation, labour and overheads.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

14. OPERATING PROFIT

	<u>Group</u>		<u>Company</u>	
	<u>2000</u> RM	<u>1999</u> RM	<u>2000</u> RM	<u>1999</u> RM
Operating profit is stated after charging:				
Auditors' remuneration	60,000	60,000	21,600	21,600
Bad debts written off	-	22,481	-	-
Staff costs	4,389,553	4,266,523	280,160	201,600
Depreciation	927,460	862,807	231,532	220,750
Directors' remuneration				
- Fees	281,000	281,000	107,000	107,000
- Salaries and other emoluments	558,227	377,589	396,288	236,721
Fixed asset written off	-	6,652	-	3,850
Retirement benefits	41,555	53,359	17,924	19,170
Loss on foreign exchange	32,064	-	2,173	1,296
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
and crediting:				
Gross dividends received from:				
Subsidiaries	-	-	2,509,197	2,544,867
Quoted investments				
- in Malaysia	3,604	-	3,600	-
- outside Malaysia	1,478,804	301,365	-	-
Unquoted investments outside Malaysia	-	-	34,544	36,174
Interest income	1,856,585	2,328,916	1,314,617	1,587,970
Foreign exchange gain	-	17,979	-	-
Rental income	840	840	-	-
Gain on sale of fixed assets	3,500	-	3,500	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

15. EXCEPTIONAL ITEMS – Group

	<u>2000</u> RM	<u>1999</u> RM
Gain on sale of investments	1,137,709	1,846,167
Surplus arising from compulsory acquisition of certain freehold estate land	256,732	-
	<u>1,394,441</u>	<u>1,846,167</u>

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

16. TAXATION

	<u>Group</u>		<u>Company</u>	
	<u>2000</u> RM	<u>1999</u> RM	<u>2000</u> RM	<u>1999</u> RM
Current year's provision:				
Malaysian	1,546,010	-	2,088,660	712,563
Foreign	377,095	78,354	8,809	9,405
	<u>1,923,105</u>	<u>78,354</u>	<u>2,097,469</u>	<u>721,968</u>
Overprovision in prior year	-	(35,920)	-	(3,609)
Transfer to deferred taxation (Note 10)	-	79,000	-	79,000
Share of associated companies' taxation	15,579	(382)	-	-
	<u>1,938,684</u>	<u>121,052</u>	<u>2,097,469</u>	<u>797,359</u>

There was no provision for taxation in the previous financial year due to the waiver of tax in accordance with the provision of the Income Tax (Amendment) Act, 1999. The tax charge in the previous financial year was in respect of dividend income received.

As at 31 December, 2000, the Company has tax exempt profits available for distribution of approximately RM13,860,000 (1999 : RM13,820,000) subject to agreement with the Inland Revenue Board.

The Company has sufficient tax credit under Section 108 of the Income Tax Act, 1967 and balance in the tax exempt account to frank the payment of dividend out of its entire distributable reserves without incurring additional tax liabilities.

17. BASIC EARNINGS PER STOCK UNIT

The basic earnings per stock unit has been calculated based on the consolidated profit after taxation and minority interests of RM3,852,134 (1999 : RM17,152,108) and 29,172,710 (1999 : 29,172,710) stock units in issue.

18. DIVIDENDS

	<u>Amount</u>		<u>Dividend per stock unit</u>	
	<u>2000</u> RM	<u>1999</u> RM	<u>2000</u> sen	<u>1999</u> sen
First interim dividend of 8% (1999 : 5%) less 28% taxation	1,680,348	1,050,218	5.76	3.60
Second interim dividend of 8% (1999 : 5%) less 28% taxation	1,680,348	1,050,217	5.76	3.60
Third interim dividend of Nil (1999 : 6%) less 28% taxation	-	1,260,261	-	4.32
	<u>3,360,696</u>	<u>3,360,696</u>	<u>11.52</u>	<u>11.52</u>

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

19. HOLDING AND ULTIMATE HOLDING COMPANY

The holding and ultimate holding company is Tiong Thye Company Berhad, a company incorporated in Malaysia.

20. SIGNIFICANT EVENTS

During the financial year, the Company announced the following proposals:

- (a) bonus issue of 35,007,252 new shares to be credited as fully paid-up on the basis of six new shares for every five existing ordinary stock units of RM1 each held in the Company via the capitalisation of:
  - (i) RM20,992,081 from the asset revaluation surplus of RM41,984,162 arising from the revaluation of the Company's freehold and long term leasehold estates; and
  - (ii) RM14,015,171 from the investment revaluation surplus of RM56,852,716 arising from the revaluation of the Company's cost of investment in its subsidiaries ("Proposed Bonus Issue").

In conjunction with the Proposed Bonus Issue, an independent firm of professional valuers, Messrs. United Pacific Property Consultants Sdn. Bhd., had carried out valuations of the Group's freehold and leasehold estates resulting in the asset and investment revaluation surplus as stated in (i) and (ii) above. Accordingly, the asset and investment revaluation surplus will be incorporated in the financial statements of the Group and the Company for the financial year ending 31 December, 2001.

- (b) employee share option scheme for eligible employees and executive directors of the Group.
- (c) increase in its authorised share capital from RM50,000,000 comprising 50,000,000 shares of RM1 each to RM150,000,000 comprising 150,000,000 shares of RM1 each.

The proposals are subject to the approval of the Securities Commission, the Kuala Lumpur Stock Exchange and other relevant authorities, and the shareholders at an extraordinary general meeting.

21. SEGMENT INFORMATION

No segment information has been prepared as the Group's principal activities involve predominantly the cultivation, processing and sale of fresh fruit bunches, crude palm oil and palm kernel and is wholly carried out in Malaysia.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER, 2000**

22. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

	<u>Group</u>		<u>Company</u>	
	<u>2000</u> RM	<u>1999</u> RM	<u>2000</u> RM	<u>1999</u> RM
Sale of oil palm produce to Seong Thye Plantations Sdn. Bhd., a related corporation in which certain directors have interests	<u>8,108,760</u>	<u>13,066,483</u>	<u>8,108,760</u>	<u>13,066,483</u>
Sale of oil palm produce to Chin Teck Plantations Bhd., a company in which certain directors have an interest	<u>3,071,799</u>	<u>6,315,799</u>	<u>3,071,799</u>	<u>6,315,799</u>
Agency fee paid to Tat Lee Commodities Pte. Ltd., a company incorporated in the Republic of Singapore in which certain directors have interests	<u>42,000</u>	<u>42,000</u>	<u>12,000</u>	<u>12,000</u>
Management fees paid to Sin Thye Management Sdn. Bhd., an associated company in which certain directors have interests	<u>103,042</u>	<u>112,410</u>	<u>42,108</u>	<u>45,936</u>

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 that are no less favourable than those arranged with third parties.

23. COMPARATIVE FIGURES

The presentation of the financial statements for the current year has been changed to adopt the format as prescribed by the Malaysian Accounting Standards Board Standard 1 : Presentation of Financial Statements. Comparative figures have been reclassified to conform with the current year's presentation.

24. CURRENCY

All amounts are stated in Ringgit Malaysia.

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**SHAREHOLDING STATISTICS AS AT 28 MARCH, 2001**

TWENTY LARGEST SHAREHOLDERS

Name	No. of Stock Units	% of Issued Capital
1. Tiong Thye Company Berhad	17,591,368	60.30
2. Ong Swee Heoh	905,313	3.10
3. Affin-UOB Nominees (Asing) Sdn Bhd UOB Sec Pte Ltd for Sio Sioe Soen	549,188	1.88
4. Arab-Malaysian Nominees (Tempatan) Sdn Bhd Arab Malaysian Trustee Bhd for Pacific Pearl Fund	528,000	1.81
5. Goh Beng Hwa @ Gho Bin Hoa	459,324	1.57
6. Nam Heng Oil Mill Co. Sdn Bhd	300,000	1.03
7. Mayban Securities Nominees (Asing) Sdn Bhd Keppel Securities Pte Ltd for Chew Eng Chong	197,155	0.68
8. Citicorp Nominees (Asing) Sdn Bhd CB GW SPORE for Keppel TatLee Bank Limited	154,000	0.53
9. Asia Life (M) Berhad As Beneficial Owner (M'sia Life Fund)	126,000	0.43
10. OSK Nominees (Asing) Sdn Berhad Vickers Ballas & Company Pte Ltd for Lee Beng Wah	119,705	0.41
11. HDM Nominees (Asing) Sdn Bhd Ong & Company Private Limited for Sio Sit Po	115,188	0.40
12. Hup Lee Bakery Sdn Bhd	112,500	0.39
13. Wong Aun Phui	111,750	0.38
14. Affin-UOB Nominees (Asing) Sdn Bhd UOB Sec Pte Ltd for Oen Loe Ien	110,030	0.38
15. Mayban Securities Nominees (Asing) Sdn Bhd UOB Securities Pte Ltd for Sio Leh Koen	96,937	0.33
16. Mayban Securities Nominees (Asing) Sdn Bhd UOB Securities Pte Ltd for Sio Sit Min	96,937	0.33
17. TCL Nominees (Tempatan) Sdn Bhd Chong Cheong Leong	96,000	0.33
18. Yeo Khee Huat	76,000	0.26
19. Lim Kee Chiok Sendirian Berhad	70,500	0.24
20. Ong Choon Tee	70,500	0.24
	<u>21,886,395</u>	<u>75.02</u>

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**SHAREHOLDING STATISTICS AS AT 28 MARCH, 2001**

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	No. of Stock Units Direct	%	No. of Stock Units Indirect	%
Tiong Thye Company Berhad	17,591,368	60.30	-	-
Goh Eng Chew	-	-	17,591,368	60.30
Gho Lian Chin	1,000	*	17,660,306	60.54
Goh Seh Kiat	-	-	17,607,773	60.36
Ong Swee Heoh	905,313	3.10	-	-
Affin-UOB Nominees (Asing) Sdn Bhd	660,218	# 2.26	-	-
Goh Beng Hwa @ Gho Bin Hoa	459,324	1.57	905,313	3.10

\* Shareholding is less than 0.01%

# Held as bare trustee for various beneficial owners. None of the beneficial owners holds 2% or more in the stock units of the Company

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**SHAREHOLDING STATISTICS AS AT 28 MARCH, 2001**

SHARE CAPITAL

Authorised : 50,000,000 shares of RM1 each  
 Issued and fully paid : 29,172,710 stock units of RM1 each  
 Class of stock units : Ordinary stock units of RM1 each  
 Voting rights : One vote per stock unit

ANALYSIS BY SIZE OF STOCK UNITS

	No. of Shareholders	%	No. of Stock Units Held	%
Less than 500	19	0.75	3,900	0.01
500 - 5,000	2,251	89.01	4,021,572	13.78
5,001 - 10,000	139	5.50	1,128,575	3.87
10,001 - 100,000	106	4.19	2,639,142	9.05
100,001 - 1,000,000	13	0.51	3,788,153	12.99
1,000,001 and above	1	0.04	17,591,368	60.30
	<b>2,529</b>	<b>100.00</b>	<b>29,172,710</b>	<b>100.00</b>

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**LIST OF ALL PROPERTIES AS AT 31 DECEMBER, 2000**

LOCATION	TENURE	SIZE (HECTARES)	DESCRIPTION	NET BOOK VALUE AS AT 31 DECEMBER, 2000  RM'000
Ladang Senama Lot 594, 607, 947 Mukim of Jelei Daerah of Jempol Negeri Sembilan	Freehold	942	Oil palm estate	6,988
Ladang Ibam PT 5419 Mukim of Bebar Daerah Pekan Pahang Darul Makmur	Leasehold (expires on 9.3.2087)	2,180	Oil palm estate	16,805
Ladang Gula Lot 2852, 2151, 2831, 2794, 2795, 2124, 2126, 2127, 2150, 4376, 4351&4352, 8950 Mukim of Kuala Kurau and Bagan Serai Daerah Kerian Perak Darul Ridzuan	Freehold	2,574	Oil palm estate with mill (Approximate age of mill: 34 years)	20,102
Lot 1009-1012, Lot 1237 and Lot 1374 Mukim of Sungai Tinggi Daerah Larut & Matang Perak Darul Ridzuan	) ) ) ) ) )Freehold	13.81	Agricultural land	239
Lot 2670-2671 Mukim of Batu Kurau Daerah Larut & Matang Perak Darul Ridzuan	) ) ) )			
Ladang Maran Lot 2/2273 Mukim of Luit Daerah Maran Pahang Darul Makmur	Leasehold (expires on 24.1.2066)	1,981	Oil palm estate with mill (Approximate age of mill: 27 years)	7,168

**NEGRI SEMBILAN OIL PALMS BERHAD (592D)**  
**(Incorporated in Malaysia)**

**FORM OF PROXY**

I / We .....  
of .....  
being a member / members of NEGRI SEMBILAN OIL PALMS BERHAD hereby appoint .....  
.....  
of .....  
or failing him / her .....  
of .....  
as my / our proxy to attend and vote on my / our behalf at the Sixty Ninth Annual General Meeting of the Company to be held at No. 107-1 Changkat Tambi Dollah, 55100 Kuala Lumpur on Monday, 21 May, 2001 at 2.30 p.m. and at any adjournment thereof.

ORDINARY RESOLUTIONS	FOR	AGAINST
1. To receive and adopt the audited financial statements for the year ended 31 December, 2000 and reports of the directors and auditors thereon.		
2. To approve the directors' remuneration for the year ended 31 December, 2000.		
3. To re-elect directors retiring under the provisions of the Articles of Association of the Company: -		
(i) Mr Goh Pock Ai		
(ii) Mr Goh Beng Hwa @ Gho Bin Hoa		
(iii) Mr Goh Yeok Beng		
(iv) Dato' Ong Bok Lim		
4. To re-appoint Mr Wong Aun Phui as director pursuant to Section 129 of the Companies Act, 1965		
5. To re-appoint Messrs Arthur Andersen & Co. as auditors and to authorise directors to fix their remuneration.		

(Please indicate with "X" how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion)

Signature(s).....

Date:

No. of stock units held	
-------------------------	--

**NOTES:**

1. A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. If the member is a corporation, the Form of Proxy must be executed under its common seal or under the hand of a person duly authorised in writing.
3. The Form of Proxy must be deposited at the Registered Office, No. 107-1 Changkat Tambi Dollah, 55100 Kuala Lumpur not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.