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NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Fortieth Annual General Meeting of stockholders of the Company will be held at Sri Gangsa, Level 2, The City Bayview Hotel, 25A Farquhar Street, 10200 Penang on Wednesday, 26 June 2002 at 12.00 noon for the following purposes:

1. To receive and adopt the Financial Statements for the year ended 31 December 2001 together with the Directors' Report and Auditors' Report thereon **Resolution 1**
2. To declare a Final Dividend of 8% less tax and a Special Dividend of 4.5% less tax for the year ended 31 December 2001 **Resolution 2**
3. (i) To re-elect the following Directors who retire in accordance with Section 129 of the Companies Act, 1965 :
 - a) Dato' Haji S. M. Aidid **Resolution 3**
 - b) Dato' Loh Say Bee **Resolution 4**
 - c) YM Tengku Tan Sri Dato' Seri Ahmad Rithauddeen Bin Tengku Ismail **Resolution 5**
- (ii) To re-elect the following Directors who retire in accordance with Article 133 of the Company's Articles of Association :
 - a) Mr Lim Su Tong **Resolution 6**
 - b) Dato' Dr Tan Chong Siang **Resolution 7**
- (iii) To re-elect Dato' Prof. Dr Tunku Ismail Bin Tunku Mohammad Jawa who retires in accordance with Article 138 of the Company's Articles of Association. **Resolution 8**
4. To approve Directors' Fees of RM212,500 for the year ended 31 December 2001. **Resolution 9**
5. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 10**
6. As Special Business, to consider and if thought fit, pass with or without any modification, the following Ordinary Resolutions :
 - i) **Proposed Renewal of The Stockholders' Mandate for Recurrent Related Party Transactions of a Revenue Nature** **Resolution 11**

"THAT pursuant to Chapter 10.09 of the Listing Requirements of the Kuala Lumpur Stock Exchange, a general mandate of the Stockholders be and is hereby granted for the Company and/or its subsidiary and associated company to enter into the recurrent arrangements or transactions of a revenue or trading nature, as set out in the Company's Circular to Stockholders dated 4 June 2002 ("the Circular") with any person who is a related party as described in the Circular provided that such transactions are undertaken in the ordinary course of business, on an arm's length basis, on normal commercial terms, on terms not more favourable to the Related Party than those generally available to the public and are not, in the Company's opinion, detrimental to the minority stockholders; and that disclosure will be made in the annual report of the aggregate value of transactions conducted during the financial year; and that such approval, unless revoked or varied by the Company in general meeting, shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."



ii) Proposed Renewal of Stock Buy-Back

Resolution 12

“THAT, subject to compliance with Section 67A of the Companies Act, 1965 (as may be amended, modified or re-enacted from time to time) and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities, approval be and is hereby given to the Company to utilise up to RM240.4 million which represents the audited retained profits reserve of the Company as at 31 December 2001, otherwise available for dividend for the time being, to purchase on the Kuala Lumpur Stock Exchange ("KLSE") its own stocks up to 51,700,000 ordinary stocks of RM1.00 each representing 10% of the issued and paid up share capital of the Company of 517,000,000 ordinary stocks of RM1.00 each as at 6 May 2002 (including 31,808 Stocks retained as Treasury Stocks) AND THAT upon completion of the purchase(s) of the Stocks by the Company, the Stocks shall be dealt with in the following manner :-

- i) to cancel the Stocks so purchased; or
- ii) to retain the Stocks so purchased in treasury for distribution as dividends to the stockholders and/or resell on the market of the KLSE; or
- iii) to retain part of the Stocks so purchased as treasury stocks and cancel the remainder.

whereby an announcement regarding the intention of the Directors of the Company in relation to the proposed treatment of the shares purchased and rationale thereof will be made to the KLSE AND THAT such authority from the stockholders would be effective immediately upon passing of this Ordinary Resolution up till the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by Ordinary Resolution in a general meeting of stockholders of the Company) but not so as to prejudice the completion of a purchase by the Company or any person before the aforesaid expiry date, in any event, in accordance with the provisions of the guidelines issued by the KLSE or any other relevant authorities; AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary or expedient to implement or to effect the purchase of OHB Stocks.”

- 7. To transact any other businesses of which due notice shall have been given in accordance with the Company’s Articles of Association.



DIVIDEND ANNOUNCEMENT

NOTICE IS ALSO HEREBY GIVEN that a depositor shall qualify for entitlement to the dividend only in respect of :-

- a. Stocks transferred into the Depositor's Securities Account before 12:30 p.m. on 28 June 2002 in respect of ordinary transfers; and
- b. Stocks bought on the Kuala Lumpur Stock Exchange on a cum dividend entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

The Final Dividend, if approved, will be paid on 26 July 2002 to depositors registered in the Records of Depositors at the close of business on 28 June 2002.

Stockholders are reminded that pursuant to the Securities Industry (Central Depositories) (Amendment) (No.2) Act, 1998 which came into force on 1 November 1998, all shares not deposited with Malaysian Central Depository Sdn. Berhad by 12.30 p.m. on 1 December 1998 and not exempted from Mandatory Deposit, have been transferred to the MOF. Accordingly, the dividends for such undeposited shares will be paid to the MOF.

By Order of the Board

C. T. DIONG
(Secretary)

Penang, 4 June 2002.

Notes :

1. A stockholder entitled to attend and vote at this Meeting may appoint a proxy, who need not be a stockholder, to attend and vote in his stead.
2. If the appointer is a corporation, the proxy form must be executed under the Common Seal of the Company or under the hand of its officer or attorney duly authorised in writing.
3. To be valid, the proxy form must be deposited at the Company's Registered Office at Suite 2-1, 2nd Floor, Menara Penang Garden, 42A Jalan Sultan Ahmad Shah, 10050 Penang, not less than 48 hours before the time for holding the meeting or adjourned meeting.
4. Should you desire your proxy to vote on the Resolutions set out in the Notice of Meeting, please indicate with an "X" in the appropriate space. If no specific direction as to voting is given, the Proxy will vote or abstain at his discretion.

Explanatory Notes on Special Business :

Resolution 11 :

The proposed resolution if passed will renew the stockholders' mandate on Recurrent Related Party Transactions and allow the Company and its subsidiaries to enter into Recurrent Related Party Transactions in accordance with Chapter 10 of the Listing Requirements of the Kuala Lumpur Stock Exchange. This approval shall continue to be in force until the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by the law to be held or revoked/varied by resolution passed by the stockholders in general meeting whichever is the earlier.

Resolution 12 :

The proposed resolution if passed will allow the Company to purchase its own stocks. The total number of stocks purchased shall not exceed 51,700,000 stocks representing 10% of the issued and paid up share capital of the Company. This authority will unless revoked or varied by the Company in general meeting, expired at the next Annual General Meeting of the Company.



BOARD OF DIRECTORS

Executive Directors

Chairman

Dato' Loh Cheng Yean
D.S.P.N.

Managing Director

Dato' Wong Lum Kong
D.S.S.A., J.P.

Lim Su Tong @ Lim Chee Tong

Non-Executive Directors

Dato' Haji S.M. Aidid
D.M.P.N., D.J.N. J.M.N., J.P.

Dato' Dr. Tan Chong Siang
D.S.P.N., D.J.N., P.K.T.

Satoshi Yoshida

Sharifah Intan Binti Dato' Haji S.M. Aidid
(Alternate director to Dato' Haji S.M. Aidid)

Independent Non-Executive Directors

YM Tengku Tan Sri Dato' Seri Ahmad
Rithauddeen Bin Tengku Ismail
PMN, SPMP, SSAP, PMK

Dato' Loh Say Bee
D.M.P.N., A.M.N., P.K.T., P.J.K.

Dato' Prof. Dr Tunku Ismail Bin Tunku
Mohammad Jawa
D.S.D.K., K.M.N., P.K.T., P.K., P.P.A., Ph.D

SECRETARY

C. T. Diong, F.C.A. (Aust), C.P.A.

AUDIT COMMITTEE

Chairman

YM Tengku Tan Sri Dato' Seri Ahmad
Rithauddeen Bin Tengku Ismail

Members

Dato' Wong Lum Kong
Dato' Loh Say Bee
Dato' Prof. Dr Tunku Ismail Bin Tunku
Mohammad Jawa
Dato' Haji S.M. Aidid

REGISTERED OFFICE

Suite 2-1, 2nd Floor
Menara Penang Garden
42-A, Jalan Sultan Ahmad Shah
10050 Penang
Tel No : 04-2294 390
Fax No : 04-2265 860

REGISTRAR

M & C Services Sdn. Berhad
Suite 2-1, 2nd Floor
Menara Penang Garden
42-A, Jalan Sultan Ahmad Shah
10050 Penang
Tel No : 04-2294 390
Fax No : 04-2265 860

AUDITORS

KPMG, Penang
Chartered Accountants

BANKERS

Citibank Berhad
OCBC Bank (Malaysia) Berhad

LISTING

The Kuala Lumpur Stock Exchange
Main Board
Stock Code : 4006



PROFILE OF BOARD OF DIRECTORS

Dato' Loh Cheng Yean

Dato' Loh, aged 58, a Malaysian, is a non-Independent executive Director and has been a board member since April 6, 1987.

She completed her college education in London. Upon her return to Malaysia, she began working with the Oriental Group for nearly 30 years. Currently, she oversees the Kah Motor Singapore Operations as well as the whole hotel division of the Group.

She is also the Chairman of Singapore Safety Driving Centre Ltd and a Director of Tasek Corporation Berhad, DRB-Oriental-Honda Sdn Bhd, Tun Sardon Foundation and recently appointed to Asia Insurance Berhad.

She attended all the 5 Board Meetings held in 2001.

She is a sister-in-law of Dato' Wong Lum Kong, Dato' Dr Tan Chong Siang and Mr Lim Su Tong.

Her interest in the transactions with the Group are disclosed in the Circular on the Recurrent Related Party Transactions. She has never been convicted of any offence within the past 10 years.

Dato' Wong Lum Kong, JP

Dato' Wong, aged 61, a Malaysian, a non-Independent executive Director and was appointed as a member of the Board on April 12, 1976.

His working career spans nearly 5 decades initially starting work in 1952 dealing with manufacturing, trading and distribution. He then left for further studies which led to a tertiary accounting qualification. In 1964, he became General Manager of a trading and manufacturing concern. Subsequently, he joined a local accounting firm as a Senior Accountant in 1967. During the period at the CPA firm, he was seconded to a stockbroking firm for about 1 ½ year to reorganise and manage the business.

He is a member of the Malaysian Institute of Accountants, the Malaysian Institute of Certified Public Accountants, Australian Society of Accountants.

Dato' Wong joined the Oriental Holdings Berhad Group in 1972 as General Manager and advisor with emphasis in the motor business. He assumed the post of Group Managing Director in 1987 and to this day overseeing the Group's overall business with special expertise in the motor, manufacturing and plastics business. Additionally, he is also the Chief Executive Officer of the Group's new Hyundai venture, Oriental-Hyundai Sdn Bhd.

He serves in the Board as director in other Group and sister companies involved in the motorcycle business, manufacturing of automotive parts, plastic business, assembly and distribution of motor vehicles, hotel, plantation and construction machinery. Past directorships also gained him experience in other business segments including leasing and finance.

In addition to board membership, he also serves as member of the Audit Committee for Oriental Holdings Berhad.

He attended all the 5 Board Meetings held in 2001.

He is a brother-in-law of Dato' Loh Cheng Yean, Dato' Dr Tan Chong Siang and Mr Lim Su Tong.

His interest in the transactions with the Group are disclosed in the Circular on the Recurrent Related Party Transactions. He has never been convicted of any offence within the past 10 years.



YM Tengku Tan Sri Dato Seri Ahmad Rithauddeen Bin Tengku Ismail

YM Tengku, aged 70, a Malaysian, is an independent non-executive Director and has been a board member since February 9, 2000.

YM Tengku, a former Cabinet Minister, served with the government for 20 years in various ministries as Minister of Foreign Affairs, Ministry of International Trade and Industry, Minister at the Prime Minister's Office, before retiring in 1990 as Minister of Defence.

Tengku holds a Bachelor of Law degree from the University of Nottingham, United Kingdom and is a Barrister-at-Law from Lincoln's Inn.

He is also currently the Pro-Chancellor of Universiti Kebangsaan Malaysia, Chairman of Road Builder (M) Holdings Berhad, Kinta Kellas Public Limited Company, University of Nottingham Malaysia Sdn Bhd and Yayasan Amal of Inti College.

In January 2002, YM Tengku was conferred Doctor of Laws (Honoris Cause) by the University of Nottingham.

He is the Chairman in the Audit Committee.

He attended 4 of the 5 Board Meetings held in 2001.

YM Tengku does not have any family relationship with any other Director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company. Tengku has never been convicted of any offence within the past 10 years.

Dato' Haji S M Aidid

Dato' Haji S M Aidid, aged 95, a Malaysian, is a non-independent non-executive Director and has been a board member since July 25, 1969.

He has completed his early years of education in Penang and he was the Chief of UMNO, Penang branch from 1946 to 1950. He is currently a director of Kennedy Burkill & Co. Bhd, Penang Yellow Bus Co. Bhd. and Bernama Kredit Berhad.

He is a member of the Audit Committee.

He attended 1 Board meeting held in 2001.

He has no other family relationship with any other Director, apart from his daughter, Sharifah Intan Binti Dato' Haji S.M. Aidid and/or major shareholder of the Company. His interest in the transactions with the Group are disclosed in the Circular on the Recurrent Related Party Transactions. He has never been convicted of any offence within the past 10 years.



Dato' Loh Say Bee

Dato' Loh, aged 77, a Malaysian, is an independent non-executive Director and has been a board member since September 11, 1964.

He completed his primary education in China before he came to Malaysia. He has over 50 years of experience in property development. He is also the advisor to various development companies namely, Perumahan Concord Sdn Bhd, Seberang Perai Resort Berhad, Union Enterprise Sdn Bhd. He was also a Board Member of Southern Bank Berhad in the 1960's.

He is the Chairman of Loh Say Bee Sdn Bhd, the Managing Director of Sri Pinang Development Sdn Bhd and a director of The Corner Properties Berhad.

He is a member of the Audit Committee.

He attended all the 5 Board meetings held in 2001.

Dato' Loh does not have any family relationship with any other Director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company. Dato' has never been convicted of any offence within the past 10 years.

Dato' Prof. Dr. Tunku Ismail Bin Tunku Mohammad Jawa

Tunku, aged 64, a Malaysian, is an independent non-executive Director and has been a board member since July 2, 2001

Tunku, an educationist and a former Professor, holds a Post Doctoral qualification from Harvard. He ventured into the corporate world after he retires from Universiti Sains Malaysia.

He is also the Chairman of P.I.E. Industrial Berhad.

He is a member of the Audit Committee.

He attended all the 2 Board Meetings held since his appointment.

Tunku does not have any family relationship with any other Director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company. Neither has Tunku been convicted of any offence within the past 10 years.

Mr Lim Su Tong

Mr Lim, aged 57, a Malaysian, is a non-Independent executive Director and has been a board member since July 1, 1974.

Mr Lim, a Bachelor of Arts (Hons.) Economics graduate has over 30 years of experience in business operations. He is in charge of finance, property development and plantation divisions of the Group. He is currently a director of Boon Siew Credit Berhad and Penang Yellow Bus Co. Bhd.

He attended all the 5 Board Meetings held in 2001.

He is a brother-in-law of Dato' Loh Cheng Yean, Dato' Wong Lum Kong, JP and Dato' Dr Tan Chong Siang.

His interest in the transactions with the Group are disclosed in the Circular on the Recurrent Related Party Transactions. He has never been convicted of any offence within the past 10 years.



Dato' Dr Tan Chong Siang

Dato' Dr Tan, aged 61, a Malaysian, is a non-independent non-executive Director and has been a board member since April 7, 1995.

Dato' Dr Tan is a medical specialist by profession and a Chief Executive Officer of two private hospitals.

He attended all the 5 Board Meetings held in 2001.

He is a brother-in-law of Dato' Loh Cheng Yean, Dato' Wong Lum Kong and Mr Lim Su Tong.

His interest in the transactions with the Group are disclosed in the Circular on the Recurrent Related Party Transactions. He has never been convicted of any offence within the past 10 years.

Sharifah Intan Binti Dato' Haji S M Aidid

Puan Sharifah, aged 66, a Malaysian, is a non-independent non-executive Director and has been an Alternate Director to Dato' Haji S. M. Aidid since September 12, 2001.

After 20 years in the teaching profession, she took up law in 1980 and was called to the Bar in 1985. She is currently a partner of Messrs. Lim Huck Aik & Co, Advocates & Solicitors.

She is not a board member of any other listed public companies.

She attended 1 board meeting held since her appointment.

She is the daughter of Dato' Haji S M Aidid and has no other family relationship with any other Director and/or major shareholder of the Company. Her interest in the transactions with the Group are disclosed in the Circular on the Recurrent Related Party Transactions. She has never been convicted of any offence within the past 10 years.

Satoshi Toshida

Mr Satoshi Toshida, aged 55, a Japanese, is a non-independent non-executive Director and has been appointed a board member since November 28, 2000.

Mr Satoshi Toshida holds a Bachelor degree. He joined Honda Motor Co., Ltd. in 1973 and was made a director in 1995. He became the President and Chief Executive Officer of Asian Honda Motor Co., Ltd. in 1996. He is presently the Managing Director of Honda Motor Co. Ltd.

He did not attend any Board Meeting held in 2001.

Mr Satoshi Toshida is the representative of Honda Motor Co., Ltd. He does not have any family relationship with any other Director and/or major shareholder of the Company, other than Honda Motor Co., Ltd.

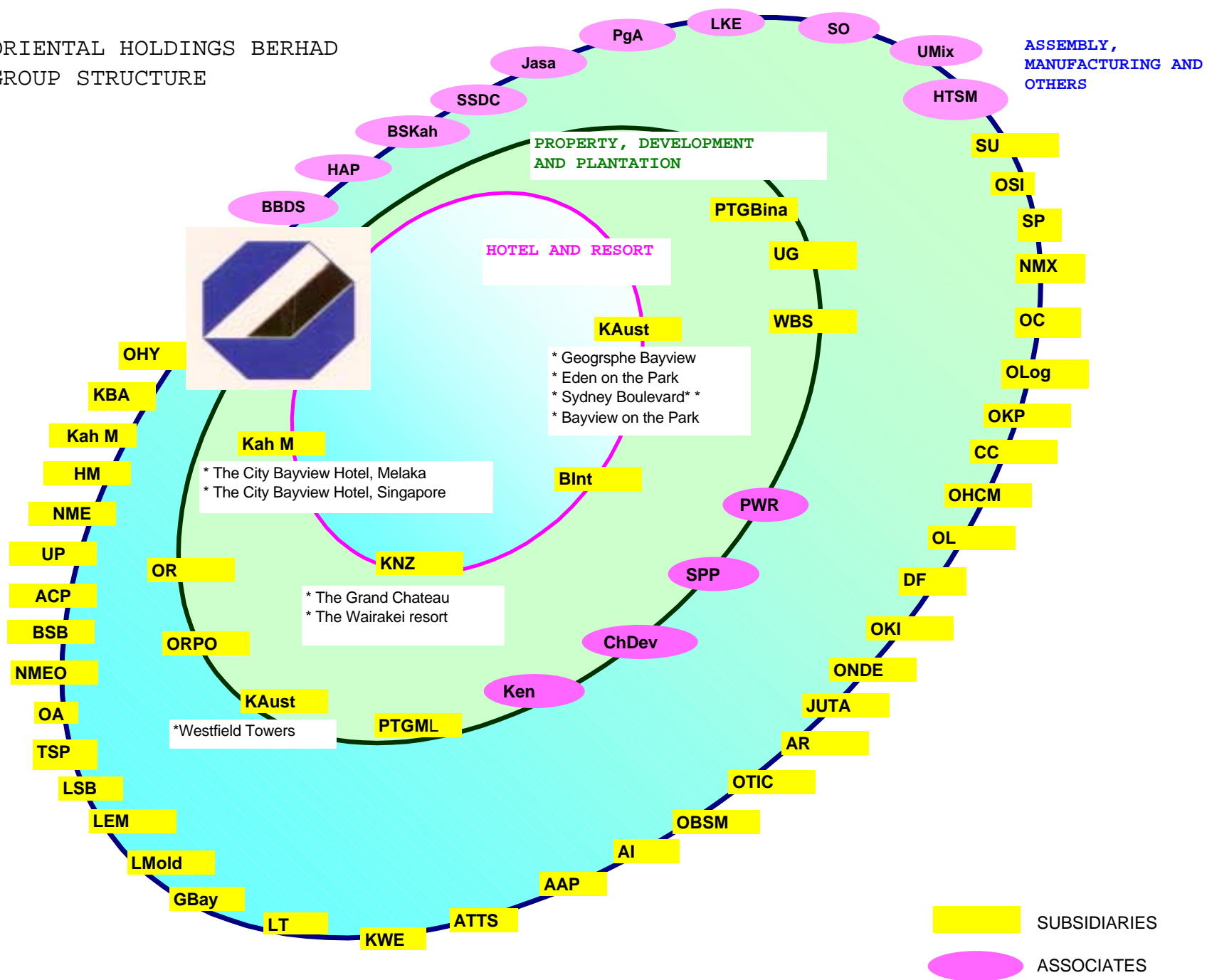
His interest in the transactions with the Group are disclosed in the Circular on the Recurrent Related Party Transactions. He has never been convicted of any offence within the past 10 years.



NAME OF SUBSIDIARIES AND ASSOCIATED COMPANIES

AAP	Armstrong Auto Parts Sdn. Berhad
ACP	Armstrong Cycle Parts (Sdn). Berhad
AI	Armstrong Industries Sdn. Bhd.
AR	Armstrong Realty Sdn. Bhd.
ATTS	AT-TS Marketing Sdn. Bhd.
BBDS	Bukit Batok Driving Centre Ltd.
BInt	Bayview International Sdn. Bhd.
BSB	Boon Siew (Borneo) Sendirian Berhad
BSKah	B. S. Kah Pte. Ltd.
CC	Compounding & Colouring Sdn. Bhd.
ChDev	Chainferry Development Sdn. Berhad
DF	Dragon Frontier Sdn. Bhd.
GBay	Geographe Bay Motel Unit Trust
HAP	Honda Autoparts Manufacturing (M) Sdn. Bhd.
HM	Happy Motoring Company Sdn. Bhd.
HTSM	Hicom Teck See Manufacturing Malaysia Sdn. Bhd.
Jasa	Jasabudi Sdn. Bhd.
Juta	Jutajati Sdn. Bhd.
Kah M	Kah Motor Company Sdn. Berhad
KAust	Kah Australia Pty. Ltd.
KBA	Kah Bintang Auto Sdn. Bhd.
Ken	Kenanga Mekar Sdn. Bhd.
KNZ	Kah New Zealand Limited
KWE	Kwong Wah Enterprise Sdn. Bhd.
LEM	Lipro Electrical Manufacturing Sdn. Bhd.
LKE	Lipro Kyowa Electronics Sdn. Bhd.
LMold	Lipro Mold Engineering Sdn. Bhd.
LSB	Lipro Sdn. Bhd.
LT	Lipro Trading Sdn. Bhd.
NME	North Malaya Engineers Trading Company Sdn. Bhd.
NMEO	North Malaya Engineers Overseas Sdn. Bhd.
NMX	North Malaya (Xiamen) Steel Company Limited
OA	Oriental Assemblers Sdn. Bhd.
OBSM	Oriental Boon Siew (Mauritius) Pte. Ltd.
OC	Syarikat Oriental Credit Berhad
OHCM	Oriental-Hitachi Construction Machinery Sdn. Bhd.
OHY	Oriental-Hyundai Sdn Bhd
OKI	P. T. Oriental Kyowa Industries
OKP	Oriental Kyowa Plastic Industries (Shanghai Pudong New Area) Co. Ltd
OL	Onward Leasing & Credit Sdn. Bhd.
OLog	Oriental-Logistics Sdn Bhd
ONDE	Oriental Nichinan Design Engineering Sdn. Bhd.
OR	Oriental Realty Sdn. Bhd.
ORPO	Oriental Rubber & Palm Oil Sdn. Berhad
OSI	Oriental San Industries Sdn. Bhd.
OTIC	Oriental Thai Industries Co. Ltd.
PgA	Penang Amusements Company Sdn. Bhd.
PTGBina	PT Gunungsawit Binalestari
PTGML	PT Gunung Maras Lestari
PWR	Penang Wellesley Realty Sdn. Bhd.
SO	Southern Oriental Sdn. Bhd.
SP	Selasih Permata Sdn. Bhd.
SPP	Southern Perak Plantations Sdn. Bhd.
SSDC	Singapore Safety Driving Centre Ltd.
SU	Simen Utara Sdn. Bhd.
TSP	Teck See Plastic Sdn. Bhd.
UG	Ultra Green Sdn. Bhd.
UMix	Unique Mix (Penang) Sdn. Bhd.
UP	Unique Pave Sdn. Bhd.
WBS	Wujin Boon Siew Property Development Company Limited

ORIENTAL HOLDINGS BERHAD
GROUP STRUCTURE





CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Oriental Holdings Berhad, I am pleased to present the annual report for the year ended 31 December 2001.

2001 has been a very difficult and challenging year for the Group. Amidst global economic slowdown and uncertainties arising from the "war on terrorism", it is a test of the Group's resilience that even in these difficult times, the Group has managed to perform reasonably well. The Group, however, cannot afford to rest on its laurels and be contented with the current achievements. In the wake of the market undergoing deregulation and liberalisation, the coming year will bring new challenges, opportunities and the decisions the Group takes today on how it positions itself in this environment will determine the Group's future success and how well placed the Group is to face the times ahead.

YEAR IN REVIEW

In July 2001, the Group's sole distributorship of Honda automobiles in Malaysia was transferred to DRB-Oriental-Honda Sdn Bhd, a company in which the Group has a minority stake. As a result, the Group's role in the sale of Honda automobiles in Malaysia is merely as a retailer and hence, it has to compete for the retail market share of Honda automobiles in Malaysia. However, the Group's sole and exclusive distributorship of Honda automobiles in Brunei Darussalam and Singapore remains intact and this will ensure continuing contribution to the Group.

During the year, the Group incorporated a 60% owned subsidiary, Oriental-Hyundai Sdn Bhd and a wholly owned subsidiary, Kah Bintang Auto Sdn Bhd for the purpose of distributing certain models of the Hyundai automobiles in Malaysia. As at to-date, the subsidiary has launched two of the models, namely the Elantra and Sonata, in Malaysia. With its affordable price, it is hoped that the distribution of Hyundai automobiles in Malaysia will cushion the impact of the loss of Honda distributorship in Malaysia.

The depressed commodity prices experienced during 2001 have affected the profitability of the plantation division. Cost-saving measures were implemented to minimise costs and only necessary expenditure were incurred. The cash flow for the overseas plantation subsidiaries should improve gradually as more planted areas reach maturity. If the recent uptrend in the CPO price level can be maintained, the performance of the plantation subsidiaries will contribute positively in terms of margin and cash flow to the Group.

Changing global landscape and unforeseen events that unfolded during the year have made the expected economic recovery all but more difficult to achieve. To ensure the Group maintains its competitive edge in areas where the Group has interests while remaining focused on issues that will ensure that the Group's long-term growth is sustainable, more emphasis will be on consistent product reliability and the development of a sales-oriented culture to cater to customer satisfaction.

CHANGES IN EQUITY

On 2 March 2001, 68,192 of the Treasury Stocks that were repurchased by the Company in 2000 were cancelled and this reduced the issued capital of the Company to 517,000,000 stocks of RM1 each. The remaining 31,808 stocks repurchased are being held as Treasury Stocks in accordance with the requirement of Section 67A of the Companies Act, 1965.



DIVIDEND

Based on the share capital of RM516,968,192 (*after deducting 31,808 Treasury Stocks*), an interim payment of 12.5% less tax comprising an ordinary dividend of 5% less tax and a special dividend of 7.5% less tax, was paid on 18 January 2002.

Your Board is now recommending a final dividend of 8% less tax and a special dividend of 4.5% less tax, making a total dividend of 12.5% less tax. In total, the net-of-tax distribution for the year will amount to RM93,054,274 compared to RM241,941,113 for the previous year.

OUTLOOK

After a relatively flat growth in 2001, the Malaysian economy is poised to register a stronger growth rate this year. Recent developments in major economic indicators provide early signs that the growth of the global economy will accelerate and strengthen in the second half of 2002. Malaysia as well as the other countries in this region should benefit as our economies are to a large extent influenced by the direction of the world's major economies, particularly the United States. On the local front, the various measures announced by the Government to provide impetus to spur the Malaysian economy together with the low interest borrowing rate regime will hopefully be able to sustain and stimulate domestic economic activities.

Continually improving efficiency and the competitive edge of its existing businesses will be the Group's utmost priorities. To enhance the potential for significant value generation for our stockholders, the Group will continue to look for opportunities for expansion. The Group will also maintain prudent management by practising good corporate governance in order to continue enhancing the stockholders' value.

ACKNOWLEDGEMENT

On behalf of the Board, I thank the Management and staff of all the companies in the Group, our dealers and customers for their loyal support, and our stockholders for their confidence, all of which have contributed to another successful year.

DATO' LOH CHENG YEAN
Chairman

26 April 2002



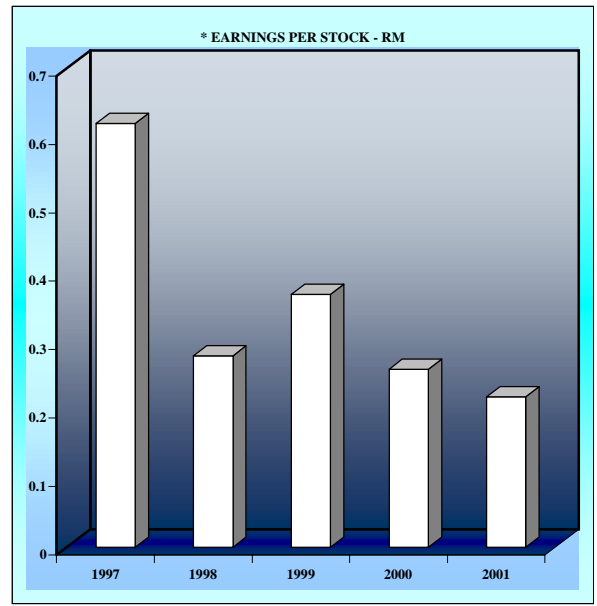
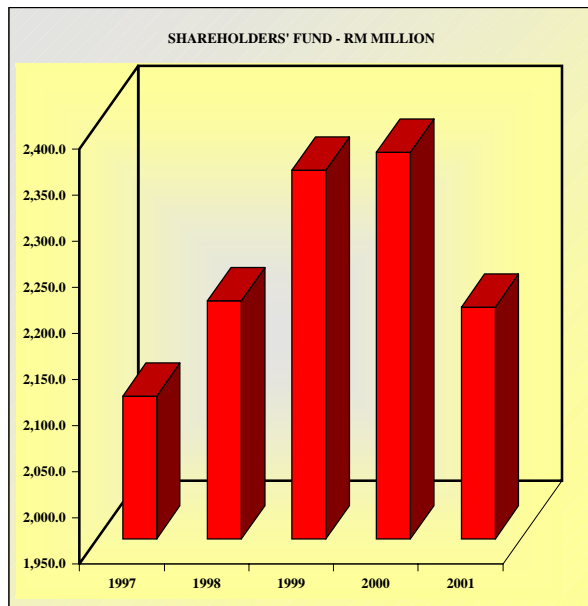
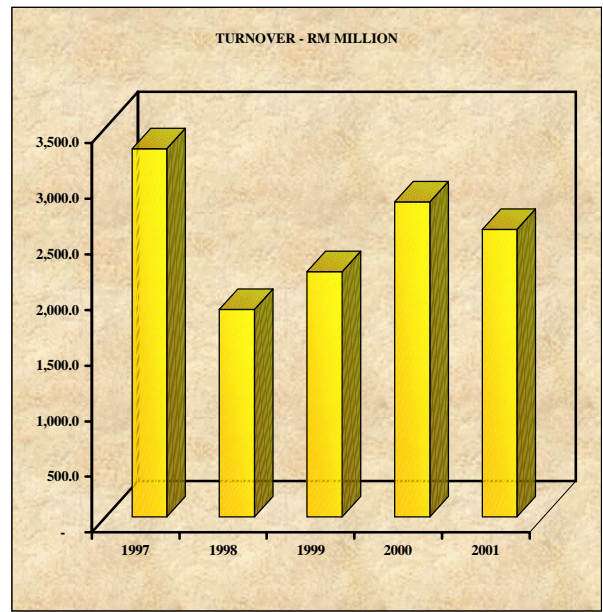
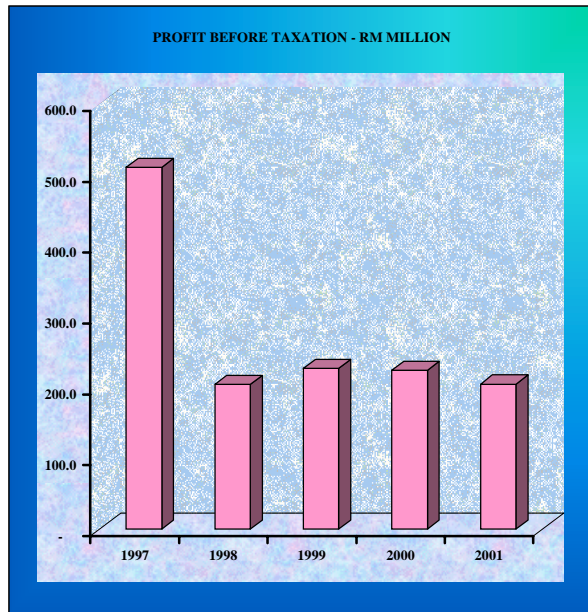
FIVE-YEAR GROUP FINANCIAL SUMMARY - RM'Million

	2001	2000	1999	1998	1997
BALANCE SHEET ANALYSIS					
Issued capital	517.0	517.1	323.2	323.2	323.2
Reserves	187.6	275.7	296.1	302.7	312.9
Unappropriated profits	1,497.2	1,577.2	1,730.9	1,582.6	1,468.7
Minority interest	235.8	204.2	201.4	192.3	190.6
Treasury stocks	(0.2)	(0.8)	-	-	-
FUNDS EMPLOYED	2,437.4	2,573.4	2,551.6	2,400.8	2,295.4
Property, plant and equipment	1,128.7	1,191.0	1,231.2	1,091.9	1,075.2
Development properties	57.2	57.3	57.3	56.8	52.2
Investments	239.7	212.0	166.3	135.1	123.5
Current assets	1,637.7	1,835.8	1,855.2	1,779.4	1,824.0
Deferred expenditure	5.2	0.8	6.1	1.3	1.6
TOTAL ASSETS	3,068.5	3,296.9	3,316.1	3,064.5	3,076.5
TOTAL LIABILITIES	(631.1)	(723.8)	(764.5)	(663.7)	(781.1)
	2,437.4	2,573.1	2,551.6	2,400.8	2,295.4
OTHER DATA					
Profit before taxation	204.6	223.9	226.8	203.9	510.7
Taxation	(66.7)	(74.8)	(27.4)	(56.9)	(152.9)
	137.9	149.1	199.4	147.0	357.8
Minority interests	(21.9)	(15.9)	(9.2)	-	(36.1)
NET PROFIT	116.0	133.2	190.2	147.0	321.7
DIVIDEND					
Net - RM'million	93.1	241.9	41.8	29.1	43.0
Gross rate - %	25.0	80.0	17.0	12.5	18.5

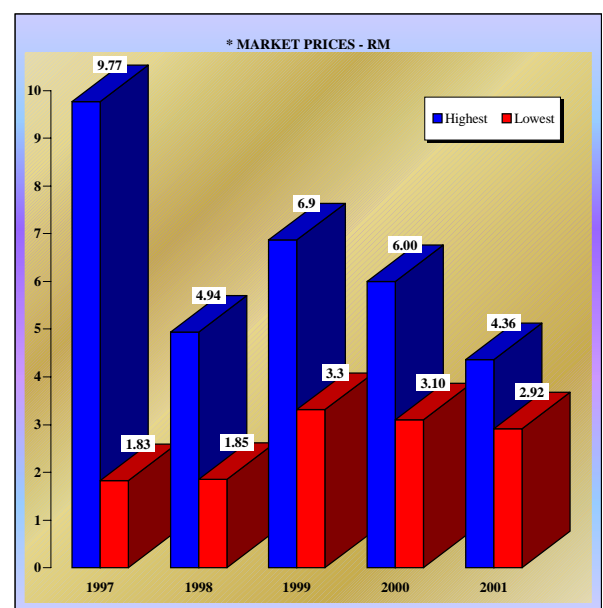
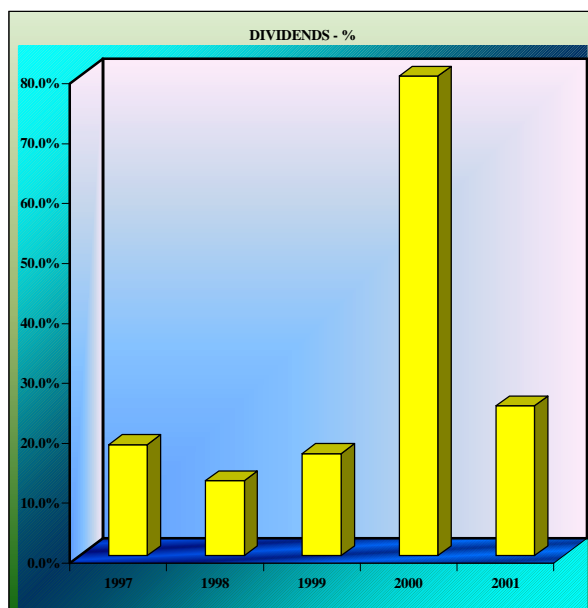
FINANCIAL CALENDAR

28 May 2001 Quarterly announcement for the quarter ended 31 March 2001	16 Aug 2001 Incorporation of Oriental Thai Industries Co. Ltd.	30 Nov 2001 Quarterly announcement for the quarter ended 30 June 2001	18 Jan 2002 Payment of interim and special dividend	4 Jun 2002 Posting of Annual Report and Financial Statements to stockholders
28 Aug 2001 Quarterly announcement for the quarter ended 30 June 2001	11 Sept 2001 Incorporation of Oriental Boon Siew (Mauritius) Pte Ltd	31 Dec 2001 Financial year end	25 Feb 2002 Quarterly announcement for the quarter ended 31 December 2001	26 Jun 2002 Annual General Meeting

FINANCIAL HIGHLIGHTS OF THE GROUP



* Adjusted for 2000 Bonus Issue



* Adjusted for 2000 Bonus Issue



STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors fully appreciates the importance of adopting high standards of corporate governance within the Group. The Board views corporate governance as synonymous with three key concepts, namely transparency, accountability as well as corporate performance.

As such, the Board strives to adopt the substance behind corporate governance prescriptions and not merely the form. The Board is thus fully committed to the maintenance of high standards of corporate governance by supporting and implementing the prescriptions of the principles and best practices set out in Parts 1 and 2 of the Malaysian Code on Corporate Governance respectively.

The Board is pleased to provide the following statements, which outline the main corporate governance practices that were in place throughout the financial year, unless otherwise stated.

Principles Statement

The following statement sets out how the Company has applied the principles in Part 1 of the Code. The principles are dealt with under the following headings of Board of Directors, Directors' remuneration, Shareholders and Accountability and audit.

A. Board of Directors

Board responsibilities

The Group acknowledges the pivotal role played by the Board of Directors in the stewardship of its direction and operations, and ultimately the enhancement of long-term shareholder value. To fulfill this role, the Board is responsible for the overall corporate governance of the Group, including its strategic direction and overall well being. Although it does not have a formal schedule of matters reserved to itself for decision, the Board is normally involved in the overall Group strategy and direction, acquisition and divestment policy, approval of capital expenditure, consideration of significant financial matters and the review of financial and operating performance of the Group. Directors from time to time are brought to the location of the manufacturing outlets to have a thorough understanding of the Group's operations.

Meetings

The Board meets at least four (4) times a year at quarterly intervals with additional meetings convened when urgent and important decisions need to be taken between the scheduled meetings. During the year ended 31 December 2001, the Board met on five (5) occasions, where it deliberated upon and considered a variety of matters including the Group's financial results, major investments, strategic decisions and the direction of the Group.

The Board receives documents on matters requiring its consideration prior to and in advance of each meeting. All proceedings from the Board meetings are recorded and the minutes thereof signed by the Chairman of the meeting.

Details of each existing Director's meeting attendances are as follows:-

Name	Attendance
<i>Independent Non-Executive Directors</i>	
YM Tengku Tan Sri Dato' Seri Ahmad Rithauddeen bin Tengku Ismail	4/5
Dato' Loh Say Bee	5/5
Dato' Prof. Dr Tunku Ismail bin Tunku Mohammad Jawa (Appointed on 2/7/01)	2/2



Name	Attendance
<i>Non-Executive Directors</i>	
Dato' Haji S M Aidid	1/5
Dato' Dr Tan Chong Siang	5/5
Satoshi Toshida	0/5
Puan Sharifah binti Intan S M Aidid (Alternate to Dato' Haji S M Aidid - appointed on 12 September 2001)	1/1
<i>Executive Directors</i>	
Dato' Loh Cheng Yean	5/5
Dato' Wong Lum Kong	5/5
Lim Su Tong @ Lim Chee Tong	5/5

Board Committees

The Board of Directors delegates certain responsibilities to the Audit Committee, in order to enhance business and operational efficiency as well as efficacy.

The Audit Committee has written terms of reference and operating procedures and the Board receives reports of its proceedings and deliberations. The Chairman of the Audit Committee will report to the Board the outcome of the Committee meetings and matters from such reports are incorporated in the minutes of the full Board meeting.

Board Balance

As at the date of this statement, the Board consists of ten (10) members, comprising three (3) Independent Non-Executive Directors, three (3) Executive Directors and four (4) Non-Executive Directors, with one (1) of them being an alternate Director. A brief profile of each Director is presented on pages 5 to 8 of this annual report.

The concept of independence adopted by the Board is in tandem with the definition of an independent Director in Section 1.01 of the Listing Requirements of the Kuala Lumpur Stock Exchange. The key elements for fulfilling the criteria are the appointment of an independent Director who is not a member of management (a non-executive Director) and who is free of any relationship which could interfere with the exercise of independent judgment or the ability to act in the best interests of the Company. The Board has complied with paragraph 15.02 of the Listing Requirements, which requires that at least two (2) Directors or one-third of the Board of the Company, whichever is the higher, are independent.

The Directors, with their different backgrounds and specialization, collectively bring with them a wide range of experience and expertise in areas such as finance, corporate and legal affairs, marketing and operations. The executive Directors in particular are responsible for implementing the policies and decisions of the Board, overseeing the operations as well as coordinating the development and implementation of business and corporate strategies. The independent non-executive Directors bring to bear objective and independent judgment to the decision making of the Board and provide a capable check and balance for the executive Directors. The non-executive Directors contribute in areas such as policy and strategy and performance monitoring. Together with the executive Directors who have intimate knowledge of the business, The Board is constituted of individuals who are committed to business integrity and professionalism in all its activities.

There is a clear division of responsibilities at the head of the Company to ensure a balance of authority and power. The Board is led by Dato' Loh Cheng Yean as the executive Chairman and the executive management of the Company is led by Dato' Wong Lum Kong, the Group Managing Director, and Mr Lim Su Tong @ Lim Chee Tong, the Executive Director.

The Board is of the opinion that its current composition fairly reflects the investment of all shareholders in the Company.



Supply of information

The Chairman, with the assistance of the Company Secretary, ensures that all Directors have full and timely access to information with Board papers distributed in advance of meetings. Every Director has also unhindered access to the advice and services of the Company Secretary. The Board believes that the current Company Secretary is capable of carrying out his duties to ensure the effective functioning of the Board. The Articles of Association specify that the removal of the Company Secretary is a matter for the Board as a whole.

Prior to the meetings of the Board and the Audit Committee, appropriate documents which include the agenda and reports relevant to the issues of the meetings covering the areas of strategic, financial, operational and regulatory compliance matters, are circulated to all the members to obtain further explanation, where necessary, in order to be properly briefed before the meeting.

The Directors meet, review and approve all corporate announcements, including the announcement of the quarterly financial reports, prior to releasing them to the Kuala Lumpur Stock Exchange.

Although there are no agreed formal procedures in place, the Board as a whole will determine, whether as a full board or in their individual capacity, to take independent professional advice on an ad-hoc basis, where necessary and under appropriate circumstances, in furtherance of their duties, at the Group's expense.

Directors' training

The Board as a whole ensures that it recruits to the Board only individuals of sufficient calibre, knowledge and experience to fulfill the duties of a Director appropriately. There is no formal training or orientation programme for Directors. However, at the date of this statement, all Directors, except for two, have attended and successfully completed the Mandatory Accreditation Programme (MAP) conducted by the Research Institute of Investment Analysts Malaysia (RIIAM). Dato' Haji S M Aidid has yet to undergo the Mandatory Accreditation Programme but has instead appealed to the Kuala Lumpur Stock Exchange for an exemption. At the date of this statement, the appeal is still pending. Mr. Satoshi Toshida has not attended the Mandatory Accreditation Programme yet as he is based in Thailand. The Directors will continue to undergo other relevant training programmes to further enhance their skills and knowledge where relevant.

Re-election

The Articles of Association provide that all the Directors of the Company are subject to retirement and at least one-third of the Board shall retire by rotation at each Annual General Meeting of the Company. The Directors to retire in each year are the Directors who have been longest in office since their appointment or re-appointment.

Directors over seventy (70) years of age are required to submit themselves for re-appointment annually in accordance with Section 129 (6) of the Companies Act 1965.

The Company Secretary will ensure that all the necessary information is obtained, as well as all legal and regulatory obligations are met before the appointments are made.

B Director's remuneration

The Company pays its Directors annual fee, which is approved annually by the shareholders.

The Board as a whole approves the remuneration of the Executive Directors with the Directors concerned abstaining from the decision in respect of their remuneration.

The breakdown of the Directors' remuneration paid/payable during the financial year is as follows:-

<i>Type of remuneration</i>	<i>Executive Directors</i>	<i>Non-Executive Directors</i>	<i>Total</i>
	<i>RM</i>	<i>RM</i>	<i>RM</i>
<i>Fees</i>	442,258	252,000	694,258
<i>Salaries</i>	1,226,582	-	1,226,582
<i>Other emoluments</i>	1,769,096	16,050	1,785,146
<i>Total</i>	3,437,936	268,050	3,705,986



The remuneration paid/payable to Directors, analyzed into bands of RM50,000 for the year ended 31 December 2001, are summarized as follows:

Range of remuneration	Number of Directors	
	<i>Executive</i>	<i>Non-Executive</i>
Below RM50,000	-	2
RM50,001 to RM100,000	-	4
RM300,000 to RM350,000	1	-
RM1,400,001 to RM1,450,000	1	-
RM1,650,001 to RM1,700,000	1	-
Total	3	6

C Shareholders

The Company recognizes the importance of communicating with its shareholders and does this through the annual report, Annual General Meetings (AGM) and Extraordinary General Meetings. It has also been the Company's practice to send the Notice of the AGM and related papers to shareholders at least fourteen (14) or twenty-one (21) days, as appropriate, before the meeting. At the AGM, the shareholders are encouraged to ask questions both about the resolutions being proposed or about the Group's operations in general.

In addition, the Company makes various announcements through the KLSE, in particular, the timely release of the quarterly results within two months from the close of a particular quarter. Summaries of the quarterly and the full year's results and copies of the full announcement are supplied to the shareholders and members of the public upon request. Members of the public can also obtain the full financial results and the Company's announcement from the KLSE's website.

D Accountability and audit

Financial reporting

The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements, quarterly and yearly announcement of the results to shareholders and the Chairman's statement in the annual report. The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.

Directors' responsibility statement in respect of the preparation of the audited financial statements

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of their results and cashflows for the year then ended. In preparing the financial statements, the Directors have ensured that applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 have been applied.

In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgments and estimates.

The Directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

State of internal controls

The Directors recognize their ultimate responsibility for the Group's system of internal controls and the need to review its effectiveness regularly in order to safeguard the Group's assets and therefore shareholders' investments in the Group. This system, by its nature, can only provide reasonable but not absolute assurance against misstatement, fraud or loss. The Board is aware of the significance of this system and has established an internal audit function on 1 October 2001 to assist the Board in reviewing the state of internal control of the Group.



At this juncture, the Board is of the view that the current system of internal control in place throughout the Group is sufficient to safeguard the Group's interest.

Relationship with the Auditors

Key features underlying the relationship of the Audit Committee with the internal and external auditors are included in the Audit Committee's terms of reference as detailed on pages 23 to 25 of the annual report.

A summary of the activities of the Audit Committee during the year, including the evaluation of the independent audit process, are set out in the Audit Committee Report on pages 21 and 22 of the annual report.

E Other Information and Disclosure

Non-audit fees

Non-audit fees amounting to RM97,500 for the Group and RM3,600 for the Company were paid to the external auditors of the Company for the financial year ended 31 December 2001.

Loan Contracts involve interest of Related Party

- Loan contract of USD7 million dated October 10, 2001 between the Company ("OHB") and Oriental Boon Siew (Mauritius) Pte. Ltd. ("OBSM"); and
- Loan contract of USD15 million dated October 10, 2001 between OBSM and PT Gunung Maras Lestari ("PT GML") and PT Gunungsawit Binalestari ("PT GSBL").

OBSM is a company 50.5% and 49.5% owned by OHB and the substantial stockholder, Boon Siew Sdn Bhd respectively.

The sub-subsidiary companies, namely PT GML and PT GSBL in Indonesia is 92.5% owned by Selasih Permata Sdn Bhd, which in turn is 50.5% and 49.5% owned by OHB and the substantial stockholder, Boon Siew Sdn Bhd respectively.

	Loan from OHB to OBSM	Loan from OBSM to PT GML and PT GSBL
Purpose	onward lending	to reduce their overdraft as well as for its day to day operations
Interest rate	USD LIBOR + spread of 1.0% per annum	USD LIBOR + spread of 1.5% per annum
Terms as to payment of interest	payable at end of tenor (1, 2 or 3 months) or quarterly (tenor more than 3 months) which ever is applicable	payable at end of tenor (1, 2 or 3 months) or quarterly (tenor more than 3 months) which ever is applicable
Repayment of principal	on demand	on demand
Security	unsecured	unsecured

Recurrent Related Party Transaction of Revenue Nature ("RRPT") from June 1 to December 31, 2001

- Transactions with major stockholder of OHB, Boon Siew Sdn Bhd and its companies*

	RM
Materials for motor vehicles and assembly charges	52,963,000
Oil palm seedlings and fresh fruit bunches	4,465,000
Forwarding charges	1,090,000
Rental	71,000
Provision of sales, corporate advertising and marketing of hotel	422,000
Provision of leasing line and hire purchase facilities	2,339,000



b) Transactions with major shareholder of OHB subsidiaries, Honda Motor Co. Ltd.

	<u>RM</u>
Completed engine and assembly charges	34,939,000
Engine for motor cars (knocked-down)	33,855,000
Rental	655,000

c) Transactions with major shareholder of OHB subsidiaries, Dato' Syed Mohamad Bin Syed Murtaza and family

	<u>RM</u>
Materials for motor vehicles and assembly/plating charges	9,305,000
Engine for motor cars (knocked-down)	21,000

Compliance Statement

The Group has complied, throughout the financial year ended 31 December 2001, with all the best practices of corporate governance set out in Part 2 of the Code except for the following:

- 1 Appointment of a senior independent non-executive director to whom concerns may be conveyed has not been made. The Board recognizes the importance to identify this person and has, accordingly, appointed YM Tengku Tan Sri Dato' Seri Ahmad Rithauddeen bin Tengku Ismail as the Senior Independent Non-Executive Director with effect from 26 April 2002.
- 2 A Nominating Committee has not been formed as the Board is of the view that it is sufficient that the appointment of Directors comes under the purview of the entire Board. There was no review done on the present Directors, including those in the Audit Committee, as the Board is of the opinion that the mix of experience and expertise of the current number of Directors are considered sufficient and optimum in addressing the issues affecting the Group.
- 3 The Board has not formally examined its size with the view to determine the impact of the number upon its effectiveness as required by Best Practice Provision AA XII. This is because the Board is always conscious of the contribution by the Directors in the past towards the growth of the Group. Nevertheless, the Board will formally address this issue in due course.
- 4 The Board does not have a formal schedule of matters specifically reserved to it for decision. However, it has been the practice for the Board to deliberate on matters that involve overall Group strategy and direction, acquisition and divestment policy, approval of capital expenditure, consideration of significant financial matters and the review of the financial and operating performance of the Group.
- 5 The Board, together with the Group Managing Director, has not developed position descriptions for the Board and the Group Managing Director. This is mainly due to the current set-up of the Board and the Audit Committee that are in place to facilitate the smooth functioning of the Group. Nevertheless, in order to enhance the existing corporate governance practice of the Company, the Board will consider adopting a Board Charter, which delineates the role and function of the Board as well as the differing roles of executive Directors and non-executive Directors.
- 6 When dealing with any item on the agenda, the Board normally receives information that is mainly historical or bottom line and financial oriented. Best Practice Provision AA XVII provides that the Board should receive information that is not just historical or bottom line and financial oriented but information that goes beyond assessing the quantitative performance of the Group and looks at other performance factors such as customer satisfaction, product and service quality, market share, market reaction, environmental issues, etc. The Board is aware of this and will take the necessary measures to comply with the Best Practice in due course.
- 7 The Board currently does not have an agreed procedure for Directors, whether as a full Board or in their individual capacity, in furtherance of their duties, to take independent professional advice at the Company's expense. The Board is of the view that it is adequate for the matter to be brought before the whole Board for deliberation and decision whenever a need for independent professional advice arises.
- 8 A Remuneration Committee has not been established. The remuneration of Directors currently comes under the purview of the entire Board with the relevant Directors abstaining from discussion. The Board, nevertheless, will consider the appointment of such a committee in due course.



Audit Committee report

Membership

The present members of the Audit Committee comprise:-

YM Tengku Tan Sri Dato' Seri Ahmad Rithauddeen bin Tengku Ismail	Chairman, Independent Non-Executive Director
Dato' Loh Say Bee	Member, Independent Non-Executive Director
Dato' Prof. Dr Tunku Ismail bin Tunku Mohammad Jawa	Member, Independent Non-Executive Director
Dato' Haji S M Aidid	Member, Non-Executive Director
Dato' Wong Lum Kong	Member, Group Managing Director

Terms of reference

The Audit Committee (the "Committee") was established to act as a Committee of the Board of Directors, with the terms of reference as set out on pages 23 to 25 of this annual report.

At the date of this report, the terms of reference of the Audit Committee have been revised to conform to the Listing Requirements of the Kuala Lumpur Stock Exchange.

Meetings

The Audit Committee convened a total of five (5) meetings during the financial year. Details of the attendance of meetings are as follows:

Name of member	Attendance
YM Tengku Tan Sri Dato' Seri Ahmad Rithauddeen bin Tengku Ismail	4/5
Dato' Loh Say Bee	5/5
Dato' Prof Dr Tunku Ismail bin Tunku Mohammad Jawa (appointed on 2 July 2001)	2/2
Dato' Haji S M Aidid	0/5
Dato' Wong Lum Kong	5/5
Dato' Dr Tan Chong Siang (resigned on 28 August 2001)	3/3

The meetings were appropriately structured through the use of agendas, which were distributed to members with sufficient notification.

The Company Secretary was present by invitation at all the meetings. Representatives of the external auditors, Messrs KPMG, also attended the meetings, where appropriate, upon invitation.

Summary of activities during the financial year

The Audit Committee carried out its duties in accordance with its terms of reference (which have since been revised as mentioned above) during the year. The main activities undertaken by the Committee were as follows:

- Reviewed with the external auditors the results of the audit, the audit report and the management letter, including management's response;
- Reviewed the annual report and the audited financial statements of the Company, before submission to the Board for their consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards adopted by the Malaysian Accounting Standards Board ("Board");



-
- Reviewed the Company's compliance, in particular the quarterly and year-end financial statements, with the Listing Requirements of the Kuala Lumpur Stock Exchange, MASB and other relevant legal and regulatory requirements.
 - Reviewed pertinent issues of the Group which had a significant impact on the results of the Group;
 - Reviewed the quarterly unaudited financial results announcements before recommending them for the Board's approval;
 - Reviewed the related party transactions entered into by the Group.

Internal audit function

The internal audit function was established on 1 October 2001. The department is independent of the activities or operations of other operating units. The principal role of the department is to undertake regular and systematic reviews of the systems of internal control so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively. It is the responsibility of the internal audit department to provide the Audit Committee with independent and objective reports on the state of internal control of the various operating units within the Group and the extent of compliance of the units with the Group's established policies and procedures as well as relevant statutory requirements. As at the end of the financial year, the internal audit function had yet to commence with its scope of work.



TERMS OF REFERENCE OF AUDIT COMMITTEE

Objectives

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling the following oversight objectives on the Group activities:

- assess the Group's processes relating to its risks and control environment;
- oversee financial reporting; and
- evaluate the internal and external audit processes.

Composition

The Board shall elect and appoint Committee members from amongst their numbers, comprising no fewer than three (3) Directors, the majority of whom shall be independent non-executive Directors of the Company.

The Board shall at all times ensure that at least one (1) member of the Committee shall be:

- a member of the Malaysian Institute of Accountants ("MIA"); or
- if he or she is not a member of MIA, he must have at least three (3) years of working experience and:-
 - he or she must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - he or she must be a member of the associations of accountants specified in Part II of the Accountants Act 1967.

If a member of the Committee resigns, dies or for any reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall within three (3) months of the event appoint such number of new members as may be required to fill the vacancy.

The Chairman of the committee shall be an independent non-executive Director. No alternate Director of the Board shall be appointed as a member of the Committee.

The Board shall review the terms of each of its members at least once (1) every three (3) years.

Quorum and Committee's procedures

Meetings shall be conducted at least four (4) times annually, or more frequently as circumstances dictate.

In order to form a quorum for the meeting, the majority of the members present must be independent non-executive Directors. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.

The Company Secretary shall be appointed Secretary of the Committee ("the Secretary"). The Secretary, in conjunction with the Chairman, shall draw up an agenda, which shall be circulated together with the relevant support papers, at least one (1) week prior to each meeting to the members of the Committee. The minutes shall be circulated to members of the Board.

The Committee may, as and when deemed necessary, invite other Board members and senior management members to attend the meetings.

The Chairman shall submit an annual report to the Board summarising the Committee's activities during the year and the related significant results and findings.



The Committee shall meet at least annually with the management, and at least once every year with the Head of Internal Audit and external auditors in separate sessions to discuss any matters with the Committee without the presence of any executive member of the Board.

The Committee shall regulate the manner of proceedings of its meetings, having regard to normal conventions on such matter.

Authority

The Committee is authorised to seek any information it requires from employees, who are required to co-operate with any request made by the Committee.

The Committee shall have full and unlimited access to any information pertaining to the Group.

The Committee shall have direct communication channels with the internal and external auditors and with senior management of the Group and shall be able to convene meetings with the external auditors whenever deemed necessary.

The Committee shall have the resources that are required to perform its duties. The Committee can obtain, at the expense of the Company, outside legal or other independent professional advice it considers necessary.

Where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the KLSE Listing Requirements, the Committee shall promptly report such matter to the KLSE.

Responsibilities and duties

In fulfilling its primary objectives, the Committee shall undertake the following responsibilities and duties:

- Review with the external auditor, the audit scope and plan, including any changes to the planned scope of the audit plan.
- Review the adequacy of the internal audit scope and plan, functions and resources of the internal audit function and that it has the necessary authority to carry out its work.
- Review the external and internal audit reports to ensure that appropriate and prompt remedial action is taken by management on major deficiencies in controls or procedures that are identified.
- Review major audit findings and the management's response during the year with management, external auditors and internal auditors, including the status of previous audit recommendations.
- Review the assistance given by the Group's officers to the auditors, and any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information.
- Review the independence and objectivity of the external auditors and their services, including non-audit services and the professional fees, so as to ensure a proper balance between objectivity and value for money.
- Review the appointment and performance of external auditors, the audit fee and any question of resignation or dismissal before making recommendations to the Board.
- Review the Internal Audit Charter, budget and staffing of the internal audit department.
- Review the adequacy and integrity of internal control systems, including enterprise risk management, management information system, and the internal auditors' and/ or external auditors' evaluation of the said systems.



- Direct and where appropriate supervise any special projects or investigation considered necessary, and review investigation reports on any major defalcations, frauds and thefts.
- Review the quarterly results and the year end financial statements, prior to the approval by the Board focussing particularly on:
 - changes in or implementation of major accounting policy changes;
 - significant or unusual events; and
 - compliance with accounting standards and other legal requirements;
- Review procedures in place to ensure that the Group is in compliance with the Companies Act 1965, KLSE Listing Requirements and other legislative and reporting requirements.
- Review any related party transaction and conflict of interest situation that may arise within the Company or the Group, including any transaction, procedure or course of conduct that raises question on management integrity.
- Prepare reports, if the circumstances arise or at least once (1) a year, to the Board summarising the work performed in fulfilling the Committee's primary responsibilities.
- Any other activities, as authorised by the Board.



DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2001.

PRINCIPAL ACTIVITIES

The principal activities of the Company are as follows :-

- (a) investment holding;
- (b) commission agent; and
- (c) provision of management services.

The principal activities of its subsidiary and associated companies are set out in Note 34 and Note 5 to the financial statements respectively.

There has been no significant change in the nature of these activities during the financial year.

RESULTS

	GROUP RM'000	COMPANY RM'000
Net profit for the year	<u>116,013</u>	<u>171,691</u>

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the year except as disclosed in the financial statements.

DIVIDENDS

Based on issued capital of 516,968,192 stocks (after deducting 31,808 Treasury Stocks) of RM1 each

A final dividend of 8% less 28% tax, and a special 4.5% dividend less 28% tax, making a total dividend of 12.5% less 28% tax, totalling RM46,527,137 have been recommended by the directors in respect of the year ended 31 December 2001, subject to the approval of the stockholders at the forthcoming Annual General Meeting.

Since the end of the previous financial year, the Company paid :

- i) an interim dividend of 5% less 28% tax, and a special 7.5% dividend less 28% tax, totalling RM46,527,137 in respect of the year ended 31 December 2001 on 18 January 2002; and
- ii) a final dividend of 8% less 28% tax and a special dividend of 32% less 28% tax, making a total dividend of 40% less 28% tax, amounting to RM148,886,839 in respect of the year ended 31 December 2000 on 6 July 2001.



DIRECTORS OF THE COMPANY

Directors who served since the date of the last report are:

Dato' Loh Cheng Yean	
Dato' Wong Lum Kong	
Dato' Haji S. M. Aidid	
Dato' Loh Say Bee	
YM Tengku Tan Sri Dato' Seri Ahmad Rithauddeen Bin Tengku Ismail	
Lim Su Tong @ Lim Chee Tong	
Dato' Dr. Tan Chong Siang	
Satoshi Toshida	
Dato' Prof. Dr Tunku Ismail Bin Tunku Mohammad Jawa	(Appointed on 2.7.2001)
Sharifah Intan Binti S. M. Aidid	(Alternate director to Dato' Haji S. M. Aidid; appointed on 12.9.2001)

In accordance with Section 129 (2) of the Companies Act, 1965, Dato' Haji S. M. Aidid, Dato' Loh Say Bee and YM Tengku Tan Sri Dato' Seri Ahmad Rithauddeen Bin Tengku Ismail retire at the forthcoming Annual General Meeting and, offer themselves for re-election as directors of the Company until the conclusion of the next Annual General Meeting.

In accordance with Article 133 of the Company's Articles of Association, Mr. Lim Su Tong and Dato' Dr. Tan Chong Siang retire by rotation from the Board at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Article 138 of the Company's Articles of Association, Dato' Prof. Dr Tunku Ismail Bin Tunku Mohammad Jawa who was appointed during the year, retires from the Board at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election.

DIRECTORS' SHAREHOLDINGS

The holdings in the stocks of the Company and shares of its related corporations (other than wholly-owned subsidiaries) of those who were directors at year end as recorded in the Register of Directors' Shareholdings are as follows :

	Balance at <u>1.1.2001/*</u>	Stocks of RM1 each <u>Direct Interest</u>		Balance at <u>31.12.2001</u>
		<u>Bought</u>	<u>(Sold)</u>	
<u>The Company</u>				
Dato' Loh Cheng Yean	182,696	-	-	182,696
Dato' Wong Lum Kong	150,958	-	-	150,958
Dato' Loh Say Bee	44,642	-	-	44,642
Lim Su Tong @ Lim Chee Tong	2,472,422	-	-	2,472,422
Dato' Dr. Tan Chong Siang	31,923	-	-	31,923
Sharifah Intan Binti S. M. Aidid	* 10,000	-	-	10,000
<u>Related Companies</u>				
Sharifah Intan Binti S. M. Aidid				
- Armstrong Auto Parts Sdn Bhd	* 227,318	-	-	227,318
- Teck See Plastic Sdn Bhd	* 100,000	-	-	100,000

* - at date of appointment

None of the other directors holding office at 31 December 2001 had any interest in the stocks of the Company and shares of its related corporations during the year.



DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements or the fixed salary of full time employees of related companies) by reason of a contract made by the Company or a related company with a director or with a firm of which a director is a member, or with a company in which the director has a substantial financial interests apart from certain transactions entered in the ordinary course of business between the Group and companies in which certain directors are also directors of those companies as detailed in Note 31 to the financial statements.

There were no arrangement during and at the end of the financial year which had 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.

ISSUE OF SHARES

There were no changes in the issued and paid-up capital of the Company during the year, apart from the cancellation of 68,192 stocks of RM1 each from the Treasury Stocks and this reduced the issued capital of the Company to 517,000,000 stocks of RM1 each.

OPTIONS GRANTED OVER UNISSUED SHARES AND DEBENTURES

No options were granted to any person to take up unissued shares or debentures of the Company during the year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) all current assets have been stated at the lower of cost and net realisable value.

At the date of this report, the directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the Group and in the Company financial statements misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.



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

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

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

In the opinion of the directors, except for the exceptional item as disclosed in the financial statements, the results of the operations of the Group and of the Company for the financial year ended 31 December 2001 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

AUDITORS

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed in accordance with a resolution of the directors :

DATO' LOH SAY BEE
Director

LIM SU TONG @ LIM CHEE TONG
Director

Penang,

Date : 26 April 2002



**STATEMENT BY DIRECTORS PURSUANT TO
SECTION 169(15) OF THE COMPANIES ACT, 1965**

In the opinion of the directors, the financial statements set out on pages 32 to 68, are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2001 and of the results of their operations and cash flows for the year ended on that date.

Signed in accordance with a resolution of the directors :

DATO' LOH SAY BEE
Director

LIM SU TONG @ LIM CHEE TONG
Director

Penang,

Date : 26 April 2002

**STATUTORY DECLARATION PURSUANT TO
SECTION 169(16) OF THE COMPANIES ACT, 1965**

I, DATO' WONG LUM KONG, the managing director primarily responsible for the financial management of ORIENTAL HOLDINGS BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 32 to 68, are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed DATO' WONG LUM KONG at Georgetown in the State of Penang on 26 April 2002.

Before me :

CHAI CHOON KIAT, PJM
Pesuruhjaya Sumpah
(Commissioner for Oaths)
Penang

REPORT OF THE AUDITORS TO THE STOCKHOLDERS OF ORIENTAL HOLDINGS BERHAD

We have audited the financial statements set out on pages 32 to 68. The preparation of the financial statements is the responsibility of the Company's directors. Our responsibility is to express an opinion on the financial statements based on our audit.

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

In our opinion :

- a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :
 - i) the state of affairs of the Group and of the Company at 31 December 2001 and the results of their operations and cash flows for the year ended on that date; and
 - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company;
- and
- b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and the subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

The subsidiary companies in respect of which we have not acted as auditors are identified in Note 34 to the financial statements and we have considered their financial statements and the auditors' report thereon.

We are satisfied that the financial statements of the subsidiary companies 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 those purposes.

The audit reports on the financial statements of the subsidiary companies were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Act.

KPMG
Firm No : AF : 0758
Chartered Accountants

LEE KEAN TEONG
Partner
Approval No : 1857/02/04 (J)

Penang,

Date : 26 April 2002



BALANCE SHEETS AT 31 DECEMBER 2001

		GROUP		COMPANY	
	Note	RM'000	2000 RM'000	2000 RM'000	RM'000
PROPERTY, PLANT AND EQUIPMENT	2	1,128,700	1,191,023	16,122	16,011
DEVELOPMENT PROPERTIES	3	57,176	57,359	-	-
INVESTMENT IN SUBSIDIARY COMPANIES	4	-	-	324,904	260,722
INVESTMENT IN ASSOCIATED COMPANIES	5	156,224	145,444	14,548	14,548
OTHER INVESTMENTS	6	83,485	66,622	22,313	7,613
CURRENT ASSETS					
Inventories	7	317,021	445,239	-	-
Housing scheme in progress	8	3,213	44,559	-	-
Trade and other receivables	9	230,718	271,324	456,772	509,155
Cash and cash equivalents	10	1,086,788	1,074,726	1,055	4,001
		1,637,740	1,835,848	457,827	513,156
CURRENT LIABILITIES					
Trade and other payables	11	233,021	301,430	1,088	1,130
Borrowings	12	280,114	355,266	-	-
Taxation		36,674	41,200	902	-
Dividend payable		46,527	-	46,527	-
		596,336	697,896	48,517	1,130
NET CURRENT ASSETS		1,041,404	1,137,952	409,310	512,026
DEFERRED EXPENDITURE	13	5,208	829	-	-
		2,472,197	2,599,229	787,197	810,920
FINANCED BY :					
SHARE CAPITAL	14	517,000	517,068	517,000	517,068
RESERVES	15	187,585	275,680	30,060	29,992
RETAINED PROFITS	16	1,497,258	1,577,194	240,386	264,644
		2,201,843	2,369,942	787,446	811,704
TREASURY STOCKS	17	(249)	(784)	(249)	(784)
STOCKHOLDERS' FUNDS		2,201,594	2,369,158	787,197	810,920
MINORITY INTERESTS	18	235,820	204,202	-	-
DEFERRED LIABILITIES	19	34,783	25,869	-	-
		2,472,197	2,599,229	787,197	810,920

The notes set out on pages 37 to 68 form an integral part of, and, should be read in conjunction with, these financial statements.



INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

	Note	GROUP		COMPANY	
		RM'000	2000 RM'000	RM'000	2000 RM'000
Revenue	20	<u>2,583,036</u>	<u>2,832,676</u>	<u>228,033</u>	<u>335,921</u>
Operating profit	21	187,243	214,702	226,527	334,925
Interest expense		(10,549)	(12,261)	-	-
Share of profit of associated companies		27,858	21,441	-	-
Profit before taxation		<u>204,552</u>	<u>223,882</u>	<u>226,527</u>	<u>334,925</u>
Tax expense	24	(66,663)	(74,776)	(54,836)	(92,908)
Profit after taxation		<u>137,889</u>	<u>149,106</u>	<u>171,691</u>	<u>242,017</u>
Less : Minority interests		(21,876)	(15,938)	-	-
Net profit for the year attributable to stockholders		<u>116,013</u>	<u>133,168</u>	<u>171,691</u>	<u>242,017</u>
Basic earnings per ordinary stock (sen)	25	<u>22.44</u>	<u>25.76</u>		
Dividends per ordinary stock – gross (sen)	26	<u>25.00</u>	<u>80.00</u>	<u>25.00</u>	<u>80.00</u>

The notes set out on pages 37 to 68 form an integral part of, and,
should be read in conjunction with, these financial statements.



**STATEMENTS OF RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2001**

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Exchange differences on translation of the financial statements of foreign operations (Note 15)	(88,201)	(20,001)	-	-
Net loss not recognised in the income statements	(88,201)	(20,001)	-	-
Net profit for the year	116,013	133,168	171,691	242,017
Total recognised gains for the year	27,812	113,167	171,691	242,017

The notes set out on pages 37 to 68 form an integral part of, and,
should be read in conjunction with, these financial statements.



CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	GROUP		COMPANY	
		2000		2000
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	204,552	223,882	226,527	334,925
Adjustments for :				
Depreciation	76,287	82,432	25	19
Plant and equipment written off	405	71	-	-
Loss on disposal of plant and equipment	2,330	827	-	-
Share of profit in associated companies	(27,858)	(21,441)	-	-
Gain on disposal of development properties	(22,848)	-	-	-
Dividend income	(1,047)	(948)	(214,021)	(326,089)
Interest income	(36,459)	(38,621)	(13,930)	(9,823)
Interest expense	10,549	12,261	-	-
Allowance for diminution in value of long term investments	-	1,207	-	-
(Gain)/Loss on disposal of investments	(4,162)	(804)	-	-
Unrealised (gain)/loss on foreign exchange	(16,783)	44,119	-	-
Amortisation of deferred expenditure	1,937	4,598	-	-
Deferred expenditure written off	322	1,340	-	-
Operating profit/(loss) before working capital changes	187,225	308,923	(1,399)	(968)
Changes in working capital :				
(Increase)/Decrease in inventories	169,564	(94,696)	-	-
(Increase)/Decrease in trade and other receivables	38,765	(9,286)	66,093	108,881
(Decrease)/Increase in associated companies	1,833	(5,494)	-	-
Increase/(Decrease) in trade and other payables	(68,406)	17,514	(42)	686
	141,756	(91,962)	66,051	109,567
Cash generated from operating activities	328,981	216,961	64,652	108,599
Interest paid	(10,549)	(11,380)	-	-
Tax paid	(51,093)	(54,704)	(2,300)	(2,097)
Interest received	1,206	2,067	-	-
<i>Net cash generated from operating activities</i>	268,545	152,944	62,352	106,502



CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (Cont'd)

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to deferred expenditure	(6,638)	(714)	-	-
Capital expenditure	(114,891)	(132,107)	(136)	-
Purchase of investments	(56,342)	(50,288)	(78,882)	(35)
Proceeds from disposal of plant and equipment	6,522	5,866	-	-
Additions to development properties	(1,811)	(440)	-	-
Interest received	35,253	35,727	-	-
Dividends received	11,057	9,111	162,607	19,907
Proceeds from disposal of investments	35,712	13,091	-	-
Proceeds from disposal of development properties	65,568	-	-	-
<i>Net cash (used in)/generated from investing activities</i>	(25,570)	(119,754)	83,589	19,872
CASH FLOWS FROM FINANCING ACTIVITIES				
Stocks repurchased	-	(784)	-	(784)
Repayments of hire purchase/lease creditors	(892)	(3,684)	-	-
Dividend paid to stockholders of the Company	(148,887)	(123,242)	(148,887)	(123,242)
Dividend paid to minority shareholders	(9,366)	(13,516)	-	-
Short term borrowings, net	(10,237)	(29,537)	-	-
Repayment of term loan	(1,786)	(2,732)	-	-
Fixed deposit withdrawn/(pledged) for banking facilities	3,840	(2,896)	-	-
Proceeds from issue of shares to minority shareholders	19,941	-	-	-
<i>Net cash used in financing activities</i>	(147,387)	(176,391)	(148,887)	(124,026)
Effects of exchange rates changes arising from retranslating the opening balances of foreign operations at closing exchange rates	(37,396)	25,236	-	-
Net (decrease)/increase in cash and cash equivalents	58,192	(117,965)	(2,946)	2,348
Cash and cash equivalents at beginning of year	1,047,383	1,170,120	4,001	1,653
Effects of exchange rates on cash and cash equivalents	(39,828)	(4,772)	-	-
Cash and cash equivalents at end of year	1,065,747	1,047,383	1,055	4,001

NOTE

Cash and cash equivalents consist of :

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Cash and bank balances	150,394	90,942	1,055	4,001
Fixed deposits	919,074	962,624	-	-
Bank overdrafts	(3,721)	(6,183)	-	-
	1,065,747	1,047,383	1,055	4,001

The notes set out on pages 37 to 68 form an integral part of, and, should be read in conjunction with, these financial statements.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies are adopted by the Group and the Company and are consistent with those adopted in previous years.

1.1 Basis of Accounting

The financial statements of the Group and of the Company are prepared in compliance with applicable approved accounting standards in Malaysia in all material respects except for the early adoption of the accounting for proposed dividends in accordance with MASB 19 on Events After the Balance Sheet Date.

1.2 Basis of Consolidation

Subsidiary companies are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiary companies are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases. Subsidiary companies are consolidated using the acquisition method of accounting.

A subsidiary company is excluded from consolidation when control is intended to be temporary if the subsidiary company is acquired and held exclusively with a view of its subsequent disposal in the near future and it has not previously been consolidated or it operates under severe long term restrictions which significantly impair its ability to transfer funds to the Company. Subsidiary companies excluded on these grounds are accounted for as investment.

Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed of during the year are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiary companies' net assets are determined and these values are reflected in the Group financial statements. The difference between the acquisition cost and the fair values of the subsidiary companies' net assets is reflected as goodwill or reserve on consolidation as appropriate.

Intragroup transactions and balances and the resulting unrealised profits are eliminated on consolidation. Unrealised losses resulting from intragroup transactions are also eliminated unless cost cannot be recovered.

1.3 Associated Companies

Associated companies are those enterprises in which the Group has significant influence, but not control, over the financial and operating policies.

The consolidated financial statements include the total recognised gains and losses of associated companies on an equity accounted basis from the date that significant influence effectively commences until the date that significant influence effectively ceases.

Unrealised profits arising on transactions between the Group and its associated companies which are included in the carrying amount of the related assets and liabilities are eliminated partially to the extent of the Group's interests in the associated companies. Unrealised losses on such transactions are also eliminated partially unless cost cannot be recovered.

Goodwill on acquisition is calculated based on the fair value of net assets acquired.



1.4 Property, Plant and Equipment

Property, plant and equipment except for freehold land are stated at cost/valuation less accumulated depreciation and accumulated impairment losses, if any.

Surpluses arising from revaluation are dealt with in the asset revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is charged to the Income Statement.

Property, plant and equipment retired from active use and held for disposal are stated at the lower of net book value and net realisable value.

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amounts of the assets are estimated. An impairment loss is recognised whenever the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. In determining the recoverable amount of property, plant and equipment, expected future cash flows are discounted to their present values. The impairment loss is charged to the Income Statement, unless it reverses a previous revaluation in which case it is charged to equity. Any subsequent increase in recoverable amount is reduced by the amount that would have been recognised as depreciation had the write-down or write-off not occurred. Such subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a revalued asset, in which case it is taken to equity.

1.5 Depreciation

Freehold land and plantations are stated at cost/valuation and are not depreciated. Leasehold land is amortised in equal instalments over the period of the leases which range from 30 years to 99 years. Special tools (included in plant and machinery) are amortised based on estimated unit of production.

On other assets, depreciation is calculated to write off the cost or amount of the valuation of property, plant and equipment on a straight line basis over the expected useful lives of the assets concerned at the following annual rates :

	%
Buildings	2 - 10
Assembly plant	5 - 20
Plant and machinery	7 - 33 1/3
Furniture, fixtures, fittings and equipment	5 - 50
Vehicles	20

The initial cost of hotel operating equipment (included under furniture, fixtures, fittings and equipment) such as linen, crockery, glassware, cutlery and kitchen utensils has been capitalised and is not depreciated. Subsequent acquisition to replace these operating assets are written off in the year in which they are incurred.

Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

1.6 Investments

Long term investments are stated at cost/valuation. An allowance is made when the directors are of the view that there is a diminution in their value which is other than temporary.



1.7 Development Properties

Development properties include land cost and development expenditure. Interest cost on specific and identifiable borrowings to acquire the development property is capitalised and carried forward as part of the cost of development. Such assets are transferred to housing scheme in progress when significant development work has been undertaken and are expected to be completed in the immediate future.

1.8 Goodwill

Goodwill arising on an acquisition represents the excess of the cost of the acquisition over the fair values of the net identifiable assets acquired. Goodwill is stated at cost. In respect of associated companies, the carrying amount of goodwill is included in the carrying amount of the investment in the associated companies. An impairment loss is recognised when the directors are of the view that there is a diminution in its value which is other than temporary.

1.9 Deferred Expenditure

This comprises expenditure incurred on new models of cars which is amortised over the estimated useful lives of the models concerned. An impairment loss is also recognised when the directors are of the view that there is a diminution in its value which is other than temporary.

1.10 Inventories

i) Developed properties

Completed properties held for resale are stated at the lower of cost and net realisable value. Cost is determined on a specific identification basis and includes land, all direct building costs and other related development costs.

ii) Other inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of assembled motor vehicles and knocked-down units is determined on specific identification and cost of other inventories is principally determined on a first-in, first-out basis.

Cost in the case of work-in-progress and finished products includes materials, direct labour and an appropriate proportion of fixed and variable production overheads.

1.11 Housing Scheme In Progress

- i) Housing scheme in progress is stated at cost plus attributable profits less progress billings and foreseeable losses.
- ii) Income from property development is recognised on the percentage of completion method only when it can be reasonably foreseen and is brought into the financial statements only in respect of sale agreements finalised at the end of the financial year. Foreseeable losses, if any, are recognised in full.

1.12 New Replanting Expenditure and Replanting Expenditure

New replanting expenditure is capitalised under freehold land and plantations and is not amortised.

Expenditure on replanting and upkeep of immature areas is capitalised and amortised over the estimated economic useful lives of the trees. Amortisation is deferred until the planted areas attain maturity and the rate used is 5% per annum.



1.13 Repurchase of Shares

When shares are repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as cost and set off against equity. Shares repurchased and not cancelled are classified as Treasury Stocks.

When shares are repurchased and cancelled, the nominal value of the shares repurchased is cancelled by a debit to share capital and an equivalent amount is transferred to capital redemption reserve. The consideration, including any acquisition cost and premium or discount arising from the shares repurchased, is adjusted to share premium or any other suitable reserve.

1.14 Off Balance Sheet Financial Instruments

Transactions in off balance sheet financial instruments including options and cross currency principal and interest rate swaps are stated at market value at the balance sheet date. The unrealised losses are taken up immediately in the Income Statement. Profits are recognised only when realised.

1.15 Taxation

The tax expense in the Income Statement represents taxation at current tax rates based on profit earned during the year.

Deferred taxation is provided on the liability method for all timing differences except where no liability is expected to arise in the foreseeable future and there are no indications the timing differences will reverse thereafter. Deferred tax benefits are only recognised where there is a reasonable expectation of realisation in the near future.

1.16 Foreign Currency

i) Foreign currency transactions

Transactions in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to Ringgit Malaysia at the foreign exchange rates ruling at the date of the transactions.

ii) Financial statements of foreign operations

The Group's foreign operations are not considered an integral part of the Group's operations. Accordingly, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Ringgit Malaysia at exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to Ringgit Malaysia at average exchange rates applicable throughout the year. Foreign exchange differences arising on translation are recognised directly in equity.



1.16 Foreign Currency (Cont'd)

The closing rates used in the translation of foreign currency monetary assets and liabilities and the financial statements of foreign operations as at 31 December 2001 are as follows :

Malaysian Ringgit per unit of foreign currency

US dollar	3.80	(2000 : 3.80)
Singapore dollar	2.04	(2000 : 2.27)
Brunei dollar	2.04	(2000 : 2.27)
Australian dollar	1.83	(2000 : 2.06)
New Zealand dollar	1.55	(2000 : 1.55)

Malaysian Ringgit per 100 units of foreign currency

Chinese renminbi	45.90	(2000 : 45.90)
Indonesian rupiah	0.03	(2000 : 0.03)
Japanese yen	3.11	(2000 : 3.58)

1.18 Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

1.19 Financing Costs

All interest and other costs incurred in connection with borrowings are expensed as incurred. The interest component of finance lease payments is recognised in the Income Statement so as to give a constant periodic rate of interest on the outstanding liability at the end of each accounting period.

1.20 Income Recognition

i) Goods sold

Revenue from sale of goods is measured at the fair value of the consideration receivable and is recognised in the Income Statement when the significant risks and rewards of ownership have been transferred to the buyer.

ii) Property development

Profit from property development is recognised using the percentage of completion method. Where foreseeable losses are anticipated, full provision for these losses is made in the financial statements.

iii) Dividend income

Dividend income is recognised when the right to receive payment is established.

iv) Interest income

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset.



2. PROPERTY, PLANT AND EQUIPMENT

Group	Cost/ Valuation RM'000	Accumulated Depreciation RM'000	Net Book Value RM'000	Depreciation For The Year RM'000
Freehold land :				
At valuation - 1978	15,437	-	15,437	-
At cost	123,949	-	123,949	-
Long term leasehold land :				
At valuation - 1978	2,054	632	1,422	25
At cost	31,191	1,923	29,268	201
Short term leasehold land :				
At valuation - 1976	1,374	715	659	27
- 1978	255	72	183	11
At cost	88,576	13,902	74,674	2,296
Buildings :				
At valuation - 1976	2,037	1,498	539	-
- 1978	1,125	499	626	21
At cost	601,899	123,052	478,847	15,290
Assembly plant :				
At valuation - 1978	1,370	1,358	12	-
At cost	3,432	3,359	73	19
Other assets at cost :				
Freehold land and plantations	27,311	-	27,311	-
Plant and machinery	384,964	234,624	150,340	28,776
Furniture, fixtures, fittings, equipment and vehicles	203,164	124,383	78,781	23,247
Replanting expenditure	144,756	16,165	128,591	6,375
Capital work-in-progress	17,988	-	17,988	-
	1,650,882	522,182	1,128,700	76,288
Less : Amount capitalised under Development Properties (Note 3)				(1)
				76,287



2. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Cost/ Valuation RM'000	Accumulated Depreciation RM'000	Net Book Value RM'000	Depreciation For The Year RM'000
2000				
Freehold land :				
At valuation - 1978	15,437	-	15,437	-
At cost	127,661	-	127,661	-
Long term leasehold land :				
At valuation - 1978	2,054	607	1,447	25
At cost	29,329	1,722	27,607	200
Short term leasehold land :				
At valuation - 1976	1,374	688	686	22
- 1978	255	61	194	3
At cost	96,830	12,825	84,005	2,639
Buildings :				
At valuation - 1976	2,037	1,498	539	253
- 1978	1,125	478	647	20
At cost	612,676	115,594	497,082	16,696
Assembly plant :				
At valuation - 1978	1,370	1,358	12	-
At cost	3,432	3,340	92	26
Other assets at cost :				
Freehold land and plantations	27,311	-	27,311	-
Plant and machinery	361,509	214,154	147,355	31,835
Furniture, fixtures, fittings, equipment and vehicles	192,827	113,660	79,167	25,768
Replanting expenditure	167,179	11,490	155,689	4,946
Capital work-in-progress	26,092	-	26,092	-
	<u>1,668,498</u>	<u>477,475</u>	<u>1,191,023</u>	<u>82,433</u>
Less : Amount capitalised under Development Properties (Note 3)				(1)
				<u><u>82,432</u></u>



2. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Company	Cost/ Valuation RM'000	Accumulated Depreciation RM'000	Net Book Value RM'000	Depreciation For The Year RM'000
Freehold land :				
At valuation - 1978	10,519	-	10,519	-
At cost	4,883	-	4,883	-
Buildings :				
At valuation - 1978	788	378	410	15
At cost	175	24	151	5
Other assets at cost :				
Furniture, fittings and equipment	193	62	131	5
Capital work-in-progress	28	-	28	-
	16,586	464	16,122	25
2000				
Freehold land :				
At valuation - 1978	10,519	-	10,519	-
At cost	4,883	-	4,883	-
Buildings :				
At valuation - 1978	788	363	425	16
At cost	175	19	156	3
Other assets at cost :				
Furniture, fittings and equipment	57	57	-	-
Capital work-in-progress	28	-	28	-
	16,450	439	16,011	19

Please refer Notes 2.1 and 2.2 for detailed movement of property, plant and equipment cost/valuation and accumulated depreciation of the Group and of the Company.



2. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

2.1 Detailed movement in cost/valuation of the Company/Group are as follows:

	At 1 January 2001 RM'000	Additions RM'000	Disposal/ Write-off RM'000	Transfers RM'000	Exchange differences RM'000	At 31 December 2001 RM'000
Held by the Company						
At valuation 1978 :						
Freehold land	10,519	-	-	-	-	10,519
Buildings	788	-	-	-	-	788
At cost						
Freehold land	4,883	-	-	-	-	4,883
Buildings	175	-	-	-	-	175
Furniture, fittings and equipment	57	136	-	-	-	193
Capital work-in-progress	28	-	-	-	-	28
	16,450	136	-	-	-	16,586
Held by the subsidiary companies of the Group						
At valuation 1978 :						
Freehold land	4,918	-	-	-	-	4,918
Long term leasehold land	2,054	-	-	-	-	2,054
Short term leasehold land	255	-	-	-	-	255
Buildings	337	-	-	-	-	337
Assembly plant	1,370	-	-	-	-	1,370
At valuation 1976 :						
Short term leasehold land	1,374	-	-	-	-	1,374
Buildings	2,037	-	-	-	-	2,037
At cost						
Freehold land	122,778	165	-	-	(3,877)	119,066
Long term leasehold land	29,329	1,898	-	-	(36)	31,191
Short term leasehold land	96,830	-	-	-	(8,254)	88,576
Freehold land and plantation	27,311	-	-	-	-	27,311
Buildings	612,501	16,683	(82)	15,441	(42,819)	601,724
Assembly plant	3,432	-	-	-	-	3,432
Plant and machinery	361,509	32,485	(9,947)	11,258	(10,341)	384,964
Furniture, fixtures, fittings, equipment and vehicles	192,770	23,247	(7,741)	6,120	(11,425)	202,971
Replanting expenditure	167,179	12,598	(12)	-	(35,009)	144,756
Capital work-in-progress	26,064	27,679	(1,068)	(32,819)	(1,896)	17,960
	1,668,498	114,891	(18,850)	-	(113,657)	1,650,882



2. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

2.2 Detailed movement in accumulated depreciation of the Company/Group are as follows:

	At 1 January 2001 RM'000	Depreciation for the year RM'000	Disposal/ Write-off RM'000	Transfer RM'000	Exchange differences RM'000	At 31 December 2001 RM'000
Held by the Company						
At valuation 1978 :						
Buildings	363	15	-	-	-	378
At cost						
Buildings	19	5	-	-	-	24
Furniture, fittings and equipment	57	5	-	-	-	62
	439	25	-	-	-	464
Held by the subsidiary companies of the Group						
At valuation 1978 :						
Long term leasehold land	607	25	-	-	-	632
Short term leasehold land	61	11	-	-	-	72
Buildings	115	6	-	-	-	121
Assembly plant	1,358	-	-	-	-	1,358
At valuation 1976 :						
Short term leasehold land	688	27	-	-	-	715
Buildings	1,498	-	-	-	-	1,498
At cost						
Long term leasehold land	1,722	201	-	-	-	1,923
Short term leasehold land	12,825	2,296	-	-	(1,219)	13,902
Buildings	115,575	15,285	(39)	-	(7,793)	123,028
Assembly plant	3,340	19	-	-	-	3,359
Plant and machinery	214,154	28,776	(3,719)	-	(4,587)	234,624
Furniture, fixtures, fittings, equipment and vehicles	113,603	23,242	(5,828)	-	(6,696)	124,321
Replanting expenditure	11,490	6,375	(8)	-	(1,692)	16,165
	477,475	76,288	(9,594)	-	(21,987)	522,182



2. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The property, plant and equipment are shown at Directors' valuation in the years indicated based on the following valuation exercises carried out :

- In 1976 - By a firm of professional valuers on a 'replacement cost' basis.
- In 1978 - By Government Valuers on an 'open market value' basis.

Subsequent acquisitions are shown at cost while deletions are at valuation or cost as appropriate.

Included in the net book value of property, plant and equipment of the Group is an amount of RM9,275,000 (2000 : RM6,541,000) representing assets financed under leasing/hire purchase instalment plan.

Included in the replanting expenditure is an amount of RM12,669,000 (2000 : RM12,669,000) which represents compensation paid to squatters on the land in which certain subsidiary companies have the legal right for planting and cultivation of oil palm.

It is the Group's policy to state property, plant and equipment at cost. Revaluation of certain properties in 1976 and 1978 (including those properties classified under Development Properties) were carried out primarily for the purpose of reflecting a fairer worth of properties then and were not intended to effect a change in accounting policy to one of revaluation of properties. It is envisaged that the current market values of the revalued properties are no less than their net book values. In accordance with the transitional provisions issued by the Malaysian Accounting Standards Board ("MASB") upon adoption of International Accounting Standard No 16 (Revised), Property, Plant and Equipment, the valuation of these assets has not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation.

The carrying amount of the revalued assets (under property, plant and equipment) had it been stated at cost less accumulated depreciation is as follows :

	Cost RM'000	Accumulated Depreciation RM'000	Net Book Value RM'000
At Valuation 1976 :			
<i>Held by the subsidiary companies of the Group</i>			
Short term leasehold land	187	100	87
Buildings	1,713	1,120	593
	1,900	1,220	680
At Valuation 1978 :			
<i>Held by the Company</i>			
Freehold land	865	-	865
Buildings	65	30	35
	930	30	900
<i>Held by the subsidiary companies of the Group</i>			
Freehold land	5,147	-	5,147
Long term leasehold land	1,400	602	798
Short term leasehold land	23	9	14
Buildings	1,687	658	1,029
Assembly plant	691	691	-
	8,948	1,960	6,988
	11,778	3,210	8,568



2. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Cost RM'000	Accumulated Depreciation RM'000	Net Book Value RM'000
2000			
At Valuation 1976 :			
<i>Held by the subsidiary companies of the Group</i>			
Short term leasehold land	187	96	91
Buildings	1,713	1,095	618
	1,900	1,191	709
At Valuation 1978 :			
<i>Held by the Company</i>			
Freehold land	865	-	865
Buildings	65	29	36
	930	29	901
<i>Held by the subsidiary companies of the Group</i>			
Freehold land	5,147	-	5,147
Long term leasehold land	1,400	597	803
Short term leasehold land	23	8	15
Buildings	1,687	655	1,032
Assembly plant	691	691	-
	8,948	1,951	6,997
	11,778	3,171	8,607

Deferred tax in respect of the revaluation of properties of the Company and of the Group of RM105,000 (2000 : RM109,000) and RM143,000 (2000 : RM151,000) respectively has not been provided for as the properties are held for long term use.



3. DEVELOPMENT PROPERTIES

	GROUP	
	RM'000	2000 RM'000
Balance at 1 January	57,359	57,261
Add : Additions during the year	1,811	127
Less : Cost of land transferred to Housing Scheme in Progress (Note 8)	-	(29)
Transfer to Exceptional Item on compulsory acquisition of development properties (Note 23)	(1,994)	-
Balance at 31 December *	<u>57,176</u>	<u>57,359</u>
* This amount comprises :		
At valuation (1978)		
Freehold land	1,928	1,928
At cost		
Freehold land	43,990	44,962
Other outgoings	11,258	10,469
	<u>57,176</u>	<u>57,359</u>

The freehold land is shown at Directors' valuation based on a valuation exercise carried out by Government Valuers on an 'open market value' basis in 1978.

The carrying amount of the revalued land had it been stated at cost is **RM1,257,000** (2000 : RM1,257,000).

Included in other outgoings are the following :

- i) Depreciation amounting to **RM1,000** (2000 : RM1,000).
- ii) Land premium of **RM5,625,000** (2000 : RM5,625,000) representing payment made pursuant to a conditional agreement entered into between the State Government of Malacca and one of the subsidiary companies, Ultra Green Sdn Bhd ("UGSB"), whereby UGSB has been granted exclusive right to reclaim and develop approximately 1,125 acres of foreshore land. The approval from the State Government of Malacca includes the granting of leasehold tenancy for a period of 99 years and the entitlement of the State Government of Malacca, after reclamation, to one-sixth of the total net saleable area or one-sixth of the paid up capital of UGSB in lieu thereof.

As at to-date, the Company has been granted a conditional approval by the Jabatan Alam Sekitar (after carrying out the macro Environment Impact Assessment), for the Company to reclaim and develop the said foreshore land.

The Company will only commence the reclamation after all approvals have been received from the relevant authorities, including the State Government of Malacca and after the Company has obtained such other licences, permits or approvals from the approving authorities as may be required relating to the reclamation works and the development project.



4. INVESTMENT IN SUBSIDIARY COMPANIES

	COMPANY	
	RM'000	2000 RM'000
Unquoted shares		
- at cost	301,381	237,199
- at valuation	23,523	23,523
	324,904	260,722

The shares in two of the subsidiary companies are shown at Directors' valuation based on their net worth in 1979.

Details of these subsidiary companies are listed under Note 34.

5. INVESTMENT IN ASSOCIATED COMPANIES

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Unquoted shares, at cost	55,273	55,273	24,548	24,548
Share of post-acquisition profits less losses	100,951	90,171	-	-
	156,224	145,444	24,548	24,548
Less : Allowance for diminution in value of investment	-	-	(10,000)	(10,000)
	156,224	* 145,444	14,548	14,548
* This is represented by :				
Share of net tangible assets	151,845	141,065		
Goodwill	4,379	4,379		
	156,224	145,444		

List of Associated Companies :

	Group's Interest		Principal Activities
	2000		
	%	%	
Incorporated in Malaysia :			
Chainferry Development Sdn. Berhad	32.8	32.8	Property development
Penang Wellesley Realty Sdn. Berhad	39.8	39.8	Property development
Southern Perak Plantations Sdn. Berhad	39.5	39.5	Production and sale of oil palm fruits, palm oil and kernel
Penang Amusements Co. Sdn. Bhd.	25.0	25.0	Operation of a bowling alley
Jasabudi Sdn Bhd	20.0	20.0	Dealer in machinery and spare parts
Honda Autoparts Manufacturing (M) Sdn. Bhd.	49.0	49.0	Manufacturing and sale of motor vehicle parts
Kenanga Mekar Sdn. Bhd.	49.0	49.0	Property development
Unique Mix (Penang) Sdn. Bhd.	25.8	25.8	Manufacturer and dealer of concrete products



5. INVESTMENT IN ASSOCIATED COMPANIES (Cont'd)

List of Associated Companies :

	<u>Group's Interest</u>		<u>Principal Activities</u>
		2000	
	%	%	
Southern Oriental Sdn. Bhd.	50.0	50.0	Investment holding
Lipro Kyowa Electronics Sdn Bhd	30.0	30.0	Assembly and sale of electronic products
Hicom Teck See Manufacturing Malaysia Sdn Bhd	29.4	29.4	Manufacture of thermo plastic and thermo setting products
Incorporated in Singapore :			
Singapore Safety Driving Centre Ltd	27.5	27.5	Operation of a driving school
B.S. Kah Pte. Ltd	40.0	40.0	Property management
Bukit Batok Driving Centre Ltd	21.9	21.9	Operation of a driving school

The accounting year end of all the associated companies is 31 December except for Hicom Teck See Manufacturing Malaysia Sdn Bhd, Jasabudi Sdn Bhd and Unique Mix (Penang) Sdn Bhd whose accounting years end on 31 March, 31 May and 30 June respectively.

6. OTHER INVESTMENTS, at cost

	GROUP		COMPANY	
		2000		2000
	RM'000	RM'000	RM'000	RM'000
Quoted shares				
- in Malaysia	6,918	6,948	-	-
- outside Malaysia	15,924	23,014	-	-
Foreign Government and Public Bonds	42,766	33,506	-	-
	65,608	63,468	-	-
Unquoted shares	16,487	1,772	22,313	7,613
Others	1,390	1,382	-	-
	83,485	66,622	22,313	7,613
Market value of :				
- Quoted shares	25,939	33,324	-	-
- Foreign Government and Public Bonds	43,435	34,003	-	-
	69,374	67,327	-	-

The Group's foreign government and public bonds and the quoted shares have been stated after allowance for diminution in value of **RM772,000** (2000 : RM688,000) and **RM1,751,000** (2000 : RM2,243,000) respectively.



7. INVENTORIES

	GROUP	
	RM'000	2000 RM'000
Developed properties	5,147	4,335
Finished products		
Manufactured goods	24,913	24,145
Assembled motor vehicles	93,354	194,295
Trading inventories	60,754	65,217
	184,168	287,992
Work-in-progress	14,667	16,495
Raw materials	42,434	49,765
Knocked-down units	17,262	37,170
Consumable stores and spares	56,121	51,324
Hotel stocks	2,369	2,493
	317,021	445,239

Included in the above are some of the inventories carried at net realisable value :-

	GROUP	
	RM'000	2000 RM'000
Assembled motor vehicles	31	31
Consumable stores and spares	3,945	5,471
Raw materials and components	5,785	5,041
Manufactured goods	1,086	2,191
	10,847	12,734

8. HOUSING SCHEME IN PROGRESS

	GROUP	
	RM'000	2000 RM'000
Balance at 1 January	44,559	51,242
Add : Additions during the year	1,300	1,501
Cost of land transferred from development properties (Note 3)	-	29
Less : Transfer to Exceptional Item on compulsory acquisition of Housing Scheme in Progress (Note 23)	(40,727)	-
Transfer to Income Statement in respect of completed units	(674)	(3,878)
Cost of developed properties	(1,245)	(4,335)
Balance at 31 December *	3,213	44,559
Progress billing	-	-
Attributable profits	-	-
	3,213	44,559
* This amount comprises :-		
Freehold land, at cost	366	395
Long term leasehold land, at cost	-	28,495
Building development in progress	2,847	15,669
	3,213	44,559



9. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Trade receivables				
Amount due :				
- within 1 year	182,325	226,212	-	-
- after 1 year	3,598	3,073	-	-
	185,923	229,285	-	-
Allowance for doubtful debts	(10,390)	(9,199)	-	-
Unearned income	(2,315)	(2,218)	-	-
	(12,705)	(11,417)	-	-
	173,218	217,868	-	-
Amount due from subsidiary companies	-	-	456,764	508,923
Amount due from associated companies	12,423	14,264	-	-
Other receivables, deposits and prepayments	45,077	39,192	8	12
Tax recoverable	-	-	-	220
	230,718	271,324	456,772	509,155

10. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Fixed deposits :				
With licensed banks	513,632	540,675	-	-
With licensed finance companies	422,762	443,109	-	-
	936,394	983,784	-	-
Cash and bank balances	150,394	90,942	1,055	4,001
	1,086,788	1,074,726	1,055	4,001

Included in the fixed deposits of the Group is an amount of **RM17,320,000** (2000 : RM21,160,000) which is pledged to a licensed bank for banking facilities granted to certain subsidiary companies.

Included in cash and bank balances of the Group is an amount of **RM693,000** (2000 : RM399,000), the utilisation of which is subject to the Housing Developers (Housing Development Account) Regulation.



11. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Trade payables	132,853	169,696	-	-
Other payables and accruals	100,155	131,718	1,088	1,130
Amount due to associated companies	13	16	-	-
	<u>233,021</u>	<u>301,430</u>	<u>1,088</u>	<u>1,130</u>

12. BORROWINGS

	GROUP	
	RM'000	2000 RM'000
Bank overdrafts	3,721	6,183
Other borrowings	274,473	347,257
Lease/hire purchase obligations	1,920	1,826
	<u>280,114</u>	<u>355,266</u>

The bank borrowings are unsecured and carry interest at rates which vary according to prevailing base lending rates.

13. DEFERRED EXPENDITURE

	GROUP	
	RM'000	2000 RM'000
Deferred expenditure, at cost	14,669	8,030
Less : Accumulated amortisation	(9,461)	(7,201)
	<u>5,208</u>	<u>829</u>



14. SHARE CAPITAL

	GROUP/COMPANY	
	2000	
	RM'000	RM'000
Authorised :		
Stocks of RM1 each	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid :		
Stocks of RM1 each		
Balance at 1 January	517,068	323,205
Bonus issue (3 for 5) during the year	-	193,863
Repurchased Treasury Stock cancelled (Note 17)	(68)	-
Balance at 31 December	<u>517,000</u>	<u>517,068</u>

15. RESERVES

	At 1 January 2001 RM'000	Additional Investment in Existing Subsidiary Company RM'000	Cancellation of Treasury Stocks RM'000	Currency translation differences RM'000	At 31 December 2001 RM'000
GROUP					
Distributable					
Capital Reserves	39,552	-	-	-	39,552
Non-distributable					
Share Premium	1,099	-	-	-	1,099
Asset Revaluation Reserve	474	-	-	-	474
Exchange Fluctuation Reserves	248,524	-	-	(88,201)	160,323
Goodwill on Consolidation	(15,313)	38	-	-	(15,275)
Capital Reserves	1,344	-	-	-	1,344
Capital Redemption Reserve	-	-	68	-	68
	<u>236,128</u>	<u>38</u>	<u>68</u>	<u>(88,201)</u>	<u>148,033</u>
	<u>275,680</u>	<u>38</u>	<u>68</u>	<u>(88,201)</u>	<u>187,585</u>
COMPANY					
Distributable					
Capital Reserves	29,992	-	-	-	29,992
Non-distributable					
Capital Redemption Reserve	-	-	68	-	68
	<u>29,992</u>	<u>-</u>	<u>68</u>	<u>-</u>	<u>30,060</u>



15. RESERVES (Cont'd)

	At 1 January 2000 RM'000	Additional Investment in Existing Subsidiary Company RM'000	Currency translation differences RM'000	At 31 December 2000 RM'000
2000				
GROUP				
Distributable				
Capital Reserves	39,552	-	-	39,552
Non-distributable				
Share Premium	1,099	-	-	1,099
Asset Revaluation Reserve	474	-	-	474
Exchange Fluctuation Reserves	268,525	-	(20,001)	248,524
Goodwill on Consolidation	(14,933)	(380)	-	(15,313)
Capital Reserves	1,344	-	-	1,344
	256,509	(380)	(20,001)	236,128
	296,061	(380)	(20,001)	275,680
COMPANY				
Distributable				
Capital Reserves	29,992	-	-	29,992

The Capital Reserves comprise surplus on sale of land and building and long term investments.

16. RETAINED PROFITS

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Balance at 1 January	1,577,194	1,730,943	264,644	309,544
Net profit for the year attributable to stockholders	116,013	133,168	171,691	242,017
	1,693,207	1,864,111	436,335	551,561
Less : Appropriations				
Dividends (Note 26)	(195,414)	(93,054)	(195,414)	(93,054)
Issue of Bonus Stocks	-	(193,863)	-	(193,863)
Cancellation of treasury stocks	(535)	-	(535)	-
	(195,949)	(286,917)	(195,949)	(286,917)
Balance at 31 December	1,497,258	1,577,194	240,386	264,644



17. TREASURY STOCKS

During the last financial year, the Company purchased 100,000 of its issued stocks from the open market. The average price paid for the shares purchased was RM7.84 per stock. The stocks were repurchased before the Bonus Issue on 1 December 2000. The repurchased stocks are held as treasury stocks and carried at cost. On 2 March 2001, 68,192 of these treasury stocks were cancelled which reduced the issued capital of the Company to 517,000,000 stocks of RM1 each and an amount equivalent to their nominal value was transferred to Capital Redemption Reserve. Treasury stocks have no rights to voting, dividends and participation in other distribution.

18. MINORITY INTERESTS

This consists of the minority shareholders' proportion of share capital and reserves of subsidiaries, net of their share of subsidiary's goodwill on consolidation.

19. DEFERRED LIABILITIES

	GROUP	
	RM'000	2000 RM'000
Deferred taxation		
Balance at 1 January	22,919	22,324
Exchange differences	(492)	-
Transfer from Income Statement (Note 24)	11,575	595
Balance at 31 December	34,002	22,919
Lease/Hire purchase creditors		
Total amount payable	2,701	2,987
Portion payable within 12 months included under Borrowings	(1,920)	(1,826)
Amount payable after 12 months	781	1,161
Long term loan	-	1,789
	<u>34,783</u>	<u>25,869</u>

20. REVENUE

The Group's revenue represents the invoiced value of goods sold and services rendered, interest, dividend, rental income, commission and income from hotel operations.

The Company's revenue represents interest, dividend, rental income and commission.



21. OPERATING PROFIT

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Revenue	2,583,036	2,832,676	228,033	335,921
Cost of sales	(2,198,067)	(2,370,231)	-	-
Gross Profit	384,969	462,445	228,033	335,921
Distribution costs	(45,368)	(41,301)	-	(55)
Administration expenses	(133,331)	(116,720)	(1,506)	(941)
Other operating expenses	(53,214)	(95,746)	-	-
Other operating income	34,187	6,024	-	-
	(197,726)	(247,743)	(1,506)	(996)
Operating profit	187,243	214,702	226,527	334,925
This has been arrived at				
After charging :				
Directors' emoluments				
Directors of the Company				
- Fees	694	789	200	177
- Others	3,011	3,777	33	28
- Benefits-in-kind	-	40	-	-
Other Directors				
- Fees	818	650	-	-
- Others	4,139	3,217	-	-
- Benefits-in-kind	136	108	-	-
Past Directors				
- Fees	-	23	-	23
- Others	-	3	-	3
Auditors' remuneration				
- current year	883	790	9	9
- prior year	3	9	-	-
Depreciation (Note 2)	76,287	82,432	25	19
Rental of land and buildings	5,760	5,228	-	-
Hire of equipment	891	428	-	-
Plant and equipment written off	405	71	-	-
Deferred expenditure written off	322	1,340	-	-
Realised loss on foreign exchange	-	1,664	-	-
Unrealised loss on foreign exchange	-	44,119	-	-
Bad and doubtful debts	1,496	1,069	-	-
Allowance for diminution in value of other investments	-	1,207	-	-
Allowance for diminution in value of inventories	2,957	6,919	-	-
Amortisation of deferred expenditure	1,937	4,598	-	-
Loss on disposal of plant and equipment	2,330	827	-	-



21. OPERATING PROFIT (Cont'd)

	GROUP		COMPANY	
		2000		2000
	RM'000	RM'000	RM'000	RM'000
and crediting :				
Dividends (gross) received from:				
Unquoted investments	247	326	65	116
Unquoted subsidiary companies	-	-	209,027	321,886
Unquoted associated companies	-	-	4,929	4,087
Investments quoted in Malaysia	9	9	-	-
Investments quoted outside Malaysia	791	613	-	-
Rental income	6,534	4,602	-	9
Realised gain on foreign exchange	8,170	-	-	-
Interest received from subsidiary companies	-	-	13,930	9,823
Other interest income	36,459	38,621	-	-
Gain on disposal of investments	4,162	804	-	-
Unrealised gain on foreign exchange	16,783	-	-	-
Exceptional item (Note 23)	22,848	-	-	-

22. EMPLOYEE INFORMATION

	GROUP		COMPANY	
		2000		2000
	RM'000	RM'000	RM'000	RM'000
Staff costs	177,396	145,579	391	55

The number of employees of the Group and of the Company (including salaried directors) at the end of the year was 9,328 (2000 : 9,559) and 3 (2000 : 1) respectively.

23. EXCEPTIONAL ITEM

The exceptional item below is stated before tax and minority interest :

	GROUP	
		2000
	RM'000	RM'000
Proceeds from compulsory acquisition of land and development expenditure	65,569	-
Cost of land and development expenditure		
- Development properties (Note 3)	(1,994)	-
- Housing scheme in progress (Note 8)	(40,727)	-
	(42,721)	-
Gain on disposal of development properties	22,848	-



24. TAX EXPENSE

Details of the tax expense are as follows :

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Current tax expense				
Malaysian tax expense				
- Based on profit for the year	22,600	50,473	54,836	93,000
- Under/(Over) provision in respect of prior years	(691)	105	-	(92)
	21,909	50,578	54,836	92,908
Foreign tax expense				
- Based on the profit for the year	25,938	22,413	-	-
- Over provision in respect of prior year	(33)	(2,318)	-	-
	25,905	20,095	-	-
	47,814	70,673	54,836	92,908
Deferred tax expense				
Transfer to Deferred Taxation Account (Note 19)	11,575	595	-	-
On share of results of associated companies	7,274	3,508	-	-
	66,663	74,776	54,836	92,908

The Group's effective tax rate is higher than the prima facie tax rate as the tax charge on profits of certain subsidiary companies which cannot be set-off against losses of other subsidiaries for tax purposes as group relief is not available.

Subject to agreement by the Inland Revenue Board, the Group has potential deferred tax benefits not taken up in the financial statements under the liability method in respect of the following items :

	RM'000	2000 RM'000
Unutilised tax losses	(17,964)	(13,834)
Other timing differences	(28,870)	(26,622)
	(46,834)	(40,456)

Subject to agreement by the Inland Revenue Board, the Company has sufficient tax credits and exempt income to frank/distribute dividends out of all its distributable reserves at balance sheet date.



25. BASIC EARNINGS PER ORDINARY STOCK

The basic earnings per stock unit have been calculated based on the profit for the year attributable to the stockholders of the Company and the weighted average number of stocks in issue of 516,968,192 (2000 : 517,039,025), after deducting the Treasury Stocks of 31,808 (2000 : 100,000) during the year.

26. DIVIDENDS

	GROUP/COMPANY	
	2000	2000
	RM'000	RM'000
Declared/Paid :		
Interim dividend of 5% (2000 : 5%) less 28% tax	18,611	11,632
Special interim dividend of 7.5% (2000 : 35%) less 28% tax	27,916	81,422
	46,527	93,054
Final dividends in respect of financial year ended 31 December 2000 were paid on 6 July 2001		
Final dividend of 8% less 28% tax	29,778	-
Special dividend of 32% less 28% tax	119,109	-
	148,887	-
	195,414	93,054

The directors proposed a final dividend of 8% less 28% tax and a special dividend of 4.5% less 28% tax, making a total dividend of 12.5% less 28% tax, totalling RM46,527,137 in respect of the year ended 31 December 2001, subject to the approval of the shareholders at the forthcoming Annual General Meeting. The financial statements do not reflect this final proposed dividend, which will be accounted for as an appropriation of retained profits in the year ending 31 December 2002.

27. COMMITMENTS

	GROUP		COMPANY	
	2000	2000	2000	2000
	RM'000	RM'000	RM'000	RM'000
(i) Non-cancellable operating lease commitments				
Within 1 year	1,156	318	-	-
Between 1 to 5 years	4,645	5,587	-	-
Above 5 years	6,573	8,247	-	-
	12,374	14,152	-	-
(ii) Capital expenditure				
- approved and contracted for	4,170	6,972	-	-
- approved but not contracted for	75,329	81,272	-	-
	79,499	88,244	-	-



28. SEGMENTAL REPORTING

Analysis of Results and Gross Assets Employed

Financial data by industry segment for the Group

	RM'000	2000 RM'000
<u>Total Assets Employed</u>		
Motor assembling and distribution, manufacturing and trading	1,191,388	1,352,614
Hotels, resorts, property development and plantation	667,281	709,531
Financial services, investment holding and others	1,209,864	1,234,980
	<u>3,068,533</u>	<u>3,297,125</u>
<u>Revenue</u>		
Motor assembling and distribution, manufacturing and trading	2,378,188	2,629,763
Hotels, resorts, property development and plantation	146,128	146,406
Financial services, investment holding and others	58,720	56,507
	<u>2,583,036</u>	<u>2,832,676</u>
<u>Profit Before Tax</u>		
Motor assembling and distribution, manufacturing and trading	111,022	176,429
Hotels, resorts, property development and plantation	26,236	(13,669)
Financial services, investment holding and others	39,436	39,681
	<u>176,694</u>	<u>202,441</u>
Add : Group's share of associated companies' profit before tax	27,858	21,441
	<u>204,552</u>	<u>223,882</u>

Financial data by geographical location for the Group

<u>Total Assets Employed</u>		
Malaysia	1,708,888	1,864,308
Other countries	1,359,645	1,432,817
	<u>3,068,533</u>	<u>3,297,125</u>
<u>Revenue</u>		
Malaysia	1,203,665	1,237,519
Other countries	1,379,371	1,595,157
	<u>2,583,036</u>	<u>2,832,676</u>
<u>Profit Before Tax</u>		
Malaysia	80,894	170,253
Other countries	95,800	32,188
	<u>176,694</u>	<u>202,441</u>
Add : Group's share of associated companies' profit before tax	27,858	21,441
	<u>204,552</u>	<u>223,882</u>



29. CONTINGENT LIABILITIES, unsecured - COMPANY

- i) The Company has issued corporate guarantees to financial institutions for banking facilities granted to certain subsidiary companies up to a limit of **RM526.7 million** (2000 : RM552.1 million) of which **RM346.3 million** (2000 : RM343.2 million) was utilised as at balance sheet date.
- ii) The Company has also issued a corporate guarantee to a non-financial institution for supply of goods and services provided to a subsidiary company up to a limit of **RM19.0 million** (2000 : RM19.0 million) of which **RM1.9 million** (2000 : RM2.6 million) was utilised as at balance sheet date.
- iii) The Company also undertakes to provide financial support for certain subsidiary companies to enable them to continue as a going concern.

30. OFF BALANCE SHEET FINANCIAL INSTRUMENT

As at 31 December 2001, the cross currency swap with principal amounts of A\$15,000,000/JPY1,312,775 for which one of the Group's foreign operations entered into on 28 September 1999 matured in June 2001.

31. RELATED PARTIES

31.1 Identity of related parties

- a) The Company has a controlling related party relationship with its direct and indirect subsidiary companies and the associated companies of the Group as disclosed in the financial statements;
- b) The Company also has a related party relationship with :
 - i) the substantial shareholder, Boon Siew Sdn Berhad which holds a 43% interest in the Company and presumed to exercise significant influence over the Company;
 - ii) the subsidiaries of Boon Siew Sdn Berhad and the direct/indirect associated companies of Boon Siew Sdn Berhad
(hereinafter referred as "Boon Siew Group of Companies"); and
 - iii) The key directors and key management personnel of the Group
 - Dato' Loh Cheng Yean
 - Dato' Wong Lum Kong, JP
 - Lim Su Tong @ Lim Chee Tong
 - Dato' Dr. Tan Chong Siang

31.2 Significant transactions with related parties other than those disclosed elsewhere in the financial statements are as follows :

- a) With associated companies of the Group

	RM'000	2000 RM'000
Sale of goods	54,699	35,987
Purchases of goods	216	423
Rental charges payable	68	222



31. RELATED PARTIES (Cont'd)

b) With Boon Siew Group of Companies

	RM'000	2000 RM'000
(i) Commission receivable in respect of advertising, marketing and hotel reservation services	641	511
(ii) Sale of goods	67,615	79,146
(iii) Charges for the assembly of motor cycles	16,249	22,306
(iv) Purchases of goods	4,904	5,379
(v) Rental charges receivable	-	179
(vi) Rental charges payable	122	292

The directors of the Company are of the opinion that the above transactions were entered in the normal course of business and the terms of which have been established on a negotiated basis.

31.3 Significant non-trade related party balances

	GROUP		COMPANY	
	RM'000	2000 RM'000	RM'000	2000 RM'000
Amount due from				
- subsidiary companies	-	-	456,696	508,923
- associated companies	12,428	14,264	-	-
	<u>12,428</u>	<u>14,264</u>	<u>456,696</u>	<u>508,923</u>

32. SIGNIFICANT EVENT DURING THE YEAR

During the year, a sub-subsidiary of the Company, Wujin Boon Siew Property Development Co Ltd, disposed of its only development property in China and according to the "Shareholders Agreement of Terminating the Company in advance", all the shareholders agreed to commence voluntary liquidation of the sub-subsidiary.

The financial statements of the sub-subsidiary have been prepared assuming that sub-subsidiary will continue to operate as a going concern.

33. SIGNIFICANT POST BALANCE SHEET EVENT

Subsequent to balance sheet date, a 50.5% owned subsidiary, Oriental Boon Siew (Mauritius) Pte Ltd ("OBS") has on January 31, 2002 signed a Letter of Intent to acquire 80.18% equity interest in the share capital of Hymold (Su Zhou) Co. Ltd. ("HSZ"). HSZ operates a plastic injection molding plant in Su Zhou Industrial Zone, Jiang Su Province in the People's Republic of China.



34. DETAILS OF SUBSIDIARY COMPANIES

<u>Name of Subsidiary Companies and Principal Activities</u>	<u>Group Interest</u>	
	<u>%</u>	<u>2000</u> <u>%</u>
Oriental Realty Sdn. Berhad <i>Property development and investment holding</i>	100.0	100.0
Syarikat Oriental Credit Berhad <i>Money lending</i>	100.0	100.0
Bayview International Sdn. Bhd. <i>Provision of management, marketing, advertisement and central reservation services</i>	100.0	100.0
Dragon Frontier Sdn Bhd <i>Manufacture of plastic moulded parts for electrical, electronics and automotive industries</i>	100.0	100.0
Oriental Rubber & Palm Oil Sdn. Berhad <i>Cultivation of oil palm, investment holding and letting of parking lots</i>	100.0	100.0
Compounding and Colouring Sdn Bhd <i>Manufacture of polypropylene compounds</i>	70.0	75.0
Oriental Assemblers Sdn. Bhd. <i>Assembly of motor vehicles and manufacture of engines</i>	74.7	74.7
Oriental Nichinan Design Engineering Sdn Bhd <i>Design, manufacture and sale of prototype plastic models</i>	70.0	70.0
Oriental San Industries Sdn. Bhd. <i>Letting of properties</i>	100.0	70.0
Oriental-Hitachi Construction Machinery Sdn. Bhd. <i>Sale of construction machinery, attachments and spare parts</i>	65.6	65.6
Armstrong Cycle Parts (Sdn.) Berhad * <i>Manufacture of automotive control cables and spokes, nipples and control cables for motor cycles and bicycles</i>	57.1	57.1
Onward Leasing & Credit Sdn Bhd <i>Leasing company</i>	51.2	51.2
Kah Bintang Auto Sdn Bhd <i>Retailer of motor vehicles and traders of spare parts, accessories and related component parts</i>	100.0	-
Oriental-Hyundai Sdn Bhd <i>Distributor of motor vehicles</i>	60.0	-
Oriental Boon Siew (Mauritius) Pte Ltd <i>Investment holding</i>	50.5	-



34. DETAILS OF SUBSIDIARY COMPANIES (Cont'd)

<u>Name of Subsidiary Companies and Principal Activities</u>	<u>Group Interest</u>	
	<u>%</u>	<u>2000 %</u>
Kah Motor Company Sdn Berhad <i>Assembly of Honda motor cycles and dealer of Honda vehicles and hotelier</i>	100.0	100.0
Subsidiary companies of Kah Motor Company Sdn Berhad		
- Boon Siew (Borneo) Sendirian Berhad * <i>Distribution of Honda motor cars and motor cycles</i>	99.0	99.0
- Ultra Green Sdn Bhd <i>Land reclamation – no activity yet</i>	100.0	100.0
- Happy Motoring Company Sdn. Bhd. * <i>Distribution of Honda motor cars and motor cycles and sale of spare parts</i>	51.0	51.0
- Kah New Zealand Limited # <i>Hotelier (with golf course)</i>	100.0	100.0
- Kah Australia Pty Ltd * <i>Hotelier and Investment holding</i>	100.0	100.0
Subsidiary company of Kah Australia Pty Ltd		
- Geographe Bay Motel Unit Trust * <i>Hotelier</i>	51.0	51.0
Teck See Plastic Sdn. Bhd. <i>Manufacture and distribution of plastic articles and products</i>	60.0	60.0
Subsidiary companies of Teck See Plastic Sdn Bhd		
- Lipro Sdn Bhd <i>Manufacture and assembly of plastic component parts</i>	30.6	30.6
- Lipro Electrical Manufacturing Sdn Bhd <i>Manufacture of electrical parts</i>	60.0	60.0
- Lipro Mold Engineering Sdn. Bhd. <i>Manufacture and repair of moulds, jigs and fixtures</i>	42.0	42.0
- AT-TS Marketing Sdn Bhd <i>Consultancy and management services in plastic and metal industry and trading in gas equipment spare parts</i>	60.0	60.0
- Armstrong Industries Sdn. Bhd. <i>Letting of properties</i>	60.0	60.0
Armstrong Auto Parts Sdn. Berhad <i>Manufacture of seats, press, diecasts parts, shock absorbers, suspension and electrical components for motor cycles and motor vehicles</i>	60.7	60.7
Subsidiary company of Armstrong Auto Parts Sdn. Berhad		
- Armstrong Realty Sdn. Bhd. <i>Letting of properties</i>	60.7	60.7



34. DETAILS OF SUBSIDIARY COMPANIES (Cont'd)

<u>Name of Subsidiary Companies and Principal Activities</u>	<u>Group Interest</u>	
	<u>%</u>	<u>2000</u> <u>%</u>
Jutajati Sdn Bhd	100.0	100.0
<i>Investment holding</i>		
Subsidiary companies of Jutajati Sdn Bhd		
- PT Oriental Kyowa Industries *	87.6	87.6
<i>Manufacture of plastic technical and industrial goods and equipment</i>		
- Oriental Kyowa Plastic Industries (Shanghai Pudong New Area) Co Ltd #	73.6	73.6
<i>Manufacture of plastic technical and industrial goods and equipment</i>		
- Oriental Thai Industries Co Ltd	100.0	-
<i>Manufacturing of plastic products</i>		
- Oriental-Logistics Sdn Bhd	60.6	60.6
<i>Freight forwarding, shipping agents and commission agents</i>		
- Kwong Wah Enterprise Sdn Bhd	100.0	100.0
<i>Investment holding</i>		
Subsidiary companies of Kwong Wah Enterprise Sdn Bhd		
- North Malaya Engineers Trading Company Sdn. Berhad *	100.0	100.0
<i>Manufacture of wire netting, wire mesh, barbed wire, weld mesh, nails and building materials</i>		
- Lipro Trading Sdn Bhd	100.0	82.0
<i>Distributor of cement</i>		
- Simen Utara Sdn Bhd *	91.0	82.0
<i>Trading agent</i>		
Subsidiary companies of Simen Utara Sdn Bhd		
- Unique Pave Sdn Bhd	44.1	44.1
<i>Manufacturer of and dealer of concrete products</i>		
Selasih Permata Sdn Bhd	50.5	50.5
<i>Investment holding</i>		
Subsidiary companies of Selasih Permata Sdn Bhd		
- PT Gunung Maras Lestari *	46.7	46.7
<i>Oil palm plantation</i>		
- PT Gunungsawit Binalestari *	46.7	46.7
<i>Oil palm plantation</i>		
- Wujin Boon Siew Property Development Co Ltd *	37.9	37.9
<i>Property development</i>		



34. DETAILS OF SUBSIDIARY COMPANIES (Cont'd)

<u>Name of Subsidiary Companies and Principal Activities</u>	<u>Group Interest</u>	
	<u>%</u>	<u>2000</u> <u>%</u>
North Malaya Engineers Overseas Sdn Bhd <i>Investment holding</i>	100.0	100.0
Subsidiary company of North Malaya Engineers Overseas Sdn Bhd		
- North Malaya (Xiamen) Steel Co Ltd * <i>Production of steel wire and its related product, and automobile spare parts</i>	100.0	100.0

All the subsidiary companies are incorporated in Malaysia except for :

	<u>Country of Incorporation</u>
- Happy Motoring Company Sdn Bhd	Brunei Darusalam
- Kah Australia Pty Ltd	Australia
- Geographe Bay Motel Unit Trust	Australia
- Kah New Zealand Limited	New Zealand
- PT Oriental Kyowa Industries	Republic of Indonesia
- PT Gunung Maras Lestari	Republic of Indonesia
- PT Gunungsawit Binalestari	Republic of Indonesia
- Wujin Boon Siew Property Development Co Ltd	Peoples' Republic of China
- Oriental Kyowa Plastic Industries (Shanghai Pudong New Area) Co Ltd	Peoples' Republic of China
- North Malaya (Xiamen) Steel Co Ltd	Peoples' Republic of China
- Oriental Boon Siew (Mauritius) Pte Ltd	Mauritius
- Oriental Thai Industries Co. Ltd	Thailand

* not audited by KPMG.

audited by associated firms of KPMG in their respective countries.



LIST OF PROPERTIES OWNED BY THE GROUP

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
Company :					
Lot 31, 1541, 1542 & 1550, Section 2 Town of Tanjung Tokong Penang	Land and building	17,500	Freehold	51	3.1
Lot 1196 & 440, Section 13, North East District, Penang	Vacant land	9,000	Freehold	-	3.8
Lot 243 & 244, Mukim 1, Province Wellesley Central Penang	Land and building	325,600	Freehold	7	7.2
Lot 1000, 1001, 1004, 1005, 1008, 1915, 1916 & 1917, Section 3 Town of Butterworth Province Wellesley North Penang	Land for motor assembly plant	47,200	Freehold	-	1.4
Lot 320, Town Area XXI Town of Melaka Melaka	Land for hotel	1,200	Freehold	-	0.3
Lot 2714 Chainferry Road Prai	Shoplot	297	Freehold	7	0.2
Subsidiary Companies :					
Lot 214, Section 2 Province Wellesley North Butterworth	Vacant land	1,000	Freehold	-	0.6
Mukim 13 and 14 Paya Terubong North East District Penang	Vacant land	58,010	Freehold	-	4.2
Lot 504 & 508, Section 15 North East District Penang	Vacant land	1,300	Freehold	-	0.8
Lot 3389 & 3390, Mukim 18, Tanjung Bungah North East District Penang	Vacant land	40,004	Freehold	-	3.1



LIST OF PROPERTIES OWNED BY THE GROUP (Cont'd)

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
Lot 60, 117, 119, 3388 & 391, Tanjung Bungah North East District Penang	Vacant land	69,780	Freehold	-	6.7
Mukim 12 Sungai Nibong South West District Penang	Housing scheme in progress	46,700	Freehold	-	2.4
Lot 905, 906, 908, 910, 911, 914, 917, 1682, 1684 & 1705 Mukim 15, Province Wellesley Central Penang	Vacant land	90,240	Freehold	-	4.8
Lot 116, Mukim 18 Tanjung Bungah Daerah Timur Laut Penang	Vacant land	50,200	Freehold	-	3.3
Mukim 16, Jalan Bagan Lallang Province Wellesley North Penang	Housing Scheme in progress	26,300	Freehold	-	2.0
Lot 3263 – 3384 & 4133 – 4268 Section 3, Chainferry Road, Daerah Perai Utara Penang	Vacant land	42,000	Freehold	-	6.5
Lot 607 & 608, Mukim 12, Bayan Lepas, Daerah Barat Daya Penang	Vacant land	22,400	Freehold	-	0.3
Lot 64, Mukim G, Lot 457, 458, 731, 735 & 736, Mukim 6, Daerah Barat Daya Penang	Vacant land	193,100	Freehold	-	0.6
Lot 241 and 575, Mukim 9, Teluk Kumbar, Daerah Barat Daya Penang.	Vacant land	16,700	Freehold	-	5.3



LIST OF PROPERTIES OWNED BY THE GROUP (Cont'd)

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
HS (D) 5408, PT BM/A/090 Province Wellesley Central Penang	Factory and administrative office	13,000	Leasehold (60 years expiring 2034)	6	5.1
HS (D) 69, PT No. PTBM/A/68/70 Mukim 1, Kawasan Perusahaan Perai Tengah Penang.	Factory and administrative office	4,000	Leasehold (99 years expiring 2072)	10	1.4
HS (D) 37, PT No. PTBM/A/65/70 Mukim 1, Kawasan Perusahaan Perai Tengah Penang.	Factory and administrative office	4,000	Leasehold (99 years expiring 2071)	30	3.4
Mak Mandin Industrial Estate Mukim 14, Town of Butterworth Province Wellesley North Penang	Factory and administrative office	40,300	Leasehold (86 years expiring 2063)	21	2.3
HS (D) 2830, PT 1553, Mukim 1, Province Wellesley Central, Penang	Factory and office	38,600	Leasehold (60 years expiring 2064)	11	4.2
Lot 1145, Section 13, Daerah Timur Laut Penang	Vacant land	12,000	Freehold	-	3.7
Lot 536, 537 & 832 Daerah Timur Laut, Penang	Vacant land	25,629	Freehold	-	28.4
HS(D) 2720, PT 1461 Mukim 1, Province Wellesley Central Penang	Factory and administrative office	40,000	Leasehold (60 years expiring 2045)	21	11.7
Plot No. 327 Sungai Petani Industrial Estate Kedah	Factory land and building	72,800	Leasehold (60 years expiring 2051)	9	4.3
HS (M) 5/1985, PT 9, Tikam Batu, Mukim Pehula, Kedah	Factory and administrative office	6,000	Leasehold (99 years expiring 2085)	26	0.8



LIST OF PROPERTIES OWNED BY THE GROUP (Cont'd)

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
Tikam Batu Industrial Estate Mukim of Pekula Kuala Muda Kedah	Factory and administrative office	48,100	Leasehold (99 years expiring 2077)	22	5.9
Lot 4317 ^N & 4322 ^N District of Kinta, Ipoh, Perak	Office building	2,600	Freehold	21	2.7
Lot 14702 ^S , District of Kinta, Ipoh, Perak	Vacant land	9,730	Freehold	-	5.5
Lot 2223, GM 204, Padang Lalang Mukim Jebong, Perak	Vacant land	8,570	Freehold	-	0.6
Lot 2841 S Title No. 20123 District of Kinta, Ipoh Perak	Vacant land	4,047	Freehold	-	1.1
QT (R) 2467 & QT (R) 548 Town of Petaling Jaya Selangor	Office, showroom and workshop	9,100	Leasehold (99 years expiring 2063)	27	1.7
Lot 305, Section 92, Kuala Lumpur, Selangor	Office, showroom and workshop	1,500	Leasehold (42 years expiring 2011)	33	0.3
HS (D) 12452 of PT 1, Section 15, Town of Shah Alam, District of Petaling Selangor	Factory and administrative office	18,748	Leasehold (99 years expiring 2080)	17	5.7
Lot 114 & 565, Section 83, 3 rd & 3 1/4 Mile Batu Road, Mukim Kuala Lumpur, Wilayah Persekutuan, Selangor	Vacant land	8,400	Freehold	-	4.4
Lot 3907, GM 1648, Mukim Batu 3 1/2 Mile Batu Road Mukim Kuala Lumpur Wilayah Persekutuan Selangor	Vacant land	4,040	Freehold	-	2.3



LIST OF PROPERTIES OWNED BY THE GROUP (Cont'd)

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
Lot 564, GM 2395, Section 83, 3 1/4 Mile Batu Road, Mukim Batu Wilayah Persekutuan Selangor	Vacant land	5,440	Freehold	-	4.0
Lot 308, Section 41, Wilayah Persekutuan Selangor	Vacant land	6,640	Freehold	-	26.0
Lot 3655, Jalan Genting Jalan Setapak Kuala Lumpur Selangor	Office	3,300	Freehold	9	1.6
Lot 1708, 1855 & 1856, Section 41 Wilayah Persekutuan Selangor	Vacant land	6,480	Freehold	-	18.1
Lot 4883, HS (D) 4627 Mukim Damansara Daerah Petaling, Selangor	Office and workshop	9,920	Freehold	8	7.6
Lot 3, Jalan P/10, Section 83 Kawasan Perusahaan, Bandar Baru Bangi Kuala Lumpur	Land and factory building	65,628	Freehold	6	22
HS (D) 3604 - 3608, PT No. 17587 – 17591 Mukim Klang Selangor	Vacant land	109,900	Freehold	-	2.1
HS (D) 7617, PT6A, Jalan 227, Section 20A, Petaling Jaya, Selangor	Office, showroom and workshop	900	Leasehold (99 years expiring 2063)	18	3.0
Lot 24393 Grant 3297 Batu Road, Mukim Batu Wilayah Persekutuan Selangor	Office, showroom and workshop	2,020	Freehold	3	35.5



LIST OF PROPERTIES OWNED BY THE GROUP (Cont'd)

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
Lot 14885, Grant 18616 Mukim Kuala Lumpur Wilayah Persekutuan Selangor	Office showroom	573	Freehold	16	3.0
Lot 51 & 59, Selaman Industrial Park Bandar Baru Bangi Selangor	Office showroom under construction	13,138 sq ft	Freehold	-	1.7
Lot 43, 274, 275, 277 - 279 Town of TA XXI Melaka.	- Hotel - Showroom	4,100 500	Freehold	13	23.2
HS (M) 843/78 PT No PTMT A2/01/3426 Lot 18, Mukim Bachang, Malim District of Melaka Tengah Melaka	Workshop	940	Leasehold (99 years expiring 2077)	11	0.4
Plot 342, 343 HS (M) No. 1142/78 & 1143/78 Mukim Bachang Daerah Melaka Tengah Melaka	Shoplots	535	Leasehold (99 years expiring 2077)	11	0.1
HS (M) 844/78, PT No PTMT A2/01/3426 Mukim of Bachang, Malim, Melaka	Workshop parking area	1,100	Leasehold (99 years expiring 2077)	-	0.2
Lot 627 & 628, 637 & 638, Town of XXI, Daerah Melaka Tengah Melaka	Showroom	219	Freehold	18	0.2
Lot 683, HS (D) 504 & 505 Town of V Daerah Melaka Tengah Melaka	Showroom	450	Freehold	33	0.3
HS (D) 75378 PT 2486 Mukim Setul, Seremban, Negeri Sembilan	Factory and administrative office	22,670	Leasehold (99 years expiring 2092)	6	6.7



LIST OF PROPERTIES OWNED BY THE GROUP (Cont'd)

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
Lot 4219, 4640, 4648, 464 & 6279 Mukim of Johol District of Kuala Pilah Negeri Sembilan	Oil palm & rubber plantation and administrative office	2,375 (hectare)	Freehold	24	24.4
Lot 3, Section 20 Kuantan, Pahang	Vacant land	10,300	Freehold	-	1.0
Kuala Reman Estate Mukim of Kuala Kuantan Kuantan, Pahang	Oil palm & rubber plantation and administrative office	1,498 (hectare)	Freehold	24	11.2
Lot 5583 - 5585, Mukim of Kuala Kuantan Kuantan, Pahang.	Vacant land	500	Freehold	-	0.4
Mukim of Triang District of Temerloh Pahang	Oil palm and rubber plantation and administrative office	1,120 (hectare)	Freehold))))))	9	18.5
Lot 2 & 3, Section 4 Village of Mengkarak District of Temerloh Pahang	Oil palm and rubber plantation and administrative office	16,901	Freehold)))))		
Lot 15301 TLO 2121 Bandar Johor Baru Daerah Johor Baru	Multi-storey car park	21,710	Leasehold (60 years expiring 2031)	5	16.4
Batu 2, Jalan Tampoi HS (D) 16008 TLO 2013 Johore Bahru	Assembly plant and administrative office	45,200	Leasehold (60 years expiring 2025)	34	1.5
Lot 6487 Jalan Scudai Johore Bahru	Office & showroom	8,200	Freehold	9	3.7



LIST OF PROPERTIES OWNED BY THE GROUP (Cont'd)

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
HS (D) 12569 & 12570, PT No 10168 & 10169 Johor Bahru, Johor	Vacant land	352	Freehold	-	0.4
Title No 015472607 Inanam, Kota Kinabalu Sabah	Showroom and office building	8,100	Leasehold (60 years expiring 2042)	7	3.9
Lot 1176, Block 12 MTLD Muara Tabuan light Industrial Park Kuching	Vacant land	7,312	Freehold	2	2.3
TS XIX Bukit Timah Road, Singapore.	Office and showroom	3,000	Freehold	18	14.2
TS XIV Bencoolen Street, Singapore.	Hotel	1,700	Freehold	15	45.4
Lot 2737 PT Mukim 23 Eunos Link Singapore 1440	Body-repair and paint-shop	5,000	Leasehold (30 years expiring 2015)	14	2.0
Lot 238 & 239 Mukim 14 6A Mandai Estate Singapore	Warehouse	6,100	Freehold	13	24.8
Lot 244 and 245 Mukim 14, Mandai Estate Singapore	Warehouse	6,530	Freehold	9	27.9
Lot 3801, PT Mukim 23 Ubi Road 3, Eunos Link Singapore 1440	Showroom, workshop and office	9,480	Leasehold (30 years expiring 2022)	7	49.0
Plot 2, Lot 2639X 255 Alexandra Road Singapore	Car storage space	9,600	Leasehold (99 years expiring 2051)	42	41.0
Simpang 137, Jalan Gadong Gadong, BE 3519 Bandar Seri Begawan Negara Brunei Darussalam	Office building	1,500	Freehold	17	0.6



LIST OF PROPERTIES OWNED BY THE GROUP (Cont'd)

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
Lot 1 to 7, MT Ruapheau Tongariro National Park Ruapheau Surrey District Wellington Land Registry New Zealand	Hotel with golf course	260,700	Leasehold (30 years expiring 2020)	11	6.6
Section 1 and 25 Block XIV State Highway 1, Wairakei Lake Taupo Region Tatua Surrey District South Auckland Registry, New Zealand.	Hotel with golf course	634,200	Freehold	11	20.2
561 Bussel Highway Sussex Location 256 and Lot 8 Busselton, West Australia Australia	Hotel	56,900	Freehold	30	14.1
90, William Street Sydney, N.S.W. 2011 Australia	Hotel	1,300	Freehold	29	25.2
6 & 8 Queens Road Melbourne Victoria 3004 Australia	Hotel	4,600	Freehold	13	36.8
52 Queens Road Melbourne Victoria 3004 Australia	Hotel	7,000	Freehold	37	19.5
100 William Street Sydney NSW 2011 Australia	Office block	1,300	Freehold	29	44.2
9 Queens Road Melbourne Victoria 3004 Australia	Office block	2,300	Freehold	6	8.0
Lot 1, Block XIV Tatua Survey District South Auckland Registry New Zealand	Hotel	4,319	Freehold	1	0.1



LIST OF PROPERTIES OWNED BY THE GROUP (Cont'd)

<u>Location</u>	<u>Existing Use</u>	<u>Approximate Land Area (sq.metres)</u>	<u>Tenure</u>	<u>Approximate Age of Building (Years)</u>	<u>Net Book Value (RM million)</u>
Plot 15 Shanghai Wangqiao Industrial Zone Pudong Shanghai Peoples' Republic of China	Industrial Lot	17,123	Leasehold (50 years expiring 2046)	5	42.4
Lot 500203-9, Xinyang Industrial Zone Haichang, Xiamen, Fujian Province Peoples' Republic of China	Land and building	49,099	Leasehold (50 years expiring 2045)	4	4.4
HSE C21 Primrose Spring City Kunming Peoples' Republic of China	Holiday resort (for staff use)	145	Leasehold (70 years expiring 2064)	7	0.6
Plot No. 5 – 16 MM 2100 Industrial Town Cibitung Bekasi West Java Republic of Indonesia	Factory and administrative office	24,000	Leasehold (30 years expiring 2021)	6	2.8
Desa Kundi, Mayang, Belolaut Kecamatan Mentok and Kecamatan	Oil palm Plantation and	12,000 (hectare)	Leasehold (30 years expiring 2025)	6	44.0
Perwakilan, Simpang Tritip Kabupaten Sumatera South Sumatera Republic of Indonesia	administrative office				
Kecamatan Perwakilan Bakem Kecamatan Sungai Liat Kecamatan Perwakilan Puding Besar Kecamatan Merawang Kabupaten Pulau Bangka South Sumatera Republic of Indonesia	Oil palm plantation and administrative office	12,704 (hectare)	Leasehold 30 years expiring 2028)	7	77.4
G8/18, G8/19, G8/22 & G8/23 123, 124 & 131 MU1 Hi-Tech Industrial Estate Bangpa-In, Ayudhya Thailand	Industrial Lot	10,944	Freehold	1	4.5



STOCKHOLDING STATISTICS AS AT 26 APRIL 2002

AUTHORISED STOCK CAPITAL	:	RM1,000,000,000/=
ISSUED AND FULLY PAID-UP CAPITAL	:	RM517,000,000/= (including 31,808 treasury stocks)
CLASS OF STOCK	:	RM1 stock
VOTING RIGHTS	:	On a show of hands - One vote for every stockholder On a poll - one vote for every ordinary stock held

ANALYSIS OF STOCKHOLDINGS

Size of Stockholding	No of Stockholders/ Depositors	No. of Stocks	% of Issued Capital
Less than 1,000	932	380,094	0.1
1,000 - 10,000	5,830	19,304,005	3.7
10,001 - 100,000	1,288	35,104,397	6.8
100,001 to less than 5% of issued stocks	162	129,103,138	25.0
5% and above if issued stocks	5	333,076,558	64.4
Total	8,217	516,968,192	100.0

SUBSTANTIAL STOCKHOLDERS

Name	No. of Stocks		% of Issued Capital
	<i>Direct</i>	<i>Indirect</i>	
1. Boon Siew Sdn Bhd	222,274,125		43.0
2. Employees Provident Fund Board	53,369,480		10.3
3. Penang Yellow Bus Company Bhd	27,373,731		5.3
4. Permodalan Nasional Berhad	30,059,222		5.8
5. Yayasan Pelaburan Bumiputera *		30,059,222	5.8

* Deemed interested via Permodalan Nasional Berhad



THIRTY LARGEST STOCKHOLDERS

	Name	No. of Stocks	% of Issued Capital
1.	Malaysia Nominees (Tempatan) Sdn Bhd Boon Siew Sdn Bhd	111,137,063	21.5
2.	Citicorp Nominees (Tempatan) Sdn Bhd Boon Siew Sdn Bhd	111,137,062	21.5
3.	Employees Provident Fund Board	53,369,480	10.3
4.	Permodalan Nasional Berhad	30,059,222	5.8
5.	Citicorp Nominees (Tempatan) Sdn Bhd Penang Yellow Bus Company Bhd	27,373,731	5.3
6.	Citicorp Nominees (Asing) Sdn Bhd Honda Motor Co., Ltd	20,932,854	4.1
7.	Citicorp Nominees (Tempatan) Sdn Bhd Bayview Hotel Sdn Bhd	18,207,006	3.5
8.	Amanah Raya Nominees (Tempatan) Sdn Bhd Amanah Saham Malaysia	8,382,400	1.6
9.	HSBC Nominees (Asing) Sdn Bhd Emerging Markets Growth Fund	8,294,112	1.6
10.	Citicorp Nominees (Tempatan) Sdn Bhd Loh Boon Siew Holdings Sdn Bhd	6,306,693	1.2
11.	Amsec Nominees (Asing) Sdn Bhd Fraser Securities Pte Ltd for Asia General Hldgs Ltd	3,878,400	0.8
12.	Citicorp Nominees (Tempatan) Sdn Bhd Loh Kar Bee Holdings Sdn Bhd	2,580,480	0.5
13.	Amanah Raya Nominees (Tempatan) Sdn Bhd Sekim Amanah Saham Nasional	2,574,400	0.5
14.	Citicorp Nominees (Tempatan) Sdn Bhd Lim Su Tong	2,472,422	0.5
15.	Tasek Corporation Berhad	2,247,680	0.4
16.	Amanah Raya Nominees (Tempatan) Sdn Bhd Amanah Saham Wawasan 2020	2,172,800	0.4
17.	Amanah Raya Nominees (Tempatan) Sdn Bhd Amanah Saham Nasional 2	2,155,600	0.4
18.	Loh Ean	1,634,894	0.3
19.	Chinchoo Investment Sdn Berhad	1,590,000	0.3
20.	HSBC Nominees (Asing) Sdn Bhd Capital International Emerging Markets Investment Fund	1,561,798	0.3
21.	Malaysia Nominees (Tempatan) Sendirian Berhad Tong Yen Sdn Bhd	1,423,565	0.3
22.	Tan Eng Chin Holdings (Pte) Limited	1,238,630	0.2
23.	Citicorp Nominees (Tempatan) Sdn Bhd Boon Siew Development Sdn Bhd	1,199,923	0.2
24.	Asia Life (M) Berhad as beneficial owner (M'sia Life Fund)	1,100,800	0.2
25.	Key Development Sdn Berhad	1,080,000	0.2
26.	Arab-Malaysian Nominees (Tempatan) Sdn Bhd Arab-Malaysian Finance Berhad (1/114-7)	985,000	0.2
27.	Citicorp Nominees (Asing) Sdn Bhd CB LDN for Stichting Shell Pension Funds	876,800	0.2
28.	Malaysia Nominees (Tempatan) Sendirian Berhad Loh Phoy Yen Holdings Sdn Bhd	813,888	0.2
29.	Chong Thuah Realty Sdn Bhd	726,600	0.2
30.	HSBC Nominees (Asing) Sdn Bhd Genesis Malaysia Maju Fund Limited	711,373	0.1
		<u>428,224,676</u>	<u>82.8</u>



DIRECTORS' STOCKHOLDINGS

	Name of Directors	Direct Interest	Indirect Interest	%
1.	Dato' Loh Cheng Yean	182,696	-	0.1
2.	Dato' Wong Lum Kong, JP	150,958	-	0.1
3.	YM Tengku Tan Sri Dato' Seri Ahmad Rithauddeen Bin Tengku Ismail	-	-	-
4.	Dato' Haji S M Aidid	-	-	-
5.	Dato' Loh Say Bee	44,642	-	0.0
6.	Lim Su Tong	2,472,422	-	0.5
7.	Dato' Dr Tan Chong Siang	31,923	-	0.0
8.	Dato' Prof. Dr Tunku Ismail Bin Tunku Mohammad Jawa	-	-	-
9.	Satoshi Toshida	-	-	-
10.*	Sharifah Intan Binti Dato' Haji S M Aidid	10,000	-	0.0

* She also holds 227,318 shares and 100,000 shares in Armstrong Auto Parts Sdn Bhd and Teck See Plastic Sdn Bhd respectively.



PROXY FORM

No. of stocks held

I/We, _____
NRIC No _____
of _____

being a stockholder/stockholders of Oriental Holdings Berhad hereby appoint

_____ of _____
or failing him _____
of _____

as my/our proxy, to vote for me/us and on my/our behalf at the FORTIETH ANNUAL GENERAL MEETING of the Company to be held on Wednesday, 26 June 2002 at 12:00 noon at Sri Gangsa, Level 2, The City Bayview Hotel , 25A Farquhar Street, 10200 Penang or at any adjournment thereof.

My/our proxy is to vote on either on a show of hands or on a poll as indicated below with an "X"

RESOLUTIONS		FOR	AGAINST
1.	To receive and adopt the Financial Statements		
2.	To declare a Final and a Special Dividend		
3.	To re-elect Dato' Haji S M Aidid		
4.	To re-elect Dato' Loh Say Bee		
5.	To re-elect YM Tengku Tan Sri Dato' Seri Ahmad Rithauddeen Bin Tengku Ismail		
6.	To re-elect Mr Lim Su Tong		
7.	To re-elect Dato' Dr Tan Chong Siang		
8.	To re-elect Dato' Prof Dr Tunku Ismail Bin Tunku Mohammad Jawa		
9.	To approve Directors' Fees		
10.	To re-appoint Messrs KPMG		
11.	To approve the Proposed Renewal of The Stockholders' Mandate for Recurrent Related Party Transactions of a Revenue Nature		
12.	To approve the Proposed Renewal of Stock Buy-Back		

Signed this _____ day of June 2002.

Signature of Stockholder

NOTES :

1. A stockholder entitled to attend and vote at this Meeting may appoint a proxy, who need not be a stockholder, to attend and on poll, to vote in his stead.
2. If the appointer is a corporation, the proxy form must be executed under the Common Seal of the Company or under the hand of its officer or attorney duly authorised in writing.
3. To be valid, the proxy form must be deposited at the Company's Registered Office at Suite 2-1, 2nd Floor, Menara Penang Garden, 42A Jalan Sultan Ahmad Shah, 10050 Penang, not less than 48 hours before the time for holding the meeting or adjourned meeting.
4. Should you desire your proxy to vote on the Resolutions set out in the Notice of Meeting, please indicate with an "X" in the appropriate space. If no specific direction as to voting is given, the Proxy will vote or abstain at his discretion.



ORIENTAL HOLDINGS BERHAD
(Company No. 5286-U)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

..... *Fold Along this line*.....

AFFIX
POSTAGE
STAMP

M & C Services Sdn Bhd
Suite 2-1, 2nd Floor
Menara Penang Garden
42A Jalan Sultan Ahmad Shah
10050 Penang

..... *Fold Along this line*.....