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# Corporate Information

As at 22 May 2000

## DIRECTORS

YBhg. Dato' John Wong Peng Chong – Chairman and Chief Executive  
Tuan Sy. Ahmad Bokharey Bin Syed Omar – Executive Director  
Mr Ng Ying Loong – Executive Director  
YBhg. Dato' Robert Chan Woot Khoon  
Mr Low Jau Foo  
Mr Kong Wah Sang  
Mr Wee Teck Nam

## COMPANY SECRETARY

Mr Ng Seng Nam

## REGISTERED OFFICE

Bangunan Mulpha  
17 Jalan Semangat  
46100 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Tel: 7572233/7551344. Fax: 7556685

## REGISTRARS

Signet & Co Sdn. Bhd. (118382-V)  
11th Floor, Tower Block  
Kompleks Antarabangsa  
Jalan Sultan Ismail  
50250 Kuala Lumpur  
Tel: 2454337. Fax: 2421353

## AUDITORS

Ernst & Young

## SOLICITORS

Tay, Tee & Nasir

## PRINCIPAL BANKERS

Malayan Banking Berhad  
Bank Bumiputra Malaysia Berhad  
Arab-Malaysian Merchant Bank Berhad

## INTERNET ADDRESS

[http:// www.mulpha.com.my/mulpha](http://www.mulpha.com.my/mulpha)

## E-MAIL

[postmaster@mulpha.com.my](mailto:postmaster@mulpha.com.my)

# Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-Sixth Annual General Meeting of Mulpha International Bhd will be held on Tuesday 20 June 2000 at 10.00 am at Holiday Villa, 9 Jalan SS12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan for the following purposes:-

## As Ordinary Business

1. To receive and adopt the Report of the Directors and the audited accounts for the year ended 31 December 1999 together with the Report of the Auditors thereon.
2. To re-elect Mr Kong Wah Sang and Mr Ng Ying Loong who retire as Directors under the provisions of the Company's Articles of Association and being eligible, offer themselves for re-election.
3. To re-appoint Messrs Ernst & Young as auditors of the Company and to authorise the Directors to fix their remuneration.

## As Special Business

4. To consider, and if thought fit, to pass the following Ordinary Resolution:-

“THAT pursuant to Section 132D of the Companies Act 1965, approval be and is hereby given for the Directors to issue shares in the Company in accordance with the terms and conditions of the Employees' Share Option Scheme approved by the shareholders at the Extraordinary General Meeting held on 23 December 1997, provided that the total number of shares already issued and to be issued shall not exceed ten(10) percent of the total issued share capital of the Company for the time being and that such approval shall continue in force until the conclusion of the next annual general meeting of the Company.”

5. To consider, and if thought fit, to pass the following Ordinary Resolution:-

“THAT pursuant to Section 132D of the Companies Act 1965 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten (10) percent of the total issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Kuala Lumpur Stock Exchange and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company.”

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

BY ORDER OF THE BOARD

NG SENG NAM  
Company Secretary

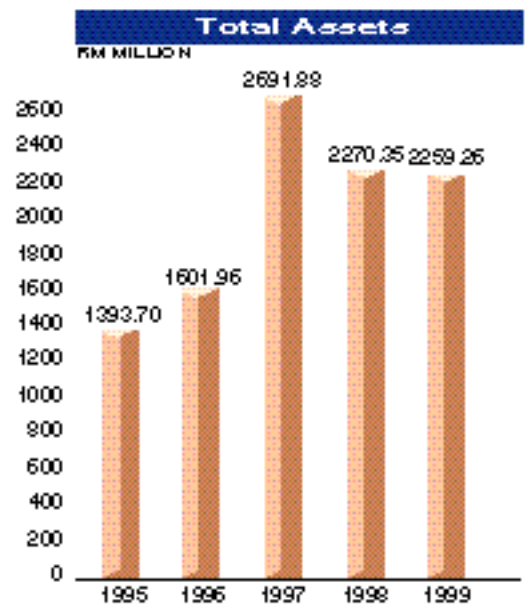
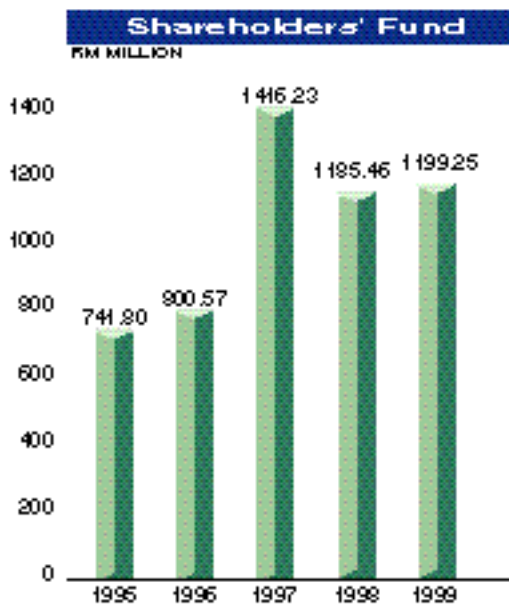
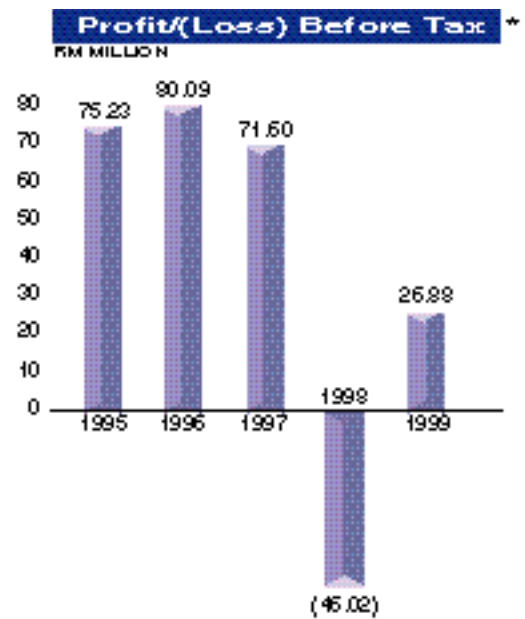
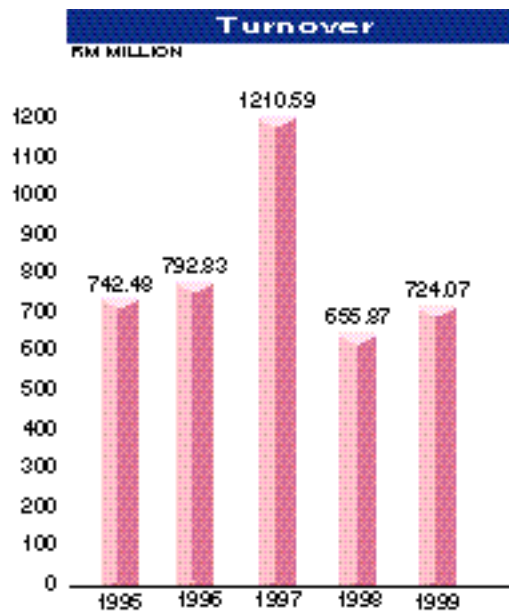
Petaling Jaya  
2 June 2000

NOTES

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its attorney.
3. The instrument appointing the proxy must be deposited at the Company's Registered Office at No. 17, Jalan Semangat, 46100 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.
4. Explanatory notes on Special Businesses
  - (a) The proposed Resolution No. 4 is to empower the Directors to issue shares pursuant to the Employees' Share Option Scheme.
  - (b) The proposed Resolution No. 5 is to empower the Directors to issue shares in the Company up to an aggregate amount not exceeding 10% of the total issued share capital of the Company for the time being without convening a general meeting.

## Five Years Financial Highlights

	1999 RM'000	1998 RM'000	1997 RM'000	1996 RM'000	1995 RM'000
<b>GROUP TOTAL ASSETS</b>					
Fixed Assets	494,347	463,204	395,606	261,227	206,999
Leasehold Management Rights	106,752	101,698	111,080	89,330	84,591
Subsidiary Companies	-	-	111,686	-	-
Associated Companies	44,796	50,910	125,263	145,405	155,460
Investment in Joint Ventures	18,142	29,447	39,709	20,481	3,011
Long Term Receivables	3,059	2,599	2,116	479	968
Investments	129,049	154,149	177,256	11,896	17,777
Development Properties	375,704	402,497	408,508	173,427	148,213
Deferred Expenditure	748	720	2,012	1,349	912
Goodwill	90,204	96,642	95,962	29,136	32,535
Net Current Assets	265,239	126,087	311,603	267,020	262,607
	<b>1,528,040</b>	<b>1,427,953</b>	<b>1,780,801</b>	<b>999,750</b>	<b>913,073</b>
<b>FINANCED BY</b>					
Share Capital	522,905	522,905	522,905	379,968	379,926
Reserves	676,348	662,553	893,322	420,604	361,871
Minority Interest	108,806	104,483	101,530	35,727	89,490
Long Term Liabilities	219,981	138,012	263,044	163,451	81,786
	<b>1,528,040</b>	<b>1,427,953</b>	<b>1,780,801</b>	<b>999,750</b>	<b>913,073</b>
<b>GROUP RESULTS</b>					
Profit/(loss) before exceptional items and taxation	26,880	(46,023)	71,596	80,087	75,232
Exceptional items	(9,634)	(157,773)	-	-	-
Taxation	(7,738)	(23,247)	(14,388)	(21,793)	(14,883)
Profit/(loss) after taxation	9,508	(227,043)	57,208	58,294	60,349
Minority Interest	(3,979)	(5,971)	(7,299)	(8,512)	(6,265)
Profit/(loss) attributable to shareholders	<b>5,529</b>	<b>(233,014)</b>	<b>49,909</b>	<b>49,782</b>	<b>54,084</b>
<b>SELECTED RATIOS</b>					
Earnings/(loss) per 50 sen share (sen)	0.53	(22.3)	5.8	6.6	7.8
Gross dividend per share (%)	-	-	1.0	1.0	1.0
Net tangible assets per share (RM)	1.06	1.04	1.26	1.01	0.93



\* Before exceptional items

# Chairman's Statement



On behalf of the Board of Directors, I am pleased to present the Annual Report of your Company for the year ended 31 December 1999.

## FINANCIAL HIGHLIGHTS

The Group returned to the black with a profit before exceptional items and taxation of RM 26,880,000 for the year ended 31 December 1999 compared to the loss of RM 46,023,000 incurred for 1998. The Group's operations in Malaysia recorded a better performance overall in 1999 in tandem with the recovery of the Malaysian economy. At the same time, the Group's overseas investments continued to perform satisfactorily.

As the Group is in the initial stage of recovery from the loss of 1998, the Board of Directors has not proposed any dividend for the year ended 31 December 1999.

## REVIEW OF OPERATIONS

### Property

The Group's upmarket Leisure Farm project, an exclusive residential cum resort development in Gelang Patah, Johore, performed well in 1999. The individual lot of between 10,000 sq ft to 12,000 sq ft packaged with a standard bungalow was launched in December 1998. In October 1999, the Garden Court comprising courtyard homes was launched. Market response to both the launches was in line with expectations.

The Group has a mixed development project known as Taman Desa Aman ("TDA") in Kulim, Kedah. TDA comprises mainly affordable housing units in the form of low and medium cost houses. The first two phases were launched in 1998 and sales to date have been encouraging. Construction works have reached an advanced stage for these phases and delivery of units sold is expected by the end of 2000.

## Chairman's Statement (contd.)

The Group's latest property project known as Bandar Seri Ehsan ("BSE") was launched in October 1999. BSE is a mixed development project comprising mainly low and medium cost residential units, commercial and industrial units. BSE is located in Sepang within the vicinity of the Kuala Lumpur International Airport. The market response to the initial launch of single and double storey terrace houses was within expectations. Earthworks have commenced on the project.

### Construction

Mudajaya Corporation Berhad ("MCB") recorded an improved performance in 1999. The earnings were derived from its construction contracts and the two property projects, namely the Villa Angsana Condominium off Jalan Ipoh, Kuala Lumpur and the Batu Kawa project in Kuching. The former project was completed in 1999 while for the latter project, works are progressing according to schedule. The performance of MCB for 2000 will be well supported by the Batu Kawa project and the existing construction contracts on hand.

### Trading

The international operations division, which is involved in the export of commodities, achieved a higher turnover and profit in 1999. The improved consumer sentiment following the recovery of the Malaysian and Singapore economies has a positive impact on the Group's units dealing in branded consumer products such as apparels, footwear, sports goods and equipment. Overall, these units recorded higher turnover and profits in 1999. In contrast, the Group's trading in construction equipment such as crushers and tower cranes in Malaysia and Singapore continued to be adversely affected by the market overhang in 1999.

### Overseas

Mulpha Australia Limited ("MAL") maintained its profit in 1999 with Norwest Limited ("NL"), which was acquired in February 1998, being the major contributory. NL owns the Norwest Business Park at Baulkham Hills in the northwest of Sydney. As part of the exercise to rationalise its investments, the MAL group has in 1999 disposed off its loss making and marginal business units, namely the companies involved in the building services business and Henabait Pty Ltd, a property owner and developer.

## Chairman's Statement (contd.)

Manfield Coatings Limited, engaged in the manufacture of industrial paints in Hong Kong and China, continued to perform well in 1999. However, the Manta group in Hong Kong, involved in the sale, rental and servicing of construction equipment, operated in an extremely difficult environment in 1999 and recorded a lower profit.

The Indochine Park Tower ("IPT"), the 18 storey service apartment with 55 units in Ho Chi Minh City, was completed in July 1998. IPT has achieved an occupancy rate of 70%. With its clientele comprising largely of diplomatic missions and multinational companies, IPT has established itself as one of the most prestigious addresses in Ho Chi Minh City.

## CORPORATE DEVELOPMENT

Your Company is implementing a Rights Issue of 348,603,195 new ordinary shares together with 348,603,195 warrants on the basis of one new share together with one warrant for every three existing shares held at an issue price of RM 0.75 per share. The total proceeds of approximately RM 261 million will be utilised for the development of Leisure Farm and Taman Desa Aman, repayment of bank borrowings, subscription of the rights issue of Mega Pascal Berhad and as working capital. The Rights Issue will be completed in August 2000.

## PROSPECTS

The continuing improvement in the Malaysian economy will benefit the Group's operations in Malaysia, particularly the property projects. Against the backdrop of an improving economy, the current Rights Issue exercise is considered timely and appropriate as it will strengthen the financial resources of the Group, enable the Group to expand its existing projects and businesses and seek new investment opportunities.

At the same time, the Group's overseas investments can be relied upon to continue to produce satisfactory results. In particular, the MAL group in Australia is expected to further enhance its earnings in 2000 with the recent completion of two new projects. The 3½ star 226 room All Seasons Hotel, Darling Harbour and the 365 bay Cathedral Street Car Park, both located in Sydney, were opened in October 1999 and August 1999 respectively.

Based on the above scenario and barring any unforeseen circumstances, the Group's performance is expected to further improve in 2000.

## Chairman's Statement (contd.)

### APPRECIATION

On behalf of the Board of Directors, I wish to express my appreciation to the management and staff for their hard work, dedication and loyalty. To our shareholders, financiers and customers, I wish to thank them for their continued support.

DATO' JOHN WONG PENG CHONG  
Chairman and Chief Executive  
22 May 2000

# Directors' Report

The Directors present their report together with the audited accounts of the Company and of the Group for the year ended 31 December 1999.

## PRINCIPAL ACTIVITIES

The principal activities of Mulpha International Bhd. are those of an investment holding company and international trading.

The principal activities of the subsidiary companies are:-

- marketing and distribution of fashionwear, sports equipment, sportswear and engineering equipment for industrial and commercial use;
- property development and investments;
- manufacturing and sale of footwear;
- securities trading;
- production and sale of ready-mixed concrete and precast concrete products;
- trading in building materials;
- hotel and service apartments ownership and operations;
- contracting and civil engineering;
- carpark ownership and operations;
- trading, servicing and rental of construction equipments;
- quarry operation, contracting and dealing in granite product and
- manufacture and distribution of paints.

During the year, the Group disposed off the subsidiary companies which were involved in the building services business. There have been no other significant changes in the nature of these activities during the year.

## ACCOUNTS

	GROUP RM'000	COMPANY RM'000
Profit before exceptional items and taxation	26,880	26,069
Exceptional items	(9,634)	(8,993)
Profit before taxation	17,246	17,076
Taxation	(7,738)	-
Profit after taxation	9,508	17,076
Minority interest	(3,979)	-
Profit after taxation and minority interest	5,529	17,076
Transfer to reserves	(664)	-
Retained profit for the year	4,865	17,076

## ACCOUNTS (CONTD.)

Material transfers to or from reserves or provisions during the year are disclosed in Note 24 to the accounts.

In the opinion of the Directors, the results of the operations of the Company and of the Group during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except for the exceptional items disclosed in Note 4 to the accounts.

## DIVIDEND

The Directors do not recommend any dividend for the year ended 31 December 1999.

## DIRECTORS

The Directors of the Company in office since the date of the last report and at the date of this report are:-

Dato' John Wong Peng Chong  
Sy Ahmad Bokharey bin Syed Omar  
Low Jau Foo  
Kong Wah Sang  
Ng Ying Loong  
Dato' Robert Chan Woot Khoon  
Wee Teck Nam

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company is a party, whereby Directors might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

The following Directors who held office at the end of the financial year had according to the register required to be kept under Section 134 of the Companies Act, 1965 an interest in shares of the Company and its related corporations as stated below:-

	As at 1.1.99	Ordinary Shares of 50 sen each		As at 31.12.99
		Bought During the year	Sold	
Interest in shares of the Company				
Direct interest:				
Wee Teck Nam	80,000	-	(30,000)	50,000

DIRECTORS (CONTD.)

	As at 1.1.99	Ordinary Shares of 50 sen each		As at 31.12.99
		Bought During the year	Sold	
Interest in shares of the Company				
Indirect interest:				
Sy Ahmad Bokharey bin Syed Omar	150,000,000	-	(102,008,000)	47,992,000

	As at 1.1.99	Ordinary Shares of RM1 each		As at 31.12.99
		Bought During the year	Sold	
Interest in shares of Mudajaya Corporation Berhad, a subsidiary company				
Direct interest:				
Ng Ying Loong	150,000	-	-	150,000

Interest in shares of Bukit Punchor Development Sdn Bhd, a subsidiary company				
Direct interest:				
Dato' Robert Chan Woot Khoon	1,800,000	-	-	1,800,000

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors and professional fees paid to a firm in which a Director has interest as shown in the accounts) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest required to be disclosed by Section 169(8) of the Companies Act 1965.

SHARE OPTIONS

The Company has an Employees' Share Option Scheme ("ESOS") which is valid for five years from 25 February 1998 to 25 February 2003. The ESOS enables eligible employees (including executive directors) of the Group to subscribe for ordinary shares in the Company.

The option price for each ordinary share will be determined and approved by the Option Committee based on the average of the mean market quotation of the shares as quoted on the Kuala Lumpur Stock Exchange for the five market days preceding the date of the offer, the prevailing market price of the shares on the date of the offer or at the par value of the shares, whichever is the higher.

To date, no options has been granted under the ESOS.

## SHARE OPTIONS (CONTD.)

The following Director has been granted share options by Mudajaya Corporation Berhad, a subsidiary of the Company, as stated below:-

	Share Options for Ordinary Shares of RM1 each			
	As at 1.1.99	Granted During the year	Exercised	As at 31.12.99
Ng Ying Loong	7,500,000	-	-	7,500,000

## SIGNIFICANT EVENTS

### (a) Proposed Rights Issue of shares by the Company

The Company has on 13 July 1999 announced a proposed Rights Issue. The Securities Commission has on 24 September 1999 approved the proposed Rights Issue of up to 380,530,195 new ordinary shares of RM0.50 each in the Company together with up to 380,530,195 warrants on the basis of one new ordinary share together with one warrant for every three existing ordinary shares held at an issue price of RM0.75 per share ("Proposed Rights Issue"). The total proceeds of up to RM285,397,646 will be utilised for the development of Leisure Farm and Taman Desa Aman, repayment of bank borrowings, subscription of the rights issue of Mega Pascal Berhad and as working capital.

The Proposed Rights Issue was approved by the shareholders at the Company's Extraordinary General Meeting held on 16 November 1999. The remaining approval required is the approval of the Kuala Lumpur Stock Exchange for the listing of and quotation for the new shares and warrants to be issued pursuant to the Proposed Rights Issue.

### (b) Disposal of subsidiaries by Mulpha Australia Limited ("MAL")

During the year, MAL, a 99.99% owned subsidiary of the Company, disposed off the entire issued and paid up share capital of its following wholly owned subsidiaries for a consideration of AUD1.00:-

Subsidiaries disposed off	Principal activities
Thomas Clark (Australia) Pty. Limited ("TCA")	Contractors for air conditioning systems
T.C. Technologies Pty. Ltd. ("TCT")	Design, service and installation of building management systems
Thomas Clark Consulting Services Pty. Limited (a wholly owned subsidiary of TCA)	Engineering services
T.C. Technologies Consulting Services Pty. Limited (a wholly owned subsidiary of TCT)	Management services
T.C. Technologies (M) Sdn. Bhd. (a wholly owned subsidiary of TCT)	Installation and service of building management systems

## SIGNIFICANT EVENTS (CONTD.)

### (b) Disposal of subsidiaries by Mulpha Australia Limited ("MAL") (Contd.)

The MAL Group has been consolidating and rationalising its existing investments with non core business being disposed off. The building services business was considered non core and the said subsidiaries involved in the business were therefore disposed off. Additionally, the financial performance of the building services business within the MAL Group has been disappointing for the past few years.

As part of the abovementioned rationalisation exercise, HD (Air) Pty. Limited ("HD"), a wholly owned subsidiary of MAL, was put into voluntary liquidation. HD was an inactive company in the building services business.

MAL also disposed off the entire issued and paid up share capital of Henabait Pty. Limited ("HPL") for a consideration of AUD2.00 together with the repayment by the buyer of the intercompany loan of AUD5,029,460 (equivalent to RM12.3 million at the exchange rate of AUD1:RM2.46).

HPL, a proprietary limited company incorporated in Australia, was a wholly owned subsidiary of MAL. HPL was engaged in the development and sale of its freehold land measuring approximately 50 acres located at Queanbeyan, New South Wales for residential purposes.

The disposal of HPL was made as part of the exercise to rationalise and consolidate the existing investments of the MAL Group.

## SUBSEQUENT EVENT

### Acquisition of Weskln Industries Sdn. Bhd. ("WISB")

The Company has in January 2000 acquired two shares in WISB, representing 100% of its issued and paid up share capital, for a consideration of RM1,463,496. WISB is an investment holding company incorporated in Malaysia and owns a piece of vacant leasehold land (with remaining lease of 68 years) measuring approximately three acres located at Telok Gong, Mukim of Kelang, Selangor Darul Ehsan. The said land will be used as a warehouse cum storage area for the Group's stocks.

## OTHER STATUTORY INFORMATION

- (a) Before the profit and loss accounts and balance sheets of the Company and of the Group were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business have been written down to an amount which they might be expected so to realise.

OTHER STATUTORY INFORMATION (CONTD.)

- (b) At the date of this report, the Directors are not aware of any circumstances which would render:-
  - (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the Company and the Group inadequate to any substantial extent; and
  - (ii) the values attributed to current assets in the accounts of the Company and of the Group misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company and of the Group misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or accounts of the Company and of the Group which would render any amount stated in the accounts and consolidated accounts misleading.
- (e) As at the date of this report, there does not exist:-
  - (i) any charge on the assets of the Company and of the Group which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liabilities in respect of the Company and of the Group which have arisen since the end of the financial year other than those disclosed in the accounts.
- (f) In the opinion of the Directors:-
  - (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company and of the Group to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Company and of the Group for the financial year in which this report is made.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

On behalf of the Board,

DATO' JOHN WONG PENG CHONG        )  
  )  
  )  
  ) DIRECTORS  
  )  
  )  
SY AHMAD BOKHAREY BIN SYED OMAR )

Petaling Jaya, Malaysia  
20 March 2000



AUDITORS' REPORT TO THE MEMBERS OF MULPHA INTERNATIONAL BHD.

We have audited the accounts set out on pages 24 to 68. These accounts are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these accounts 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 reasonable assurance that the accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and significant estimates made by Directors, as well as evaluating the overall accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:-

- (a) the accounts are properly drawn up in accordance with the provisions of the Companies Act 1965 and approved accounting standards in Malaysia so as to give a true and fair view of:-
  - (i) the state of affairs of the Company and of the Group as at 31 December 1999 and of the results of the Company and of the Group and the cash flows of the Group for the year then ended; and
  - (ii) the matters required by Section 169 of the Companies Act 1965 to be dealt with in the accounts and consolidated accounts.
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiaries for which we are the auditors have been properly kept in accordance with the provisions of the Act.

We have considered the accounts and the Auditors' Reports of the subsidiaries for which we have not acted as auditors as indicated in Note 9 to the accounts, being accounts which are included in the consolidated accounts.

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

The Auditors' Report on the accounts of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Companies Act 1965.

ERNST & YOUNG AF: 0039  
Public Accountants

Yeo Eng Seng 1212/12/00(J)  
Partner

Kuala Lumpur, Malaysia  
20 March 2000

PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

	Note	GROUP		COMPANY	
		1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
TURNOVER	2	<u>724,073</u>	<u>655,865</u>	<u>79,961</u>	<u>43,628</u>
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAXATION	3	26,880	(46,023)	26,069	(5,900)
EXCEPTIONAL ITEMS	4	<u>(9,634)</u>	<u>(157,773)</u>	<u>(8,993)</u>	<u>(5,766)</u>
PROFIT/(LOSS) BEFORE TAXATION		17,246	(203,796)	17,076	(11,666)
TAXATION	5	<u>(7,738)</u>	<u>(23,247)</u>	<u>-</u>	<u>-</u>
PROFIT/(LOSS) AFTER TAXATION		9,508	(227,043)	17,076	(11,666)
MINORITY INTEREST		<u>(3,979)</u>	<u>(5,971)</u>	<u>-</u>	<u>-</u>
PROFIT/(LOSS) AFTER TAXATION AND MINORITY INTEREST		5,529	(233,014)	17,076	(11,666)
TRANSFER TO RESERVES	24	<u>(664)</u>	<u>(244)</u>	<u>-</u>	<u>-</u>
RETAINED PROFIT/(LOSS) FOR THE YEAR	25	<u>4,865</u>	<u>(233,258)</u>	<u>17,076</u>	<u>(11,666)</u>
EARNINGS/(LOSS) PER 50 SEN ORDINARY SHARE (SEN)	6	<u>0.53</u>	<u>(22.28)</u>	<u>1.63</u>	<u>(1.12)</u>

The annexed notes form an integral part of these accounts.

BALANCE SHEETS AS AT 31 DECEMBER 1999

	Note	GROUP		COMPANY	
		1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
FIXED ASSETS	7	494,347	463,204	1,453	2,164
LEASEHOLD MANAGEMENT RIGHT	8	106,752	101,698	-	-
SUBSIDIARY COMPANIES	9	-	-	517,069	501,398
ASSOCIATED COMPANIES	10	44,796	50,910	8,160	8,320
INVESTMENT IN JOINT VENTURES	11	18,142	29,447	-	-
LONG TERM RECEIVABLE		3,059	2,599	-	-
INVESTMENTS	12	129,049	154,149	2,160	2,160
DEVELOPMENT PROPERTIES	13	375,704	402,497	-	-
GOODWILL	14	90,204	96,642	-	-
DEFERRED EXPENDITURE	15	748	720	638	89
<b>CURRENT ASSETS</b>					
Development properties	13	317,704	262,353	-	-
Stocks	16	143,649	145,006	24,649	19,051
Debtors	17	254,171	239,910	912,611	922,865
Advances to joint ventures	11	21,600	16,850	-	-
Short term investments	18	60,197	47,834	-	-
Deposits with licensed financial institutions	19	182,230	237,457	125,921	186,515
Cash and bank balances	20	16,908	19,072	446	352
		996,459	968,482	1,063,627	1,128,783
<b>CURRENT LIABILITIES</b>					
Creditors	21	232,491	239,203	108,421	144,193
Bank and other borrowings	22	496,103	592,544	278,039	300,161
Taxation		2,626	10,648	-	-
		731,220	842,395	386,460	444,354
NET CURRENT ASSETS		265,239	126,087	677,167	684,429
		<u>1,528,040</u>	<u>1,427,953</u>	<u>1,206,647</u>	<u>1,198,560</u>

BALANCE SHEETS AS AT 31 DECEMBER 1999 (CONTD.)

	Note	GROUP		COMPANY	
		1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
FINANCED BY:-					
SHARE CAPITAL	23	522,905	522,905	522,905	522,905
RESERVES (NON-DISTRIBUTABLE)	24	817,741	808,811	713,609	694,537
ACCUMULATED LOSSES	25	<u>(141,393)</u>	<u>(146,258)</u>	<u>(36,993)</u>	<u>(54,069)</u>
		1,199,253	1,185,458	1,199,521	1,163,373
MINORITY INTEREST		108,806	104,483	-	-
LONG TERM LIABILITIES					
Provision for staff benefits	26	1,201	1,298	1	2
Deferred taxation	27	84,162	82,373	-	-
Bank and other borrowings	28	117,667	37,608	7,125	35,185
Lease and hire purchase creditors	29	<u>16,951</u>	<u>16,733</u>	<u>-</u>	<u>-</u>
		<u>1,528,040</u>	<u>1,427,953</u>	<u>1,206,647</u>	<u>1,198,560</u>

The annexed notes form an integral part of these accounts.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED  
31 DECEMBER 1999

	1999 RM'000	1998 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before taxation	17,246	(203,796)
Adjustments for:		
Amortisation of goodwill	6,432	6,082
Amortisation of leasehold management rights	1,066	973
Deferred expenditure written off	616	1,284
Depreciation of fixed assets	32,140	22,937
Gain on disposal of subsidiary companies	(240)	-
Interest expense	44,802	73,106
Interest income	(5,624)	(16,866)
Fixed assets written off	3,556	-
Loss on disposal of investments	-	20
Net loss on disposal of fixed assets	21	325
Loss retained in associated companies	5,665	8,810
Loss retained in joint venture	5,021	202
Provision for diminution in value of investments	2,267	92,652
Provision for staff benefits	1,699	1,924
Exchange reserves	4,766	7,376
Operating profit/(loss) before working capital changes	119,433	(4,971)
Changes in working capital:		
Associated companies	(70)	1,699
Joint ventures	1,534	(6,790)
Long term receivable	(460)	(483)
Development properties	(40,758)	(71,245)
Stocks	(1,391)	19,026
Debtors	(28,570)	29,597
Short term investments	25,064	106,515
Creditors	20,963	20,567
Net change in working capital	(23,688)	98,886
Cash generated from operations	95,745	93,915
Interest expense paid	(46,137)	(73,820)
Interest received	5,817	17,615
Income tax paid	(14,833)	(25,683)
Staff benefits paid	(1,066)	(2,021)
Net cash generated from operating activities	39,526	10,006

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED  
31 DECEMBER 1999 (CONTD.)

	1999 RM'000	1998 RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(54,809)	(80,440)
Proceeds from sale of fixed assets	2,544	107,223
Acquisition of subsidiary companies, net of cash (Note a)	(40)	(19,630)
Dilution of interest in/disposal of subsidiary companies (Note b)	(3,860)	(180)
Acquisition of investments	(13,484)	(9,095)
Deferred expenditure	(644)	(134)
Net cash used in investing activities	(70,293)	(2,256)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	-	(3,765)
Dividend paid to minority interests	(6,218)	(2,363)
Proceeds from minority interest arising from issue of shares by subsidiary companies	7,214	-
Payment of finance lease liabilities	(7,878)	(19,952)
Net repayment of borrowings	(64,296)	(189,159)
Net cash used in financing activities	(71,178)	(215,239)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(101,945)</b>	<b>(207,489)</b>
<b>CASH AND CASH EQUIVALENTS AS AT 1 JANUARY</b>	<b>244,989</b>	<b>452,478</b>
<b>CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER (Note c)</b>	<b>143,044</b>	<b>244,989</b>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED  
31 DECEMBER 1999 (CONTD.)

	1999 RM'000	1998 RM'000
a. Acquisition of subsidiary companies, net of cash		
Cash and short term deposits	–	41,786
Fixed assets	–	121,041
Debtors	–	5,552
Stocks	–	8,122
Creditors	–	(6,806)
Deferred taxation	–	1,603
Taxation	–	(2,939)
Provision for staff benefits	–	(2,355)
Lease creditors	–	(188)
Goodwill	4	6,780
Minority interest	36	506
	<hr/>	<hr/>
Purchase consideration	40	173,102
Cash and bank balances	–	(41,786)
	<hr/>	<hr/>
	40	131,316
 Purchase consideration paid in 1997 for subsidiary which was consolidated in 1998		
	–	(111,686)
	<hr/>	<hr/>
	40	19,630
	<hr/>	<hr/>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED  
31 DECEMBER 1999 (CONTD.)

	1999 RM'000	1998 RM'000
b. Dilution of interest/Disposal of subsidiary companies, net of cash		
Cash and bank balances	3,860	180
Fixed assets	895	12,353
Stocks	2,748	64
Debtors	14,157	2,360
Development expenditure	12,200	-
Creditors	(30,493)	(4,897)
Provision for staff benefits	(2,022)	-
Taxation	-	(94)
Bank borrowings	-	(1,401)
Deferred taxation	-	(186)
Lease and hire purchase creditors	(1,562)	(9,025)
Minority interest	6,237	-
Capital reserve	954	-
Attributable to share retained and treated as an associate	-	646
Proceeds from minority interests arising from issue of shares by subsidiary companies	(7,214)	-
Gain on disposal of subsidiary company	240	-
Sales proceed	-	-
Cash and bank balances	(3,860)	(180)
	<u>(3,860)</u>	<u>(180)</u>
c. Cash and cash equivalents		
Cash and bank balances	16,908	19,072
* Deposits with licensed financial institutions	182,230	237,457
Overdrafts	(56,094)	(11,540)
	<u>143,044</u>	<u>244,989</u>

\* Deposits with licensed financial institutions include deposits pledged of RM10,749,942 (1998: RM6,620,845).

## NOTES TO THE ACCOUNTS – 31 DECEMBER 1999

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Accounting

The accounts of the Company and of the Group are prepared under the historical cost convention and comply with approved accounting standards issued by the Malaysian Accounting Standards Board. In the previous financial year ended 31 December 1998, the Company and the Group applied certain transitional provisions in IAS 16 (Revised), Property, Plant and Equipment, by virtue of which a reporting enterprise is allowed to retain revalued amounts on the basis of their previous revaluations (subject to continuity in depreciation policy and the requirement to write an asset down to its recoverable amount) if it does not further revalue its fixed assets.

#### (b) Basis of Consolidation

The consolidated accounts incorporate the accounts of the Company and all its subsidiary companies for the year to 31 December. The results of subsidiary companies acquired or disposed off are included in the consolidated accounts from the effective date of acquisition or up to the effective date of disposal.

The difference between the consideration paid for the shares in the subsidiary companies and the fair value of attributable net assets acquired is taken up as goodwill or reserve on consolidation, as appropriate. Goodwill on consolidation and purchased goodwill are amortised over the period of its useful life ranging from 5 to 25 years.

Dividend income from subsidiary companies is included in the profit and loss account of the Company when declared or proposed.

#### (c) Associated Companies

Associated companies are companies in which the Group has a long term interest of not less than 20% or more than 50% of the equity interest and in which it exercises significant influence over the financial and operating policies of the company through Board representation.

The Group's share of results and reserves of associated companies acquired or disposed off are included in the consolidated accounts from the effective date of acquisition or up to the effective date of disposal. For this purpose, audited or management accounts for the year to 31 December are used.

Dividend income from associated companies is included in the profit and loss account as and when received.

#### (d) Investments

Long term investments are stated at cost unless in the opinion of the Directors, there has been a permanent decline in value in which case, provision is made for the diminution in value.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Short term investments are stated at the lower of cost and net realisable value.

Income arising from these investments is taken to the profit and loss account as and when received.

(e) Fixed Assets, Leasehold Management Right and Depreciation

Fixed assets include investment properties which consist of land and buildings and are held as long term investments.

No amortisation is provided on the freehold land and long leasehold land. The non-amortisation of long leasehold land has no material effect on the accounts.

Depreciation on other fixed assets is calculated to write off the cost or valuation of the fixed assets over their estimated useful lives by equal annual instalments. The annual rates of depreciation used are as follows:-

Freehold buildings	- 2.5-5%
Long leasehold buildings	- 1-5%
Short leasehold land and buildings (under 50 years)	- over the period of the lease
Plant, machinery, office equipment and furniture	- 7.5-20%
Motor vehicles	- 15-25%

Leasehold management right is amortised based on the estimated annual cash flows over the term of the right.

(f) Investment in Joint Ventures

The share of results in joint ventures is accounted for using the equity method.

(g) Development Properties

Development properties are stated at cost plus attributable profits less progress billings. Cost includes the cost of land and development expenditure and interest expense incurred relating to the financing of that development.

Development properties where significant development work has been undertaken and is expected to be completed within the normal operating cycle are reclassified to current assets.

Profits on development properties are recognised on a percentage of completion basis or when unconditional contracts are exchanged whereby the outcome can be reliably estimated. The percentage of completion is determined based on works certified. Provision is made for all anticipated losses on development properties.

(h) Deferred Expenditure

Preliminary expenses, pre-operating expenses and deferred expenses are stated at cost. These expenditure will be amortised over the shorter of the period in which the related benefits are to be realised or 5 years.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(i) Stocks

Stocks comprise the following:-

- (i) Finished goods and raw materials are valued at the lower of cost and net realisable value.

Cost includes where relevant, appropriate proportion of overheads and is determined on a weighted average, first-in first-out basis or specific identification method, as appropriate according to the category of stocks concerned. In arriving at net realisable value, due allowance is made for all obsolete and slow moving items.

- (ii) Golf memberships are valued at the lower of cost and net realisable value.

Cost is determined principally using the specific identification method.

- (iii) Contract work-in-progress is valued at cost plus attributable profits less progress billings.

Cost is made up of materials, labour and a proportion of overhead expenses. Profits accruing on work-in-progress are accounted for on a percentage of completion based on costs incurred whereby the outcome can be reliably estimated. Provision is made for all anticipated losses on contract work-in progress.

- (iv) Completed properties

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

Completed properties comprise land and building costs.

(j) Foreign Currencies

- (i) Transactions in foreign currencies

Transactions in foreign currencies are recorded in the books of accounts at exchange rates ruling at the time of transactions or at contracted rates, where applicable. Outstanding balances at year end are reported at the rates then ruling or at contracted rates. All exchange differences are included in the profit and loss account except those relating to loans which have been hedged against net foreign investments and those relating to the Group's net investments in foreign entities are taken to exchange reserve.

- (ii) Translation of foreign currency financial statements

Assets, liabilities and profit and loss account items of foreign subsidiary companies are translated into Malaysian Ringgit at the year end rate of exchange. Exchange differences on retranslating the opening assets and liabilities of foreign subsidiary companies are taken to exchange reserve.

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

### (k) Deferred Taxation

Provision is made in the accounts based on the liability method for taxation which is deferred due to timing differences except to the extent that it can be demonstrated with reasonable probability that the differences will continue in the foreseeable future.

### (l) Provision for Staff Benefits

#### (i) Retirement Benefits

Provision is made for retirement benefits in accordance with the terms stipulated in the Union Agreement.

#### (ii) Employee Benefits

Provision is made by the Company's subsidiary companies in Australia for amounts expected to be paid to employees for annual leave and long service leave at balance sheet date at current pay rates having regard to the period of service.

### (m) Statement of Cash Flows

The statement of cash flows classify changes in cash and cash equivalents according to operating, investing and financing activities. The Group does not consider any of its assets other than cash and bank balances, deposits with licensed financial institutions and bank borrowings which comprise of bank overdrafts to meet the definition of cash and cash equivalents. The statement of cash flows is prepared using the indirect method.

## 2. TURNOVER

Turnover for the Company comprises the invoiced value of goods sold.

Turnover for the Group comprises the invoiced value of goods sold, progress billings for development properties, value of work certified on contracts, securities trading and charges made for services rendered. Turnover for the Group excludes intra-group transactions.

### 3. PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAXATION

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
This is arrived at after charging:				
Amortisation of goodwill	6,432	6,082	-	-
Amortisation of leasehold management right	1,066	973	-	-
Auditors' remuneration				
- Auditors of the Company				
- current year	298	290	55	48
- under/(over) provision in prior year	28	(4)	-	-
- Other auditors				
- current year	698	809	-	-
- (over)/underprovision in prior year	(29)	3	-	-
Deferred expenditure written off	616	1,284	-	56
Depreciation of fixed assets	32,140	22,937	911	682
Directors' remuneration				
- Directors of the Company				
- fees	21	42	-	-
- emoluments	1,123	997	778	677
- benefits-in-kind	115	132	98	114
- Other Directors of subsidiary companies				
- fees	43	152	-	-
- emoluments	9,163	6,993	-	-
- benefits-in-kind	526	542	-	-
Hire of plant and equipment	1,606	351	-	-
Interest expense				
- term loans	13,111	21,540	6,035	10,698
- overdrafts	1,647	798	394	384
- others	30,044	50,768	18,558	35,098
Lease rental	2,113	3,080	-	-
Loss on disposal of investments	-	20	-	-
Net loss on foreign exchange				
- realised	-	-	775	12
- unrealised	5,976	461	5,971	461
Net loss on disposal of fixed assets	21	325	1	-
Provision for doubtful debts	-	4,723	-	1,284
Provision for staff benefits	1,699	1,924	-	-
Provision and write-off for stock obsolescence (net of recoveries)	4,338	842	-	-
Provision for diminution in value of investments	-	2,067	460	460
Profit guarantee payable to an associated company	3,338	2,986	6,405	5,730
Rent of land and buildings				
- Related company	-	-	156	156
- Others	14,571	10,605	58	-
Share of loss of associated companies	1,817	8,810	-	-
Share of loss of joint ventures	5,021	202	-	-

3. PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAXATION (CONTD.)

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
And crediting:				
Bad debts recovered	1,471	267	-	-
Dividend income (gross)				
- subsidiary companies				
- unquoted Malaysian subsidiary companies	-	-	7,695	7,000
- unquoted foreign subsidiary companies (tax exempt)	-	-	40,684	9,124
- quoted shares outside Malaysia	2,604	2,963	-	-
- quoted shares in Malaysia	53	115	-	-
- unquoted shares outside Malaysia	-	36	-	-
Gain on disposal of subsidiaries	240	-	-	-
Gain on redemption of shares in subsidiary company	-	-	-	9,410
Interest income				
- Deposits with licensed financial institutions	4,293	15,582	1,184	9,864
- Advances to subsidiary companies	-	-	13,791	12,844
- Others	1,331	1,284	70	324
Management fees received	63	64	276	276
Net gain on disposal of fixed assets	-	-	-	6
Net gain on foreign exchange – realised	612	1,536	-	-
Net provision for doubtful debts written back	1,230	-	1,511	-
Net provision for diminution in value of investments written back	10,053	-	-	-
Rental of land and buildings	2,780	1,363	-	-
Rental of machinery	312	225	-	-

4. EXCEPTIONAL ITEMS

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Assets written off in:				
- subsidiary companies	4,189	-	-	-
- associated companies	2,210	-	-	-
Provision for diminution in value of investments	1,597	157,773	176	5,766
Provision for doubtful debts				
- associated companies	1,638	-	-	-
- subsidiary companies	-	-	8,817	-
	<u>9,634</u>	<u>157,773</u>	<u>8,993</u>	<u>5,766</u>

5. TAXATION

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Taxation based on results for the year:-				
Current				
- Malaysian	(1,392)	3,412	-	-
- Foreign	10,762	11,068	-	-
Deferred				
- Malaysian (referred to in	-	(165)	-	-
- Foreign Note 27 to the accounts)	1,115	8,429	-	-
	<u>10,485</u>	<u>22,744</u>	<u>-</u>	<u>-</u>
(Over)/Under provision for taxation in prior years	(2,728)	383	-	-
	<u>7,757</u>	<u>23,127</u>	<u>-</u>	<u>-</u>
Share of taxation of associated companies	(19)	120	-	-
	<u>7,738</u>	<u>23,247</u>	<u>-</u>	<u>-</u>

Except for Malaysian dividend income, no income tax was payable on the Malaysian operations in 1999 due to tax losses or tax waiver. For the non-Malaysian operations, income taxes which approximate the statutory rates of the respective countries were payable based on the profits made. Therefore, on a Group basis, the effective tax rate was higher than the Malaysian statutory tax rate.

The estimated timing differences not dealt with in the accounts are as follows:-

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Unabsorbed capital allowances	15,088	13,013	2,850	2,471
Unabsorbed tax losses	234,885	206,720	7,298	7,482
	<u>249,973</u>	<u>219,733</u>	<u>10,148</u>	<u>9,953</u>

6. EARNINGS PER 50 SEN ORDINARY SHARE

The basic earnings/(loss) per share is calculated based on the profit/(loss) after taxation and minority interest of RM5,529,000 (1998: loss of RM233,014,000) for the Group and RM17,076,000 (1998: loss of RM11,666,000) for the Company and on the weighted average number of 1,045,809,584 (1998: 1,045,809,584) ordinary shares of 50 sen each in issue.

## 7. FIXED ASSETS

### GROUP

	Freehold and long leasehold land RM'000	Short leasehold land RM'000	Buildings RM'000	Plant, machinery, office equipment, furniture and motor vehicles RM'000	Capital work-in- progress RM'000	Total	
						1999 RM'000	1998 RM'000
<b>COST AND VALUATION</b>							
At 1 January	147,786	4,627	154,524	237,060	21,103	565,100	467,482
Exchange adjustments	2,358	–	4,643	1,779	10	8,790	(15,701)
Additions	1,722	–	47,071	39,111	1,370	89,274	187,832
Disposals/ Write off	–	–	(886)	(5,212)	(3,664)	(9,762)	(126,782)
Transfers/ Reclassifications	(4,568)	–	(13,727)	(3,982)	(7,325)	(29,602)	52,269
At 31 December	<u>147,298</u>	<u>4,627</u>	<u>191,625</u>	<u>268,756</u>	<u>11,494</u>	<u>623,800</u>	<u>565,100</u>
<b>ACCUMULATED DEPRECIATION</b>							
At 1 January	–	550	9,645	91,701	–	101,896	71,876
Exchange adjustments	–	4	197	1,217	–	1,418	(1,352)
Charge for the year	–	505	3,474	28,161	–	32,140	22,937
Disposals/ Write off	–	–	(885)	(2,712)	–	(3,597)	(6,901)
Transfers/ Reclassifications	–	52	(170)	(2,286)	–	(2,404)	15,336
At 31 December	<u>–</u>	<u>1,111</u>	<u>12,261</u>	<u>116,081</u>	<u>–</u>	<u>129,453</u>	<u>101,896</u>
<b>NET BOOK VALUE</b>							
At 31 December 1999	<u>147,298</u>	<u>3,516</u>	<u>179,364</u>	<u>152,675</u>	<u>11,494</u>	<u>494,347</u>	<u>–</u>
At 31 December 1998	<u>147,786</u>	<u>4,077</u>	<u>144,879</u>	<u>145,359</u>	<u>21,103</u>	<u>–</u>	<u>463,204</u>

Included in the above fixed assets of the Group are assets held under hire purchase and finance lease at cost of RM56,910,923 (1998: RM45,436,287).

7. FIXED ASSETS (CONTD.)

GROUP

Analysis of cost and valuation

	Freehold and long leasehold land RM'000	Short leasehold land RM'000	Buildings RM'000	Plant, machinery, office equipment, furniture and motor vehicles RM'000	Capital work-in- progress RM'000	Total	
						1999 RM'000	1998 RM'000
Assets at cost	142,989	4,627	180,503	268,756	11,494	608,369	546,983
Assets at valuation							
- 1983	4,309	-	2,970	-	-	7,279	10,404
- 1994	-	-	8,152	-	-	8,152	8,077
Total 1999	<u>147,298</u>	<u>4,627</u>	<u>191,625</u>	<u>268,756</u>	<u>11,494</u>	<u>623,800</u>	<u>-</u>
Total 1998	<u>147,786</u>	<u>4,627</u>	<u>154,524</u>	<u>237,060</u>	<u>21,103</u>	<u>-</u>	<u>565,100</u>

The long leasehold land and buildings were revalued by the Directors based on independent valuations carried out on an existing use basis in 1983 and 1994. As allowed by the transitional provisions of International Accounting Standard 16 (Revised), Property, Plant & Equipment, issued by the Malaysian Accounting Standards Board, these assets have continued to be stated on the basis of their 1983 and 1994 valuation.

The freehold land, long leasehold land and buildings and machineries of certain subsidiary companies are pledged to financial institutions as security for banking facilities granted as described in Notes 22 and 28 to the accounts.

	Office equipment, furniture and motor vehicles Total	
	1999 RM'000	1998 RM'000
COMPANY		
COST		
At 1 January	6,047	5,898
Additions	201	210
Transfer	-	(4)
Disposals	(3)	(57)
At 31 December	<u>6,245</u>	<u>6,047</u>

7. FIXED ASSETS (CONTD.)

	Office equipment, furniture and motor vehicles Total	
	1999 RM'000	1998 RM'000
ACCUMULATED DEPRECIATION		
At 1 January	3,883	3,252
Current year charge	911	682
Transfer	-	(4)
Disposals	(2)	(47)
At 31 December	<u>4,792</u>	<u>3,883</u>
NET BOOK VALUE		
At 31 December 1999	<u>1,453</u>	-
At 31 December 1998	<u>-</u>	<u>2,164</u>

8. LEASEHOLD MANAGEMENT RIGHT

	GROUP	
	1999 RM'000	1998 RM'000
Cost		
At 1 January	106,873	115,626
Movement during the year	(19)	-
	<u>106,854</u>	<u>115,626</u>
Exchange adjustments	6,450	(8,753)
At 31 December	<u>113,304</u>	<u>106,873</u>
Amortisation		
At 1 January	5,175	4,546
Amortisation during the year	1,066	973
Movement during the year	(1)	-
	<u>6,240</u>	<u>5,519</u>
Exchange adjustments	312	(344)
At 31 December	<u>6,552</u>	<u>5,175</u>
	<u>106,752</u>	<u>101,698</u>

Leasehold management right represents the right to operate and manage the Sydney Opera House Car Park to 13 March 2043 and is amortised based on the estimated annual cash flows over the term of the right.

9. SUBSIDIARY COMPANIES

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Unquoted shares in Malaysia, at cost	-	-	231,863	231,612
Unquoted shares outside Malaysia, at cost	-	-	287,869	271,813
	-	-	519,732	503,425
Provision for diminution in value of investments	-	-	(2,663)	(2,027)
	-	-	517,069	501,398

The shares of a subsidiary company are pledged to a financial institution as security for banking facility granted as described in Note 22 and 28 to the accounts.

The subsidiary companies are as follows:-

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary companies of Mulpha International Bhd.				
Mulpha Fashionwear (M) Sdn. Bhd.	Malaysia	Licensee for apparels of specific brand	100.0	100.0
Mulpha Trading Sdn. Bhd.	Malaysia	Trading in engineering equipment, sports goods and sportswear	100.0	100.0
Leisure Farm Corporation Sdn. Bhd.	Malaysia	Property ownership and development	100.0	100.0
Sanwin Sports (K.L.) Sdn. Bhd.	Malaysia	Wholesaler and distributor of sports goods and sportswear	100.0	100.0
Mulpha Global Trade Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Benteng Construction Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Tiararibu (M) Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
+ Asian Fame Development Limited	Hong Kong	Investment holding	100.0	100.0
+ AF Investments Limited	Hong Kong	Investment holding	100.0	100.0
+ Mulpha China Limited	Hong Kong	Dormant	100.0	100.0
Mulpha Hotels (Vietnam) Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0

9. SUBSIDIARY COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary companies of Mulpha International Bhd. (contd.)				
Mulpha (B) Sdn. Bhd.	Brunei	Dormant	70.0	70.0
Mulpha Sepang Land Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Mulpha Ventures Sdn. Bhd.	Malaysia	Trading in securities	100.0	100.0
Mulpha Pacific Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Mulpha Land & Property Sdn. Bhd.	Malaysia	Project management and ownership, development and marketing of property	100.0	100.0
Mulpha Vietnam Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Mulpha Marketing Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Bukit Punchor Holdings Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Capital Target Sdn. Bhd.	Malaysia	Inactive	100.0	100.0
Mulpha Resources Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Trans Pelita Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Mulpha Credit Sdn. Bhd.	Malaysia	Money lending	100.0	100.0
Irama Tertib Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Irama Urus Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Alpha Matrix Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Abad Teknik Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
+ Mulpha Australia Limited	Australia	Investment holding	99.9	99.9
Integrated Sierra Sdn. Bhd.	Malaysia	Dormant	70.0	70.0
Indo Daneo Overseas Limited	British Virgin Islands	Investment holding	100.0	100.0
Prokey Investments Limited	British Virgin Islands	Investment holding	100.0	100.0
Menara Mulpha Sdn. Bhd.	Malaysia	Property ownership and development	100.0	100.0

9. SUBSIDIARY COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary companies of Mulpha International Bhd. (contd.)				
Maxrite Corporation Sdn. Bhd.	Malaysia	Dormant	70.0	70.0
Ekspo Melaka Sdn. Bhd.	Malaysia	Property ownership and development	70.0	70.0
Subsidiary companies of Mulpha Trading Sdn. Bhd.				
Johnson Shoes Berhad	Malaysia	Manufacturing and trading of leather shoes and related products	91.0	91.0
Mulpha Properties (M) Sdn. Bhd.	Malaysia	Property ownership and management	100.0	100.0
Mulpha Development Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Manta Far East Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Indochine Hotel Management Company Limited	Hong Kong	Dormant	100.0	100.0
* Manta Equipment (S) Pte. Ltd.	Singapore	Trading and rental of construction machinery	70.0	70.0
King's Chemical Products Inc.	British Virgin Islands	Investment holding	100.0	100.0
Subsidiary companies of Manta Far East Sdn. Bhd.				
Manta Equipment (Malaysia) Sdn. Bhd.	Malaysia	Trading and rental of construction machinery	70.0	70.0
+ Manta Engineering & Equipment Company Limited	Hong Kong	Trading in construction machinery and spare parts	88.0	100.0
+ Manta Equipment Rental Company Limited	Hong Kong	Rental of construction machinery	88.0	100.0
+ Manta Equipment Services Limited	Hong Kong	Servicing of construction machinery	88.0	100.0

9. SUBSIDIARY COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary company of King's Chemical Products Inc.				
+ Manfield Coatings Company Limited	Hong Kong	Manufacturing and distribution of paints	51.0	51.0
Subsidiary companies of Manfield Coatings Company Limited				
+ Greenfield Enterprises Company Limited	Peoples Republic of China	Inactive	51.0	51.0
+ Pinefield Coatings Company Limited	Hong Kong	Investment holding	51.0	51.0
+ Manfield Chemical Limited	Hong Kong	Investment holding	51.0	51.0
+ Springfield Coatings Company Limited	Hong Kong	Investment holding	51.0	51.0
+ Manfield Testing Laboratory Limited	Hong Kong	Inactive	51.0	51.0
+ Pinefield Chemical Enterprises Company Limited	Peoples Republic of China	Manufacturing of paints and trading in petrochemical products	51.0	51.0
+ Hip Hing Spraying and Manufacturing Limited	Hong Kong	Manufacturing of and trading in spraying and related products.	30.6	30.6
Subsidiary companies of Leisure Farm Corporation Sdn. Bhd.				
Leisure Farm Horticulture Services Sdn. Bhd.	Malaysia	Maintenance and upkeep of landscape environment services	100.0	60.0
Champion Pillar Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Evergreen Homestead Sdn. Bhd.	Malaysia	Dormant	100.0	100.0
Absolute Choice Sdn. Bhd.	Malaysia	Dormant	100.0	100.0

9. SUBSIDIARY COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary company of Sanwin Sports (K.L.) Sdn. Bhd.				
* MIB Pte. Ltd.	Singapore	Wholesaler and distributor of sports goods, sportswear and trading of engineering products	100.0	100.0
Subsidiary company of Mulpha Global Trade Sdn. Bhd.				
+ Global Equity Investments Limited	Hong Kong	Trading in securities	100.0	100.0
Subsidiary company of Global Equity Investments Limited				
+ Chinacal Limited	Hong Kong	Trading in securities	–	100.0
Subsidiary company of Tiararibu (M) Sdn. Bhd.				
Mudajaya Corporation Berhad	Malaysia	Building contractor and civil engineering	99.5	99.5
Subsidiary company of Asian Fame Development Limited				
* International Hotel (Saigon)	Vietnam	Hotel owner and operator	70.0	70.0
Subsidiary company of AF Investments Limited				
* Indochine Park Tower	Vietnam	Owner and operator of service apartments	70.0	70.0
Subsidiary companies of Mulpha Hotels (Vietnam) Sdn. Bhd.				
* Hotel Indochine (Danang)	Vietnam	Hotel owner and operator	70.0	70.0
* Hotel Indochine (Hanoi)	Vietnam	Hotel owner and operator	70.0	70.0

9. SUBSIDIARY COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary company of Mulpha Sepang Land Sdn. Bhd.				
Spanstead Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Subsidiary company of Spanstead Sdn. Bhd.				
Mulpha PPNS Sdn. Bhd.	Malaysia	Property development	65.0	65.0
Subsidiary companies of Bukit Punchor Holdings Sdn. Bhd.				
Bukit Punchor Development Sdn. Bhd.	Malaysia	Property ownership and development	70.0	70.0
Dynamic Unity Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Subsidiary company of Dynamic Unity Sdn. Bhd.				
Golden Cignet Sdn. Bhd.	Malaysia	Property development	100.0	100.0
Subsidiary company of Mulpha Land & Property Sdn. Bhd.				
Mulpha Management Services (M) Sdn. Bhd.	Malaysia	Inactive	100.0	100.0
Subsidiary companies of Mulpha Australia Limited				
+ Thomas Clark (Australia) Pty. Limited	Australia	Contractors for air conditioning systems	-	99.9
+ T.C. Technologies Pty. Ltd.	Australia	Design, service and installation of building management systems	-	99.9
+ HD Limited	Australia	Investment holding	99.9	99.9
+ HD Diesels Limited	Australia	Investment holding	99.9	99.9
+ HDFI Limited	Australia	Finance company and investment holding	99.9	99.9
+ Mulpha Norwest Pty. Limited	Australia	Investment holding	99.9	99.9

9. SUBSIDIARY COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary companies of Mulpha Australia Limited (contd.)				
+ HDFI Property Services Pty. Limited	Australia	Investment holding	99.9	99.9
+ Tank Stream Brewing Company Limited	Australia	Investment holding	99.9	99.9
+ HD (NT) Pty. Limited	Australia	Dormant	99.9	99.9
+ HD (Qld) Pty. Limited	Australia	Investment holding	99.9	99.9
+ J. Kohler & Sons Limited	Australia	Dormant	99.9	99.9
+ HD Building (NSW) Limited	Australia	Investment holding	99.9	99.9
+ Caldisc Pty. Limited	Australia	Property development	99.9	99.9
+ Enacon Parking Pty. Limited	Australia	Car park operator	99.9	99.9
+ Henabait Pty. Limited	Australia	Property developer	–	99.9
+ Bimbadgen Estate Pty. Limited	Australia	Winery & vineyard	99.9	99.9
+ Stirling Property Trust	Australia	Property ownership	99.9	99.9
+ HD (Air) Pty. Limited	Australia	Inactive	–	99.9
+ Norwest Limited	Australia	Property development and investment and manufacturing of bricks	99.9	99.9
+ Norwest Real Estate Pty. Ltd.	Australia	Dormant	99.9	99.9
Subsidiary company of Stirling Property Trust				
+ Canberra Commercial Property Trust No. 3	Australia	Property ownership	99.9	99.9

9. SUBSIDIARY COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary companies of T.C. Technologies Pty. Ltd.				
+ T.C. Technologies Consulting Services Pty. Limited	Australia	Management services	–	99.9
+ T.C. Technologies (Malaysia) Sdn. Bhd.	Malaysia	Installation and service of building management systems	–	99.9
Subsidiary company of HD (Qld) Pty. Ltd.				
+ Enacon Limited	Australia	Car park operator and property ownership	99.9	99.9
Subsidiary company of HD Diesels Limited				
+ Salzburg Apartments (Perisher Valley) Pty. Ltd.	Australia	Investment holding	99.9	99.9
Subsidiary company of Tank Stream Brewing Company Limited				
+ Real Ale Brewers Holdings Pty. Limited	Australia	Investment holding	99.9	99.9
Subsidiary companies of HDFI Limited				
+ Capinvest Limited	Australia	Investment holding	99.9	99.9
+ Consolidated Equity Limited	Australia	Investment holding	99.9	99.9
+ HDFI Nominees Pty. Limited	Australia	Nominee services	99.9	99.9
Subsidiary companies of Enacon Limited				
+ Enacon Asia Limited	Hong Kong	Inactive	99.9	99.9
+ T. Palmerston (Qld) Pty. Limited	Australia	Inactive	99.9	99.9

9. SUBSIDIARY COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary company of Real Ale Brewers Holdings Pty. Limited				
+ Tank Stream Group Pty. Limited	Australia	Investment holding	99.9	99.9
Subsidiary company of Tank Stream Group Pty. Ltd.				
+ Tank Stream (Darling Harbour) Pty. Limited	Australia	Hoteliers	99.9	99.9
Subsidiary company of Thomas Clark (Australia) Pty. Limited				
+ Thomas Clark Consulting Services Pty. Limited	Australia	Engineering services	-	99.9
Subsidiary companies of Mudajaya Corporation Berhad				
MJC Trading Sdn. Bhd.	Malaysia	Hire of plant	99.5	99.5
MJC City Development Sdn. Bhd.	Malaysia	Property development	69.6	69.6
MJC Industries Sdn. Bhd.	Malaysia	Manufacturing of ready-mixed concrete and trading in building materials	99.5	99.5
MJC Precast Sdn. Bhd.	Malaysia	Supply of precast concrete and other related products	50.7	50.7
MJC Services Sdn. Bhd.	Malaysia	Dormant	99.5	99.5
MJC Properties Sdn. Bhd.	Malaysia	Dormant	99.5	99.5
MJC Development Sdn. Bhd.	Malaysia	Dormant	50.7	50.7
Angsana Fajar Sdn. Bhd.	Malaysia	Property development	99.5	99.5
Mudajaya Engineering Sdn. Bhd.	Malaysia	Dormant	99.5	99.5

9. SUBSIDIARY COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Subsidiary companies of Johnson Shoes Berhad				
Young Marketing Sdn. Bhd.	Malaysia	Trading of footwear products and machinery	91.0	91.0
C & J Sdn. Bhd.	Malaysia	Retailing of shoes and leather goods	91.0	91.0
Saxon Sdn. Bhd.	Malaysia	Manufacturing of soles, soiling materials and heel plates	46.4	46.4
Subsidiary company of Manta Equipment Services Limited				
+ Manta Professional Services Ltd.	Hong Kong	Provision of engineering services	88.0	100.0
Subsidiary company of Manta Equipment (S) Pte. Ltd.				
* Manta Services (S) Pte. Ltd.	Singapore	Provision of engineering services	70.0	70.0
* Manta Engineering Pte. Ltd.	Singapore	Dormant	70.0	70.0

\* Subsidiary companies audited by a member of Ernst & Young

+ Subsidiary companies not audited by Ernst & Young

10. ASSOCIATED COMPANIES

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
(a) Interest in associated companies:				
Quoted shares in Malaysia, at cost	14,362	14,362	14,362	14,362
Quoted shares outside Malaysia, at cost	83,557	83,557	-	-
Unquoted shares in Malaysia, at cost	821	821	-	-
Unquoted shares outside Malaysia, at cost	8,658	8,892	5,766	5,766
	<u>107,398</u>	<u>107,632</u>	<u>20,128</u>	<u>20,128</u>
Provision for diminution in value of investments	(65,539)	(65,197)	(5,766)	(5,766)
	<u>41,859</u>	<u>42,435</u>	<u>14,362</u>	<u>14,362</u>
Share of post-acquisition retained earnings	434	6,042	-	-
Amount due from/(to) associated companies	2,503	2,433	(6,202)	(6,042)
	<u>44,796</u>	<u>50,910</u>	<u>8,160</u>	<u>8,320</u>
Market value of quoted shares				
- Malaysian	22,883	20,856	22,883	20,856
- Foreign	14,124	13,475	-	-
	<u>37,007</u>	<u>34,331</u>	<u>22,883</u>	<u>20,856</u>

(b) The Company's and Group's cost of investments in associated companies comprise:-

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Share of net assets upon acquisition	25,058	25,292	8,374	8,374
Premium on acquisition	82,340	82,340	11,754	11,754
	<u>107,398</u>	<u>107,632</u>	<u>20,128</u>	<u>20,128</u>

10. ASSOCIATED COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1999 %	1998 %
Associated companies of Mulpha International Bhd.				
Sembawang Mulpha Pte. Ltd.	Singapore	Acquisition and charter of high speed ferries	42.0	42.0
Mega Pascal Berhad	Malaysia	Manufacturing of ready mixed concrete	47.9	47.9
Associated company of Prokey Investments Limited				
Mabuhay Holdings Corporation	Philippines	Investment holding	29.3	29.3
Associated companies of Mudajaya Corporation Berhad				
Binamin Quarry Sdn. Bhd.	Malaysia	Investment holding	39.8	39.8
Binamin MJC Quarry Sdn. Bhd.	Malaysia	Quarry operations	49.8	49.8
Associated companies of Mulpha Land & Property Sdn. Bhd.				
Mulpha Engineering & Construction Sdn. Bhd.	Malaysia	Contracting	20.0	20.0
Sama Wira Mulpha Industries Sdn. Bhd.	Malaysia	Manufacture and sale of wire mesh	30.0	30.0
Associated company of Benteng Construction Sdn. Bhd.				
Prudent Gain Sdn. Bhd.	Malaysia	Quarry operations	24.9	24.9
Associated companies of Manfield Chemical Limited				
Anshan Eastern Chemicals Co. Ltd.	Peoples Republic of China	Manufacturing and trading of paints and related products	12.75	12.75
Champion Coatings Co. Ltd.	Peoples Republic of China	Manufacturing of paints	12.75	12.75

10. ASSOCIATED COMPANIES (CONTD.)

	Country of Incorporation	Principal Activities	Effective Equity Interest	
			1998 %	1997 %
Associated company of Manfield Coatings Company Limited Chemfield Trading Company Limited	Hong Kong	Inactive	24.99	24.99

11. INVESTMENT IN JOINT VENTURES

	GROUP	
	1999 RM'000	1998 RM'000
Share of retained profit	8,707	13,728
Amount due from joint ventures	31,035	32,569
	<u>39,742</u>	<u>46,297</u>
Less: Advances to joint ventures receivable within 12 months	21,600	16,850
	<u>18,142</u>	<u>29,447</u>

The Group has:

- (i) a 50 percent interest in Projass-Mudajaya Joint Venture which is involved in the construction of a power station (1998 : 50 percent);
- (ii) a 70 percent interest in Kuasa Tegas-Mudajaya Joint Venture which is involved in the construction of an expressway (1998 : 70 percent);
- (iii) a 50 percent interest in Projass-Mudajaya Joint Venture which is involved in the civil and structural work at the Malacca combined cycle conversion station (1998 : 50 percent); and
- (iv) a 45 percent interest in Lai Sing-Mudajaya-Bridgecon-LPS Binamaju Consortium which is involved in the construction of expressway (1998 : 45%).

## 12. INVESTMENTS

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Quoted shares, at cost				
– Foreign	118,057	178,504	–	–
Unquoted shares, at cost				
– Malaysian	1,400	1,400	1,000	1,000
– Foreign	5,156	3,660	–	–
Others	9,278	1,160	1,160	1,160
	<u>133,891</u>	<u>184,724</u>	<u>2,160</u>	<u>2,160</u>
Provision for diminution in value of investments	(4,842)	(30,575)	–	–
	<u>129,049</u>	<u>154,149</u>	<u>2,160</u>	<u>2,160</u>
Market value of quoted shares				
– Foreign	<u>62,968</u>	<u>32,162</u>	<u>–</u>	<u>–</u>

Quoted shares outside Malaysia amounting to RM118,049,692 (1998: RM178,504,217) of the Group are pledged to financial institutions for credit facilities granted to a subsidiary company.

No provision for diminution in value of investments has been made as the Directors are of the opinion that these investments are held on a long term basis and that the diminution in value is not permanent.

13. DEVELOPMENT PROPERTIES

	GROUP	
	1999 RM'000	1998 RM'000
Freehold land, at cost	343,206	314,592
Leasehold land, at cost	226,348	219,987
Development expenditure	475,186	347,818
	<u>1,044,740</u>	<u>882,397</u>
Attributable profit	123,106	99,545
	<u>1,167,846</u>	<u>981,942</u>
Progress billings	(474,438)	(317,092)
	<u>693,408</u>	<u>664,850</u>
Amount transferred to current assets:		
Freehold land, at cost	239,884	180,104
Leasehold land, at cost	647	296
Development expenditure	428,505	299,500
	<u>669,036</u>	<u>479,900</u>
Attributable profit	123,106	99,545
	<u>792,142</u>	<u>579,445</u>
Progress billings	(474,438)	(317,092)
	<u>317,704</u>	<u>262,353</u>
	<u>375,704</u>	<u>402,497</u>

Included in the development expenditure are the following charges for the year:-

Amortisation of goodwill	5,740	1,791
Hire of plant & equipment	-	36
Interest expense	17	-
Rental of land & buildings	48	89
	<u>48</u>	<u>89</u>

14. GOODWILL

	GROUP	
	1999 RM'000	1998 RM'000
Purchased goodwill		
At 1 January	2,053	2,185
Exchange adjustments	(10)	(18)
Amortisation	(114)	(114)
At 31 December	<u>1,929</u>	<u>2,053</u>
Goodwill on consolidation		
At 1 January	114,029	107,249
Additions during the year	4	6,780
At 31 December	<u>114,033</u>	<u>114,029</u>
Amortisation		
At 1 January	19,440	13,472
Amortisation during the year	6,318	5,968
At 31 December	<u>25,758</u>	<u>19,440</u>
Net Book Value	<u>88,275</u>	<u>94,589</u>
	<u>90,204</u>	<u>96,642</u>

15. DEFERRED EXPENDITURE

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
At 1 January	720	2,012	89	145
Movements during the year	644	134	549	-
Exchange adjustments	-	(142)	-	-
	<u>1,364</u>	<u>2,004</u>	<u>638</u>	<u>145</u>
Written off to profit & loss	(616)	(1,284)	-	(56)
	<u>748</u>	<u>720</u>	<u>638</u>	<u>89</u>

16. STOCKS

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Completed properties	41,515	27,384	-	-
Finished goods	96,124	101,335	24,649	19,051
Raw materials	13,206	10,871	-	-
Goods-in-transit	97	256	-	-
Golf memberships	4,410	4,410	-	-
	<u>155,352</u>	<u>144,256</u>	<u>24,649</u>	<u>19,051</u>
Provision for stock obsolescence	(7,969)	(4,059)	-	-
	<u>147,383</u>	<u>140,197</u>	<u>24,649</u>	<u>19,051</u>
Contract work-in-progress				
Cost incurred	353,236	354,485	-	-
Attributable profit	52,132	34,903	-	-
	<u>405,368</u>	<u>389,388</u>	<u>-</u>	<u>-</u>
Progress billings	(409,102)	(384,579)	-	-
	<u>(3,734)</u>	<u>4,809</u>	<u>-</u>	<u>-</u>
	<u>143,649</u>	<u>145,006</u>	<u>24,649</u>	<u>19,051</u>

17. DEBTORS

Trade debtors	174,871	165,981	20,541	9,893
Provision for doubtful debts	(13,659)	(15,844)	(1,571)	(3,082)
	<u>161,212</u>	<u>150,137</u>	<u>18,970</u>	<u>6,811</u>
Other debtors, deposits and prepayments	92,959	89,773	5,196	1,250
	<u>254,171</u>	<u>239,910</u>	<u>24,166</u>	<u>8,061</u>
Due from subsidiary companies	-	-	898,305	915,848
Provision for doubtful debts	-	-	(9,860)	(1,044)
	<u>-</u>	<u>-</u>	<u>888,445</u>	<u>914,804</u>
	<u>254,171</u>	<u>239,910</u>	<u>912,611</u>	<u>922,865</u>

Included in the Group's trade debtors are retention sums receivable of RM9,525,135 (1998: RM6,556,821) and advances received of RM711,666 (1998: RM338,720).

18. SHORT TERM INVESTMENTS

	GROUP	
	1999 RM'000	1998 RM'000
Quoted shares, at cost and net realisable value		
– Malaysian	16,582	34,524
– Foreign	145,583	100,834
	<u>162,165</u>	<u>135,358</u>
Provision for diminution in value of investments	(101,968)	(87,524)
	<u>60,197</u>	<u>47,834</u>
Market value of quoted shares		
– Malaysian	19,741	17,585
– Foreign	30,811	29,437
	<u>50,552</u>	<u>47,022</u>

The provision for diminution in value of short term investments is arrived at based on the lower of cost and net realisable value.

Quoted shares in Malaysia and outside Malaysia amounting to RM7,452,588 (1998: RM9,780,913) and RM112,460,782 (1998: RM63,854,533) respectively of the Group are pledged to financial institutions for credit facilities granted to certain subsidiary companies.

19. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

Deposits amounting to RM4,000,000 (1998: Nil) and RM10,749,942 (1998: RM6,620,845) of the Company and of the Group respectively are pledged to financial institutions as security for banking facilities granted to the Company and certain subsidiary companies as described in Note 22 to the accounts.

20. CASH AND BANK BALANCES

Included in the cash and bank balances of the Group is RM1,512,357 (1998: RM698,118) maintained under the Housing Developers Account pursuant to the Housing Developers (HDA) Regulations 1991.

## 21. CREDITORS

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Trade creditors	72,193	87,676	3,422	1,167
Other creditors	139,262	134,644	7,537	8,236
Lease creditors (referred to in Note 29 to the accounts)	12,200	9,742	–	–
Hire purchase creditors (referred to in Note 29 to the accounts)	5,073	2,448	–	–
Provision for staff benefits (referred to in Note 26 to the accounts)	3,763	4,693	–	–
Due to subsidiary companies	–	–	97,462	134,790
	<u>232,491</u>	<u>239,203</u>	<u>108,421</u>	<u>144,193</u>

## 22. BANK AND OTHER BORROWINGS

Bank overdrafts				
– unsecured	2,498	2,361	2,891	2,361
– secured	53,596	9,179	2,497	2,907
Bills payable and bankers' acceptance				
– unsecured	21,227	23,806	19,018	18,941
– secured	15,328	99,326	–	–
Revolving credit – secured	244,594	270,400	223,453	225,057
– unsecured	1,000	–	1,000	–
Term loans and other borrowings				
– unsecured	87,373	110,215	9,500	13,775
– secured	70,487	77,257	19,680	37,120
(referred to in Note 28 to the accounts)	157,860	187,472	29,180	50,895
	<u>496,103</u>	<u>592,544</u>	<u>278,039</u>	<u>300,161</u>

The bank overdrafts, bills payable and bankers' acceptance are secured by:

- corporate guarantees by the Company;
- lien on fixed deposits of certain subsidiary companies, as described in Note 19 to the accounts;
- negative pledge over the assets of the Company and certain subsidiary companies, both present and future; and
- pledge of land and buildings of certain subsidiary companies.

The bank overdrafts bear interest at margins of 1% to 2.5% (1998: 1.25% to 2.5%) per annum above the lending banks' base lending rates.

22. BANK AND OTHER BORROWINGS (CONTD.)

The revolving credit facilities are secured by:

- (a) corporate guarantees by the Company;
- (b) legal charges over the land and buildings of certain subsidiary companies;
- (c) fixed and floating charge over assets of a subsidiary company;
- (d) a pledge of a subsidiary company's shares; and
- (e) lien on fixed deposits of the Company and certain subsidiary companies as described in Note 19 to the accounts.

The revolving credit facilities bear interest at margins of 1% to 2% (1998: 1.25% to 2.0%) per annum above the banks' base lending rates or costs of funds.

23. SHARE CAPITAL

	GROUP/COMPANY			
	1999		1998	
	Number of shares	RM'000	Number of shares	RM'000
Authorised:				
Ordinary shares of 50 sen each	2,000,000,000	1,000,000	2,000,000,000	1,000,000
Issued and fully paid:				
Ordinary shares of 50 sen each	1,045,809,584	522,905	1,045,809,584	522,905

24. RESERVES (NON-DISTRIBUTABLE)

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Share premium	691,875	691,875	691,875	691,875
Revaluation reserve	3,848	3,947	-	-
Exchange reserve	105,757	98,445	21,734	2,662
Capital reserve	12,155	11,161	-	-
Other reserve	4,106	3,383	-	-
	<u>817,741</u>	<u>808,811</u>	<u>713,609</u>	<u>694,537</u>

24. RESERVES (NON-DISTRIBUTABLE) (CONTD.)

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Details are as follows:-				
(a) Share Premium				
At 1 January	691,875	691,895	691,875	691,895
Expenses on the rights issue and private placement written off	-	(20)	-	(20)
At 31 December	<u>691,875</u>	<u>691,875</u>	<u>691,875</u>	<u>691,875</u>
(b) Revaluation Reserve				
At 1 January	3,947	4,466	-	-
Transfer to profit and loss account	(99)	(584)	-	-
Exchange adjustments	-	65	-	-
At 31 December	<u>3,848</u>	<u>3,947</u>	<u>-</u>	<u>-</u>
(c) Exchange Reserve				
At 1 January	98,445	97,205	2,662	24,236
Translation of foreign subsidiary companies	4,296	(5,290)	-	-
Net gain/(loss) arising on translation of foreign loans and corresponding net investment in foreign entity	3,016	7,490	19,072	(21,574)
Reclassification to capital reserve	-	(960)	-	-
At 31 December	<u>105,757</u>	<u>98,445</u>	<u>21,734</u>	<u>2,662</u>
(d) Capital Reserve				
At 1 January	11,161	9,910	-	-
Capitalisation of reserves upon issue of shares by subsidiary companies	954	-	-	-
Reclassification from exchange reserve	-	960	-	-
Transfer from profit and loss account	40	291	-	-
At 31 December	<u>12,155</u>	<u>11,161</u>	<u>-</u>	<u>-</u>
(e) Other Reserve				
At 1 January	3,383	2,846	-	-
Transfer from profit and loss account	723	537	-	-
At 31 December	<u>4,106</u>	<u>3,383</u>	<u>-</u>	<u>-</u>

25. (ACCUMULATED LOSSES)/RETAINED PROFIT

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
At 1 January	(146,258)	87,000	(54,069)	(42,403)
Profit/(Loss) for the year	4,865	(233,258)	17,076	(11,666)
At 31 December	<u>(141,393)</u>	<u>(146,258)</u>	<u>(36,993)</u>	<u>(54,069)</u>
(Accumulated)/retained by:				
The Company	(220,263)	(186,965)	(36,993)	(54,069)
Subsidiary companies	84,648	40,839	-	-
Associated companies	(5,778)	(132)	-	-
	<u>(141,393)</u>	<u>(146,258)</u>	<u>(36,993)</u>	<u>(54,069)</u>

The losses accumulated by the Company of RM220,263,000 (1998: RM186,965,000) at the Group level is different from that accumulated at the Company level of RM36,993,000 (1998: RM54,069,000) because of intra group transactions which are eliminated on consolidation.

26. PROVISION FOR STAFF BENEFITS

At 1 January	5,991	3,288	2	2
Amount arising from (disposal)/ acquisition of subsidiary companies	(2,022)	2,355	-	-
Provision made during the year	1,699	1,924	-	-
Exchange adjustments	362	445	-	-
	<u>6,030</u>	<u>8,012</u>	<u>2</u>	<u>2</u>
Less: Payment during the year	(1,066)	(2,021)	(1)	-
At 31 December	<u>4,964</u>	<u>5,991</u>	<u>1</u>	<u>2</u>
Payable within twelve months (referred to in Note 21 to the accounts)	(3,763)	(4,693)	-	-
	<u>1,201</u>	<u>1,298</u>	<u>1</u>	<u>2</u>

27. DEFERRED TAXATION

	GROUP	
	1999 RM'000	1998 RM'000
At 1 January	82,373	69,849
Charge for the year (referred to in Note 5 to the accounts)	1,115	8,264
On acquisition of subsidiary companies	-	(1,603)
On dilution of interest in a subsidiary company	-	(186)
Exchange adjustments	674	6,049
At 31 December	<u>84,162</u>	<u>82,373</u>

## 28. BANK AND OTHER BORROWINGS

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Term loans and other borrowings				
– unsecured	94,497	126,840	16,625	30,400
– secured	181,030	95,817	19,680	55,680
	<u>275,527</u>	<u>222,657</u>	<u>36,305</u>	<u>86,080</u>
Payable within twelve months (referred to in Note 22 to the accounts)	(157,860)	(187,472)	(29,180)	(50,895)
	<u>117,667</u>	<u>35,185</u>	<u>7,125</u>	<u>35,185</u>
Bills payable – unsecured				
At 31 December	2,210	6,951	–	–
Payable within twelve months	(2,210)	(4,528)	–	–
	<u>–</u>	<u>2,423</u>	<u>–</u>	<u>–</u>
	<u>117,667</u>	<u>37,608</u>	<u>7,125</u>	<u>35,185</u>

The term loans and other borrowings are secured by:

- (a) land titles of certain subsidiary companies;
- (b) a charge over the leasehold management right of the Sydney Opera House Car Park and fixed and floating charge over the assets of certain subsidiary companies;
- (c) a pledge of quoted securities owned by certain subsidiary companies (as described in note 12 and 18);
- (d) a corporate guarantee by the Company, and
- (e) a pledge of machineries of a subsidiary company.

The secured term loans bear interest at rates ranging from 6.33% to 18% (1998: 6.71% to 18%) per annum while the unsecured term loans bear interest at rates ranging from 6.69% to 18% (1998: 7.31% to 18%) per annum.

The long term loans are repayable over a period of 24 to 48 months commencing from November 1999.

The bridging loan of a subsidiary company is repayable over a period of 12 months commencing from November 2002 or on progressive redemption, whichever is earlier.

29. LEASE AND HIRE PURCHASE CREDITORS

	GROUP	
	1999 RM'000	1998 RM'000
Lease Creditors		
At 31 December	22,179	20,797
Payable within twelve months (referred to in Note 21 to the accounts)	(12,200)	(9,742)
	<u>9,979</u>	<u>11,055</u>
Hire Purchase Creditors		
At 31 December	12,045	8,126
Payable within twelve months (referred to in Note 21 to the accounts)	(5,073)	(2,448)
	<u>6,972</u>	<u>5,678</u>
Payable within 2nd to 5th year	<u>16,951</u>	<u>16,733</u>

30. CONTINGENT LIABILITIES

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
Profit guarantee for associated company	-	3,338	-	6,405
Guarantees given to financial institutions in respect of bank loans, overdrafts and other bank credit facilities granted to:				
- subsidiary companies	-	-	87,284	91,891
- associated company	20,546	29,341	20,546	29,341
Guarantees given to third parties	11,508	17,431	51	168
Guarantee given to a financial institution (net of recovery of shares pledged)	12,974	17,032	-	-
	<u>45,028</u>	<u>67,142</u>	<u>107,881</u>	<u>127,805</u>

### 31. COMMITMENTS

	GROUP		COMPANY	
	1999 RM'000	1998 RM'000	1999 RM'000	1998 RM'000
(i) Capital expenditure				
Authorised and contracted for	2,927	942	-	-
Authorised but not contracted for	30,330	108,844	79	11
(ii) Investments				
Authorised and contracted for unquoted investments				
- outside Malaysia	11,011	11,036	-	-
Authorised and contracted for quoted investments				
- outside Malaysia	14,553	14,926	-	-
Authorised and not contracted for quoted investments				
- in Malaysia	14,483	-	14,483	-
Authorised but not contracted for unquoted investments				
- outside Malaysia	272	250	-	-
(iii) Operating Lease				
Not later than one year	19,130	9,882	-	-
Later than one year but not later than two years	15,580	5,843	-	-
Later than two years but not later than five years	16,989	11,892	-	-
Later than five years	246,346	85,582	-	-
	298,045	113,199	-	-

### 32. SEGMENT INFORMATION

Industry Segment	Turnover RM'000	Profit/(loss) before taxation RM'000	Identifiable net assets/ (liabilities) RM'000
<b>1999</b>			
Manufacturing	89,830	19,458	67,086
Construction	168,246	12,308	110,875
Trading			
– General	177,780	(35)	114,239
– Securities			
– operating	54,026	12,449	40,243
– exceptional items	–	(1,597)	–
Property and Hotel			
– operating	234,191	32,202	987,602
– exceptional items	–	(4,189)	–
Others	–	(28)	4,276
	<u>724,073</u>	<u>70,568</u>	<u>1,324,321</u>
Associated companies			
– operating	–	(1,817)	44,796
– exceptional items	–	(3,848)	–
Corporate	–	(47,657)	(149,333)
Goodwill on consolidation	–	–	88,275
	<u>724,073</u>	<u>17,246</u>	<u>1,308,059</u>
<b>1998</b>			
Manufacturing	78,566	14,484	53,223
Construction	138,621	3,925	99,591
Trading			
– General	146,212	5,065	138,814
– Securities			
– operating	33,395	(29,642)	30,904
– exceptional items	–	(95,000)	–
Property and Hotel	259,058	22,141	987,471
Others	13	(162)	295
	<u>655,865</u>	<u>(79,189)</u>	<u>1,310,298</u>
Associated companies	–	(8,810)	50,910
Corporate			
– operating	–	(53,024)	(165,856)
– exceptional items	–	(62,773)	–
Goodwill on consolidation	–	–	94,589
	<u>655,865</u>	<u>(203,796)</u>	<u>1,289,941</u>

32. SEGMENT INFORMATION (CONTD.)

		1999 RM'000	1998 RM'000
Reconciliation of net assets:-			
Shareholders' funds		1,199,253	1,185,458
Minority interest		108,806	104,483
		<u>1,308,059</u>	<u>1,289,941</u>
		Profit/(loss) before taxation RM'000	Identifiable net assets/ (liabilities) RM'000
Geographical Segment	Turnover RM'000		
1999			
Australia	173,113	31,715	305,008
Hong Kong			
- operating	162,877	23,063	135,749
- exceptional items	-	(15,786)	-
Malaysia			
- operating	363,921	(17,950)	656,247
- exceptional items	-	10,341	-
Singapore	18,215	(5,077)	28,378
Vietnam			
- operating	5,947	(4,868)	76,439
- exceptional items	-	(4,189)	-
Philippines	-	(3)	17,963
Goodwill on consolidation	-	-	88,275
	<u>724,073</u>	<u>17,246</u>	<u>1,308,059</u>
1998			
Australia	226,842	32,497	307,809
Hong Kong			
- operating	168,415	(7,120)	101,878
- exceptional items	-	(62,000)	-
Malaysia			
- operating	238,538	(67,019)	635,495
- exceptional items	-	(33,000)	-
Singapore			
- operating	18,733	261	35,927
- exceptional items	-	(4,773)	-
Vietnam	3,337	(2,390)	97,143
Philippines			
- operating	-	(2,252)	17,100
- exceptional items	-	(58,000)	-
Goodwill on consolidation	-	-	94,589
	<u>655,865</u>	<u>(203,796)</u>	<u>1,289,941</u>

33. RELATED PARTY TRANSACTIONS

Related party transactions have been entered into in the normal course of business and upon the terms and conditions which are mutually agreed. These transactions are disclosed in Note 3 to the accounts.

34. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

# Audit Committee

## 1. CONSTITUTION

The Audit Committee (“Committee”) was established pursuant to a resolution of the Board of Directors passed on 28 July 1994. The directors appointed to the Committee are:-

YBhg. Dato’ Robert Chan Woot Khoon (Chairman)	Independent non-executive director
Tuan Sy Ahmad Bokharey bin Syed Omar	Executive director
Mr Kong Wah Sang	Independent non-executive director
Mr Wee Teck Nam	Independent non-executive director

## 2. COMPOSITION

The Committee shall be appointed by the Board of Directors from amongst the directors of the Company. The Committee shall comprise of not less than three members, a majority of whom are independent non-executive directors. One of the members of the Committee who is a non-executive director shall be appointed Chairman of the Committee by the members of the Committee.

## 3. QUORUM

The quorum of the Committee shall be at least two members the majority of whom shall be non-executive directors.

## 4. ATTENDANCE

Apart from the members of the committee who will be present at the meetings, the Committee may request any member of the management and representatives of the external auditors to be present at meetings of the Committee.

## 5. MEETINGS

The Committee shall meet at least three times a year.

## 6. SECRETARY

The Company Secretary or his Assistant shall be the Secretary of the Committee.

## 7. AUTHORITY

The Committee is authorised by the Board of Directors to investigate any activity of the Company and its subsidiaries within its terms of reference. It is authorised to seek any information it requires from any employee for the purpose of discharging its functions and responsibilities and all employees are directed to cooperate with any request made by the Committee.

The Committee is also authorised to obtain legal or other independent professional advice and to secure the attendance of outsiders with the experience and expertise if it considers it necessary to do so.

## Audit Committee(contd.)

### 8. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee shall be as follows and will cover the Company and its subsidiaries:-

- (a) To consider the appointment of external auditors, their terms of appointment and reference and any questions of resignation or dismissal.
- (b) To review with the external auditors their audit plan, scope and nature of audit.
- (c) To review the quarterly and annual financial statements before submission to the Board, focussing particularly on:-
  - any changes in accounting policies and practices.
  - major judgemental areas.
  - significant adjustments resulting from the audit.
  - the going concern assumption.
  - compliance with accounting standards.
  - compliance with stock exchange and legal requirements.
- (d) To review and assess the adequacy and effectiveness of the systems of internal control and accounting control procedures by reviewing the external auditors' management letters and management response.
- (e) To hear from and discuss with the external auditors any problem and reservation arising from their interim and final audits or any other matter that the external auditors may wish to highlight.
- (f) To review the internal audit programme, consider the findings of internal audit and the actions and steps taken by management in response to such findings and ensure co-ordination between the internal and external auditors.
- (g) To undertake such other responsibilities as may be delegated by the Board of Directors from time to time.
- (h) To report to the Board of Directors its activities and findings.

### 9. MINUTES

Minutes of each Committee meeting are to be prepared and sent to its members. The Secretary shall also circulate the Minutes of meetings of the Committee to all members of the Board of Directors.

# Analysis of Shareholdings

As At 3 May 2000

Class of Shares : Ordinary Share (50 sen)

Voting : 1 vote per share

	No of Holders	% of Holders	No. of Shares	% of Shares
<b>LARGEST SHAREHOLDERS</b>	<b>20</b>	<b>0.04</b>	<b>710,949,672</b>	<b>67.98</b>
<b>SIZE OF HOLDINGS</b>				
1-499	531	1.09	111,724	0.01
500-5,000	36,037	73.59	87,228,368	8.34
5,001-10,000	7,072	14.44	57,426,514	5.49
10,001-100,000	5,070	10.35	123,915,256	11.85
100,001-1,000,000	230	0.47	56,658,134	5.42
Above 1,000,000	28	0.06	720,469,588	68.89
<b>Total</b>	<b>48,968</b>	<b>100.00</b>	<b>1,045,809,584</b>	<b>100.00</b>

## 20 Largest Shareholders

Name of shareholders	Shareholding	Percentage
1 The Central Depository (Pte) Limited	416,843,962	39.86
2 CIMB Nominees (Asing) Sdn Bhd for Nautical Investments Limited	150,000,000	14.34
3 Cimsec Nominees (Tempatan) Sdn Bhd Klang Enterprise Sdn Bhd for Sutera Bakti Sdn Bhd	47,992,000	4.59
4 Cartaban Nominees (Asing) Sdn Bhd Sun Hung Kai Investment Services Ltd for Cheeroll Limited	34,015,000	3.25
5 Employees Provident Fund Board	11,402,083	1.09
6 Klang Enterprise Sdn Bhd	9,034,000	0.86
7 Permodalan Nasional Berhad	8,022,500	0.77
8 Inno-Atlantic Sdn Bhd	6,000,000	0.57
9 Arab-Malaysian Nominees (Tempatan) Sdn Bhd Arab-Malaysian Merchant Bank Bhd	3,440,000	0.33
10 Minister of Finance	3,389,145	0.32
11 Lembaga Tabung Angkatan Tentera	2,916,666	0.28
12 Cartaban Nominees (Asing) Sdn Bhd SSBT Fund ZV3M for IFC Emerging Markets Fund-Malaysia	2,904,066	0.28
13 Amanah Raya Nominees (Tempatan) Sdn Bhd Amanah Saham Selangor	2,340,000	0.22
14 Cartaban Nominees (Asing) Sdn Bhd SSBT Fund ZV6M for State Street Bank & Trust Funds for Employee Trusts	2,152,750	0.21
15 UOBM Nominees (Asing) Sdn Bhd United Overseas Bank Nominees (Pte) Ltd for Hung Yook Thong Peter	2,125,500	0.20

## 20 Largest Shareholders (contd.)

16	Cartaban Nominees (Asing) Sdn Bhd SSBT Fund TC45 for California State Teachers Retirement System	1,970,500	0.19
17	Lim Kah Eng	1,859,000	0.18
18	PAB Nominee (Tempatan) Sdn Bhd for KOP Mantap Sdn Bhd	1,666,250	0.16
19	PFM Capital Sdn Bhd	1,506,250	0.14
20	Amsec Nominees (Tempatan) Sdn Bhd Fraser Securities Pte Ltd for Gan Suat Lui	1,370,000	0.13
		<u>710,949,672</u>	<u>67.98</u>

## Substantial Shareholders

Name of shareholders	Note	Shareholding	Percentage
1. Nautical Investments Limited	(i)	150,517,000	14.39
2. Sutera Bakti Sdn Bhd	(ii)	47,992,000	4.59
3. Cheeroll Limited	(iii)	34,015,000	3.25

### Note:

- (i) Held through CIMB Nominees (Asing) Sdn Bhd for 150,000,000 shares and HSBC Nominees (Asing) Sdn Bhd for 517,000 shares
- (ii) Held through Cimsec Nominees (Tempatan) Sdn Bhd
- (iii) Held through Cartaban Nominees (Asing) Sdn Bhd

# Properties of the Group

As at 31 December 1999

	Location	Tenure	Year Lease Expiring	Age of Building	Land Area	Description	Net Book Value RM'000
1.	17 Jalan Semangat 46100 Petaling Jaya Selangor Darul Ehsan	Leasehold	2060	38 years	8,072.96 sq m	Industrial land with office, warehouse and workshop	6,684
2.	3863 Taman Mutiara Port Dickson, N.S.	Freehold	-	16 years	490.71 sq m	Residential land with bungalow for staff use	190
3.	309 Taman Melaka Raya Melaka	Leasehold	2075	16 years	148.70 sq m	Three-storey shophouse for rental	213
4.	Lot 4.11A, Wisma Saberkas Kuching, Sarawak	Leasehold	2043	12 years	39.61 sq m	Shoplot for rental	61
5.	Lot 679, 7, 8, 1141 and 1514 Mukim of Pulau and Tanjung Kupang, Johore	Freehold	-	-	537.25 hectares	Land being used for a resort and recreation/ commercial development	110,604
6.	Lot 6502, 6503 & 6504 Kawasan Perusahaan Mak Mandin Mukim 14 Butterworth	Leasehold	2074	21 years	2,843.87 sq m	Industrial land with office and factory	32
7.	76 & 78 Jalan Gopeng Ipoh, Perak Darul Ridzwan	Freehold	-	23 years	0.71 hectares	Land with bungalow for rental	1,019
8.	3rd Mile Jalan Ipoh Mukim Batu Wilayah Persekutuan	Freehold	-	-	3.52 hectares	Land used for condominium development	12,676
9.	Mukim 7, Daerah Seberang Perai Selatan Nibong Tebal Pulau Pinang	Freehold	-	-	66.40 hectares	Land being used for industrial park development	18,002
10.	Lots 502, 503, 507, 496 and 497 Mukim 7 Seberang Perai Selatan Nibong Tebal Pulau Pinang	Freehold	-	-	36.15 hectares	Land being used for residential development	11,726
11.	Lot 904, Jalan Damansara Section 16 Petaling Jaya	Freehold	-	-	2.02 hectares	Land to be used for a commercial development	29,091
12.	Lots No. PT5529, PT5527, PT4350 and PT2454 District of Melaka Tengah Melaka	Leasehold	2095	-	32.79 hectares	Land to be used for tourist/ commercial development	33,894
13.	Lot 1182 and 1183 Jalan Sultan Ismail, Section 57, Kuala Lumpur	Freehold	-	-	3,353.35 sq m	Vacant land	34,216

## Properties of the Group(contd.)

As at 31 December 1999

	Location	Tenure	Year Lease Expiring	Age of Building	Land Area	Description	Net Book Value RM'000
14.	Lot 1524 HS(D) 3059/95 Padang Meha, Kulim, Kedah	Freehold	-	-	172.71 hectares	Land being used for residential and commercial development	13,730
15.	H.S.(D) 4614 No. P.T. 7019 Mukim of Tanjong Duabelas District of Kuala Langat State of Selangor	Leasehold	2092	-	480 hectares	Land being used for residential and commercial development	7,695
16.	P.T. 32 & 33 Mukim Ijok Jalan Bukit Badong District of Kuala Selangor Selangor	Freehold	-	-	4.05 hectares	Industrial land with factory	3,599
17.	19 Vo Van Tan, Q3 Ho Chi Minh City Vietnam	Leasehold	2005	7 years	1,150 sq m	Hotel building	3,675
18.	No. 1 Le Qui Don, District 3, Ho Chi Minh City, Vietnam	Leasehold	2024	1½ years	1,357.9 sq m	Service apartment	46,680
19.	Room 806, Wing On Plaza, 62, Mody Road Kowloon, Hong Kong	Crown lease	2053	18 years	128 sq m	Office	5,984
20.	Flat H9/F Valiant Industrial Centre, 2-12 Au Pui Wan Street Fo Tan, Shatin New Territories Hong Kong	Crown lease	2047	17 years	252 sq m	Warehouse	1,434
21.	8 Factory Units and 2 Car Parking Space On Wah Ind. Building Shatin, Hong Kong	Leasehold	2047	19 years	727 sq m	Office and godown	2,068
22.	8 Rooms, Honey Lake Estate, Shenzhen, P.R.C.	Freehold	-	11 years	695 sq m	Rooms for renting	784
23.	Room 402, Tian He North, Guanzhou P.R.C.	Freehold	-	11 years	73 sq m	Staff quarter	56
24.	Tsang Shing, Fook Wo Guantung Province P.R.C.	Leasehold	2067	-	40,274 sq m	Vacant land	349
25.	Bai Long Gang Xong Gang Bao An District Shenzhen, P.R.C.	Leasehold	2041	8 years	9,700 sq m	Factory and quarter	5,131
26.	Room 504, 28 South Lake Estate Wu Si Street Nan Jing, P.R.C.	Freehold	-	6 years	80 sq m	Office	72

## Properties of the Group(contd.)

As at 31 December 1999

	Location	Tenure	Year Lease Expiring	Age of Building	Land Area	Description	Net Book Value RM'000
27.	Room 8-14, 8-15, 52, Xing Sheng Road Chongqing, P.R.C.	Freehold	-	7 years	95 sq m	Office	45
28.	Room 111, 2/F Tian Jin Road, South Luoyang, P.R.C.	Freehold	-	6 years	89 sq m	Office	50
29.	2A Macquarie Street Sydney NSW Australia	Leasehold	2043	7 years	40,000 sq m	Parking Station	106,752
30.	Little Pier Street Haymarket, Darling Harbour Sydney NSW Australia	Leasehold	2099	2 months	1,992.72 sq m	Hotel	91,600
31.	Perisher Valley Snowy Mountains Australia	Leasehold	2035	8 years	3,929 sq m	Apartments for rental	8,118
32.	McDonalds Road Palmers Lane Pokolbin, Lower Hunter Valley, NSW Australia	Freehold	-	29 years	36.73 hectares	Winery	} 10,711
		Freehold	-	-	4.11 hectares	Vineyard	
33.	Myall Park Road Yendak NSW Australia	Freehold	-	-	36.26 hectares	Vineyard	3,444
34.	Cathedral Street Car Park, Sydney	Leasehold	2024	4 months	2,500 sq m	Car park	13,623
35.	Norwest Business Park, Sydney	Freehold	-	-	205 hectares	Freehold land, commercial retail centre, brickmaking facility	169,270

FORM OF PROXY

No. of shares held

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member/members of the abovenamed Company, hereby appoint \_\_\_\_\_

of \_\_\_\_\_

or failing him \_\_\_\_\_

of \_\_\_\_\_

as my/our proxy to vote on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, 20 June 2000, at 10.00 a.m. and at any adjournment thereof at Holiday Villa, 9, Jalan SS12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan.

Ordinary Resolutions	*For	*Against
(1) To adopt the audited accounts		
(2) To re-elect the following Directors:- Mr Kong Wah Sang Mr Ng Ying Loong		
(3) To re-appoint Auditors		
(4) To approve the issue of shares to eligible employees pursuant to the Employees' Share Option Scheme		
(5) To approve the issue of shares not exceeding 10% of the issued capital of the Company.		

\*Please indicate with (x) in the spaces provided how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion.

As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2000.

\_\_\_\_\_  
Signature(s) of shareholder/  
joint shareholder

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. The Instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its attorney.
3. The Form of Proxy must be deposited at the Company's Registered Office at No 17 Jalan Semangat, 46100 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.