



ASIAN PAC HOLDINGS BERHAD

(Company No. 129-T)
(INCORPORATED IN MALAYSIA)



ANNUAL REPORT 2000



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at the Raya Room, Hotel Equatorial Kuala Lumpur, Jalan Sultan Ismail, 50250 Kuala Lumpur on Wednesday, 30 August 2000 at 10.00 a.m. to transact the following business:-

AGENDA

1. To receive and adopt the Audited Accounts for the year ended 31 March 2000 and the Reports of the Directors and Auditors. Resolution (1)
2. To re-elect the following Directors who retire in accordance with the Company's Articles of Association:-
 - i) Dato' Hamzah Bin Zainudin Resolution (2)
 - ii) Mustapha Buang Resolution (3)

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

Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965 had been received by the Company for the nomination of Messrs Arthur Andersen & Co. who have been given their consent to act, for appointment as Auditors of the Company in place of the retiring Auditors and of the intention to propose the following ordinary resolution:

"THAT Messrs Arthur Andersen & Co., be and are hereby appointed Auditors of the Company in place of the retiring Auditors, Messrs Hanafiah, Raslan & Mohamad, and such appointment shall be until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors."

Resolution (4)

4. To transact any other ordinary business for which due notice shall have been given.

By Order of the Board
ONG JOO CHOO, ACIS
Secretary

Kuala Lumpur
8 August, 2000

Notes :

- 1) *A proxy need not be a member but a non-member must be a qualified legal practitioner, an approved company auditor or a person approved by the Directors or the Registrar of Companies.*
- 2) *An instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his/her attorney and in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or officer of the corporation so authorised.*
- 3) *An instrument appointing a proxy must be deposited at the Registered Office of the Company at 11th Floor, Menara SMI, 6 Lorong P. Ramlee, 50250 Kuala Lumpur not less than forty eight (48) hours before the time appointed for holding the meeting.*



NOTICE OF NOMINATION OF AUDITORS

GONG CHIOK SIN
No. 3, Jalan SS 3/88
47300 Petaling Jaya

17 July, 2000

Asian Pac Holdings Berhad
11th Floor, Menara SMI
No. 6, Lorong P. Ramlee
50250 Kuala Lumpur

Dear Sirs

NOTICE OF NOMINATION OF AUDITORS

Pursuant to Section 172(11) of the Companies Act, 1965, I, being a shareholder of the Company hereby give notice of my intention to nominate Messrs Arthur Andersen & Co. for appointment as auditors of the Company and to propose the following as an ordinary resolution to be tabled at the forthcoming Annual General Meeting of the Company to replace the retiring auditors, Messrs Hanafiah Raslan & Mohamad:

“That Messrs Arthur Andersen & Co., be and are hereby appointed auditors of the Company in place of the retiring auditors, Messrs Hanafiah Raslan & Mohamad, and such appointment shall be until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors.”

Yours faithfully

GONG CHIOK SIN



CORPORATE INFORMATION

DIRECTORS:

Dato' Hj Megat Najmuddin Bin Dato' Seri (Dr)
Hj Megat Khas
Gong Chiok Sin
Mustapha Buang
Dato' Hamzah Bin Zainudin
Ong Kee Chak

- Chairman
- Executive Director
- Non-Executive Director
- Non-Executive Director
- Non-Executive Director

AUDIT COMMITTEE:

Dato' Hj Megat Najmuddin Bin Dato' Seri (Dr)
Hj Megat Khas
Gong Chiok Sin
Dato' Hamzah Bin Zainudin
Mustapha Buang

- Chairman - Independent Non-Executive Director
- Executive Director
- Independent Non-Executive Director
- Independent Non-Executive Director

SECRETARY:

Ong Joo Choo, ACIS
(MAICSA 0811752)

REGISTERED OFFICE:

11th Floor, Menara SMI
6 Lorong P. Ramlee
50250 Kuala Lumpur
Tel: (03) 2305152

SHARE REGISTRAR:

M & C Services Sdn Bhd
11th Floor, Wisma Damansara
Jalan Semantan, Damansara Heights
50490 Kuala Lumpur
Tel: (03) 2557188

AUDITORS:

Hanafiah Raslan & Mohamad
P.O. Box 11040
50734 Kuala Lumpur

SOLICITORS:

Megat Najmuddin, Leong & Co.
102 Jalan Bangsar
59200 Kuala Lumpur

PRINCIPAL BANKERS:

Arab-Malaysian Merchant Bankers Bhd
Perwira Affin Bank Bhd
Multi-Purpose Bank Berhad
Malayan Banking Berhad



AUDIT COMMITTEE

TERMS OF REFERENCE

The Board of Directors established an Audit Committee on 28 July, 1994 in compliance with sections 15A and 344A of the Kuala Lumpur Stock Exchange Listing Requirements. The members are:-

- | | |
|--|--------------------------------------|
| i) Dato' Hj Megat Najmuddin Bin
Dato' Seri (Dr) Hj Megat Khas | - Chairman |
| ii) Gong Chiok Sin | - Executive Director |
| iii) Dato' Hamzah Bin Zainudin | - Independent Non-Executive Director |
| iv) Mustapha Buang | - Independent Non-Executive Director |

The Audit Committee shall be governed by the following terms of reference:-

A) Composition of Audit committee

The Committee shall be appointed by the Directors from among its members and shall compose of not fewer than three (3) members of whom a majority shall not be :-

- executive directors of the company or any related corporation;
- a spouse, parent, brother, sister, son or adopted son, or daughter or adopted daughter of an executive director of the Company or of any related corporation;
- any person having a relationship which, in the opinion of the Directors, would interfere with the exercise of independent judgement in carrying out the functions of an audit committee.

The Committee shall elect a chairman from among its members who is not an executive director or employee of the Company or any related corporation.

In the event that a member of an audit committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum of three (3) members.

B) Meetings

The Committee shall meet at least three times a year.

The Chairman shall convene a meeting of the Committee if requested to do so by any member, the management or the internal or external auditors to consider any matter within the scope and responsibilities of the Committee.

C) Attendance of Meetings

The group financial controller, the head of internal audit, and a representative of the external auditors shall normally attend meetings. However, the Committee may invite any person to be in attendance to assist it in its deliberations.

D) Secretary to Audit Committee

The Company Secretary shall be the secretary of the Committee.

E) Quorum

A quorum shall consist of a majority of committee members who are non-executive directors.



F) Authority

The Committee is authorised by the Board to investigate any activity 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.

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

G) Duties and Responsibilities

The duties and responsibilities of the Committee shall be :-

- i) To review the Company's and the Group's half-yearly and annual financial statements before submission to the Board.

The review shall focus on:-

- any changes in accounting policies and practices
 - major judgemental areas
 - significant audit adjustments from the external auditors
 - the going concern assumption
 - compliance with accounting standards
 - compliance with stock exchange and legal requirements
- ii) To review with the external auditors their audit plan, scope and nature of audit for the Company and the Group.
 - iii) To assess the adequacy and effectiveness of the systems of internal control and accounting control procedures of the Company and the Group by reviewing the external auditors' management letters and management response
 - iv) To hear from the external auditors problems and reservations arising from their interim and final audits.
 - v) To review the internal audit plan, consider the major findings of internal audit, fraud investigations and actions and steps taken by management in response to audit findings.
 - vi) To review any related party transactions that may arise within the Company or the Group.
 - vii) To consider the appointment of the external auditors, the terms of reference of their appointment and any question of resignation or dismissal.
 - viii) To undertake such other responsibilities as may be agreed to by the Committee and the Board.
 - ix) To report to the Board its activities, significant results and findings.



CHAIRMAN'S STATEMENT

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

PERFORMANCE REVIEW

As a result of a series of measures implemented by the Government, the Malaysian economy has shown significant signs of recovery in 1999 from the severe deflationary impact of the regional financial crisis. The Malaysia's Gross Domestic products expanded to 5.4%, a sharp turnaround from the 7.5% contraction recorded in 1998.

For the period under review, the Group's performance reflects the improvement in the economic conditions with an increase in turnover of 25% from RM59.4 million to RM74.4 million. During this period, the Group also manage to turnaround from the losses made in the previous two financial years to a pre-tax profit of RM3.7 million.

OPERATIONAL REVIEW AND DEVELOPMENT

Insurance Services

As in the previous financial year, the Insurance Division continued to be the main profit contributor to the Group's profits.

Tenaga Insurance Berhad (Tenaga) registered a positive growth with premium income increased by 9.0% to RM61 million from RM56 million previously. However, Tenaga suffered an underwriting loss due to higher incidence of claims and higher management expenses incurred for the implementation of on-line computer services including the Year 2000 compliance to all the branches.

Tenaga's pre-tax profit of RM10.8 million was contributed by investment and other income which were mainly derived from the gain on disposal of quoted investments and write-back for provision for diminution in value of quoted investments.

During the year, Tenaga had fulfilled the requirement of Section 18(1) of Insurance Act 1996 by increasing its paid-up share capital from RM35.0 million to RM42.0 million.

Stockbroking

For the financial year under review, there is significant improvement in the performance of the stock market with the turnover increased by 257% to RM288,265 million as compared to RM80,697 million in the previous corresponding period.

During this period, Kin Khoo & Co. Sdn Bhd was able to reverse the losses suffered in the last two financial years with a pre-tax profit of RM2.3 million. The positive results was mainly contributed by the increase in the retail business, particularly during the second half of the financial year. This coupled with the internal cost saving initiatives had a very positive impact on the financial performance of Kin Khoo.

Property Development

Based on the consolidation initiatives made by the regulatory bodies in the insurance and stock broking sectors, the Group plans to concentrate more of its attention in the Property Development Division to bring in the returns for the Group.

The Malaysia property market is expected to be on an upward trend in year 2000 with the renewed confidence following the overall economic recovery. Plans are underway for the development of our 90 acres of prime land banks in Kepong Entrepreneurs' Park which are strategically located near the city centre.



The favourable response received from our recent participation in the "Home 2000 Ownership Campaign" held on 13 - 16 April, 2000 provides an insight as to the demand for our products. Based on these information, we are working towards the launching of the "Fortune Square Project" which consists of 48 units of 4 1/2 storey shops/shoplexes/offices and "Fortune Court Project" which consists of 88 units of 4 1/2 storey shop/apartments.

Based on the recovery in the Malaysian economy and the prevailing low interest rates, we expect the developments in Kepong Entrepreneurs' Park to generate significant contribution to the Group's results in the next few years.

CORPORATE DEVELOPMENT

As mentioned in the previous report, the performance of the Group was adversely affected by the regional financial crisis in the domestic and Asia economies which resulted in the Group seeking the assistance of Corporate Debt Restructuring Committee (CDRC) to restructure its debts with the lenders and creditors.

Amanah Merchant Bank Berhad was appointed as advisor to formulate a debt restructuring plan which was approved by the lenders and creditors on 6 March, 2000. Thereafter, submissions were made to seek the approval of Bank Negara (BN), Foreign Investment Committee (FIC) and Securities Commission (SC) on 31 March, 2000 in which approvals were obtained on 24 April, 8 May and 13 June, 2000 respectively. The Company will be seeking the shareholders' approval on the Proposed Debt Restructuring Plan at an Extraordinary General Meeting to be convened.

The Proposed Debt Restructuring Plan involves the conversion of the Group's borrowings and amounts owing to major creditors to term loan and debt-equity linked instruments and a Rights Issue of Warrants to address the short term working capital requirements of the Group. The details of the Debt Restructuring Plan are disclosed in Note 32 to the accounts. Upon completion of the Debt Restructuring Plan, the Group will be in a better financial position to focus its attention on operations to enhance the Group's assets and bottom line.

PROSPECTS

Over the next few years, the fortunes of the Group will be closely tied to the recovery of the Malaysian economy. Barring unforeseen circumstances, the outlook for the Group is expected to be more favourable after the completion of the Proposed Debt Restructuring Plan.

APPRECIATION

On behalf of the Board of Directors, I would like to extend our gratitude and appreciation to our lenders and creditors for the sacrifices and assistance rendered by them in the restructuring exercise of the Group. We are also deeply appreciative of the assistance and support extended to us from CDRC, the regulatory bodies and advisors in formulating and executing the Proposed Debt Restructuring Plan.

I would also like to record our sincere appreciation to our shareholders for their continued support and confidence given to the Group during this period.

Lastly, I would also like to express my gratitude to my fellow Board members, the management and staff for their patience, dedication and commitment throughout the difficulties experienced in the past few years.

Dato' Hj Megat Najmuddin Bin
Dato' Seri (Dr.) Hj Megat Khas

Chairman
18 July, 2000



DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally involved in the holding of securities for investment purposes and provision of management services. The principal activities of the subsidiaries are disclosed in Note 16 to the accounts.

There have been no significant changes in the principal activities of the Company and of the Group during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit/(loss) after taxation	1,506	(4,463)
Minority interest	(1,889)	-
Loss attributable to shareholders	(383)	(4,463)
Accumulated losses brought forward	(268,495)	(375,311)
Accumulated losses carried forward	(268,878)	(379,774)

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend any final dividend to be paid in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in Note 24 to the accounts.

BAD AND DOUBTFUL DEBTS

Before the profit and loss accounts and balance sheets were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amounts written off as bad debts or provided for as doubtful debts in the accounts of the Company and of the Group inadequate to any substantial extent.

CURRENT ASSETS

Before the profit and loss accounts and balance sheets were made out, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business their values as shown in the accounting records of the Company and of the Group have been written down to an amount which they might be expected so to realise.



At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the accounts of the Company and of the Group misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Company and of the Group misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the accounts of the Company and of the Group which would render any amount stated in the accounts misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Company and of the Group during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature other than that stated in Note 27 to the accounts.

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

DEBT RESTRUCTURING SCHEME AND SIGNIFICANT EVENT

The debt restructuring scheme and significant event are disclosed in Notes 32 and 33 to the accounts.



DIRECTORS

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

Dato' Hj. Megat Najmuddin Bin Dato' Seri (Dr) Hj. Megat Khas
 Dato' Hamzah Bin Zainudin
 Gong Chiok Sin
 Mustapha Bin Buang
 Ong Kee Chak

In accordance with the Company's Articles of Association, Dato' Hamzah Bin Zainudin and Mustapha Bin Buang retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the accounts or the fixed salary of a full time employee of the Company and related corporations) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

	Number of Ordinary Shares of RM1.00 Each			31 March, 2000
	1 April, 1999	Bought	Sold	
Direct				
Dato' Hj. Megat Najmuddin Bin Dato' Seri (Dr) Hj. Megat Khas	1,857,000	-	-	1,857,000
Dato' Hamzah Bin Zainudin	2,912,243	-	-	2,912,243
Gong Chiok Sin	3,180,000	-	690,000	2,490,000
Indirect				
Gong Chiok Sin	207,000	-	207,000	-
Mustapha Bin Buang	800,000	-	-	800,000

Other than as stated above, none of the directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.



AUDITORS

Our auditors, Messrs. Hanafiah Raslan & Mohamad, will be retiring at the forthcoming Annual General Meeting and a resolution to appoint Arthur Andersen & Co. in their place will be proposed.

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

**DATO' HJ. MEGAT NAJMUDDIN BIN
DATO' SERI (DR) HJ. MEGAT KHAS**

GONG CHIOK SIN

Kuala Lumpur
18 July, 2000



STATEMENT BY DIRECTORS

We, DATO' HJ. MEGAT NAJMUDDIN BIN DATO' SERI (DR) HJ. MEGAT KHAS and GONG CHIOK SIN, being two of the directors of ASIAN PAC HOLDINGS BERHAD, do hereby state that, in the opinion of the directors, the accompanying balance sheets of the Company and of the Group as at 31 March, 2000 and the profit and loss accounts of the Company and of the Group and the cash flow statement of the Group for the year then ended, together with the notes thereto, give a true and fair view of the state of affairs of the Company and of the Group as at 31 March, 2000 and of the results of the Company and of the Group and cash flows of the Group for the year then ended, and have been properly drawn up in accordance with applicable approved accounting standards in Malaysia.

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

**DATO' HJ. MEGAT NAJMUDDIN BIN
DATO' SERI (DR) HJ. MEGAT KHAS**

GONG CHIOK SIN

Kuala Lumpur
18 July, 2000

STATUTORY DECLARATION

I, GONG CHIOK SIN, the director primarily responsible for the financial management of ASIAN PAC HOLDINGS BERHAD, do solemnly and sincerely declare that the accompanying balance sheets of the Company and of the Group as at 31 March, 2000 and the profit and loss accounts of the Company and of the Group and the cash flow statement of the Group for the year then ended, together with the notes thereto are, to the best of my knowledge and belief correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared)	
by the abovenamed GONG CHIOK SIN)	
at Kuala Lumpur in Wilayah)	
Persekutuan on 18 July, 2000)	GONG CHIOK SIN

Before me:

Commissioner for Oaths
No. W063
Ali Bin Isa. A.M.N.



AUDITORS' REPORT

To the Shareholders of ASIAN PAC HOLDINGS BERHAD

We have audited the accounts of ASIAN PAC HOLDINGS BERHAD (the Company) and the consolidated accounts of ASIAN PAC HOLDINGS BERHAD AND ITS SUBSIDIARIES (the Group) as at 31 March, 2000. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether 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 the directors, as well as evaluating the overall accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:

- 1) The accounts have been prepared on a going concern basis which contemplates that the debt restructuring scheme, which has been facilitated by the Corporate Debt Restructuring Committee, as mentioned in Note 32 to the accounts, will be successfully completed. The debt restructuring scheme which has been approved by the Securities Commission, Bank Negara Malaysia and the Foreign Investment Committee is pending approvals of the Kuala Lumpur Stock Exchange and shareholders of the Company. The accounts of the Company and the Group do not include any adjustments relating to the amounts and classification of assets and liabilities that might be necessary should the Company and the Group be unable to continue as a going concern.
- 2) We draw attention to Note 16 to the accounts on our reservation on the accounts of a subsidiary, Kin Khoo & Co. Sdn. Bhd., where no provision has been made as at 31 March, 2000 in the accounts of the Group for an amount of approximately RM60 million. The accounts of the Group do not include any adjustments relating to the recoverability of this amount.

In view of the significance of the matters discussed in the preceding paragraphs, we are unable to form an opinion as to whether the accounts give a true and fair view of the state of affairs of the Company and of the Group as at 31 March, 2000 and of the results of the Company and of the Group and cash flows of the Group for the year then ended and whether the accounts of the Company and of the Group have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia.

However, in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.

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

The auditors' reports on the accounts of the subsidiaries were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Act except for those mentioned in Note 16 to the accounts.

Hanafiah Raslan & Mohamad
No. AF 0002
Public Accountants

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

18 July, 2000



CONSOLIDATED BALANCE SHEET

31 March, 2000

	Note	2000 RM'000	1999 RM'000
CURRENT ASSETS	3	335,031	250,707
CURRENT LIABILITIES	11	(553,033)	(519,602)
NET CURRENT LIABILITIES		(218,002)	(268,895)
INVESTMENTS	15	17,062	56,984
INTEREST IN ASSOCIATED COMPANIES	17	8,114	7,682
FIXED ASSETS	18	353,111	357,705
DEVELOPMENT PROPERTIES	19	35,067	34,638
INTANGIBLE ASSETS	20	67,778	71,011
DEFERRED TAXATION	21	(50,155)	(50,155)
DEFERRED LIABILITIES	22	(254)	(301)
		<u>212,721</u>	<u>208,669</u>
Represented by:			
SHARE CAPITAL	23	350,000	350,000
RESERVES	24	100,847	100,853
ACCUMULATED LOSSES		(268,878)	(268,495)
SHAREHOLDERS' FUNDS		181,969	182,358
MINORITY INTERESTS		12,132	10,917
RESERVE FOR UNEARNED PREMIUMS		18,620	15,394
		<u>212,721</u>	<u>208,669</u>

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



CONSOLIDATED PROFIT AND LOSS ACCOUNT

For The Year Ended 31 March, 2000

	Note	2000 RM'000	1999 RM'000
Turnover	25	74,416	59,374
Profit/(loss) from operations	26	6,567	(15,014)
Exceptional items	27	(3,477)	(5,998)
Share of profit of associated companies		588	6,905
Profit/(loss) before taxation		3,678	(14,107)
Taxation	28	(2,172)	109
Profit/(loss) after taxation		1,506	(13,998)
Minority interest		(1,889)	(3,062)
Loss attributable to shareholders		(383)	(17,060)
Accumulated losses brought forward		(268,495)	(254,697)
		(268,878)	(271,757)
Transfer from capital reserve		-	2,602
Accretion of interest in a subsidiary		-	660
Accumulated losses carried forward		(268,878)	(268,495)
Loss per share (sen)	29	(0.1)	(4.9)

The accompanying notes are an integral part of this account.



CONSOLIDATED CASH FLOW STATEMENT

For The Year Ended 31 March, 2000

	2000 RM'000	1999 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	3,678	(14,107)
Adjustments for items not involving the movement of cash flow:		
Provision for doubtful debts	597	2,560
Depreciation	1,081	1,240
Fixed asset written off	43	6
Amortisation of premium less accretion of discount on Malaysian Government Securities	98	143
Amortisation of goodwill and reserve on consolidation	3,228	3,240
Provision for retirement benefits	90	130
Provision for diminution in value of quoted investments	1,371	2,758
Bad debts written off	228	8,776
Profit on disposal of fixed assets	(121)	(74)
(Profit)/ loss on sale of investments	(2,418)	14,298
Share of profit in associated companies	(588)	(6,905)
Transfer of capital reserve to profit and loss account	-	(2,602)
Accretion of interest in a subsidiary	-	(660)
Cash generated from operations before working capital changes	7,287	8,803
Increase in debtors	(40,239)	(4,414)
Increase in due from associated company	(9)	(102)
Increase/(decrease) in creditors	29,092	(8,434)
Reserve for unearned premium	3,226	1,478
Taxation (paid)/refunded	(254)	354
Net cash used in operating activities	(897)	(2,315)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of fixed assets	168	191
Proceeds from sale of investments	26,797	13,800
Purchase of fixed assets and development expenditure	(2,780)	(2,107)
Intangible assets	(1)	(2)
Purchase of investments	(22,941)	(3,151)
Payment of retirement benefit	(153)	(145)
Net cash generated from investing activities	1,090	8,586



	2000 RM'000	1999 RM'000
CASH FLOW FROM FINANCING ACTIVITIES		
Net drawdown of bank borrowings	1,251	(1,253)
Repayment of lease and hire purchase financing	(115)	(49)
Net cash generated from/(used in) financing activities	<u>1,136</u>	<u>(1,302)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,329	4,969
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<u>47,234</u>	<u>42,265</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>48,563</u>	<u>47,234</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Short term deposits and placements	68,089	67,628
Cash and bank balances	4,383	2,856
Bank overdrafts	<u>(23,909)</u>	<u>(23,250)</u>
	<u>48,563</u>	<u>47,234</u>

The accompanying notes are an integral part of this statement.



BALANCE SHEET

31 March, 2000

	Note	2000 RM'000	1999 RM'000
CURRENT ASSETS	3	231,908	229,342
CURRENT LIABILITIES	11	(432,902)	(454,187)
NET CURRENT LIABILITIES		(200,994)	(224,845)
INVESTMENTS	15	6,072	34,282
INVESTMENT IN SUBSIDIARIES	16	343,718	343,718
INTEREST IN ASSOCIATED COMPANIES	17	12	3
FIXED ASSETS	18	145	276
DEFERRED LIABILITIES	22	(10)	(28)
		<u>148,943</u>	<u>153,406</u>
Represented by:			
SHARE CAPITAL	23	350,000	350,000
RESERVES	24	178,717	178,717
ACCUMULATED LOSSES		(379,774)	(375,311)
		<u>148,943</u>	<u>153,406</u>

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



PROFIT AND LOSS ACCOUNT

For The Year Ended 31 March, 2000

	Note	2000 RM'000	1999 RM'000
Turnover	25	<u>2,048</u>	<u>2,046</u>
Profit/(loss) from operations	26	1,448	(12,754)
Exceptional items	27	<u>(5,911)</u>	<u>(37,046)</u>
Loss for the year		(4,463)	(49,800)
Accumulated losses brought forward		<u>(375,311)</u>	<u>(325,511)</u>
Accumulated losses carried forward		<u>(379,774)</u>	<u>(375,311)</u>

The accompanying notes are an integral part of this account.



NOTES TO THE ACCOUNTS

31 March, 2000

1. PRINCIPAL ACTIVITIES

The Company is principally involved in the holding of securities for investment purposes and provision of management services. The principal activities of the subsidiaries are disclosed in Note 16 to the accounts.

There have been no significant changes in the principal activities of the Company and of the Group during the financial year.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The accounts have been prepared under the historical cost convention modified by the revaluation of certain long term leasehold land and buildings and comply with applicable approved accounting standards in Malaysia.

(b) Basis of Consolidation

The Group accounts include the accounts of the Company and its subsidiaries. All subsidiaries are consolidated using the acquisition method of accounting except a subsidiary which was consolidated using the merger method of accounting under the provisions of the Malaysian Accounting Standard ("MAS") No. 2.

- (i) Under the acquisition method of accounting, the excess/(shortfall) of the purchase price over the fair value of the net assets of subsidiaries at the date of acquisition represents goodwill/(reserve) on consolidation which is written off over a period of twenty five years.
- (ii) Under the merger method of accounting, the difference between the carrying value of investment and the nominal value of shares acquired represents a merger deficit or reserve. In the case of a merger deficit, it is adjusted against the profit and loss account in the year of merger.

All significant inter-company transactions are eliminated on consolidation and the consolidated accounts reflect external transactions only.

(c) Associated Company

An associated company of the Group is any company in which the Group has a long term equity interest of 20% to 50% and where the Group exercises significant influence in the financial and operating policy decisions.

The Group's share of post acquisition profits less losses of associated companies is included in the consolidated profit and loss account. Investment in associated companies of the Group is stated at cost plus adjustments to reflect changes in the Group's share of the net assets of the associated companies.

(d) Investment Income

Dividends from unquoted investments are recognised on a declared basis. Dividends from quoted investments are recognised on receipt basis.

(e) Investments

Investments in quoted and unquoted corporations (including subsidiaries) are stated at cost less provision for any permanent diminution in value.

Malaysian Government Securities and Cagamas Bonds are stated at cost as adjusted for amortisation of premiums and accretion of discounts to maturity dates. The amount amortised has been reflected in Note 15 to the accounts.

(f) Fixed Assets and Depreciation

Fixed assets are stated at cost or valuation less accumulated depreciation.

Depreciation is not provided on freehold land and buildings thereon, long term leasehold land held for development and construction-in-progress. Depreciation of other fixed assets is provided on a straight line basis calculated to write off the cost or valuation of each asset over its estimated useful life.

Non-depreciation of the building located on the freehold land is not in compliance with the requirement of International Accounting Standard (IAS) No.4. The directors are of the opinion that the value attached to the building is not significant and thus the effect of non-provision of depreciation is deemed not material to the Group.

Freehold land, long term leasehold land and building and long term leasehold land held for development have not been revalued since they were first revalued in 1998, 1992 and 1996 respectively. The directors have not adopted a policy of regular revaluations of such assets. As permitted under the transitional provisions of International Accounting Standards (IAS) No. 16 (Revised): Property, Plant and Equipment adopted by the Malaysian Accounting Standard Board, the leasehold land and building are stated at its 1992 valuation less accumulated depreciation while the freehold land and long term leasehold land held for development are stated at its 1998 and 1996 valuations, respectively, and are not depreciated.

The principal annual rates of depreciation are as follows:

Long term leasehold land and buildings	1 1/3%	-	4%
Motor vehicles			20%
Office furniture and equipment	10%	-	20%
Renovation	10%	-	33 1/3%

(g) Intangible Assets

(i) Intangible assets comprising preliminary and pre-operating expenses are stated at cost and will be written off upon commencement of operations of the subsidiaries.

(ii) As referred to in Note 2(b) to the accounts, goodwill arising on consolidation is amortised over a period of twenty five years.

(h) Currency Conversion

Transactions in foreign currencies during the year are converted into Ringgit Malaysia at the rates of exchange ruling at the dates of transactions. Foreign currency monetary assets and liabilities at the balance sheet date are converted into Ringgit Malaysia at the rates of exchange ruling at that date. All exchange gains or losses are dealt with in the profit and loss accounts.

**(i) Deferred Taxation**

Deferred taxation is provided under the liability method in respect of all material timing differences except where it is reasonably expected that the tax effects of such deferrals will continue in the foreseeable future.

(j) Leases

Leases are categorised into financial and operating leases. The cost of assets acquired under financial leases are capitalised as leased assets and depreciated over their respective estimated useful lives. The related finance charges are charged to the profit and loss account as and when incurred.

Rentals on operating leases are charged to the profit and loss account in the year they become payable.

(k) Insurance Business**(i) Underwriting Results**

The underwriting results, other than those arising from inward treaty business are determined for each class of business after taking full account, inter-alia, of unearned premiums and outstanding claims.

Premium income is recognised based on booking dates and not on inception dates as recommended in the Malaysian Accounting Standard 3 (MAS 3) and as prescribed by Bank Negara Malaysia JPI3/GPI3. However, an adjustment is made to account for premiums by inception dates at the end of the financial year, as allowed for in Bank Negara Malaysia's circular JPI 7/1994.

Premium income on marine cargo, aviation cargo and inland transit business is recognised as being earned in equal instalments over a three month period from the inception date. Premium income on other general business is recognised as being earned on the time-apportionment method.

(ii) Reserve for Unexpired Risks

Reserve for unexpired risks (RUR) represents the portion of premium income not earned as at balance sheet date. Reserve for unexpired risks is determined in accordance to the basis as prescribed by Bank Negara Malaysia under Guidelines JPI3/GPI3 and circular JPI 7/1994 as follows:

- 25% method for marine cargo, aviation cargo and transit.
- 1/24 method for fire, engineering and marine hull with a deduction of 15%, bonds and motor with a deduction of 10% and all other classes of business with a deduction of 20% or actual commission incurred, whichever is lower.
- 1/8 method for overseas inward business with a deduction of 20%.



(iii) Outstanding Claims

Provision is made for the estimated costs of all claims together with related expenses less reinsurance recoveries, in respect of claims notified but not settled at balance sheet date, using the best available information at that time.

Provision is also made for the cost of claims incurred but not reported at balance sheet date (IBNR), determined by actuarial valuation using the Link-Ratio Method.

(iv) Retirement Benefits

Provision for retirement benefits of the subsidiary is made in the accounts in accordance with the contractual obligations entered into by the subsidiary calculated based on the current emoluments of eligible employees and the length of their service. Retirement benefits are not funded externally.

(l) Stockbroking Business

(i) Income Recognition

Interest income, dividend income and service charges are taken up on a receipt basis except for interest income from margin facilities which is recognised on an accruals basis.

(ii) Bad and Doubtful Debts

All known bad debts are written off against income in the year in which the debts are deemed to be irrecoverable.

Specific provisions are made for doubtful debts where, based on management's evaluation, the collectibility of a debt becomes uncertain. A general provision for doubtful debts based on the total amounts due from clients are also made. These provisions are reviewed annually in the light of past experience and prevailing circumstances and an adjustment is made, if necessary.

(iii) Marketable Securities

Marketable Securities are stated at lower of cost and market value determined on an aggregate basis.

(m) Land and Development Expenditure

(i) Expenditure

Land held for development is stated at valuation. Development expenditure is stated at cost and includes all direct costs and other appropriate overheads incurred in developing the land.

(ii) Income Recognition

Profit from the sale of constructed buildings is recognised on the percentage of completion method where the outcome can be reliably estimated. Foreseeable losses, if any, are provided in full as and when anticipated.

Profit from sale of vacant land is recognised in full upon signing of sale and purchase agreements.



3. CURRENT ASSETS

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Cash and bank balances	4	4,383	2,856	16	117
Short term deposits	5	68,089	67,628	551	-
Marketable securities	6	54,086	17,060	-	-
Trade debtors	7	133,417	98,809	-	-
Other debtors	8	69,160	64,354	712	572
Amounts due from subsidiaries	9	-	-	230,629	228,653
Property under development	10	5,896	-	-	-
		<u>335,031</u>	<u>250,707</u>	<u>231,908</u>	<u>229,342</u>

4. CASH AND BANK BALANCES

Included in the cash and bank balances of the Group are a subsidiary's clients' and remisers' monies held in trust of RM252,000 (1999 : RM102,000) and RM333,000 (1999 : RM17,000) respectively.

5. SHORT TERM DEPOSITS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Deposits with:				
Licensed banks	23,028	25,229	-	-
Licensed finance companies	-	-	-	-
Other financial institutions	45,061	42,399	551	-
	<u>68,089</u>	<u>67,628</u>	<u>551</u>	<u>-</u>

Certain short term deposits of the Group in prior year have been pledged to financial institutions for credit facilities granted to its subsidiaries.

Included in short term deposits of the Group are a subsidiary's remisers' monies held in trust of RM4,189,000 (1999 : RM1,550,000).

6. MARKETABLE SECURITIES

	Group	
	2000 RM'000	1999 RM'000
Quoted in Malaysia:		
Shares, debentures, bonds, loan stocks in corporations and other investment, at cost	79,703	38,723
Provision for diminution in value	<u>(25,617)</u>	<u>(21,663)</u>
	<u>54,086</u>	<u>17,060</u>
Market value of quoted marketable securities	<u>55,968</u>	<u>15,606</u>



Certain quoted marketable securities of the Group have been charged to financial institutions for credit facilities granted to the Group.

In the previous year, the diminution in value of quoted marketable securities of a subsidiary amounting to approximately RM1,454,000 was deemed temporary in nature.

7. TRADE DEBTORS

	Group	
	2000 RM'000	1999 RM'000
Trade debtors	159,911	124,750
Provision for doubtful debts	(26,494)	(25,941)
	<u>133,417</u>	<u>98,809</u>

Included in the trade debtors, after provision for bad debts and net of collaterals, are amounts of approximately RM60 million, representing realised losses incurred by certain retail clients and deficits incurred by certain margin clients of the stockbroking subsidiary. The Group has taken actions in recovering the above debts which include negotiations with its clients on a scheduled repayment scheme, as well as requesting for additional collaterals and instituting legal proceedings. The ability of the Group to recover these amounts will depend upon the successful outcome of the actions taken. Based presently on conditions prevailing and information available at the date of this report, the directors are of the opinion that no provisions are currently required for these amounts as the likelihood of recoverability remains favourable. Based on current uncertainties, future effects, if any, will be reported in the financial statements as and when they become known and can be reasonably estimated.

8. OTHER DEBTORS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Other debtors	69,610	64,760	756	572
Provision for doubtful debts	(450)	(406)	(44)	-
	<u>69,160</u>	<u>64,354</u>	<u>712</u>	<u>572</u>



9. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2000 RM'000	1999 RM'000
Non interest bearing:		
Amounts due from subsidiaries	217,886	215,552
Provision for doubtful debts	(10,239)	(10,239)
	<u>207,647</u>	<u>205,313</u>
Interest bearing at 8% (1999 : 8%) per annum:		
Amount due from subsidiaries	22,982	23,340
	<u>230,629</u>	<u>228,653</u>

The amounts due from subsidiaries are unsecured and have no fixed terms of repayment.

10. PROPERTY UNDER DEVELOPMENT

	Group	
	2000 RM'000	1999 RM'000
Leasehold land	4,485	-
Property development expenditure	1,411	-
	<u>5,896</u>	<u>-</u>

The leasehold land has been charged as security for credit facilities granted to the Group. The credit facilities have been included in the debt restructuring scheme as mentioned in Note 32.

11. CURRENT LIABILITIES

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Short term borrowings	12	350,193	348,283	341,497	338,767
Trade creditors		12,800	5,390	-	-
Other creditors	13	96,911	98,053	81,148	86,122
Taxation		11,639	9,884	-	-
Amounts due to subsidiaries	14	-	-	10,257	29,298
Due to agents, brokers and other accruals		27,273	7,544	-	-
Provision for outstanding claims		54,217	50,448	-	-
		<u>553,033</u>	<u>519,602</u>	<u>432,902</u>	<u>454,187</u>



12. SHORT TERM BORROWINGS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Bank overdrafts				
- secured	13,696	13,481	5,000	7,122
- unsecured	10,213	9,769	10,213	6,613
Flexi loans - secured	40,000	40,000	40,000	40,000
Term loans - secured	206,861	186,360	206,861	186,359
Revolving credits - secured	34,702	60,677	34,702	60,677
Factoring facilities	37,996	37,996	37,996	37,996
Share margin financing - secured	6,725	-	6,725	-
	<u>350,193</u>	<u>348,283</u>	<u>341,497</u>	<u>338,767</u>

Included in short term borrowings of the Company are loans of certain subsidiaries, including interest up to 31 March, 1998, amounting to RM255,836,488 which have been assumed by the Company in the previous financial year pursuant to the debt restructuring scheme as mentioned in Note 32.

The short term borrowings are secured on certain quoted and unquoted shares referred to in Notes 6, 15 and 16 and certain freehold land and leasehold properties referred to in Notes 10 and 18.

The above facilities bear interest at rates varying from 8.30% to 10.55% (1999 : 8% to 20%) per annum.

13. OTHER CREDITORS

Included in other creditors of the Group are:

- (i) an amount of RM58,001,740 (1999 : RM58,041,740) owing by the Company in respect of the balance of purchase consideration of the two subsidiaries acquired in 1998.
- (ii) a portion of lease and hire purchase creditors due within 12 months of RM40,000 (1999 : RM74,000) as referred to in Note 22 to the accounts.

Pursuant to the debt restructuring scheme as mentioned in Note 32, the Company has assumed the borrowings of a subsidiary company amounting to approximately RM21,242,000.

14. AMOUNTS DUE TO SUBSIDIARIES - Company

The amounts due to subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment.



15. INVESTMENTS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Malaysian Government Securities, at cost	6,279	18,181	-	-
Amortisation of premium	(361)	(606)	-	-
	<u>5,918</u>	<u>17,575</u>	<u>-</u>	<u>-</u>
Shares, debentures, bonds, loan stocks in corporations and other investments, at cost				
Quoted in Malaysia	19,547	50,396	19,547	50,396
Quoted outside Malaysia	2	2	2	2
	<u>19,549</u>	<u>50,398</u>	<u>19,549</u>	<u>50,398</u>
Provision for diminution in value	(13,477)	(16,116)	(13,477)	(16,116)
	<u>6,072</u>	<u>34,282</u>	<u>6,072</u>	<u>34,282</u>
Unquoted investments in corporations, at cost	5,136	5,171	-	-
Provision for diminution in value	(64)	(44)	-	-
	<u>5,072</u>	<u>5,127</u>	<u>-</u>	<u>-</u>
	<u>17,062</u>	<u>56,984</u>	<u>6,072</u>	<u>34,282</u>
Market value:				
Malaysian Government Securities	6,231	17,845	-	-
Quoted investments in Malaysia	6,071	8,992	6,071	8,992
Shares quoted outside Malaysia	2	3	2	3
	<u>12,304</u>	<u>26,840</u>	<u>6,073</u>	<u>8,995</u>

Certain quoted investments of the Group have been pledged to financial institutions for credit facilities granted.

In the previous year, the diminution in value of investments of the Company amounting to approximately RM25,287,000 was deemed temporary in nature.

16. INVESTMENT IN SUBSIDIARIES

	Company	
	2000 RM'000	1999 RM'000
Unquoted shares, at cost	564,543	564,543
Provision for diminution in value	(220,825)	(220,825)
	<u>343,718</u>	<u>343,718</u>



Certain unquoted shares in subsidiaries have been pledged to financial institutions for credit facilities granted.

The following are the subsidiaries of the Group:

Incorporated in Malaysia	Effective Interests		Principal Activities
	2000 %	1999 %	
Climate Engineering (Malaya) Sdn. Bhd.	100	100	Investment holding
BH Realty Sdn. Bhd.	99.83	99.83	Property investment and development
AGB Properties Sdn. Bhd.	100	100	Investment holding
Tenaga Insurance Bhd.	77.71	77.71	Underwriting of general insurance business
Pinus Park Sdn. Bhd.	100	100	Letting out of bungalow
Kin Khoo & Co. Sdn. Bhd.	100	100	Stockbroking
Kin Khoo & Co. Nominees (Tempatan) Sdn. Bhd.	100	100	To act as nominees
Asian Pac Group Bhd.	100	100	Has not commenced operations
Kin Khoo & Co. Nominees (Asing) Sdn. Bhd.	100	100	To act as nominees
Primadana Utama Sdn. Bhd.	100	100	Investment holding
Selamat Ayer Puteh Co. Sdn. Bhd.	100	100	Property investment and development
Syarikat Kapasi Sdn. Bhd.	100	100	Property investment and development

(i) The auditors of Kin Khoo & Co. Sdn. Bhd. were unable to form an opinion on the accounts of that subsidiary as at 31 March, 2000, due to the following:

(a) Attention was drawn to the debt restructuring scheme of the Group and its impact on the going concern of the subsidiary as mentioned in Note 32, and

(b) No provision has been made in respect of realised losses of approximately RM60 million incurred by clients as the directors are of the opinion that this amount is recoverable. The accounts do not include any adjustments relating to the recoverability of this amount.

(ii) The auditors' reports of the following subsidiaries have also drawn attention to the successful completion of the debt restructuring scheme and its impact on their going concern as mentioned in Note 32:

- BH Realty Sdn. Bhd.
- Syarikat Kapasi Sdn. Bhd.
- Selamat Ayer Puteh Co. Sdn. Bhd.
- Pinus Park Sdn. Bhd.
- Climate Engineering (Malaya) Sdn. Bhd.



17. INTEREST IN ASSOCIATED COMPANIES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Unquoted shares, at cost	2,650	2,650	150	150
Share of profits	5,502	5,079	-	-
Due from associated company	1,074	1,065	974	965
	9,226	8,794	1,124	1,115
Provision for diminution in value of investments	(150)	(150)	(150)	(150)
Provision for doubtful debts	(962)	(962)	(962)	(962)
	8,114	7,682	12	3

The following are the associated companies of the Group:

	Effective Interests		Principal Activities
	2000 %	1999 %	
(a) Incorporated in Malaysia			
Held by the Company:			
Progaya (M) Sdn. Bhd.	50	50	Investment holding
Held by Primadana Utama Sdn. Bhd.:			
Glomac Enterprise Sdn. Bhd.	50	50	Property development and investment
Held by Glomac Enterprise Sdn. Bhd.:			
Prisma Legacy Sdn. Bhd.	50	50	Building contractor
(b) Incorporated in Singapore			
Held by Progaya (M) Sdn. Bhd.:			
Summit Solutions Pte. Ltd.	25	25	Provision of electronic data processing services and computer system development and implementation
Held by Summit Solutions Pte. Ltd.:			
Incorporated in Malaysia			
Summit Solutions Sdn. Bhd.	25	25	Ceased operations

18. FIXED ASSETS

Group	<- AT VALUATION ->		AT COST		
	Land and buildings** RM'000	Land and buildings** RM'000	Construction -in-progress RM'000	Motor vehicles, office furniture, equipment and renovation RM'000	Total RM'000
2000					
Valuation/Cost					
At 1 April, 1999	250,370	104,462	983	8,365	364,180
Additions	-	-	51	968	1,019
Disposals/write offs	-	-	-	(429)	(429)
Transfer	-	1,034	(1,034)	-	-
Transfer to property under development	-	(4,485)	-	-	(4,485)
At 31 March	<u>250,370</u>	<u>101,011</u>	<u>-</u>	<u>8,904</u>	<u>360,285</u>
Accumulated Depreciation					
At 1 April, 1999	59	363	-	6,053	6,475
Additions	7	151	-	923	1,081
Disposals/write offs	-	-	-	(382)	(382)
At 31 March	<u>66</u>	<u>514</u>	<u>-</u>	<u>6,594</u>	<u>7,174</u>
Net Book Value	<u>250,304</u>	<u>100,497</u>	<u>-</u>	<u>2,310</u>	<u>353,111</u>
1999					
Valuation/Cost					
At 1 April, 1998	250,370	104,462	727	8,645	364,204
Additions	-	-	256	712	968
Disposals/write offs	-	-	-	(992)	(992)
At 31 March	<u>250,370</u>	<u>104,462</u>	<u>983</u>	<u>8,365</u>	<u>364,180</u>
Accumulated Depreciation					
At 1 April, 1998	51	216	-	5,843	6,110
Additions	8	147	-	1,085	1,240
Disposals/write offs	-	-	-	(875)	(875)
At 31 March	<u>59</u>	<u>363</u>	<u>-</u>	<u>6,053</u>	<u>6,475</u>
Net Book Value	<u>250,311</u>	<u>104,099</u>	<u>983</u>	<u>2,312</u>	<u>357,705</u>


**** LAND AND BUILDINGS**

←----- AT VALUATION -----→

Group	Freehold land RM'000	Long term leasehold land and buildings RM'000	Long term leasehold land held for development RM'000	Total RM'000
2000				
Valuation				
At 1 April, 1999	60,000	370	190,000	250,370
At 31 March	60,000	370	190,000	250,370
Accumulated Depreciation				
At 1 April, 1999	-	59	-	59
Additions	-	7	-	7
At 31 March	-	66	-	66
Net Book Value	60,000	304	190,000	250,304
1999				
Valuation				
At 1 April, 1998	60,000	370	190,000	250,370
At 31 March	60,000	370	190,000	250,370
Accumulated Depreciation				
At 1 April, 1998	-	51	-	51
Additions	-	8	-	8
At 31 March	-	59	-	59
Net Book Value	60,000	311	190,000	250,311

The freehold land, long term leasehold land and buildings and long term leasehold land held for development were revalued in 1998, 1992 and 1996 respectively based on professional valuations conducted on the basis of open market value. The freehold land is subject to certain restrictions of title and the subsidiary concerned is taking necessary measures to satisfy the State Authority involved in order that the title restrictions can be removed.

The long term leasehold land held for development owned by a subsidiary is held subject to a clause included in the land title which states that the said land is for the purpose of erecting residential and commercial buildings and this was to be completed by January 1997. The directors of the subsidiary have made the necessary applications to the relevant authority for an extension of time to fulfill the said condition.

**** LAND AND BUILDINGS**

Group	←----- AT COST -----→			Total RM'000
	Long term leasehold land held for development RM'000	Freehold land and buildings RM'000	Long term leasehold land and buildings RM'000	
2000				
Cost				
At 1 April, 1999	93,950	1,196	9,316	104,462
Additions	-	-	1,034	1,034
Transfer to property under development	(4,485)	-	-	(4,485)
At 31 March	<u>89,465</u>	<u>1,196</u>	<u>10,350</u>	<u>101,011</u>
Accumulated Depreciation				
At 1 April, 1999	-	-	363	363
Additions	-	-	151	151
At 31 March	<u>-</u>	<u>-</u>	<u>514</u>	<u>514</u>
Net Book Value	<u>89,465</u>	<u>1,196</u>	<u>9,836</u>	<u>100,497</u>
1999				
Cost				
At 1 April, 1998	93,950	1,196	9,316	104,462
At 31 March	<u>93,950</u>	<u>1,196</u>	<u>9,316</u>	<u>104,462</u>
Accumulated Depreciation				
At 1 April, 1998	-	-	216	216
Additions	-	-	147	147
At 31 March	<u>-</u>	<u>-</u>	<u>363</u>	<u>363</u>
Net Book Value	<u>93,950</u>	<u>1,196</u>	<u>8,953</u>	<u>104,099</u>

The freehold land and certain leasehold properties have been charged as security for short term borrowings granted to the Group.



Company		Motor vehicles RM'000	Office furniture and equipment RM'000	Renovation RM'000	Total RM'000
2000					
Cost					
At 1 April, 1999	119	837	260	1,216	
Additions	-	-	3	3	
Disposals	-	(3)	-	(3)	
At 31 March	119	834	263	1,216	
Accumulated Depreciation					
At 1 April, 1999	58	677	205	940	
Additions	23	83	28	134	
Disposals	-	(3)	-	(3)	
At 31 March	81	757	233	1,071	
Net Book Value	38	77	30	145	
1999					
Cost					
At 1 April, 1998	119	868	260	1,247	
Additions	-	-	-	-	
Disposals	-	(31)	-	(31)	
At 31 March	119	837	260	1,216	
Accumulated Depreciation					
At 1 April, 1998	35	621	177	833	
Additions	23	87	28	138	
Disposals	-	(31)	-	(31)	
At 31 March	58	677	205	940	
Net Book Value	61	160	55	276	

(a) Fully Depreciated Assets

Included in the fixed assets of the Group and the Company are the following cost of fully depreciated assets which are still in use:

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Motor vehicles	1,052	1,033	3	3
Office furniture and equipment	2,410	2,035	464	414
Renovations	529	439	123	119

(b) Assets Held Under Hire Purchase and Lease Financing

Included in the cost of fixed assets for the Group and the Company are assets acquired under hire purchase and lease financing as follows:

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Hire purchase financing				
Motor vehicles	236	115	115	115
Lease financing				
Office furniture and equipment	-	216	-	216
Renovations	-	16	-	16
	-	232	-	232

19. DEVELOPMENT PROPERTIES - Group

	Group	
	2000 RM'000	1999 RM'000
Leasehold land, at valuation	11,185	11,185
Development expenditure, at cost	25,293	23,453
	36,478	34,638
Transfer to property under development	(1,411)	-
	35,067	34,638

The leasehold land has been charged as security for credit facilities granted to the Group.

The leasehold land which was transferred from property under development in 1998, was revalued in 1987 based on professional valuations conducted on an open market value basis using the residual method.

The long term development expenditure represents development costs allocated to the land held under fixed assets and land that is not expected to be developed into completed properties in the next twelve months.



20. INTANGIBLE ASSETS

	Group	
	2000 RM'000	1999 RM'000
Preliminary and pre-operating expenses, at cost	67	66
Goodwill arising on consolidation	81,252	81,252
Cumulative amortisation	(13,541)	(10,307)
	<u>67,711</u>	<u>70,945</u>
As at 31 March	<u>67,778</u>	<u>71,011</u>

21. DEFERRED TAXATION

The deferred taxation of the Group is in respect of the surplus arising on the revaluation of the leasehold land of a subsidiary acquired in 1998.

22. DEFERRED LIABILITIES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Lease and hire purchase creditors	115	127	39	127
Interest in suspense	(31)	(25)	(12)	(25)
	<u>84</u>	<u>102</u>	<u>27</u>	<u>102</u>
Repayment due within 12 months included under other creditors (Note 13)	(40)	(74)	(17)	(74)
	<u>44</u>	<u>28</u>	<u>10</u>	<u>28</u>
Retirement benefits	210	273	-	-
	<u>254</u>	<u>301</u>	<u>10</u>	<u>28</u>

The lease and hire purchase facilities bear interest at rates varying from 5.9% to 10% (1999 : 5.9% to 10%) per annum.

23. SHARE CAPITAL

	2000 RM'000	1999 RM'000
Ordinary shares of RM1.00 each:		
Authorised	<u>500,000</u>	<u>500,000</u>
Issued and fully paid up	<u>350,000</u>	<u>350,000</u>



24. RESERVES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Non-distributable:				
Share premium	100,705	100,705	100,705	100,705
Capital reserve	12	2,614	12	12
Merger reserve	-	-	78,000	78,000
Reserve on consolidation	130	136	-	-
	<u>100,847</u>	<u>103,455</u>	<u>178,717</u>	<u>178,717</u>
Less: Capital reserve transferred to profit and loss account	-	(2,602)	-	-
	<u>100,847</u>	<u>100,853</u>	<u>178,717</u>	<u>178,717</u>

The premium on shares issued in respect of the acquisition of Kin Khoo & Co. Sdn. Bhd. ("KKCSB") has been credited to the merger reserve in accordance with the relief granted by Section 60(4) of the Companies Act, 1965.

25. TURNOVER

Turnover of the Group represents the invoiced value of sales less returns, direct and reinsurance inward premiums, gross dividends from investments and interest income, net brokerage income less remisier's commissions, gain on disposal of marketable securities, gross underwriting commission and progress billings on property development. Inter-company transactions have been excluded.

Turnover of the Company consists of gross dividends from investments, interest income and management fees from subsidiaries.



26. PROFIT/(LOSS) FROM OPERATIONS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Profit/(loss) from operations have been arrived at after charging/(crediting):				
Amortisation of Malaysian Government Securities	98	143	-	-
Auditors' remuneration:				
- statutory	84	81	20	20
- others	14	14	-	-
Depreciation	1,081	1,240	134	138
Directors' remuneration:				
Directors of the Company				
- fees	292	5	-	-
- salaries and other remuneration	1,068	714	-	-
Directors of subsidiaries				
- fees	10	10	-	-
- salaries and other remuneration	638	179	-	-
Interest expense	2,212	17,635	1,270	9,659
Provision for doubtful debts	597	2,560	44	-
Rent of land and buildings	671	734	298	299
Fixed assets written off	43	6	-	-
Rental of equipment	109	80	-	-
Provision for retirement benefits	90	130	-	-
Foreign exchange loss	-	1,151	-	-
Provision for diminution in value of investments	1,371	-	2,639	-
Gross dividends received from investments quoted in Malaysia	(125)	(167)	-	-
Interest income:				
- from subsidiary	-	-	(1,817)	(1,625)
- others	(9,770)	(23,720)	(14)	(211)
Rental income	(181)	-	-	-
Bad debts written off	228	8,776	-	-
Management fees from subsidiaries	-	-	(216)	(210)
Profit on disposal of fixed assets	(121)	(74)	-	(1)
(Profit)/loss on sale of quoted investments	(2,418)	14,298	-	3,706
Insurance expenses paid to subsidiary	-	-	17	1

27. EXCEPTIONAL ITEMS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Provision for diminution in value of quoted investments	-	2,758	-	-
Provision for diminution in value of subsidiaries	-	-	-	37,046
Amortisation of goodwill and reserve from consolidation	3,228	3,240	-	-
Debt restructuring expenses	249	-	249	-
Loss on termination of agreement (Note 33)	-	-	5,662	-
	<u>3,477</u>	<u>5,998</u>	<u>5,911</u>	<u>37,046</u>

28. TAXATION

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Current year provision	2,008	-	-	-
Overprovision in prior year	-	(109)	-	-
Share of tax in associated company	164	-	-	-
	<u>2,172</u>	<u>(109)</u>	<u>-</u>	<u>-</u>

The tax charge of the Group relates to taxable income of certain subsidiaries as there are no Group tax relief on tax losses of fellow subsidiaries.

As at 31 March, 2000, the Company has tax losses of approximately RM13,127,000 (1999 : RM13,088,000) and unutilised capital allowances of approximately RM730,000 (1999 : RM650,000) which can be used to offset future taxable profits subject to agreement with the Inland Revenue Board.

As at 31 March, 2000, the Company has a potential deferred tax benefit of approximately RM3,885,000 (1999 : RM3,817,000) arising principally from tax losses and unutilised capital allowances carried forward, the effects of which are not included in the accounts as there is no assurance beyond any reasonable doubt that future taxable income will be sufficient to allow the benefit to be realised.

29. LOSS PER SHARE - Group

The loss per share has been calculated based on the Group's loss after taxation and minority interest of RM383,000 (1999 : RM17,060,000) based on the weighted average number of shares in issue during the year of 350,000,000 (1999 : 350,000,000).



30. COMMITMENTS

Capital commitments

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Approved and contracted for				
- Construction of a building	-	537	-	-
- Increase of investment in a subsidiary	-	-	6,217	-
	<hr/>	<hr/>	<hr/>	<hr/>

31. CONTINGENT LIABILITIES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Unsecured:				
Unsecured guarantee given to licensed banks on behalf of third parties	4,919	2,965	-	-
Secured:				
Guarantees given to financial institutions for facilities granted to subsidiaries	-	-	8,696	9,515
	<hr/>	<hr/>	<hr/>	<hr/>

32. DEBT RESTRUCTURING SCHEME

On 6 March, 2000, the Company and four of its subsidiaries (the "scheme companies"), i.e. Kin Khoon & Co. Sdn. Bhd., BH Realty Sdn. Bhd., Selamat Ayer Puteh Co. Sdn. Bhd. and Syarikat Kapasi Sdn. Bhd., have entered into a debt restructuring agreement with certain secured and unsecured lenders of the scheme companies in respect of a proposed debt restructuring of secured and unsecured debt amounting to RM416,782,605 which was facilitated by the Corporate Debt Restructuring Committee. The salient features of the debt restructuring agreement are as follows:

- Except for a secured lender, all accrued and penalty interest from 1 April, 1998 up to the Debt Conversion Date (which is to be determined after all relevant approvals have been obtained) would be waived. For the secured lender, all accrued and late payment interest from 1 August, 1999 up to the Debt Conversion Date would be waived. The estimated total interest in respect of the current financial year which is to be waived and which has not been provided for in the accounts of the Group and the Company amounts to approximately RM42.2 million and RM13.3 million respectively.
- The debts, based on balances as at 31 March, 1998, except for the secured lender which is at 31 July, 1999, together with the interest waived thereon as explained above, are classified into three categories and would be converted as follows:

Category	Amount of debts to be converted (as at 31 July, 1999/31 March, 1998) RM	Nominal amount of RCSLS* to be issued RM	Nominal amount of ICULS** to be issued RM	Number of warrants to be granted for waiver of interest	Nominal amount of additional ICULS** to be issued (Note 3) RM
A secured lender (Note 2)	32,717,901	-	-	4,907,685	16,358,950
Other secured lenders	298,252,110	298,252,110	-	44,737,817	35,790,253
Unsecured lenders	85,812,594	-	85,812,594	4,290,630	10,297,511
	<u>416,782,605</u>	<u>298,252,110</u>	<u>85,812,594</u>	<u>53,936,132</u>	<u>62,446,714</u>

* 4% Redeemable Convertible Secured Loan Stocks ("RCSLS") 2000/2005

** 4% Irredeemable Convertible Unsecured Loan Stocks ("ICULS") 2000/2005

Note 1 : The coupons for the RCSLS and ICULS are payable in cash on the 4th and 5th anniversary dates.

Note 2 : The amount owing to a secured lender will be converted into a 5-year secured term loan which bears interest of 10% per annum. The interest accruing for the entire tenure of the term loan shall be settled in advance by the issuance of the additional ICULS.

Note 3 : The additional ICULS are issued for waiver of cash interest by the lenders.

The term loan is to be secured on the land of the Group. The RCSLS is to be secured on the land and buildings of the Group as well as a sinking fund to be created.

- Each warrant issued pursuant to the debt restructuring scheme would have a tenure of four and a half years from the date of issuance and entitle the holder to subscribe for one new ordinary share of the Company at any time from the issue date at a price of RM1.25 per ordinary share, subject to the approval of the relevant authorities. Both RCSLS and ICULS would be convertible to new ordinary shares of the Company after two years from the issue date at the conversion price of RM1.25 nominal amount to one new ordinary share or RM1.00 nominal amount plus RM0.25 cash for one new ordinary share. The warrants, RCSLS and ICULS would be listed on the KLSE.
- The Company also proposes to undertake a rights issue of 116.7 million of Naked Warrants 2000/2005 to the shareholders on the basis of 1 for 3 at an indicative issue price of RM0.30 per warrant to raise gross proceeds of RM35 million to be utilised as working capital for the Group. The warrants to be issued under the proposed rights issue shall have the same terms as the ones to be issued with the term loan, RCSLS and ICULS mentioned above.

The proposed debt restructuring scheme has been approved by the Securities Commission on 13 June, 2000. The relevant approvals from Bank Negara Malaysia and the Foreign Investment Committee have also been obtained and at the date of this report, the debt restructuring scheme is pending the approval of the Kuala Lumpur Stock Exchange and shareholders of the Company.

33. SIGNIFICANT EVENT

On 17 April, 1998, the Company entered into a Sale and Purchase Agreement for shares with a subsidiary, Kin Khoon & Co. Sdn. Bhd. to acquire from the subsidiary certain quoted investments comprising ordinary shares and warrants for a total consideration of RM34,369,999 payable in 5 instalments by 17 February, 1999. This agreement was rescinded by both parties on 27 July, 1999 resulting in a loss to the Company amounting to RM5,662,266.



34. SEGMENT REPORTING

Analysis by industries

Group	Turnover RM'000	Loss Before Taxation and Extraordinary Item RM'000	Tangible Assets Employed RM'000
2000			
Investment holding	5,312	(3,074)	714,710
Insurance	60,993	10,783	143,945
Stockbroking	13,407	2,256	159,764
Property investment and development	-	(365)	439,067
Others	-	(17)	376
	<u>79,712</u>	<u>9,583</u>	<u>1,457,862</u>
Consolidation adjustments	<u>(5,296)</u>	<u>(6,493)</u>	<u>(709,477)</u>
	<u>74,416</u>	<u>3,090</u>	<u>748,385</u>
Group's share of associated companies' results	<u>2,793</u>	<u>588</u>	<u>-</u>
	<u>77,209</u>	<u>3,678</u>	<u>748,385</u>
1999			
Investment holding	4,766	(48,716)	750,116
Insurance	56,022	12,044	129,457
Stockbroking	3,140	(13,348)	133,890
Property investment and development	-	(2,059)	437,566
Others	1	(19)	373
	<u>63,929</u>	<u>(52,098)</u>	<u>1,451,402</u>
Consolidation adjustments	<u>(4,555)</u>	<u>31,086</u>	<u>(743,686)</u>
	<u>59,374</u>	<u>(21,012)</u>	<u>707,716</u>
Group's share of associated companies' results	<u>2,692</u>	<u>6,905</u>	<u>-</u>
	<u>62,066</u>	<u>(14,107)</u>	<u>707,716</u>

Segment analysis by geographical locations have not been prepared as the Group's operations are predominantly conducted in Malaysia.

35. COMPARATIVE FIGURES

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

36. CURRENCY

All amounts are stated in Ringgit Malaysia.



ANALYSIS OF SHAREHOLDINGS

as at 30 June, 2000

Authorized Share Capital	RM500,000,000
Issued and Paid-Up Capital	RM350,000,000
Class of Shares	Ordinary Shares of RM1.00 each

Analysis of Shareholdings According to Size

Size of Holdings	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares Held	% of Issued Capital
1 - 499	360	1.0769	42,218	0.0121
500 - 5,000	23,296	69.6838	59,424,464	16.9784
5,001 - 10,000	5,235	15.6591	45,389,971	12.9686
10,001 - 100,000	4,340	12.9820	114,630,644	32.7516
100,001 - 1,000,000	169	0.5055	38,009,450	10.8598
above - 1,000,000	31	0.0927	92,503,253	26.4295
TOTAL	33,431	100.00	350,000,000	100.00

LIST OF 20 LARGEST SHAREHOLDERS/DEPOSITORS

NAME	No. of Shares	% of Issued Capital
1. Arab-Malaysian Finance Berhad Pledged Securities Account for Mah Sau Cheong	8,728,000	2.4937
2. South Malaysia Industries Berhad	8,503,000	2.4294
3. Mayfin Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kin Khoon & Co. Sdn Bhd	6,993,000	1.9980
4. HDM Nominees (Asing) Sdn Bhd Grant Orient Securities Pte Ltd for PAX Realty & Development Pte Ltd	6,619,000	1.8912
5. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Sau Cheong	6,468,000	1.8480
6. Cartaban Nominees (Asing) Sdn Bhd Prudential Securities Inc New York for Mr Ho Sai Lon Mark	4,769,000	1.3626
7. RHB Merchant Nominees (Tempatan) Sdn Bhd Pledged Securities Account for South Malaysia Industries Berhad	4,750,000	1.3572
8. PAB Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Kin Khoon & Co. Sdn Bhd	4,379,000	1.2512
9. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kin Khoon & Co. Sdn Bhd	3,247,000	0.9277
10. Hock Hua Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kin Khoon & Co. Sdn Bhd	3,035,000	0.8671
11. Arab-Malaysian Nominees (Tempatan) Sdn Bhd Arab-Malaysian Finance Bhd for Kin Khoon & Co. Sdn Bhd	3,034,000	0.8669
12. HSBC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for South Malaysia Industries Berhad	3,000,000	0.8571
13. Kin Khoon & Co. Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Hock Chuan	2,632,000	0.7520



NAME	No. of Shares	% of Issued Capital
14. AMSEC Nominees (Tempatan) Sdn Bhd Arab-Malaysian Credit Berhad for Megat Najmuddin Bin Haji Megat Khas	1,857,000	0.5306
15. Kin Khoon & Co. Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Puncamas Indah (M) Sdn Bhd	1,812,000	0.5177
16. AMSEC Nominees (Tempatan) Sdn Bhd Arab-Malaysian Credit Berhad for Panglobal Berhad	1,800,000	0.5143
17. The Central Depository (Pte) Limited	1,700,010	0.4857
18. Gong Chiok Sin	1,657,000	0.4734
19. KBB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kin Khoon & Co. Sdn Bhd	1,635,000	0.4671
20. AMSEC Nominees (Tempatan) Sdn Bhd Arab-Malaysian Credit Berhad for Hamzah Bin Zainudin	1,589,000	0.4540
	78,207,010	22.3449

SUBSTANTIAL SHAREHOLDERS

	No. of Shares Held
South Malaysia Industries Berhad	* 36,360,000
Mah Sau Cheong	* 18,523,000

* Part of the Shareholdings are registered in nominees' names.



LIST OF PROPERTIES HELD

as at 20 July, 2000

LOCATION	TENURE	AREA	NET BOOK VALUE RM'000	DESCRIPTION	AGE OF BUILDINGS
Lot 216, Jalan Pekelling Tanah Rata Cameron Highlands	Leasehold Expires: 30/1/2072	3,035 sq. metres	303	2 storey bungalow	24
Mukim of Batu, Daerah wilayah Persekutuan Negeri Wilayah Persekutuan	Leasehold	36.76 hectares	105,135	Land held for development	N/A
Lot No. 46348	Expires: 10/1/2087				
Lot No. 46349	Expires: 10/1/2087				
Lot No. 46350	Expires: 5/2/2087				
Lot No. 46353	Expires: 10/1/2087				
Mukim of Ayer Puteh District of Pendang, Kedah	Freehold	688 acres	60,000	Land held for development	N/A
Lot No. 2316					
Lot No. 2317					
Kota Kinabalu, Sabah	Leasehold	23.45 acres	190,000	Land held for development	N/A
Title No. TL017533505	Expires: 31/12/2076				
Title No. TL017540500	Expires: 31/12/2080				
Geran No. 10602/M1/1/1 & M1/N1/2 Lot No. 13772s Bandar Ipoh, Daerah Kinta Perak Darul Ridzuan	Freehold	594 sq. metres	939	Trading Hall / Office Premises	17
Geran No. 10601/M1/1/2 Lot No. 13771s Bandar Ipoh, Daerah Kinta Perak Darul Ridzuan	Freehold	149 sq. metres	256	Office Premises	17
No.15, Jalan 3/116D Kuchai Entrepreneurs' Park Off Jalan Kuchai Lama 58200 Kuala Lumpur	Leasehold Expires: 23/6/2081	13,904 sq. ft.	1,654	4 1/2 Storey Shop/Office	5
No.1, Jalan 1/116B Kuchai Entrepreneurs' Park Off Jalan Kuchai Lama 58200 Kuala Lumpur	Leasehold Expires: 26/2/2097	43,498 sq. ft.	7,159	7 1/2 Storey Shop/Office	3
Block B, Lot 12, Damai Point Off Jalan Damai Kota Kinabalu, Sabah	Leasehold Expires: 27/08/2916	5,344 sq. ft.	1,025	3 Storey Shop/Office	1



ASIAN PAC HOLDINGS BERHAD

(Company No. 129 - T)
(INCORPORATED IN MALAYSIA)

PROXY FORM

I/We,of

.....
being a member of ASIAN PAC HOLDINGS BERHAD, hereby appoint.....
.....

of or failing him, the
Chairman of the Meeting as my/our Proxy to vote for me/us and on my/our behalf at the Annual General
Meeting of the Company to be held at the Raya Room, Hotel Equatorial Kuala Lumpur, Jalan Sultan
Ismail, 50250 Kuala Lumpur on Wednesday, 30 August 2000 at 10.00 a.m. and at any adjournment thereof.

With reference to the Agenda set forth in the Notice of Meeting, please indicate with an "X" in the spaces
provided below how you wish your votes to be cast in resolutions specified.

RESOLUTION NO.	SUBJECT MATTER	FOR	AGAINST
1.	Reports and Accounts		
2.	Re-election of retiring Directors - Dato' Hamzah Bin Zainudin		
3.	- Mustapha Buang		
4.	Appointment of Arthur Andersen & Co. as Auditors		

Subject to any voting instructions so given, the proxy will vote or may abstain from voting on any resolutions
as he may think fit.

Signed this day of 2000

Number of shares held

Signature(s)

Notes :

- 1) A proxy need not be a member but a non-member must be a qualified legal practitioner, an approved company auditor or a person approved by the Directors or the Registrar of Companies.
- 2) An instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his/her attorney and in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or officer of the corporation so authorised.
- 3) An instrument appointing a proxy must be deposited at the Registered Office of the Company at 11th Floor, Menara SMI, 6 Lorong P. Ramlee, 50250 Kuala Lumpur not less than forty eight (48) hours before the time appointed for holding the meeting.