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# Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Tenth Annual General Meeting of NV Multi Corporation Berhad will be held at Eastin Hotel, 13 Section 16/11, Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan on Monday, 28 May 2001 at 11.00 a.m. to transact the following businesses:-

1. To receive the Audited Accounts for the year ended 31 December 2000 and the Reports of the Directors and Auditors thereon. Resolution 1
2. To re-elect as Director, Mr. Chua Chong Kee, who retires by rotation pursuant to Article 78 of the Company's Articles of Association. Resolution 2
3. To approve the payment of Directors' fees for the year ended 31 December 2000. Resolution 3
4. To declare a final dividend of 2.5% tax-exempt and 2.5% less 28% income tax for the year ended 31 December 2000 as recommended by the Directors. Resolution 4
5. To re-appoint Messrs HALS & Associates as Auditors of the Company and to authorise Directors to fix the Auditors remuneration. Resolution 5
6. As Special Business, to consider and if thought fit, pass the following resolution as an Ordinary Resolution:-  

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors, may, in their absolute discretion, deem fit, provided that the aggregate numbers of shares to be issued does not exceed 10% of the total issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, subject always to the approval of the relevant government and/or regulatory authorities."

Resolution 6

## NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the Tenth Annual General Meeting, a final dividend of 2.5% tax-exempt and 2.5% less 28% income tax in respect of the year ended 31 December 2000, will be paid on 20 July 2001 to Depositors whose names appear in the Record of Depositors on 27 June 2001.

# Notice Of Annual General Meeting (cont'd)

A Depositor shall qualify for the entitlement only in respect of:-

- (a) Shares deposited into the depositor's securities account before 12.30 p.m. on 25 June 2001 (in respect of shares which are exempted from mandatory deposit);
- (b) Shares transferred into the depositor's securities account before 12.30 p.m. on 27 June 2001 in respect of ordinary transfer; and
- (c) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

By Order of the Board

Chen Huey Juan  
Chen Yen Mooi  
Tee Yoke Peng  
Secretaries

Petaling Jaya  
30 April 2001

## NOTES:-

1. *A member of the Company who is entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies; and in the case of corporation, a duly authorised representative to attend and vote in his stead.*
2. *A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.*
3. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.*
4. *The instrument appointing a proxy shall be deposited at the Registered Office of the Company at Level 14, Uptown 1, No. 1, Jalan SS21/58, Damansara Uptown, 47400 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.*

## EXPLANATORY NOTE ON SPECIAL BUSINESS:-

The Proposed Resolution 6, if passed, will give the Directors of the Company, the authority to issue and allot ordinary shares from the unissued capital of the Company up to an amount not exceeding 10% of the Company's total issued share capital for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in a General Meeting, expire at the next Annual General Meeting of the Company.

## Board of Directors



# Corporate Information

## BOARD OF DIRECTORS

1. Jen (B) Tan Sri Yaacob Bin Mat Zain
2. Dato' Dr Kong Hon Kong
3. Hong Hock Ming
4. Chua Chong Kee
5. Khairol Nizam Bin Hamran

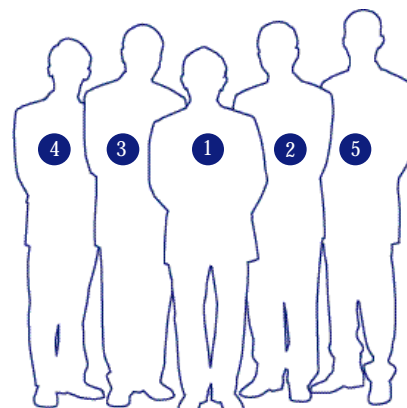
*Chairman*

*Group Managing Director*

*Group Executive Director*

*Executive Director*

*Director*



## AUDIT COMMITTEE

Jen (B) Tan Sri Yaacob Bin Mat Zain

Hong Hock Ming (MIA 7493)

Khairol Nizam Bin Hamran

## COMPANY SECRETARIES

Chen Huey Jiuan (MAICSA 7005590)

Chen Yen Mooi (MAICSA 0764951)

Tee Yoke Peng (MAICSA 0863085)

## REGISTERED OFFICE

Level 14, Uptown 1

No. 1, Jalan SS21/58

Damansara Uptown

47400 Petaling Jaya

Selangor Darul Ehsan

## HEAD OFFICE

Penthouse, Menara AA

247 Jalan Tun Razak

50400 Kuala Lumpur

Tel. No. : 03-21446699

Fax No. : 03-21480077

Website : [www.nvmc.com.my](http://www.nvmc.com.my)

Email : [nvmulti@nvmc.com.my](mailto:nvmulti@nvmc.com.my)

## SHARE REGISTRAR

PFA Registration Services Sdn Bhd

Level 13, Uptown 1

No. 1, Jalan SS21/58

Damansara Uptown

47400 Petaling Jaya

Selangor Darul Ehsan

## AUDITORS

HALS & Associates

Public Accountants

Suite 1602, 16th Floor

Wisma Lim Foo Yong

86, Jalan Raja Chulan

50200 Kuala Lumpur

## PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad

(formerly known as Multi-Purpose Bank Berhad)

RHB Bank Berhad

Southern Bank Berhad

## LISTING

Kuala Lumpur Stock Exchange

Main Board

# Audit Committee

Chairman of Audit Committee:

Jen (B) Tan Sri Yaacob Bin Mat Zain  
(Chairman and Independent Non-Executive Director)

Members:

Hong Hock Ming (Executive Director) (MIA 7493)  
Khairul Nizam Bin Hamran (Independent Non-Executive Director)



## TERMS OF REFERENCE

### MEMBERSHIP

The Audit Committee shall be appointed by the Board from amongst the Directors of the Company and shall be composed of not fewer than three 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, daughter or adopted daughter of an executive director of the Company or of any related corporation; or
- Any person having a relationship which, in the opinion of the Board of Directors, would interfere with the exercise of independent judgement in carrying out the functions of the Audit Committee.

The Committee members shall appoint a Chairman from among themselves who is not an executive director or employee of the Company or any related corporation.

In the event that a member of the 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 number of three (3) members.

The Committee members shall have at least one member of the Audit Committee who:-

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

No alternate director shall be appointed as an Audit Committee member.

### MEETINGS AND MINUTES

Meetings shall be held not less than three (3) times a year. Any one of the Audit Committee members may call a meeting or upon request by the external auditors whenever he deems it necessary.

The Secretary of the Committee shall circulate the minutes of meetings of the Audit Committee to all members of the Committee and members of the Board.

# Audit Committee

(cont'd)

## QUORUM

The quorum for any meeting shall consist of two members and all of whom shall be independent directors.

## ATTENDANCE OF MEETINGS

The Executive Directors, the head of finance department, the head of internal audit, and a representative of the external auditors may be invited to attend meetings by the Audit Committee.

## AUTHORITY

The Committee is authorised by the Board to investigate any activity within its Terms of Reference and to seek any information it requires from any employees and all employees are directed to co-operate with any request made by the Committee.

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

## DUTIES

The duties of the Committee shall be:-

- To consider and review the appointment of the external auditor, audit fees and any question of their resignation or dismissal;
- To discuss with the external auditor before the audit commences the nature and scope and general extent of the external auditors' audit examination.
- To review with the external auditor the quarterly reports and annual financial statements before submission to the Board, to consider on matters such as:-
  - any changes in accounting policies and practices major judgmental areas
  - significant adjustments resulting from the audit
  - the going concern assumption
  - compliance with accounting standards
  - compliance with the Kuala Lumpur Stock Exchange and legal requirements
  - any related party transactions that may arise
- To discuss problems and reservations arising from the interim and final audits to keep under review the effectiveness of internal control systems, and in particular review the external auditor's management letter and management's response.
- To review the internal audit programme, consider the major findings of internal audit investigations and management's response, and ensure co-ordination between the internal and external auditors.
- To review the assistance given by the Company's officers to the external auditor.
- To carry out such other functions as may be agreed to by the Audit Committee and the Board of Directors.

# Corporate Structure

as at 31 December 2000

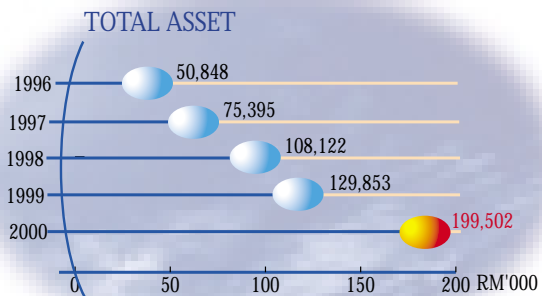
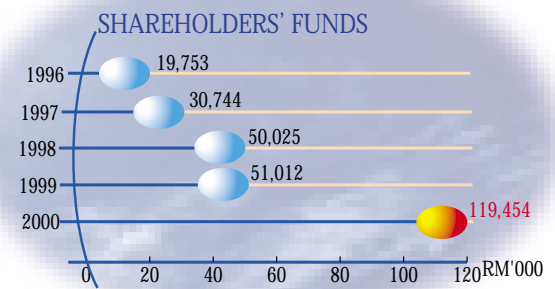
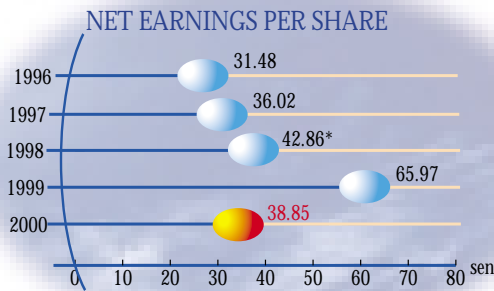
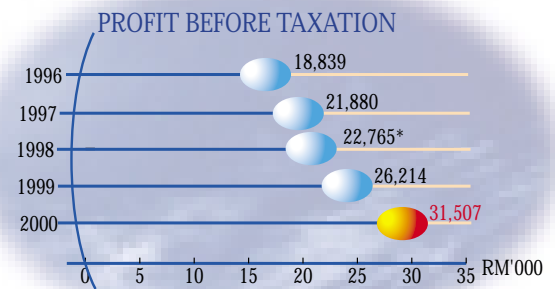
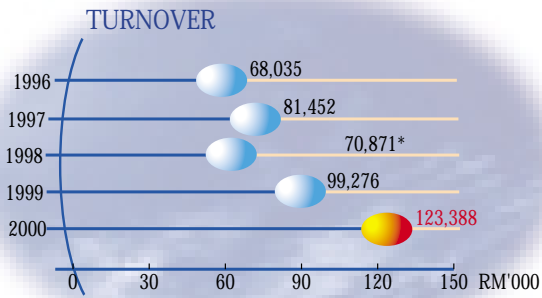


## NV Multi Corporation Berhad

(Company No: 204888-D)



# 5 Years Group Financial Highlights



\* Annualised for 18 months ended 31 December 1998

# Chairman's Statement



Jen (B) Tan Sri Yaacob Bin Mat Zain  
Chairman

## DEAR SHAREHOLDERS

On behalf of my colleagues on your Board of NV Multi Corporation Berhad, it gives me great pleasure to present to you the first Annual Report of the Company and of the Group for the financial year ended 31 December 2000.

2000 was indeed an exciting year for the Group. Besides celebrating its 10th year anniversary, NV Multi Corporation Berhad was quoted on the Main Board of the Kuala Lumpur Stock Exchange on 23 August 2000. The listing of NV Multi Corporation Berhad marked a great milestone for the Group and for the Bereavement Care Industry in Malaysia as a whole. The listing, involving flotation of 70,000,000 ordinary shares of RM1.00 each, raised a total proceeds of RM55.7 million from both rights issue and public issue for the Group. This augurs well for the Group's future undertakings and competition.

To maintain our position as the leader in bereavement care, the Group will continue to invest in, and the upgrade, its products and services.

## FINANCIAL RESULTS

The Group recorded a total turnover and profit before taxation of RM123.4 million and RM31.5 million respectively for financial year ended 31 December 2000, an increase of 24% and 20% respectively over that of the previous year.

The Group's profit after taxation and minority interest for the year was RM21.0 million compared to RM25.4 million for 1999. The waiver of income tax payable for financial year 1999 pursuant to Income Tax (Amendment) Act, 1999 explained the higher profit after taxation and minority interest for 1999. Profit after taxation and minority interest achieved for financial year ended 2000 is 8% above the forecast contained in the prospectus dated 29 June 2000.

# Chairman's Statement (cont'd)



Official listing on KLSE on 23 August 2000



10th Anniversary celebration on 15 January 2001

## OUTLOOK FOR YEAR 2001

The Group will continue its efforts in product development and strive for quality products and services for the benefit of its customers. The geographical expansion plans, both locally and abroad, will elevate NV Multi Corporation Berhad to new heights as leader in the industry.

Barring unforeseen circumstances, your Directors expect another satisfactory year for the Group.

## DIVIDENDS

Further to an interim dividend of 5% less 28% income tax which was paid on 12 January 2001, your Board is recommending a final dividend of 2.5% tax-exempt and 2.5% less 28% income tax for the financial year ended 31 December 2000 subject to the approval of members at the forthcoming Annual General Meeting.

## APPRECIATION

Dedication and hard work bring in results. The Management and staff have demonstrated this in Year 2000. We believe that their teamwork, together with the continuous support of our shareholders, business partners and associates, financial institutions, regulatory authorities, agents, customers and suppliers, will enable the Group to scale greater heights. On behalf of your Board of Directors, I would like to express my sincere appreciation to the management and staff for their unwavering support, contribution and commitment. To shareholders, business partners, financial institutions, regulatory authorities, agents, customers and suppliers, I would also like to sincerely thank you for your valuable contributions and support.

Jen (B) Tan Sri Yaacob Bin Mat Zain  
Chairman



Balloting on 27 July 2000

# Group Managing Director's Review Of The Year 2000



Dato' Dr Kong Hon Kong  
Group Managing Director

The Malaysian economy got off to a good start in year 2000 with Gross Domestic Product growth rate of 11.9 % for the first quarter and achieved an annual growth rate of 8.5% for the year compared to 5.8% in year 1999. The strong economic growth was principally the result of implementation of expansionary fiscal and monetary policies by the Government.

Our country's population is estimated at 22.2 million for year 2000. The average annual growth rate of the population for the last decade is estimated at 2.6% p.a. Total population is forecast to reach 31 million by year 2020 with approximately 25 million residing in West Malaysia. The rapid industrialization and construction development coupled with increase in inter-state migration over the last decade has made Selangor the highest populous state in Malaysia with a total population of 3.9 million and average annual growth rate of 6.02%. This represents 17.78% of the country's population. Johor, Perak and Sarawak follow with 11.56%, 9.14% and 9.06% of the total population. It is estimated that currently there are 1.4 million people over the age of 55. With the rapid increase in the ageing population of Malaysia, by year 2020 the population of senior citizens is projected to reach 3.2 million.

The increasing population, especially of the elderly group, and the robust economic growth that spurred consumer spending, contributed to the better performance of the Group for financial year ended 31 December 2000.

## GROUP PERFORMANCE

I am pleased to report that the Group performed well and achieved a 24% and 20% growth in turnover and profit before taxation for the financial year ended 31 December 2000. This was a very significant milestone for the Group as it surpassed, the RM100 million annual turnover for the first time since its inception.

The strong performance is attributed to Bereavement Care activities with a total turnover and profit before taxation of RM94.3 million and RM26.7 million, a growth of 21.6% and 12.1% respectively compared to 1999.

# Group Managing Director's Review Of The Year 2000

(cont'd)

## BEREAVEMENT CARE OPERATIONS

Funeral Services achieved an impressive result with a 2-fold increase in turnover to RM27.0 million compared to RM12.8 million for 1999.

The acquisition of PJMC Sdn Bhd in 1999 set the platform for the Group to become the only integrated bereavement care provider in the country by moving upstream into provision of funeral services. In the continuing effort to upgrade customer care by rendering professional services at a pivotal time of the customer's life, the Group invested in training Service Consultants and introduced quality products and services to bereaved families.



*PJMC Sdn Bhd*

In June 2000, NV Care Sdn Bhd, a subsidiary company of the Group, introduced Funeral Service Packages (FSP), an innovative bereavement care service product that encourages an individual to pre-plan a funeral function. The package offers value for money quality merchandise and services in conducting a funeral for the needs of Buddhists, Taoists and Christians. The product is currently available in West Malaysia and has received encouraging response with total sales of RM14.3 million during the 7 months to 31 December 2000.



*Funeral Service Packages*

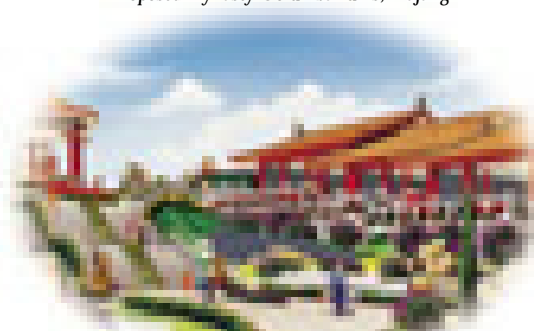
Nirvana Memorial Parks recorded a total turnover of RM67.3 million from the sale of burial plots, urn compartments, tombs, landscape and maintenance for the financial year 2000 compared to RM64.8 million for 1999, a growth of 4%.

The improvement in Memorial Parks Operation in year 2000 is attributed to the better performance achieved by Nirvana Memorial Park, Sabah and Nirvana Memorial Park, Kuching for the year under review. The increase in public awareness and acceptance coupled with the advancement in development of the parks contributed to this improved performance.

During the financial year 2000, Nirvana Memorial Park, Kajang, commenced construction of 10 blocks of Dynasty Columbariums for repository of urns which provides a total addition of 9,460 single compartments and 5,720 double compartments. As at 31 December 2000, 6 out of the 10 blocks were completed and the remaining 4 blocks are expected to be completed by June 2001.

Additionally, Nirvana Memorial Park, Kajang, completed the construction of 6 blocks of structure to house 1,968 units of ancestry tablets. This new product is to enhance the practice of filial piety amongst the Chinese community.

*Proposed Dynasty Columbariums, Kajang*

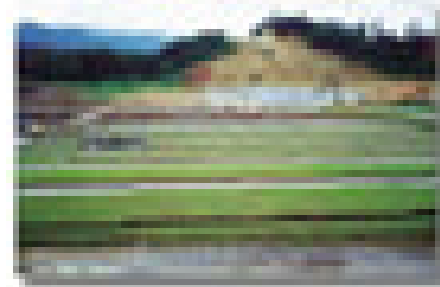


## HOUSING DEVELOPMENT OPERATIONS

Turnover and profit before taxation contributed by the Housing Development Operations for the year are RM29.1 million and RM4.7 million respectively compared to RM21.7 million and RM2.3 million for 1999.

Taman Sri Putra Phase II, comprising 195 units of double storey link houses, 79 units low medium cost walk up apartments and 78 units low cost walk up apartments, is fully sold and the construction was approximately 95% completed as at 31 December 2000. The project is expected to complete before June 2001.

Taman Sri Putra Phase III, a joint venture project with a landowner, comprising 26 units of double storey link houses and 18 units of double storey shophouses was launched in September 2000 and commenced development in November 2000. As at 31 December 2000, all units received by the group were fully sold except for two (2) units of shophouses.



*Nirvana Memorial Park, Kuching - development in progress*

# Group Managing Director's Review Of The Year 2000 (cont'd)

The Securities Commission ("SC"), vide its approval dated 10 April 2000, imposed a condition that the Group is to concentrate solely on Bereavement Care activities and cease to be involved in any other non-related industry for a period of three (3) years from the date of its listing on the Main Board of the Kuala Lumpur Stock Exchange. Accordingly, the Group did not embark on any new housing project other than continuing the completion of its only Housing Development activity at Taman Sri Putra.

## RECOGNITION

Over the last decade, the Group has received a string of awards and recognition for its efforts in upgrading the bereavement care industry. Our team effort in maintaining a scenic memorial park was once again recognised when Nirvana Memorial Park, Kajang, won the first prize for Year 2000 National Landscape Competition: Non-Muslim Religious Buildings Category organized by the Ministry of Housing and Local Government. This is the third landscape award won by the park since 1996. The award was presented by our esteemed Prime Minister YB Datuk Seri Dr Mahathir Mohamad at Putrajaya on 4 March 2001.

## CORPORATE DEVELOPMENT

NV Multi Corporation Berhad was listed on the Main Board of the Kuala Lumpur Stock Exchange on 23 August 2000. The listing exercise has raised a total of RM55.7 million for the Group via Rights Issue and Public Issue. As at 31 December 2000, the Group has utilized RM26.2 million of the funds. On 17 April 2001, SC had approved the revised utilisation of proceeds as proposed by the Company, details of which are listed below.



Taman Sri Putra II



National Landscape - Award Presentation

### Utilization of Rights Issue and Public Issue

Descriptions	Approved by SC on 10 April 2000	Approved revision by SC on 17 April 2001	Utilized as at 31 December 2000
	RM'000	RM'000	RM'000
Part finance of the construction of urn repository columbariums at Kulai, Johor	8,400	5,400	105
Part finance of the construction of one stop memorial centre at Sg. Besi, Kuala Lumpur	12,600	12,600	2,073
Part finance of development expenditure of memorial parks			
- Kajang	7,300	7,300	7,300
- Kota Kinabalu	5,000	5,000	4,384
- Kuching	6,200	6,200	2,678
To finance the purchase of hearses and limousines	8,000	4,214	1,527
To finance the working capital	3,153	9,939	3,153
To repay term loan	3,033	3,033	3,033
To defray listing expenses	2,000	2,000	2,000
<b>Total</b>	<b>55,686</b>	<b>55,686</b>	<b>26,253</b>

# Group Managing Director's Review Of The Year 2000 (cont'd)

Nir-Warna (Kuching) Sdn Bhd has expanded its existing landbank by another 6 acres through the acquisition of adjoining land from Messrs Ong Beng Kheng & Son Enterprise Sdn Bhd on 10 August 2000.

In preparation of upgrading the bereavement care services in Kuching, Anglosa Development Sdn Bhd, a wholly owned subsidiary of Nir-Warna (Kuching) Sdn Bhd, acquired land measuring 4.047 square meters with the intention to construct a memorial service centre. The sales and purchase agreement was entered into with Mr. John Jong Chian Yong and Mr. John Jong on 17 August 2000.

On 14 November 2000, Nir-Warna (Johor) Sdn Bhd (NIRJ), a wholly-owned subsidiary of Nir-Warna Sdn Bhd entered into an agreement with Megatel Bricks Industry Sdn Bhd to jointly develop 102 acres of land located at Jementah, Segamat, Johor. The land is owned by the latter. NIRJ will provide marketing and management know-how and finance in developing the land. The agreement is subject to the landowner obligation in obtaining the conversion approval from relevant authority(ies).

On 7 December 2000, NV Care Sdn Bhd appointed BHLB Trustee Berhad as custodian trustee for proceeds received from the sale of FSP. On the same date, William M. Mercer Zainal Fraser Sdn Bhd was appointed as Actuary Consultant in monitoring and assessing the fund maintained by the former in providing the future liabilities or defraying the future funeral expenses, a contractual obligation of NV Care Sdn Bhd for the sale of FSP.



*Signing Ceremony with BHLB Trustee Berhad and William M. Mercer Zainal Fraser Sdn Bhd*

## HUMAN RESOURCES

The Group will focus on strengthening the operations team in various segments. With the onset of the K-economy, it has become even more essential, and in instances, critical, to have dedicated and capable people at all fronts of our business who will make continuous learning and the quest for continuous improvement an integral part of their daily work culture. In this regard, I am pleased to report that the professionalism and commitment of our people towards the vision of the Group, have largely contributed to the Group's success. However, moving forward, we will have to redouble our efforts in order to sustain our growth in an increasingly challenging and competitive environment.



*10 Year Employee Service Award*

# Group Managing Director's Review Of The Year 2000 (cont'd)

## PROSPECTS IN 2001

The increase in affluence that has resulted in demand for better quality and standard of bereavement care products and services is expected to continue. The Group will focus on continuously upgrading its products and services and introduce value for money bereavement care packages. FSP, which was introduced in June 2000, is expected to receive encouraging results and is expected to be extended to Kuching in the second half of year 2001. The Group is currently in the process of establishing a branch in Penang to market the bereavement care products and service in the Northern Region of Peninsular Malaysia, Nirvana Memorial Park, Johor is also expected to commence sale of urn compartments and burial plots during this year.



*Proposed Nirvana Memorial Park, Kulai, Johor*

Many opportunities for acquisitions and expansion are emerging in countries targeted for the Group's expansion in Asia. Potential investors are expressing interest in joining the network given the reputation and track record of the Group. In all cases, these business affiliates will introduce the Group to an entirely new network of industry contacts throughout Asia. Nevertheless, your Board will exercise caution in its expansion plan in view of the recent political instabilities in certain countries, and global economic issues, especially pertaining to the US and Japan and the effect on Asia.

Barring any unforeseen circumstances, the Group is expected to maintain, if not improve, its performance in Year 2001.

## ACKNOWLEDGEMENTS

To all my colleagues at the Group, on behalf of the Board, I would like to extend our gratitude and great appreciation for your dedicated service and contributions over the years. We would also like to convey our special thanks to our valued purchasers, agents, business partners, shareholders, financial institutions and regulatory bodies for their support and trust in the Group.

Last, but not least, my personal thanks to my fellow directors and senior management team for their continuous support and distinguished contribution in their respective capacities.

Thank you.

Dato' Dr Kong Hon Kong  
Group Managing Director

# Financial Statements



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# Directors' Report

## DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and the Company for the financial year ended 31 December 2000.

## PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investment holding and provision of management services. The principal activities of the subsidiary and associated companies are set out in Notes 5 and 6.

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

## FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the year after taxation and minority interest	20,998	4,940
Unappropriated profit brought forward	48,956	1,076
Profit available for appropriation	69,954	6,016
Transferred to revaluation reserves	(47,174)	-
Dividends	(5,530)	(5,530)
Unappropriated profit carried forward	17,250	486

## DIVIDENDS

The dividends paid by the Company since 31 December 1999 were as follows:-

	RM'000
A final tax exempt dividend of RM8.27 per share, paid on 16 August 2000	16,308
A final dividend of RM2.01 gross per share less income tax of 28%, paid on 16 August 2000.	2,852
In respect of the year ended 31 December 2000, a first interim dividend of RM0.05 gross per share less income tax of 28%, paid on 12 January 2001.	2,520

The Directors now recommend the payment of final tax exempt dividend of RM0.025 per share and final tax dividend of RM0.025 gross per share less income tax of 28% amounting to RM1,750,000 and RM1,260,000 respectively, which, subject to the approval of members at the forthcoming Annual General Meeting of the Company, will be paid on 20 July 2001 to shareholders registered on the Company's Register of Members at the close of business on 27 June 2001.

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year except as disclosed in Note 19 to the financial statements.

## OTHER STATUTORY INFORMATION

Before the Income Statements and Balance Sheets of the Group and the Company were made out, the Directors took reasonable steps to ascertain that:

# Directors' Report (cont'd)

## OTHER STATUTORY INFORMATION (cont'd)

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

At the date of this report, the Directors of the Company are not aware of any circumstances:-

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

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

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

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, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors:-

- (a) the results of the operations of the Group and of the Company for the financial year ended 31 December 2000 have not been substantially affected by any item, transaction or event of a material and unusual nature, nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report, and
- (b) the financial statements of the Group and of the Company are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2000 and of the results of the Group and of the Company and of the cash flows of the Group and of the Company for the year ended on that date.

## INCREASED OF SHARE CAPITAL

During the financial year, the Company increased its authorised share capital from RM2,000,000 to RM100,000,000 by the creation of 98,000,000 new ordinary shares of RM1.00 each.

## ISSUE OF SHARES

During the financial year, the issued and paid-up share capital of the Company was increased from RM1,971,200 to RM70,000,000 in conjunction with the listing thereof on the Main Board of the Kuala Lumpur Stock Exchange.

# Directors' Report (cont'd)

## ISSUE OF SHARES (cont'd)

The details of the changes of the issued and paid-up share capital of the Company are as follows:-

Date of Issue	Number of Ordinary Shares of RM1.00 each	Terms of Issue	Purpose of Issue
19.06.00	50	Cash	Increase in working capital
19.06.00	36,573,000	Bonus issue on the basis of approximately 18.55 new ordinary shares for each ordinary share held	Capitalisation of revaluation surplus
20.06.00	20,920,750	Rights issue at an issue price of RM1.00 each per share for cash on the basis of approximately 10.61 new ordinary shares for each ordinary share held at par before the above bonus issue	To part finance the development expenditure of memorial parks, finance of the acquisition of fixed assets, working capital and defray listing expenses.
02.08.00	10,535,000	Public issue at an issue price of RM3.30 each for cash	

## DIRECTORS

The Directors who have held office since the date of the last report are:-

Jen (B) Tan Sri Yaacob Bin Mat Zain  
Dato' Dr Kong Hon Kong  
Hong Hock Ming  
Chua Chong Kee  
Khairol Nizam Bin Hamran

Pursuant to Article 78 of the Company's Articles of Association, Chua Chong Kee retires at the forthcoming Annual General Meeting and being eligible, offers himself for re-election.

## DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects 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 any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

## DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the particulars of Directors' interest in office at the end of the financial year in shares in the Company are as follows:-

# Directors' Report (cont'd)

## NUMBER OF ORDINARY SHARES OF RM1.00 EACH

	As at 1.1.00	Bought	Sold	As at 31.12.00
Dato' Dr Kong Hon Kong				
- Direct	504,480	-	-	504,480
- Indirect	-	14,714,107	-	14,714,107

Interest in subsidiary companies:-

By virtue of his interest in the shares of the Company, Dato' Dr Kong Hon Kong is deemed to have interest in the shares of all the subsidiary companies to the extent that the Company has an interest.

None of the other Directors in office at the end of the financial year held any interest in shares in the Company and its related corporations during the financial year.

## SIGNIFICANT EVENTS

- On 19 June 2000, the Company issued 50 new ordinary shares of RM1.00 each at par for cash to Mayang Teratai Sdn Bhd ("MT"). Subsequently, on the same day, MT disposed of the above-mentioned shares to 50 new shareholders at no charge.
- On 19 June 2000, the Company completed the revaluation of the cost of investments in subsidiary companies to their audited net tangible assets values as at 31 December 1999, resulting in a revaluation surplus of RM47,174,332.
- On 19 June 2000, the Company completed a bonus issue of 36,573,000 new ordinary shares of RM1.00 each by way of capitalizing the revaluation surplus of RM36,573,000.
- On 20 June 2000, the Company completed a rights issue of 20,920,750 new ordinary shares of RM1.00 each at par for cash.
- On 2 August 2000, the Company completed a public issue of 10,535,000 new ordinary shares of RM1.00 each at an issue price of RM3.30 for cash.
- On 23 August 2000, the listing and quotation of the Company comprising of 70,000,000 ordinary shares of RM1.00 each on the Main Board of the Kuala Lumpur Stock Exchange was completed.
- On 30 December 2000, NV Care Sdn Bhd ("NVC"), a subsidiary of the Company has increased its paid up share capital from RM100 to RM5,000,000 by way of new allotment of 4,999,900 new ordinary shares of RM1.00 each at par for cash consideration, thereby changing the Company's total shareholding to 61% of the total issued and paid-up capital in NVC.

## AUDITORS

The auditors, Messrs HALS & Associates have expressed their willingness to continue in office.

Signed in accordance with a resolution of the Directors dated 17 April 2001

Dato' Dr Kong Hon Kong  
Director

Hong Hock Ming  
Director

Kuala Lumpur  
17 April 2001

# Balance Sheets

as at 31 December 2000

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
FIXED ASSETS	4	18,838	13,828	1,819	-
SUBSIDIARY COMPANIES	5	750	-	79,695	21,089
ASSOCIATED COMPANIES	6	305	255	212	150
QUOTED INVESTMENTS	7	89	89	-	-
GOODWILL ARISING ON CONSOLIDATION	8	517	619	-	-
<b>CURRENT ASSETS</b>					
Property development expenditure	9	12,786	10,581	-	-
Inventory and development expenditure	10	82,613	60,155	-	-
Trade and other receivables	11	49,501	29,093	2,438	645
Short term investments	12	29,953	1,022	29,153	-
Cash and bank balances	13	4,150	13,696	441	44
		179,003	114,547	32,032	689
<b>CURRENT LIABILITIES</b>					
Trade and other payables	14	48,360	36,882	1,566	64
Short term borrowings	15	10,418	14,033	4,015	-
Hire purchase and lease creditors	16	963	630	-	-
Proposed dividends		5,530	19,160	5,530	19,160
Provision for taxation		6,217	2,203	-	-
		71,488	72,908	11,111	19,224
NET CURRENT ASSETS / (LIABILITIES)		107,515	41,639	20,921	(18,535)
EXPENDITURE CARRIED FORWARD AT COST	17	-	515	-	343
		128,014	56,945	102,647	3,047
<b>FINANCED BY:</b>					
SHARE CAPITAL	18	70,000	1,971	70,000	1,971
RESERVES	19	49,454	49,041	32,647	1,076
TOTAL SHAREHOLDERS' FUNDS		119,454	51,012	102,647	3,047
MINORITY INTEREST		6,288	3,078	-	-
<b>LONG TERM AND DEFERRED LIABILITIES</b>					
Hire purchase and lease creditors	16	1,950	1,075	-	-
Term loan - secured	20	-	1,633	-	-
Deferred taxation	21	322	147	-	-
		128,014	56,945	102,647	3,047

The annexed notes form an integral part of these financial statements

# Income Statements for the year ended

31 December 2000

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
REVENUE	22	123,388	99,276	11,240	26,709
OPERATING PROFIT	23	31,940	27,220	6,361	26,346
FINANCE COST		(502)	(1,066)	(11)	-
SHARE OF PROFITS OF ASSOCIATED COMPANIES		69	60	-	-
PROFIT BEFORE TAXATION	24	31,507	26,214	6,350	26,346
TAXATION	25	(9,339)	(133)	(1,410)	(1,070)
PROFIT AFTER TAXATION		22,168	26,081	4,940	25,276
MINORITY SHAREHOLDERS INTERESTS		(1,170)	(675)	-	-
PROFIT ATTRIBUTABLE TO SHAREHOLDERS		20,998	25,406	4,940	25,276
EARNINGS PER SHARE (SEN)	26	38.85	65.97		
DIVIDENDS PER SHARE (RM)		0.10	13.27	0.10	13.27

The annexed notes form an integral part of these financial statements

# Statements of Changes in Equity for year ended

31 December 2000

Group	Note	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Accumulated Profit RM'000	Total RM'000
Balance at 1 January 1999		1,261	-	-	48,764	50,025
Dilution arising from new issue of shares in subsidiary company	27	-	-	-	(69)	(69)
		1,261	-	-	48,695	49,956
Profit for the year		-	-	-	25,406	25,406
Dividends	28	-	-	-	(25,060)	(25,060)
Issue of share capital		710	-	-	-	710
Balance at 31 December 1999		1,971	-	-	49,041	51,012
Dilution arising from new issue of share in subsidiary company	27	-	-	-	(85)	(85)
		1,971	-	-	48,956	50,927
Surplus arising on revaluation of investments in subsidiary companies		-	-	47,069	-	47,069
Surplus arising on revaluation of investments in associated companies		-	-	105	-	105
Profit transferred on revaluation of investments		-	-	-	(47,174)	(47,174)
Net gains not recognised in the income statement		-	-	47,174	(47,174)	-
Issue of share capital		31,456	24,230	-	-	55,686
Listing expenses written off		-	(2,627)	-	-	(2,627)
Profit for the year		-	-	-	20,998	20,998
Bonus issue		36,573	-	(36,573)	-	-
Dividends	28	-	-	-	(5,530)	(5,530)
Balance at 31 December 2000		70,000	21,603	10,601	17,250	119,454

The annexed notes form an integral part of these financial statements

# Statements of Changes in Equity for year ended (cont'd)

31 December 2000

	Note	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Accumulated Profit RM'000	Total RM'000
<b>Company</b>						
Balance at 1 January 1999		1,261	-	-	860	2,121
Profit for the year		-	-	-	25,276	25,276
Dividends	28	-	-	-	(25,060)	(25,060)
Issue of share capital		710	-	-	-	710
Balance at 31 December 1999		1,971	-	-	1,076	3,047
Surplus arising on revaluation of investments in subsidiary companies		-	-	47,069	-	47,069
Surplus arising on revaluation of investments in associated company		-	-	62	-	62
Net gains not recognised in the income statement		-	-	47,131	-	47,131
Issue of share capital		31,456	24,230	-	-	55,686
Listing expenses written off		-	(2,627)	-	-	(2,627)
Profit for the year		-	-	-	4,940	4,940
Bonus issue		36,573	-	(36,573)	-	-
Dividends	28	-	-	-	(5,530)	(5,530)
Balance at 31 December 2000		70,000	21,603	10,558	486	102,647

The annexed notes form an integral part of these financial statements

# Cash Flow Statements for the year ended

31 December 2000

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Operating profit before taxation	31,507	26,214	6,350	26,346
Adjustments for :				
Share of profits of associated companies	(69)	(60)	-	-
Fixed assets written off	249	-	-	-
Bad debts written off	-	40	-	-
(Gain)/Loss on disposal of fixed assets	(796)	69	-	-
Provision for doubtful debts	-	140	-	-
Depreciation	2,212	1,577	117	-
Amortisation of goodwill	107	127	-	-
Interest expenses	364	972	3	-
Interest income	(577)	(241)	(291)	-
Pre-operating expenses written off	158	23	-	-
Preliminary expenses written off	14	9	-	-
Provision for diminution in value of quoted investments	-	36	-	-
Gain on disposal of quoted investments	-	(3)	-	-
Dividends receivable	-	-	(11,000)	(20,569)
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>33,169</b>	<b>28,903</b>	<b>(4,821)</b>	<b>5,777</b>
Increase in property development expenditure	(2,205)	(1,692)	-	-
(Increase)/Decrease in inventory and development expenditure	(22,125)	1,451	-	-
Increase in trade and other receivables	(18,970)	(5,090)	(577)	(6,434)
Increase in trade and other payables	11,997	11,022	1,502	303
<b>CASH GENERATED FROM/ (USED IN) OPERATIONS</b>	<b>1,866</b>	<b>34,594</b>	<b>(3,896)</b>	<b>(354)</b>
Interest income	577	241	291	-
Interest paid	(697)	(3,624)	(3)	-
Listing expenses	(2,284)	(343)	(2,284)	(343)
Tax paid	(6,345)	(11,803)	(35)	(35)
<b>NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>	<b>(6,883)</b>	<b>19,065</b>	<b>(5,927)</b>	<b>(732)</b>

The annexed notes form an integral part of these financial statements

# Cash Flow Statements for the year ended (cont'd)

31 December 2000

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Investment in subsidiary companies		(750)	-	(3,150)	-
Pre-operating expenses incurred		-	(22)	-	-
Proceeds from disposal of fixed assets		3,783	472	-	-
Proceeds on disposal of quoted investments		-	18	-	-
Purchase of fixed assets		(8,247)	(2,147)	(1,936)	-
Acquisition of subsidiary companies net of cash and cash equivalents	A	-	(847)	-	-
Purchase of other investments		(5,000)	-	(5,000)	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(10,214)</b>	<b>(2,526)</b>	<b>(10,086)</b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Repayment of hire purchase and lease creditors		(1,002)	(708)	-	-
Proceeds from bridging loan		-	2,624	-	-
Advances from/(to) associated companies		-	60	(22,031)	60
Dividends paid		(19,904)	(5,900)	(19,160)	(5,900)
Proceeds from issue of shares		57,636	745	55,686	710
Repayment of term loan and bridging loan		(5,122)	(2,389)	-	-
Dividend received		-	-	22,053	5,900
<b>NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES</b>		<b>31,608</b>	<b>(5,568)</b>	<b>36,548</b>	<b>770</b>
Net increase in cash and cash equivalents		14,511	10,971	20,535	38
Cash and cash equivalents at beginning of the year		4,171	(6,800)	44	6
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	29	<b>18,682</b>	<b>4,171</b>	<b>20,579</b>	<b>44</b>

## A. SUMMARY OF EFFECT OF ACQUISITION OF SUBSIDIARY COMPANIES

### Group

	2000 RM'000	1999 RM'000
Fixed assets	-	443
Goodwill arising on consolidation	-	823
Cash in hand	-	491
Stocks	-	186
Debtors	-	153
Fixed deposits	-	312
Preliminary expenses	-	2
Pre-operating expenses	-	6
Other creditors	-	(377)
Provision for taxation	-	(389)
<b>Total purchase consideration in cash</b>	<b>-</b>	<b>1,650</b>
Less : Cash and cash equivalents of subsidiary companies acquired	-	(803)
<b>Acquisition of subsidiary companies net of cash and cash equivalents</b>	<b>-</b>	<b>847</b>

The annexed notes form an integral part of these financial statements

# Notes to the Financial Statements

## 1. GENERAL

The financial statements of the Group and the Company are expressed in Ringgit Malaysia.

The Company was incorporated in Malaysia as a public company limited by shares quoted on the Main Board of Kuala Lumpur Stock Exchange.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and the Company have been prepared in accordance with applicable approved Accounting Standards and the provision of the Companies Act, 1965.

## 3. ACCOUNTING POLICIES

### (a) Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention modified by the revaluation of investments in certain subsidiary and associated companies.

### (b) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies made up to the end of the financial year (refer to Note 5). The financial statements of the subsidiary companies acquired during the year are included in the consolidated financial statements from the date of their acquisitions. Inter-company transactions are eliminated on consolidation and the consolidated financial statements reflect external transactions only.

The difference between the purchase consideration and the fair value of the net assets of subsidiary companies at the date of acquisition is included in the consolidated balance sheet as goodwill arising on consolidation. Goodwill arising on consolidation is amortised over a period ranging from 1 - 10 years.

### (c) Depreciation

Building in progress is stated at cost and depreciation will commence when the assets are completed and in use.

Other fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost of fixed assets on a straight line basis over the estimated useful lives of the assets concerned. The principal annual rates used are:-

Long leasehold land and buildings	80 years
Short leasehold land	49 years
Condominium	1%
Furniture & fittings	10-20%
Office equipment,	
computer systems & equipment	10-50%
Motor vehicle	10-20%
Plant and machinery	10-20%
Office renovation	10-20%

### (d) Fixed Assets Acquired Under Finance Lease and Hire Purchase Arrangements

The cost of the assets acquired under finance lease and hire purchase arrangements which in substance transfer the risk and benefits of ownership of the assets to the Group are capitalised.

The fixed assets are recorded at the lower of the minimum lease and hire purchase payments or the fair value of the lease and hire purchase assets at the beginning of the respective lease and hire purchase terms less accumulated depreciation. Assets acquired under such arrangement are depreciated over the useful lives of equivalent owned assets. The depreciation policy on these assets are similar to that of the Group's fixed assets depreciation policy.

Outstanding obligation due under the finance lease and hire purchase arrangements after deducting finance expenses are included as liabilities in the financial statements. Finance charges of finance lease and hire purchase are allocated to income statements so as to give a constant periodic rate of interest on the outstanding liability at the end of the financial year.

# Notes to the Financial Statements (cont'd)

## 3. ACCOUNTING POLICIES (cont'd)

Leases which do not meet such criteria are classified as operating leases and the related rentals are charged to income statements on a straight line basis over the lease term.

### (e) Investments

Investment in subsidiary companies and associated companies are stated at revalued amount. These investments are held on long term basis. Investments are only written down when the Directors are of the opinion that there is a permanent diminution in their value.

Long term investments are stated at lower of cost less provision for permanent diminution in value, if any.

Short term investments consist of highly liquid investments and are readily convertible to cash with insignificant risk of changes in value, are stated at cost.

### (f) Associated Companies

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

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

### (g) Property Development Expenditure

Property development expenditure consists of cost of land under development, development expenditure incurred to date including a proportion of estimated profits attributable to development work performed to date, less progress billings.

### (h) Valuation of Inventory and Development Expenditure

i) Inventory are stated at lower of cost and net realisable value. In general, cost is determined on a first-in first-out basis and includes all costs in bringing the inventory to their present location and condition. Net realisable value is the price at which the inventory can be realised in the normal course of business after allowing for the cost of realisation and where appropriate, the cost of conversion from their existing state to a finished condition.

ii) Land stocks held for interment purposes are stated at the cost plus incidental expenses incurred in bringing the land to the present condition.

iii) Development expenditure is stated at cost and consists of all direct development costs incurred.

### (i) Debtors

Known bad debts are written off and specific provision were made for any debt considered to be doubtful of collection.

### (j) Expenditure Carried Forward

Expenditure carried forward consists of preliminary, pre-operating and listing expenses stated at cost.

These expenses have been written off during the year in order to comply with MASB 1 upon its adoption by the Malaysian Accounting Standards Board.

### (k) Income Recognition

i) Contract revenue on construction are recognised on the percentage of completion method by reference to physical progress on each contract and after making appropriate provision for uncertainties and estimated losses to complete.

Contract costs include all direct materials and labour costs and those incidental costs related to contract performance. This method is only used at a point where contract revenues and contract costs can be reliably estimated and the costs can be clearly compared with prior estimates. Otherwise revenue is recognised only to the extent of cost incurred that is probable to be recoverable and contract costs are recognised as an expense in the year in which they are incurred.

# Notes to the Financial Statements (cont'd)

## 3. ACCOUNTING POLICIES (cont'd)

- ii) Revenue from development properties sold is recognised on the percentage of completion method in the proportion which total costs incurred to date bear to the total estimated costs of the development.
- iii) Revenue from development of rest parks is recognised based on significant deposit received.

### (l) Provision on Future Funeral Packages

Provision for cost of pre-need funeral packages sold are made in full based on actuarial estimates provided by an independent Actuary Consultant.

### (m) Sinking Fund Reserve

Sinking fund reserve of the Group is established for the purpose of defraying the future costs of pre-need funeral packages of the Group. A fraction of the collection from sales of pre-need funeral packages during the year are credited to this reserve as per valuation by an independent Actuary Consultant.

The amount credited into the reserve during the year is subsequently paid to a fund following the year. This fund is kept in a separate trust account and administered by a Trustee.

Monies in the sinking fund is invested by the Trustee. Any income arising out of the investment is accrued to the fund.

### (n) Taxation

Provision for taxation is made based on the amount of tax estimated to be payable on revenue adjusted for tax purposes. Provision is made by the liability method for the effects of taxation deferred by capital allowances and other timing differences, except where there is reasonable evidence that the effects of such timing differences are not material and are not expected to reverse in the foreseeable future. Deferred tax benefits are only recognised where there is reasonable expectation of realisation in the near future.

### (o) Cash and Cash Equivalents

Cash and cash equivalents represent cash in hand and at bank, fixed deposits and bank overdraft balance.

## 4. FIXED ASSETS

The details of fixed assets are as follows:-

### Group 2000

At cost

	At 1 January RM'000	Addition RM'000	Disposal/ Written off RM'000	At 31 December RM'000
Long leasehold land & buildings	3,696	-	(2,717)	979
Short leasehold land	1,525	-	-	1,525
Building in progress	2,488	2,029	-	4,517
Condominium	546	-	(224)	322
Furniture & fittings	1,018	557	(240)	1,335
Office equipment, computer systems & equipment	2,217	1,648	(73)	3,792
Motor vehicle	5,016	4,494	(467)	9,043
Plant and machinery	288	151	-	439
Office renovation	2,226	1,579	(1,376)	2,429
<b>Total</b>	<b>19,020</b>	<b>10,458</b>	<b>(5,097)</b>	<b>24,381</b>

# Notes to the Financial Statements (cont'd)

## 4. FIXED ASSETS (cont'd)

### Accumulated Depreciation

	At 1 January RM'000	Charge for the year RM'000	Disposal/ Written off RM'000	At 31 December RM'000	Net Book Value at 31 December RM'000
Long leasehold land & buildings	211	38	(211)	38	941
Short leasehold land	63	31	-	94	1,431
Building in progress	-	-	-	-	4,517
Condominium	35	4	(15)	24	298
Furniture & fittings	335	117	(114)	338	997
Office equipment, computer systems & equipment	976	538	(40)	1,474	2,318
Motor vehicle	2,231	1,012	(229)	3,014	6,029
Plant and machinery	148	54	-	202	237
Office renovation	1,194	418	(1,253)	359	2,070
<b>Total</b>	<b>5,193</b>	<b>2,212</b>	<b>(1,862)</b>	<b>5,543</b>	<b>18,838</b>

### Group 1999

#### At cost

	At 1 January RM'000	Additions RM'000	Acquisition of subsidiary RM'000	Disposal/ Written off RM'000	At 31 December RM'000
Long leasehold land & buildings	3,696	-	-	-	3,696
Short leasehold land	3,348	-	-	(1,823)	1,525
Building in progress	2,076	412	-	-	2,488
Condominium	1,110	-	-	(564)	546
Furniture & fittings	858	132	32	(3)	1,019
Office equipment, computer systems & equipment	1,537	532	156	(8)	2,217
Motor vehicle	2,515	1,858	646	(3)	5,016
Plant and machinery	206	82	-	-	288
Office renovation	1,600	607	37	(18)	2,226
<b>Total</b>	<b>16,946</b>	<b>3,623</b>	<b>871</b>	<b>(2,419)</b>	<b>19,021</b>

# Notes to the Financial Statements (cont'd)

## 4. FIXED ASSETS (cont'd)

### Accumulated Depreciation

	At 1 January RM'000	Charge for the year RM'000	Acquisition of subsidiary RM'000	Disposal/ Written off RM'000	At 31 December RM'000	Net Book Value at 31 December RM'000
Long leasehold land & buildings	165	46	-	-	211	3,485
Short leasehold land	74	31	-	(42)	63	1,462
Building in progress	-	-	-	-	-	2,488
Condominium	53	9	-	(27)	35	511
Furniture & fittings	230	98	8	(1)	335	684
Office equipment, computer systems & equipment	560	366	52	(2)	976	1,241
Motor vehicle	1,230	666	338	(3)	2,231	2,785
Plant and machinery	123	25	-	-	148	140
Office renovation	797	369	30	(2)	1,194	1,032
<b>Total</b>	<b>3,232</b>	<b>1,610</b>	<b>428</b>	<b>(77)</b>	<b>5,193</b>	<b>13,828</b>

### Company 2000

#### At cost

	At 1 January RM'000	Additions RM'000	At 31 December RM'000
Office renovation	-	1,049	1,049
Furniture & fittings	-	368	368
Office equipment, computer systems & equipment	-	514	514
Motor vehicle	-	5	5
<b>Total</b>	<b>-</b>	<b>1,936</b>	<b>1,936</b>

### Accumulated Depreciation

	At 1 January RM'000	Charge for the year RM'000	At 31 December RM'000	Net Book Value at 31 December RM'000
Office renovation	-	35	35	1,014
Furniture & fittings	-	12	12	356
Office equipment, computer systems & equipment	-	70	70	444
Motor vehicle	-	-	-	5
<b>Total</b>	<b>-</b>	<b>117</b>	<b>117</b>	<b>1,819</b>

### Company 1999: Nil

#### Group

- i) Some of the leasehold land and buildings have been charged to financial institutions for credit facilities granted to subsidiary companies.
- ii) The cost of fixed assets acquired under finance leases and hire purchase arrangements amounted to RM1,121,053 (1999: RM212,212) and RM4,331,202 (1999: RM1,790,165)
- iii) Included in building in progress is interest expense for the year of RM Nil (1999: RM45,221).

# Notes to the Financial Statements (cont'd)

## 5. SUBSIDIARY COMPANIES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Unquoted shares, at cost	750	-	5,285	2,136
Net surplus arising on revaluation of investments	-	-	47,069	-
Unquoted shares, at valuation	750	-	52,354	2,136
Amount due from subsidiary companies	-	-	28,728	471
Amount due to subsidiary companies	-	-	(7,277)	(1,051)
Dividend receivable from subsidiary companies	-	-	5,890	19,533
	-	-	27,341	18,953
<b>Total</b>	<b>750</b>	<b>-</b>	<b>79,695</b>	<b>21,089</b>

The investment in subsidiary companies was revalued by the Directors on 19 June 2000 based on the audited net tangible asset values as at 31 December 1999 in conjunction with the listing thereof on the Main Board of the Kuala Lumpur Stock Exchange. The revaluation surplus of RM47,069,019 was credited to revaluation reserve (Note 19).

The amount from/(due) to subsidiary companies are unsecured, interest free with no fixed term of repayment.

Details of subsidiary companies, incorporated in Malaysia, are as follows:-

### Subsidiaries of the Company:

Name	Principal Activities	Effective Interest	
		2000 %	1999 %
Genting Jelas Sdn Bhd	Property development	100	100
Ideal Version Sdn Bhd	Dormant	100	100
Istawa Sdn Bhd	Dormant	100	100
Nir-Warna Sdn Bhd	Development of rest park	100	100
Nir-Warna Development Sdn Bhd	Earthworks, construction and sales of tombs	100	100
Nir-Warna Marketing Sdn Bhd	Sales of health food products	51	51
NV Alliance Sdn Bhd	Sales of burial plots, urn compartments and pre-need funeral packages	100	100
NV Card Services Sdn Bhd	Dormant	100	100
NV Care Sdn Bhd	Sales of funeral packages	61	66
Rantau Delima Sdn Bhd	Property development	100	100
Nir-Warna (Penang) Sdn Bhd (formerly known as Imbasan Tenang Sdn Bhd)	Dormant	100	100
Nir-Warna (Johor) Sdn Bhd	Development of rest park, crematorium and funeral parlour (intended activities)	100	100

# Notes to the Financial Statements (cont'd)

## 5. SUBSIDIARY COMPANIES (cont'd)

### Subsidiaries of Nir-Warna Sdn Bhd:

Name	Principal Activities	Effective Interest	
		2000 %	1999 %
Nir-Warna (Kuching) Sdn Bhd	Development of rest park, construction and sales of tombs	65	65
Nir-Warna Management Sdn Bhd	Maintenance of cemetery, burials lots and urn compartments	100	100
Nir-Warna Landscape Sdn Bhd	Landscaping and nursery	100	100
Nir-Warna (Sabah) Sdn Bhd	Development of rest park, construction and sales of tombs	100	100

### Subsidiary of Nir-Warna (Kuching) Sdn Bhd:

Anglosa Development Sdn Bhd	Dormant	100	100
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### Subsidiaries of NV Care Sdn Bhd:

NV Care (Johor) Sdn Bhd	Provision of funeral packages	100	100
Pinang Sepadan Sdn Bhd	Letting of memorial hall and showroom	100	100
PJMC Sdn Bhd (formerly known as P.J. Modern Casket & Funeral Parlour Sdn Bhd)	Undertaker and supplier of funeral merchandise	100	100
Hock Long Heng Sdn Bhd*	Undertaker and supplier of funeral merchandise	100	-

\* No consolidated income statement and balance sheet are prepared as the controlling interest is to be temporary.

All the subsidiary companies except Hock Long Heng Sdn Bhd are audited by HALS & Associates.

## 6. ASSOCIATED COMPANIES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Unquoted shares at cost	30	30	30	30
Net surplus arising on revaluation of investments	-	-	62	-
Share of post acquisition profit	155	105	-	-
	185	135	92	30
Amount due from an associated company	120	120	120	120
	305	255	212	150

The investment in associated companies was revalued by the Directors on 19 June 2000 based on the audited net tangible asset values as at 31 December 1999 in conjunction with the listing thereof on the Main Board of the Kuala Lumpur Stock Exchange. The revaluation surplus of RM105,313 was credited to revaluation reserve. (Note 19)

## Notes to the Financial Statements (cont'd)

### 6. ASSOCIATED COMPANIES (cont'd)

The Group's investment in the associated companies are analysed as follows:-

	Group	
	2000 RM'000	1999 RM'000
Share of net tangible assets	196	146
Reserves on acquisition	(11)	(11)
	<u>185</u>	<u>135</u>

Details of associated companies, incorporated in Malaysia are as follows:-

Name	Principal Activities	Effective Interest	
		2000 %	1999 %
<b>The Company</b>			
Minda Cemerlang Sdn Bhd	Trading and processing of granite and marble	30	30
<b>Associated company of Nir-Warna Landscape Sdn Bhd</b>			
Public Acres Sdn Bhd	Nursery and supply of turf	40	40

The amount due from an associated company is unsecured, interest free with no fixed term of repayment.

The above associated companies are not audited by HALS & Associates.

### 7. QUOTED INVESTMENTS

	Group	
	2000 RM'000	1999 RM'000
Quoted shares in Malaysia, at cost	1,460	1,460
Less: Provision for diminution in value	(1,371)	(1,371)
	<u>89</u>	<u>89</u>
Market value of quoted shares	*	80

\* The quoted shares were suspended from trading on Kuala Lumpur Stock Exchange.

### 8. GOODWILL ARISING ON CONSOLIDATION

	Group	
	2000 RM'000	1999 RM'000
Balance at beginning of the year less amount attributable to minority interest of RM86,108 (1999: RM86,108)	619	160
Amount arising on acquisition of subsidiaries less portion attributable to minority interest RM Nil (1999: RM279,842)	-	543
	<u>619</u>	<u>703</u>

## Notes to the Financial Statements (cont'd)

### 8. GOODWILL ARISING ON CONSOLIDATION (cont'd)

	Group	
	2000	1999
	RM'000	RM'000
Goodwill attributable to minority interest on dilution of interest in subsidiary company	(36)	-
Amortisation during the year less portion attributable to minority interest of RM41,153 (1999: RM43,591)	(66)	(84)
	<u>517</u>	<u>619</u>

### 9. PROPERTY DEVELOPMENT EXPENDITURE

	Group	
	2000	1999
	RM'000	RM'000
Freehold land – at cost	4,498	8,622
Development expenditure – at cost	<u>28,057</u>	<u>33,728</u>
	32,555	42,350
Proportion of estimated profit incurred on properties sold	<u>6,636</u>	<u>7,799</u>
	39,191	50,149
Less: Progress billings	(26,405)	(39,568)
	<u>12,786</u>	<u>10,581</u>

### 10. INVENTORY AND DEVELOPMENT EXPENDITURE

	Group	
	2000	1999
	RM'000	RM'000
Inventory:-		
Plants	215	-
Raw materials	604	658
Work in progress	4,894	4,419
Finished goods	538	510
Land stock	<u>36,774</u>	<u>32,565</u>
	43,025	38,152
Development expenditure	<u>39,588</u>	<u>22,003</u>
	<u>82,613</u>	<u>60,155</u>

Included in land stock is borrowing cost for the year of RM332,928 (1999: RM2,651,921)

# Notes to the Financial Statements (cont'd)

## 11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Trade debtors	39,752	26,366	-	-
Less: Provision for doubtful debts	(170)	(170)	-	-
	<u>39,582</u>	<u>26,196</u>	<u>-</u>	<u>-</u>
Other debtors, deposits and prepayment	8,628	2,821	1,147	569
Tax recoverable	1,291	76	1,291	76
	<u>49,501</u>	<u>29,093</u>	<u>2,438</u>	<u>645</u>

## 12. SHORT TERM INVESTMENTS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Unit trusts, at cost	5,003	3	5,000	-
Short term deposits with licensed financial institution	24,950	1,019	24,153	-
	<u>29,953</u>	<u>1,022</u>	<u>29,153</u>	<u>-</u>

Short term deposits amounting to RM244,391 (1999: RM630,990) have been pledged as security for banking facilities granted.

## 13. CASH AND BANK BALANCES

Included in the Group bank balances is amount totalling to RM457,105 (1999: RM4,230,175) which are maintained pursuant to the requirement of the Housing Developers (Housing Development Account) Regulations, 1991.

## 14. TRADE AND OTHER PAYABLES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Trade payables	27,149	22,158	-	-
Other payables and accruals	19,237	14,630	1,104	64
Sinking fund reserve	1,418	-	-	-
Amount due to directors	556	94	462	-
	<u>48,360</u>	<u>36,882</u>	<u>1,566</u>	<u>64</u>

The amount due to directors is unsecured, interest free with no fixed term of repayment.

# Notes to the Financial Statements (cont'd)

## 15. SHORT TERM BORROWINGS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Bank overdrafts				
- secured	6,403	10,544	-	-
- unsecured	4,015	-	4,015	-
Bridging loan	-	2,089	-	-
Term loan (Note 20)	-	1,400	-	-
	<u>10,418</u>	<u>14,033</u>	<u>4,015</u>	<u>-</u>

The secured bank overdrafts granted to subsidiary companies bear interest between 1.25% - 1.50% (1999: 1.75% - 2.25%) above bank's base lending rate per annum and are secured by legal charges and/or negative pledge in the subsidiary companies' certain fixed assets and land stock, and corporate guarantee given by the Company.

The unsecured bank overdraft bears interest of 1.25% (1999: Nil) above bank's base lending rate per annum.

The bridging loan granted to a subsidiary company in prior year bears interest of 2.25% above bank's base lending rate per annum and was secured by legal charge over the subsidiary company's land stock and corporate guarantee given by the Company.

The term loan granted to a subsidiary company in prior year bears interest of 2.00% above bank's base lending rate per annum and was secured by legal charge over the subsidiary company's land stock and corporate guarantee given by the Company.

## 16. HIRE PURCHASE AND LEASE CREDITORS

	Group	
	2000 RM'000	1999 RM'000
Repayable within next 12 months		
- Hire purchase creditors	883	550
- Lease creditors	80	80
	<u>963</u>	<u>630</u>
Repayable after next 12 months		
- Hire purchase creditors	1,915	959
- Lease creditors	35	116
	<u>1,950</u>	<u>1,075</u>

## 17. EXPENDITURE CARRIED FORWARD - AT COST

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Preliminary expenses	-	14	-	-
Pre-operating expenses	-	158	-	-
Listing expenses	-	343	-	343
	<u>-</u>	<u>515</u>	<u>-</u>	<u>343</u>

Preliminary and pre-operating expenses were written off to income statements.

Listing expenses were written off against the share premium account.

# Notes to the Financial Statements (cont'd)

## 18. SHARE CAPITAL

	Group/Company	
	2000	1999
	RM'000	RM'000
a) Authorised:		
Ordinary shares of RM1.00 each		
At beginning of the year	2,000	2,000
Created during the year	98,000	-
At end of the year	<u>100,000</u>	<u>2,000</u>
b) Issued and fully paid:		
Ordinary shares of RM1.00 each		
At beginning of the year	1,971	1,261
Issued during the year:		
- new issue	-	710
- bonus issue (Note 19)	36,573	-
- rights issue	20,921	-
- public issue	10,535	-
At end of the year	<u>70,000</u>	<u>1,971</u>

## 19. RESERVES

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Non-Distributable:				
Share premium				
Premium on shares issued during the year	24,230	-	24,230	-
Listing expenses written off	(2,627)	-	(2,627)	-
	<u>21,603</u>	<u>-</u>	<u>21,603</u>	<u>-</u>
Revaluation Reserve				
Surplus arising on revaluation of investment in subsidiary companies	47,069	-	47,069	-
Surplus arising on revaluation of investment in associated companies	105	-	62	-
Bonus issue (Note 18)	(36,573)	-	(36,573)	-
	<u>10,601</u>	<u>-</u>	<u>10,558</u>	<u>-</u>

# Notes to the Financial Statements (cont'd)

## 19. RESERVES (cont'd)

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Distributable:				
Retained profit				
At 1 January	49,041	48,764	1,076	860
Dilution arising from new issue of shares in subsidiary companies	(85)	(69)	-	-
Net profit for the year	20,998	25,406	4,940	25,276
Dividends	(5,530)	(25,060)	(5,530)	(25,060)
Transfer to revaluation reserve	(47,174)	-	-	-
At 31 December	<u>17,250</u>	<u>49,041</u>	<u>486</u>	<u>1,076</u>
	<u>49,454</u>	<u>49,041</u>	<u>32,647</u>	<u>1,076</u>

## 20. TERM LOAN – SECURED

	Group	
	2000 RM'000	1999 RM'000
Payable within next 2 years	-	2,800
Payable after next 2 years but within 5 years	-	233
	-	3,033
Less: Payable within 12 months (Note 15)	-	(1,400)
	-	<u>1,633</u>

## 21. DEFERRED TAXATION

	Group	
	2000 RM'000	1999 RM'000
At 1 January	147	-
Transferred from income statements	175	147
At 31 December	<u>322</u>	<u>147</u>

The deferred tax liability is in respect of the timing differences between depreciation and corresponding capital allowances on fixed assets.

## 22. REVENUE

(a) Revenue of the Group include the followings:-

- i) Invoiced value of goods sold and service rendered net of discounts;
- ii) Contract revenue determined by reference to the percentage of completion of property units sold.

(b) Company's revenue represents gross dividend income and management fee received and receivable.

# Notes to the Financial Statements (cont'd)

## 23. OPERATING PROFIT

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Revenue	123,388	99,276	11,240	26,709
Cost of sales	(57,190)	(40,451)	-	-
Gross profit	66,198	58,825	11,240	26,709
Other operating income	3,478	1,851	343	-
SELLING AND DISTRIBUTION EXPENSES	(15,525)	(16,688)	-	-
ADMINISTRATIVE EXPENSES				
- amortisation of goodwill	(107)	(127)	-	-
- depreciation	(2,212)	(1,577)	(117)	-
- staff cost	(11,452)	(7,861)	(3,430)	-
- other cost	(8,440)	(7,203)	(1,675)	(363)
	(22,211)	(16,768)	(5,222)	(363)
Operating profit	31,940	27,220	6,361	26,346

## 24. PROFIT BEFORE TAXATION

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Profit before taxation is arrived at after charging:-				
Audit fees				
- current	86	78	16	4
- under provision in prior year	21	16	5	-
Bad debts written off	-	40	-	-
Bridging loan interest	95	103	-	-
Coaches and equipment rental (included in cost of sales)	796	252	-	-
Directors' fee	42	-	36	-
Directors' emoluments	1,453	1,304	1,148	-
Fixed assets written off	249	-	-	-
Hire purchase interest	212	135	-	-
Hire of plant and machinery	1	-	-	-
Hospital rental	2	-	-	-
Lease interest	19	12	-	-
Land rental	50	5	-	-
Lease rental	8	-	-	-
Loss on disposal of fixed assets	2	69	-	-
Office rental *	787	266	165	-
Overdraft interest	35	722	3	-
Overdue interest	3	-	-	-
Preliminary expenses written off	14	9	-	-
Pre-operating expenses written off	158	23	-	-
Provision for diminution in value of quoted investments	-	36	-	-
Provision for doubtful debts	-	140	-	-
Registration of trade mark	-	2	-	-

# Notes to the Financial Statements (cont'd)

## 24. PROFIT BEFORE TAXATION (cont'd)

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
and crediting:-				
Gain on disposal of fixed assets	798	-	-	-
Dividend income	51	-	51	-
Gain on disposal of quoted investments	-	3	-	-
Interest income	577	241	291	-
Rental income	102	28	-	-

\* Included in office rental is RM25,170 (1999: RM29,100) paid to a company in which one of the subsidiary company's director has an interest.

## 25. TAXATION

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Provision for the year	9,139	269	1,410	1,035
Under/(over) provision in prior years	6	(352)	-	35
Transferred to deferred taxation	175	147	-	-
Share of taxation of associated companies	19	-	-	-
Real Property Gain Tax	-	69	-	-
	<u>9,339</u>	<u>133</u>	<u>1,410</u>	<u>1,070</u>

### Group

Provision for taxation for current year is high in relation to the income earned as certain expenses incurred are not deductible for tax purposes.

The Group has unabsorbed capital allowances of approximately RM352,000 (1999: RM3,000) for utilisation against future taxable income.

The Group has available tax exempt income for the payment of future tax exempt dividends of approximately RM5,253,000 (1999: RM7,003,000).

Both the unabsorbed capital allowances and tax exempt income are subject to the approval from the tax authorities.

### Company

Provision for taxation for current year is high in relation to the income earned as certain expenses incurred are not deductible for tax purposes.

Subject to the approval from the tax authorities, the Company has unabsorbed capital allowances of approximately RM340,000 (1999: RM Nil) for utilisation against future taxable income. The Company has available tax credit under Section 108 of the Income Tax Act 1967 to frank the distributable reserves as dividends.

## 26. EARNINGS PER SHARE

Net earnings per share is calculated by dividing the Group's profits after taxation and minority interest of RM20,998,053 (1999: RM25,406,108) by the weighted average number of ordinary shares during the financial year of 54,050,926 (1999: 38,510,033).

## Notes to the Financial Statements (cont'd)

### 26. EARNINGS PER SHARE (cont'd)

	Group	
	2000 '000	1999 '000
Issued ordinary shares at beginning of the year	1,971	1,261
Effect of new issue on 11 January 1999	-	671
Effect of new issue on 28 June 1999	-	5
Effect of bonus issue on 19 June 2000	36,573	36,573
Effect of rights issue on 20 June 2000	11,120	-
Effect of public issue on 2 August 2000	4,387	-
	<u>54,051</u>	<u>38,510*</u>

\* The weighted average number of shares for financial year ended 31 December 1999 have been restated to incorporate the effect of bonus and rights issue for the current financial year.

### 27. DILUTION ARISING FROM NEW ISSUE OF SHARES IN SUBSIDIARY COMPANY

The dilution arose as a result of reduction of the Company's interest in a subsidiary company.

### 28. DIVIDENDS

	Group/Company	
	2000 RM'000	1999 RM'000
First interim dividend of RM0.05 gross per share less income tax of 28% (1999: Tax exempt dividend of RM1.27 per share)	2,520	2,500
Second interim tax exempt dividend RM Nil per share (1999: RM1.72 per share)	-	3,400
Proposed final dividend of:-		
- RM0.025 tax exempt per share (1999: RM8.27 per share)	1,750	16,308
- RM0.025 gross per share less income tax of 28% (1999: RM2.01 per share)	1,260	2,852
	<u>5,530</u>	<u>25,060</u>

### 29. CASH AND CASH EQUIVALENTS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Cash and bank balances	4,150	13,696	441	44
Short term deposits with licensed financial institution	24,950	1,019	24,153	-
Bank overdrafts	(10,418)	(10,544)	(4,015)	-
	<u>18,682</u>	<u>4,171</u>	<u>20,579</u>	<u>44</u>

# Notes to the Financial Statements (cont'd)

## 30. SEGMENTAL REPORTING

### Group

Analysis by activities	Revenue RM'000	Profit before e taxation RM'000	Assets employed RM'000
<b>2000</b>			
Bereavement care	94,319	26,701	183,409
Housing development	29,069	4,737	15,788
	<u>123,388</u>	<u>31,438</u>	<u>199,197</u>
Associated companies	-	69	305
	<u>123,388</u>	<u>31,507</u>	<u>199,502</u>
<b>1999</b>			
Bereavement care	77,571	23,820	110,590
Housing development	21,705	2,334	19,008
	<u>99,276</u>	<u>26,154</u>	<u>129,598</u>
Associated companies	-	60	255
	<u>99,276</u>	<u>26,214</u>	<u>129,853</u>

## 31. CONTINGENT LIABILITIES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Damages claimed by third parties as a result of earthworks carried out and pending court decision*	617	617	617	-
Claim for a liquidated damages in respect of non-performance of work	1,000	1,000	-	-

\* The Directors are of the opinion that the above claim is without merit.  
The above contingent liabilities are not secured against any of the Group's/Company's assets.

## 32. CAPITAL COMMITMENT

Approved capital expenditure not provided for in the financial statements are as follows:-

	Group	
	2000 RM'000	1999 RM'000
Contracted		
- construction in progress	19,271	18,500
- purchase of fixed assets	1,100	-
Not contracted		
- development expenditure	15,869	17,080
- purchase of fixed assets	5,373	8,000
	<u>41,613</u>	<u>43,580</u>

## 33. EMPLOYEES

The number of employees at the end of the financial year is:-

	Group		Company	
	2000 No.	1999 No.	2000 No.	1999 No.
Employees	256	173	51	-

# Notes to the Financial Statements (cont'd)

## 34. SIGNIFICANT RELATED PARTY TRANSACTIONS

	Group	
	2000	1999
	RM'000	RM'000
With associated companies are as follows:-		
- Purchase of plants and granite	2,305	*
	Company	
	2000	1999
	RM'000	RM'000
With subsidiary companies are as follows:-		
- Management fee received	240	240
- Dividends received	3,000	5,900
- Dividends receivable	8,000	20,569

The Directors are of the opinion that the above transactions were entered into the normal course of business and have been established under negotiated terms.

\* This is the reporting period in which the Group has applied the provision of MASB 8 – Related party Disclosure. Accordingly comparative information is not presented.

## 35. SUBSEQUENT EVENTS

- (i) On 12 January 2001, the Company has subscribed for 50% equity in NV Multi Corporation (Hong Kong) Limited ("NVHK"), a company incorporated in Hong Kong under the Hong Kong Companies Ordinance (Chapter 32) at a subscription price of HK\$1.00 only. NVHK is presently a dormant company.
- (ii) On 17 April 2001, the Securities Commission ("SC") had approved the revised Utilisation of Proceeds as follows:

	As approved by SC on 10 April 2000 RM'000	As approved by SC on 17 April 2001 RM'000
To part finance the construction of the urn repository columbariums and a one-stop memorial centre	21,000	18,000
To part finance the development expenditure at the memorial parks in Kajang, Kota Kinabalu and Kuching	18,500	18,500
To finance the purchase of hearse and limousines	8,000	4,214
To finance working capital	6,186	12,972
To defray estimated listing expenses	2,000	2,000
	55,686	55,686

## 36. COMPARATIVE

Certain comparative figures have been adjusted to conform with changes in presentation resulting from the additional disclosure requirements of the new MASB Standards that are applicable for the financial year ended 31 December 2000.

## Statement by Directors

We, DATO' DR KONG HON KONG and HONG HOCK MING, being two of the Directors of NV MULTI CORPORATION BERHAD, do hereby state that in our opinion, the financial statements set out on pages 22 to 45 are drawn up in accordance with applicable approved Accounting Standards so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2000 and of the results of its operations and the cash flows of the Group and Company for the year ended on that date.

On behalf of the Board

Dato' Dr Kong Hon Kong  
Director

Hong Hock Ming  
Director

Kuala Lumpur  
17 April 2001

## Statutory Declaration

I, HONG HOCK MING, being the Director primarily responsible for the accounting records and financial management of NV MULTI CORPORATION BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 22 to 45 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in Wilayah Persekutuan on 17 April 2001

Hong Hock Ming  
Director

Before me:-

Lam Theng Sum  
Commissioner for Oaths

Kuala Lumpur

# Auditors' Report to the Members of NV Multi Corporation Berhad

We have audited the financial statements set out on pages 22 to 45. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion:

- (a) the financial statements are properly drawn up in accordance with applicable approved Accounting Standards and the provisions of the Companies Act, 1965, as amended so as to give a true and fair view of :-
  - (i) the state of affairs of the Group and the Company as at 31 December 2000 and of the results of its operations and cash flows of the Group and the Company for the year ended on that date, and
  - (ii) the matters required by Section 169 of the Act to be dealt with in the financial statements.
- (b) the accounting and other records and the registers required by the Act to be kept by the Group and the Company have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements of subsidiary companies, which have been included in the consolidated financial statements.

We are satisfied that the financial statements of the subsidiary companies that have been included in the Group financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for these purposes.

The auditors' report on the financial statements of subsidiary companies were not subject to any material qualification and did not include any comments made under Section 174 (3) of the Act.

HALS & ASSOCIATES  
A.F. 0755  
PUBLIC ACCOUNTANTS (M)

Subramaniam Sankar  
Bil 925/02/02 (J/PH)  
Partner

Kuala Lumpur  
17 April 2001

## List of Properties as at 31 December 2000

Registered owner	Description	Location	Existing use	Tenure	Approximate age of building years	Gross Land area	Built-up area	Net book value as at 31 December 2000 (RM)
Anglosa Development Sdn Bhd	Commercial land	Lot 657 Block 226 Kuching North Land District 4½ Mile, Penrissen Road, Kuching	Vacant	99-year leasehold expiring on 31.12.2038	NA	1.00 acre	NA	1,000,000
Nir-Warna Sdn Bhd	4 storey office building	Country Lease 215337465 District of Penampang, Sabah bearing address:-  Lot 16, Taman Victory, 4th Mile, Jalan Penampang, Kota Kinabalu, Sabah	Office	99-year leasehold expiring on 01 01.2081	17	1,500 sq. ft.	8,947 sq. ft.	940,597
	Apartment	10B-20-2 (19G) Putra Court Apartment, Jalan Ipoh Kecil, Kuala Lumpur	Staff quarter	Freehold	6	NA	1,635 sq. ft.	298,048
	Cemetery Land	Lot 323, 433, 437, 497, 498, 1264-1269, 1271,1357-1359, 1362, 1365-1367, 1682, 1684-1686, 1688 Mukim of Ulu Semenyih, District of Ulu Langat, Selangor Darul Ehsan	Burial plots and urn compartments	Freehold	NA	205.26 acres	NA	1,438,158
	Cemetery Land	Lot 1261, 1263, 1298, 1680 1681, PT 1169-1171 Mukim of Ulu Semenyih, District of Ulu Langat, Selangor Darul Ehsan	Vacant	Freehold	NA	38.72 acres	NA	2,969,725
	Agriculture Land	Lots 588, 868, 896, 1170, 1171, 1439 Mukim of Ulu Semenyih, District of Ulu Langat, Selangor Darul Ehsan	Vacant	Freehold	NA	213.97 acres	NA	19,123,007

## List of Properties as at 31 December 2000 (cont'd)

Registered owner	Description	Location	Existing use	Tenure	Approximate age of building years	Gross Land area	Built-up area	Net book value as at 31 December 2000 (RM)
Nir-Warna (Johor) Sdn Bhd	Agriculture Land	EMR 281 Lot 772, EMR 227 Lot 768, GM 83 Lot 769, EMR 279 Lot 770, Mukim of Senai Kulai District of Johor Bahru Johor	Vacant	Freehold	NA	31.25 acres	NA	3,469,575
Nir-Warna (Kuching) Sdn Bhd	Cemetery Land	Land Bau Occupation Ticket No. 1856 of 1928 Senggi Poak Land District Sarawak	Burial plots	99 years leasehold expiring on 2027	NA	17.50 acres	NA	1,060,151
	Cemetery Land	Land Bau Occupation Ticket Lot 431, Block 9, Senggi Poak Land District Sarawak	Burial plots	99 years leasehold expiring on 31.12.2040	NA	32.46 acres	NA	1,673,271
	Country Land	113 Block 9 Senggi Poak Land District Sarawak	Vacant	99 years leasehold expiring on 31.12.2040	NA	3.34 acres	NA	248,542
	Country Land	114 Block 9 Senggi Poak Land District Sarawak	Vacant	99 years leasehold expiring on 31.12.2040	NA	1.12 acres	NA	83,387
	Country Land	Bau Occupation Ticket 3213 Ta Poh Shak, Bau, Kuching	Vacant	99 years leasehold expiring on 31.12.2036	NA	6.00 acres	NA	480,000
Pinang Sepadan Sdn Bhd	Industrial Land	HS(D) No. 32717 PT No. 487, Mukim of Petaling, District of Wilayah Persekutuan	Memorial centre	66 years leasehold expiring on 26.08.2046	NA	35,470 sq. ft.	NA	5,948,192

NA - Not applicable

# Analysis of Shareholdings

## as at 31 March 2001

Authorised capital : RM100,000,000.00 ordinary shares of RM1.00 each

Issued and fully paid-up capital : RM70,000,000.00 ordinary shares of RM1.00 each

### ANALYSIS OF SHAREHOLDINGS

Size of shareholdings	Number of Shareholders	Percentage of Shareholders (%)	Number of Shares	Percentage of Shares (%)
1 - 999	10	0.31	10	0.00
1,000 - 10,000	3,135	95.43	6,080,014	8.69
10,001 - 100,000	115	3.50	2,747,133	3.92
100,001 - 3,499,999	19	0.58	15,524,577	22.18
3,500,000 and above	6	0.18	45,648,266	65.21
<b>Total</b>	<b>3,285</b>	<b>100.00</b>	<b>70,000,000</b>	<b>100.00</b>

### TOP THIRTY SHAREHOLDERS

Name of Shareholders	No. of Shares Held	Percentage of Shares (%)
Mayang Teratai Sdn Bhd	12,392,192	17.70
Ilusi Satria Sdn Bhd	8,221,673	11.75
Multi-Purpose Bank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Mayang Teratai Sdn Bhd	8,137,357	11.62
Anugaris Sdn Bhd	6,959,957	9.94
Multi-Purpose Bank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Ilusi Satria Sdn Bhd	5,926,593	8.47
Multi-Purpose Bank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Anugaris Sdn Bhd	5,354,150	7.65
Southern Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Mayang Teratai Sdn Bhd	2,600,000	3.71
Southern Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Anugaris Sdn Bhd	2,400,000	3.43
Mono Parade Sdn Bhd	2,024,449	2.89
Anjur Deras Sdn Bhd	2,024,449	2.89
Multi-Purpose Bank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Anjur Deras Sdn Bhd	1,459,825	2.09
Multi-Purpose Bank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Mono Parade Sdn Bhd	1,459,825	2.09
Tan Kean Huat	312,000	0.45
Dato' Dr Kong Hon Kong	304,480	0.43
Lee Hiok Kui@ Jimmy Lingam	280,000	0.40

# Analysis of Shareholdings (cont'd)

as at 31 March 2001

## TOP THIRTY SHAREHOLDERS (cont'd)

Name of Shareholders	No. of Shares Held	Percentage of Shares (%)
Southern Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Dato' Dr Kong Hon Kong	200,000	0.29
Affin-UOB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lee Hiok Kui @ Jimmy Lingam	182,000	0.26
Leong Kam Chee	180,000	0.26
Wong Kin Nam	158,000	0.23
Lim Yoke Hiap	152,000	0.22
Affin-UOB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lim Yoke Hiap	146,000	0.21
Chai Kim Ong	142,000	0.20
RHB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Rashid Hussain Asset Management Sdn Bhd for Malaysian Timber Council	110,000	0.16
Lim Ka Sing	110,000	0.16
Mayban Nominees (Asing) Sdn Bhd - Pledged Securities Account for Dexia Trust Services Singapore Limited for Dexia Asset Management (Asia) Ltd (200206)	100,000	0.14
Chong Tho Chin @ Chong Jho Chin	100,000	0.14
Gan Siew Khim	98,000	0.14
Mayban Securities Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Tang Yin Seng (Rem 101 - Margin)	93,000	0.13
Peck Saw Tin	84,000	0.12
Hong Leong Finance Berhad - Pledged Securities Account for Wong Tok Ming	70,000	0.10
<b>Total</b>	<b>61,781,950</b>	<b>88.27</b>

# Analysis of Shareholdings (cont'd)

as at 31 March 2001

## Substantial Shareholders (2% and above) as per Register of Substantial Shareholders as at 31 March 2001

Name of Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	Percentage of Shares (%)	No. of Shares	Percentage of Shares (%)
Mayang Teratai Sdn Bhd	23,129,549	33.04	-	-
Dato' Dr Leong Hoy Kum	-	-	23,129,549*	33.04
Anugaris Sdn Bhd	14,714,107	21.02	-	-
Dato' Dr Kong Hon Kong	504,480	0.72	14,714,107#	21.02
Datin Lau Ah Lan	-	-	14,714,107#	21.02
Ilusi Satria Sdn Bhd	14,148,266	20.21	-	-
Col (Navy) (Rtd) Dato' Hj Jallaludin Bin Idris	-	-	14,148,266**	20.21
Syed Ahmad Bin Syed Salim	-	-	14,148,266**	20.21
Anjur Deras Sdn Bhd	3,484,274	4.98	-	-
Wahid Bin Othman	-	-	3,484,274@	4.98
Norsah Binti Pilus	-	-	3,484,274@	4.98
Mono Parade Sdn Bhd	3,484,274	4.98	-	-
Col (Rtd) Adnan Bin Mohd Ali	-	-	3,484,274+	4.98
Mohamed Hafiz Bin Mohamed Hashim	-	-	3,484,274+	4.98

\* Deemed interest by virtue of his substantial shareholdings in Mayang Teratai Sdn Bhd

# Deemed interest by virtue of his/her substantial shareholdings in Anugaris Sdn Bhd

\*\* Deemed interest by virtue of his substantial shareholdings in Ilusi Satria Sdn Bhd

@ Deemed interest by virtue of his/her substantial shareholdings in Anjur Deras Sdn Bhd

+ Deemed interest by virtue of his substantial shareholdings in Mono Parade Sdn Bhd

# Form of Proxy



## NV Multi Corporation Berhad (204888-D) (Incorporated in Malaysia)

I/We \_\_\_\_\_  
(Name in full and NRIC No./ Company No.)

of \_\_\_\_\_  
(Address)

being a member of the abovenamed Company hereby appoint \_\_\_\_\_  
(Name in full and NRIC No.)

of \_\_\_\_\_  
(Address)

or failing whom, \_\_\_\_\_  
(Name in full and NRIC No.)

of \_\_\_\_\_  
(Address)

or failing whom, the Chairman of the meeting \_\_\_\_\_

as my/our proxy to attend and vote for me/us and on my/our behalf at the Tenth Annual General Meeting of the Company to be held at the Eastin Hotel, 13 Section 16/11, Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan on Monday, 28 May 2001 at 11.00 a.m. or at any adjournment thereof, in the manner as indicated below:-

No.	Resolutions	For	Against
1.	Receive the Audited Accounts for the year ended 31 December 2000 and the Reports of the Directors and Auditors thereon.		
2.	Re-election of Mr. Chua Chong Kee as Director, who retires by rotation pursuant to Article 78 of the Company's Articles of Association.		
3.	Approval of payment of Directors' fees for the year ended 31 December 2000.		
4.	Declaration of a final dividend of 2.5% tax-exempt and 2.5% less 28% income tax for the year ended 31 December 2000.		
5.	Re-appointment of Messrs HALS & Associates as Auditors of the Company and to authorise Directors to fix the Auditors remuneration.		
6.	Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares.		

(Please indicate with an "X" in the appropriate space how you wish your vote to be cast. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.)

No. of Shares held

Signature of Shareholder(s)/Common Seal

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2001

### NOTES:-

1. A member of the Company who is entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies; and in the case of corporation, a duly authorised representative to attend and vote in his stead.
2. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy shall be deposited at the Registered Office of the Company at Level 14, Uptown 1, No. 1, Jalan SS21/58, Damansara Uptown, 47400 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.

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stamp  
here



**NV Multi Corporation Berhad** (204888-D)  
(Incorporated in Malaysia)

*Level 14, Uptown 1, No. 1, Jalan SS21/58, Damansara Uptown,  
47400 Petaling Jaya, Selangor Darul Ehsan*

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