



Connecting People

2000
ANNUAL REPORT

 **O'CONNOR'S**
OCB BERHAD

(Company No: 3465-H) (Incorporated in Malaysia)

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Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty Second Annual General Meeting of the Company will be held at Eastin Hotel, 13 Section 16/11, Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan on Thursday, 15 March, 2001 at 9.30 a.m. for the following purposes:

1. To receive and consider the Audited Accounts for the financial year ended 30 September, 2000 and the Directors' and Auditors' Reports thereon.
(Resolution 1)
2. To declare a final dividend of 4 sen per share less income tax at 28% for the financial year ended 30 September, 2000.
(Resolution 2)
3. To approve the payment of Directors' fees amounting to RM99,000.00 in respect of the financial year ended 30 September, 2000.
(Resolution 3)
4. To re-elect Mr. Tan Tien Kok, a Director retiring by rotation pursuant to Article 106 of the Company's Articles of Association, and who, being eligible offers himself for re-election.
(Resolution 4)
5. To re-elect Mr. Fong Heng Leong, a Director retiring under Article 110 of the Company's Articles of Association and who, being eligible offers himself for re-election.
(Resolution 5)
6. To re-appoint Messrs. Shamsir Jasani Grant Thornton as Auditors of the Company and to authorise the Directors to fix their remuneration.
(Resolution 6)

As Special Business

7. To consider and if thought fit to pass the following resolution as Ordinary Resolution.
"THAT pursuant to Section 132D of the Companies Act, 1965 and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the issued share capital of the Company for the time being; and THAT the Directors be and are hereby also empowered to obtain the approval from the Kuala Lumpur Stock Exchange for the listing and quotation of the additional shares so issued; and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."
(Resolution 7)
8. To transact any other business for which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the Annual General Meeting to be held on 15 March, 2001, a final dividend of 4 sen per share less Malaysian Income Tax @ 28% for the financial year ended 30 September, 2000 will be paid on 30 April, 2001 to Depositors whose names appear in the Record of Depositors on 12 April, 2001.

A depositor shall qualify for entitlement to the dividend only in respect of:

- a) Shares transferred into the Depositor's Securities Account before 12.30 p.m. on 12 April, 2001, in respect of ordinary transfers; and
- b) 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

Joanne Lee Ting Fong (MAICSA No. 0789509)

Jauhari Bin Hassan (LS 03681)

Secretaries

Petaling Jaya

27 February 2001

Notes:

- (i) A member of the Company entitled to attend and vote at this Meeting, is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (ii) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, under its Common Seal or under the hand of an officer or its attorney duly authorised.
- (iii) The instrument appointing a proxy must be completed and deposited at the Registered Office of the Company at 25-1, Jalan SS 23/11, Taman SEA, 47400 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time appointed for the holding of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll).

EXPLANATORY NOTES ON SPECIAL BUSINESS

Ordinary Resolution

The Ordinary Resolution proposed under Agenda 7 if passed, will give authority to the Directors of the Company, from the date of the above Annual General Meeting, authority to issue and allot ordinary shares from unissued share capital of the Company up to an aggregate amount of not exceeding ten percent (10%) of the issued share capital of the Company for the time being. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting.



Corporate Information

BOARD OF DIRECTORS

Law Tiam Hock
Non-Executive Chairman

Lim Boon Hiong
Executive Director

Tan Tien Kok
Executive Director

Fong Heng Leong
Executive Director

Tan Sri Zulkifli Bin Mahmood
Independent Non-Executive Director

Abd Aziz Bin Attan
Independent Non-Executive Director

AUDIT COMMITTEE

Abd Aziz Bin Attan
Chairman/Independent Non-Executive Director

Tan Sri Zulkifli Bin Mahmood
Member/Independent Non-Executive Director

Tan Tien Kok
Member/Executive Director

COMPANY SECRETARIES

Joanne Lee Ting Fong
Jauhari Bin Hassan

REGISTERED & CORPORATE OFFICE

25-1, Jalan SS23/11
Taman SEA
47400 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-705 3040
Fax : 03-705 3304
Email : ocbb@po.jaring.my

SHARE REGISTRAR

Mega Corporate Services Sdn Bhd
Level 11-2
Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 03-2692 4271
Fax : 03-460 5388

AUDITORS

Shamsir Jasani Grant Thornton
(Member Firm of Grant Thornton International)
Public Accountants
Level 11-1, Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

PRINCIPAL BANKER

Hong Leong Bank Berhad
63 & 65, Jalan SS23/15
Taman SEA
47400 Petaling Jaya
Selangor Darul Ehsan

HSBC Bank Malaysia Berhad
1st Floor, Wisma UEP
Jalan USJ 10-1A
Pusat Perniagaan USJ 10
47620 Petaling Jaya

STOCK EXCHANGE LISTING

Main Board
Kuala Lumpur Stock Exchange

CONSUMER TRADING DIVISION

HEAD OFFICE 1, Jalan 219
46100 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-757 1818
website : <http://www.oconnors.com.my>

BRANCHES Penang

14, Jalan Anson
10050 Pulau Pinang
Tel : 04-228 9988
email : octpe@po.jaring.my

Johor

56 & 58, Jalan Dian 8
Taman Munsyi Ibrahim, Jalan Skudai
81200 Johor Bahru
Tel : 07-238 8399
email : octjb@po.jaring.my

Perak

519 - 519A, Jalan Pasir Puteh
31650 Ipoh
Tel : 05-322 2111
email : octip@po.jaring.my

Pahang

A123 (1st & 2nd Floor)
Pusat Dagangan Kuantan
Off Jalan Tun Ismail
25000 Kuantan
Tel : 09-515 8033
email : octku@po.jaring.my

Sabah

Taman Mesra Mile 3, Penampang Road
P.O. Box 11197
88813 Kota Kinabalu
Sabah
Tel : 088-218 988
email : octkk@po.jaring.my

Sarawak

Lot 8637 & 8638, Section 64, KTL D
Jalan Simpang Tiga, Wisma Ko-Perkasa
93300 Kuching
Sarawak
Tel : 082-240 551
email : octca@po.jaring.my

ENGINEERING DIVISION

HEAD OFFICE Lot 13, Jalan 51A/223
46100 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7953 8400
website : <http://www.oce.com.my>

BRANCHES Penang

201 and 203, Jalan Burmah
10050 Pulau Pinang
Tel : 04-227 7117
email : ocepg@po.jaring.my

Johor

56 & 58 Jalan Dian 8
Taman Munsyi Ibrahim
Jalan Skudai
81200 Johor Bahru
Tel : 07-236 6733
email : ocejb@po.jaring.my

Sabah

Ground & 1st Floor
Lot 9, Block 31
Penampang New Township
7 km Jalan Penampang
88300 Kota Kinabalu
Tel : 088-725 277
email : ocekk@po.jaring.my

Sarawak

1st Floor, Lot 96
Section 63, Lorong 5B
Kuching Town Land District
Jalan Datuk Abang Abdul Rahim 5B
93450 Kuching
Tel : 082-342 828
email : oesbkch@po.jaring.my



Corporate Information (cont'd)

BEDDING PRODUCTS DIVISION

HEAD OFFICE Wisma King Koil
 2C-5, Level 4
 Jalan SS 6/6, Kelana Jaya
 47301 Petaling Jaya
 Selangor Darul Ehsan
 Tel : 03-705 4766
 Fax : 03-705 4755
 email : bed@kingkoil.com.my
 website : http://www.kingkoil.com.my

BRANCHES - Sales & Services

Penang
 49-Q, Lorong Sempadan Dua
 11400 Pulau Pinang
 Tel : 04-826 6601
 Fax : 04-826 6959

Johor
 64, Jalan Seroja 39
 Taman Johor Jaya
 81100 Johor Bahru
 Tel : 07-353 5681
 Fax : 07-353 5682

Perak
 56 Lintasan Perajurit Enam
 Ipoh Garden East
 31400 Ipoh
 Tel : 05-546 7321
 Fax : 05-546 7330

Melaka
 76A, Jalan Semabok
 75050 Melaka
 Tel/Fax : 06-281 4907

Manufacturing Location
 Lot 2137, Jalan Enggang
 Kampung Batu 9, Kebun Baru
 42500 Teluk Panglima Garang
 Selangor Darul Ehsan
 Tel : 03-352 1866 / 7 / 8 / 9
 Fax : 03-352 1870

Lot 1, Lorong Perak 2
 42500 Teluk Panglima Garang
 Selangor Darul Ehsan
 Tel : 03-352 1391
 Fax : 03-352 1008

BUILDING MATERIAL TRADING DIVISION

HEAD OFFICE Wisma King Koil
 2C-4, Level 3
 Jalan SS 6/6, Kelana Jaya
 47301 Petaling Jaya
 Selangor Darul Ehsan
 Tel : 03-705 4748
 Fax : 03-705 4723
 email : agrow@tm.net.my

BRANCHES - Sales & Services

Penang
 No 40, Loh Boon Siew Road
 10400 Pulau Pinang
 Tel : 04-229 7461
 Fax : 04-229 7462

Johor
 70 & 70A, Jalan Molek 2/1
 Taman Molek
 81100 Johor Bahru
 Tel : 07-353 2267
 Fax : 07-353 2254

MEMBERS OF AUDIT COMMITTEE

Chairman	:	Abd Aziz Bin Attan <i>(Independent Non-Executive Director)</i>
Members	:	Tan Sri Zulkifli Bin Mahmood <i>(Independent Non-Executive Director)</i> Tan Tien Kok <i>(Executive Director)</i>
Secretaries	:	Joanne Lee Ting Fong Jauhari Bin Hassan

TERMS OF REFERENCE

CONSTITUTION

In compliance with Section 344A of the Kuala Lumpur Stock Exchange (KLSE) Listing Requirements, the objective of the Audit Committee is to assure the shareholders of the Company that the Company has complied with specified financial standards and required disclosure policies developed and administered by the KLSE. In addition, the Audit Committee will endeavour to ensure adoption of certain practices aimed at maintaining appropriate standards of corporate responsibility, integrity and accountability to all the shareholders.

MEMBERSHIP

The Committee shall be appointed by the Board from amongst its members and shall consist of not less than three (3) members, the majority of which must be Non-Executive Directors. A quorum shall be two (2) members.

The Chairman of the Committee shall be appointed by the Board and must be a Non-Executive Director.

ATTENDANCE AT MEETING

The Head of Finance and Accounting, the Head of Internal Audit and a representative of the External Auditors shall normally attend meetings. However, the Committee may invite any person to be in attendance to assist it in its deliberations.

SECRETARY TO AUDIT COMMITTEE

The Company Secretaries of the Company shall be the Secretaries of the Committee.

FREQUENCY OF MEETING

Meetings shall be held not less than two (2) times a year. The External Auditors may request a meeting if they consider that one is necessary.

AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request by the Committee.



Audit Committee (cont'd)

DUTIES

The duties of the Committee shall be :

1. to recommend to the Board on the nomination of the External Auditors.
2. to discuss with the External Auditors before the audit commences, the nature and scope of the audit.
3. to review the half yearly and yearly results for public release and the annual financial statements before submission to the Board for approval.
4. to discuss problems and reservations arising from the interim and final audits, and any matters the Auditors may wish to discuss.
5. to review the internal audit programme, consider the major findings of internal audit investigations and management's response.
6. to keep under review the effectiveness of internal control systems, and in particular review the External Auditors' management letter and management's response.
7. to review the assistance given by the Company's officers to the Auditors.
8. to review related party transactions that may arise within the Group or the Company and any other major transactions outside of the normal course of business of the Group and the Company.
9. to make recommendations to the Board on any appropriate issues and findings in the course of performing their duties.
10. other functions as may be agreed by the Audit Committee and the Board of Directors.

REPORTING PROCEDURES

The Secretaries shall circulate the minutes of meetings of the Committee to all members of the Board.

On behalf of the Board, I wish to present the Annual Report and Accounts of the Group and of the Company for the financial year ended 30 September, 2000.

FINANCIAL HIGHLIGHTS

The Group recorded a turnover of RM380.787 million representing an increase of 62.19% over the previous corresponding financial year of RM234.774 million. A higher Profit before taxation of RM17.193 million was also achieved as compared to RM14.491 million in the previous financial year. This improvement in Profit before Taxation includes a prior year adjustment of RM2.927 million brought about by the change in the accounting policy to comply with the Malaysian Accounting Standard 7. With the adoption of this new accounting policy, the Group now recognises turnover on the percentage of completion basis as opposed to full completion basis practised in the past years.

DIVIDEND

The Board of Directors has recommended the payment of a final dividend of 4% less 28% income tax in respect of the financial year ended 30 September, 2000. The proposed final dividend, which will result in a cash distribution of RM1.224 Million to Shareholders, will be paid on April 30, 2001 upon approval by the shareholders at the forthcoming Annual General Meeting.

SIGNIFICANT EVENT DURING THE YEAR

During the year, the Company completed the acquisition of the entire equity of Kaisercorp Sdn Bhd and Agrow Malaysia Sdn Bhd resulting in the addition to the Group of two (2) new wholly owned subsidiaries together with nine (9) sub-subsidiaries.

FUTURE OUTLOOK

Our newly acquired additional investments are expected to contribute positively to the earnings of the Group in the coming year. However, the parallel imports of mobile telephones flooding the market would continue to exert tremendous pressure on the profit margins of our consumer trading division. Nevertheless, in the face of such challenges and despite the uncertainty of the global and domestic economy, the Group would endeavour to perform satisfactorily in each of its division. In addition, your Board will continue to be on the look-out for viable business opportunities which would further enhance the Group's earnings whilst at the same time continue to focus on its core operations and maintain a prudent management of its assets utilisation as well as deployment of available resources.

ACKNOWLEDGEMENT

First of all, I would like to extend a warm welcome to Mr. Fong Heng Leong who joined the Board on 19 April, 2000. I also wish to extend my appreciation to my fellow directors for their invaluable counsel and guidance during the year. On behalf of the Board, I would also like to take this opportunity to express our appreciation and thanks to the management and staff at all levels for their commitment, hard work and dedication. Our appreciation is also extended to our valued shareholders, customers, suppliers, financiers, business associates and the government authorities for their continued support and confidence in the Group. We look forward to maintaining and building a stronger bond in years to come.

Law Tiam Hock

27 February 2001



Review Of Operations

Consumer Trading Division

The Consumer Trading Division under O'Connor's Trading Sdn Bhd ('OCT') continued to be a major distributor of products of such well-renowned brands as Nokia, Samsung and Philips in addition to its own in-house brand of "Arena". Further to the supply of top quality products, OCT's competitive edge lies in its ability to provide a full range of superior after-sales service and technical support.

While sales of mobile telephone sets through dealers were maintained, OCT has also managed to secure some large sales on corporate programme. Amongst these projects, the two most notable ones were the Maxis Hotlink project and the Celcom/Citibank Visa project. The Maxis Hotlink project was the first phone pack concept introduced in Malaysia and 50,000 units of N5110 were distributed under this project. Under the Celcom/Citibank Visa project, free N3210 were given to new Citibank Visa cardholders and 15,000 units of these were redeemed through OCT.

Wireless Application Protocol ('WAP') enabled mobile telephone N7110, the N5100 series and Ringo 3 for ETACS), a universal open standard which allows the new generation of "media phones" and other wireless devices to reach content providers either directly or through the internet has generated some excitement in the market. Working hand in hand with OCBC Bank (Malaysia) Berhad, Phileo Allied Bank Berhad and TA Securities Berhad, which were amongst the few corporations to launch their own WAP advanced Valued Added Services relevant to their own customer base, OCT is proud to be the first in the industry to be the supplier of this protocol enabled mobile telephones. The N7110 with its wide graphic display and innovative features for ease of operations and text input has stood out as the best media phone. As the industry progresses, albeit gradually from the current GSM transmission rate of 9.6kbps to 115 kbps with General Packet Radio Service (GPRS) and beyond to 2mbps under 3G environment, media phones which converges voice and data and eventually, video are expected to create a new wave of demand. A few local mobile phone operators have already announced their GPRS initiative slated for launch in the year 2001.

To keep pace with product changes, OCT has launched a multifunctional use product, the Samsung Triple Player Digimax 35MP3 that combines a digital camera, PC camera and an MP3 player neatly into a compact unit. At a very competitive price, this model is expected to do well among the young and PC inclined. OCT has also introduced in the year, premium range Samsung Vega 170 compact camera featuring the world's best Schneider lens as well as more product range of office equipment and home appliances under the in-house brand name of "Arena".

OCT was officially registered as a franchisor with the Ministry of Entrepreneurship Development under its Franchise Development Programme in the year. With its low capital outlay, no franchise fee and easy set up, the O'Connor's franchise scheme has caught the attention of some state economic development councils. This would enhance the potential to recruit more franchisees and initiate the promotion of Bumiputeras participation to target the Malay segment of the population, which has not been fully tapped. By the end of the financial year 2000, OCT has 102 franchised outlets compared to 42 outlets in the previous financial year.

Engineering Division

In the year under review, the core business in the Engineering Division, which operates through O'Connor's Engineering Sdn Bhd ("OCE") was in the Telecommunication Industry. The division has performed well in supplying communication solutions and telecommunication test instrument to various market segments such as Government Departments, Financial Institutions, Utilities Companies, Oil & Gas Companies, Service Industry, Multinational Companies and other reputable corporations in the country.

OCE was active in developing and supplying Call Centre Solutions to major banks and Multinational Companies and has tremendous success in this particular market segment. The Division also continued its focus in the Malaysian Oil & Gas Industries and has won major turnkey contracts on telecommunication systems with its local business partners.

The convergence of telecommunication, computing and multimedia is progressing at such a pace that Telecom Networks is now carrying more data and voice traffic. More enhanced services will be IP related and this technology shift has provided this Division opportunity of supplying its new ADTECH state of the art IP network monitoring systems to telecommunication operators. OCE continued its expertise in supplying sophisticated Anritsu telecommunication test instruments to many Telcos and renowned telecommunication equipment manufacturers.

The recovery of the leisure and service industries remained slow in the country. OCE nevertheless continued to make its presence felt in the industry and has managed to secure major contracts for the supply of Hotel/Motel PABX systems to hotels, resorts and Government Agencies.

In addition to telecommunication products, OCE remained as one of the leading systems integrator on professional sound, lighting and security services in the country. Even though the building industry remained soft in the financial year under review, the Engineering Division continued to secure contracts from Government Agencies and Multinational Companies.

Investment Property Division

Linear Profile Sdn Bhd ("LP") has commenced business to receive rental income with effect from June 2000 for the department store space located at Bentong Vega Mall at a rate of RM1.70 per square feet. Negotiations are being finalised for the renting of the Food Court space also held by LP.

Rantai Pesona Sdn Bhd is also in the process of negotiating for the renting of the properties earmarked for Entertainment centre and Family Park/Amusement Centre.

BRIEF NEW BUSINESS AND INDUSTRY REVIEW

Bedding Products Division

In 1978, KaiserCorp Sdn Bhd under the brand name of King Koil was the first company in Malaysia to introduce and manufacture mattresses, developed and endorsed by Doctors of Chiropractic, through its association with the International Chiropractors Association ("ICA").

King Koil is a global brand and industry leader in bedding R & D, manufacturing, marketing and distribution of high-end sleep products. Being sold in over 55 countries on six continents and still growing is a true testimony to the universal appeal of King Koil products. King Koil is now one of the ten largest bedding manufacturers in the world and is the maker of The World's No. 1 Best Selling Chiropractor Endorsed Sleep System. Furthermore, it is the only brand approved and endorsed by ICA and the Good Housekeeping Seal Authorities worldwide.

The desire to provide people with healthful, healing support while sleeping is what led to the great partnership and development of the outstanding sleep sets that carry the name of King Koil – Posture Bond, Spinal Guard, ChiroTech and Ultima.

Chiropractic, though new in Malaysia, has just celebrated its 103rd year milestone in the USA. It is the world's second largest and fastest growing medical and health care profession. ICA defines chiropractic as a very specific science that deals with the structures of the human body, primarily the spine and the central nervous system.

Recently, King Koil Sleep Products developed and introduced a higher coil count ChiroTech fine wire units together with the all new Steelbeam Coil foundation and Woodbeam nordic divan. With this development, King Koil ChiroTech features 100% working wire to achieve greater sensitivity to body contours. King Koil's goal is to offer the ultimate in individual comfort and reduced partner disturbance.

Through this continuous R & D, King Koil Malaysia leads and is still the best selling chiropractic endorsed sleep system in the domestic and institutional market.



Review Of Operations (cont'd)

Building Material Trading Division

Agrow Malaysia Sdn Bhd ("AM") has been in the forefront of the building industry since its inception in 1984.

It is involved in the supply and installation of specialist building materials such as sanitary wares and fittings, ironmongery and builders hardware to hotels, hospitals, universities, condominiums and housing schemes.

To keep pace with the development in the building industry, AM is constantly on the look out to acquire additional agencies and distributorship to improve its turnover and profitability.

Currently, the major brands and agencies under its distributorship are Sloan sanitary valves, Geberit drainage and flushing system, Johnson Suisse and Inax sanitary wares, Akron tap mixers and fittings.

Despite competition in the industry, AM has been able to maintain its position as a specialist supplier in logistic supports due to it having a selection core of products. In addition, AM, recognising the need for well trained Project and Product Managers constantly worked directly with manufacturers to address the skills to be acquired and to be passed on to local builders. Consequently, AM has been able to provide Project and Product Managers who are also effective instructors to builders, architects, engineers and plumbers. Training of builders and other consultants in the building industry has resulted in significant changes in the way AM do business.

Financial Calendar

QUARTERLY RESULTS

First Quarter ended	31 December 1999
Second Quarter ended	31 March 2000
Third Quarter ended	30 June 2000
Fourth Quarter ended	30 September 2000

PUBLISHED ANNUAL REPORT AND ACCOUNTS

Despatch Date	27 February 2001
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42ND ANNUAL GENERAL MEETING

15 March 2001



Five (5) Years Financial Highlights Of The Group

OCB BERHAD
Five (5) Years Financial Highlights
30 September

	1996	1997	1998	1999	2000	
	RM'000	RM'000	RM'000	RM'000	RM'000	
Group Income Statement						
Turnover	239,812	264,377	197,578	234,774	380,787	
Profit Before Taxation	32,577	20,229	19,916	14,491	17,193	
Taxation	(10,493)	(5,953)	(3,581)	(595)	(5,401)	
Profit After Taxation	22,084	14,276	16,335	13,896	11,792	
Minority Interest	-	-	(648)	(4,831)	(5,608)	
Profit After Taxation and Minority Interest	22,084	14,276	15,687	9,065	6,184	
Consolidated Balance Sheet						
Fixed Assets	46,601	50,509	48,773	50,944	99,625	
Investments	5,332	1,990	1,475	31,179	31,325	
Intangible Assets	47	45	5	105	22,253	
Net Current Assets	49,890	56,580	127,354	99,861	57,286	
	101,870	109,124	177,607	182,089	210,489	
Financed By						
Shareholders' Funds	102,355	110,944	126,289	132,345	137,284	
Minority Interest	-	-	53,314	51,268	52,691	
Deferred Taxation	(485)	(1,820)	(1,996)	(1,724)	1,266	
Long Term Bank Borrowing	-	-	-	-	18,010	
Finance Creditors	-	-	-	200	1,238	
	101,870	109,124	177,607	182,089	210,489	
No of Shares Issued and Fully Paid-Up						
	('000)	42,500	42,500	42,500	42,500	42,500
Earnings per Share						
Gross	(Sen)	76.7	47.6	45.3	22.7	27.3
Net	(Sen)	52.0	33.6	36.9	21.3	14.6
Dividend						
Gross	(%)	20.00%	19.72%	1.00%	4.00%	4.00%
Net Tangible Assets per Share						
	(RM)	2.41	2.61	2.97	3.11	2.71

Directors' Report

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 September 2000.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding. The principal activities of the subsidiary companies are as mentioned in Note 12 to the Financial Statements.

There have been no significant changes in the activities of the Company and its subsidiary companies except for the inclusion of the manufacturing, trading and investment properties activities during the financial year arising from the acquisition of new subsidiary companies.

FINANCIAL RESULTS

	Group	Company
	RM'000	RM'000
Profit after taxation	11,792	5,103
Minority interest	(5,608)	-
Profit after taxation and minority interest	6,184	5,103
Retained profits at beginning of year	89,260	92,139
Profit available for appropriation	95,444	97,242
Dividend:-		
Proposed first and final dividend of 4% per share less 28% income tax	(1,224)	(1,224)
Retained profits at end of year	94,220	96,018

DIVIDEND

During the financial year, the Company paid a first and final dividend of 4% per share less 28% income tax amounting to RM1,224,000 in respect of the previous financial year which was dealt with in previous year's report.

The Directors now recommend the payment of a first and final dividend of 4% per share less 28% income tax amounting to RM1,224,000.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the Notes to the Financial Statements.

ISSUE OF SHARES AND DEBENTURES

There were no shares or debentures issued during the financial year.

INFORMATION ON THE FINANCIAL STATEMENTS

Before the Financial Statements of the Group and of the Company were made out, the Directors took reasonable steps:-

- (a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that adequate provision had been made for doubtful debts and there were no bad debts to be written off; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.



Directors' Report (cont'd)

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

- (a) which would render it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

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

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 32 to the Financial Statements.

OTHER STATUTORY INFORMATION

The Directors state that:-

At the date of this report, they are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of Directors :-

- (a) the results of the Group and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature (except for the change in accounting policies as disclosed in Note 27 to the Financial Statements); and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial year in which this report is made.

DIRECTORS OF THE COMPANY

The Directors in office since the date of last report are:-

Law Tiam Hock (Chairman)

Lim Boon Hiong

Tan Tien Kok

Fong Heng Leong (appointed on 19.04.2000)

Tan Sri Zulkifli bin Mahmood

Abd Aziz bin Attan

The shareholdings in the Company and its related corporations of those who were Directors at the financial year end are as follows :-

The Company	Ordinary shares of RM1 each			At 30.9.2000
	At 1.10.1999	Bought	Sold	
Deemed interest				
Law Tiam Hock	12,431,000	-	-	12,431,000
Lim Boon Hiong	12,431,000	-	-	12,431,000
Tan Tien Kok	12,431,000	-	-	12,431,000

By virtue of Mr. Law Tiam Hock, Mr. Lim Boon Hiong and Mr. Tan Tien Kok's indirect interest in the Company, they are also deemed to have interest in the shares of all the subsidiary companies to the extent that the Company has an interest under Section 6A of the Companies Act, 1965.

No other Directors in office at the end of the financial year held any interest in the shares of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements 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 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 those disclosed in Note 23 to the Financial Statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

AUDIT COMMITTEE

The Audit Committee comprises the following members:-

Abd Aziz bin Attan (Independent Non-Executive Director)

Tan Sri Zulkifli bin Mahmood (Independent Non-Executive Director)

Tan Tien Kok (Executive Director)

The functions of the Audit Committee are to review accounting policies, internal controls and annual financial statements of the Company on behalf of the Board of Directors.

In performing its functions, the Committee reviewed the overall scope of external audit. It met with the Company's auditors to discuss the results of their examinations and their evaluation of the system of internal accounting controls of the Company. The Audit Committee also reviewed the assistance given by the Company's officers to the auditors.

The Committee reviewed the financial statements of the Company and the consolidated financial statements of the Group as well as the auditors' report thereon and recommended to the Board of Directors, the reappointment of Messrs Shamsir Jasani Grant Thornton as statutory auditors.

Statement By Directors

In the opinion of the Directors, the financial statements set out on pages 22 to 46 are drawn up in accordance with the 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 as at 30 September 2000 and of the results, the changes in equity and the cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board

.....
LIM BOON HIONG

.....
TAN TIEN KOK

Petaling Jaya, Selangor Darul Ehsan

18 January 2001



Statutory Declaration

I, Tan Tien Kok, being the Director responsible for the financial management of OCB Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 22 to 46 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of 18 January 2001)
)
)

TAN TIEN KOK

Before me:

Commissioner for Oaths

Report Of The Auditors To The Members Of OCB Berhad (Incorporated in Malaysia)

We have audited the consolidated financial statements set out on pages 22 to 46 of OCB Berhad comprising of the balance sheets and the notes to the financial statements of the Group and of the Company as at 30 September 2000 and of the income statements, the statements of changes in equity and the cash flow statements of the Group and of the Company for the financial year ended on that date.

The preparation of the financial statements is the responsibility of the Company's Directors. Our responsibility is to express an opinion on the financial statements based on our audit.

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

In our opinion :-

- (a) the financial statements which have been prepared under the historical cost convention, as modified by the revaluation of certain assets, are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company; and
 - (ii) the state of affairs of the Group and of the Company as at 30 September 2000 and of the results of the operations, the changes in equity and the cash flows of the Group and of the Company for the financial year ended on that date;

and

- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and the subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

We have considered the financial statements and the auditor's reports thereon of the subsidiary companies of which we have not acted as auditors, as indicated in Note 12 to the Financial Statements.

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

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

SHAMSIR JASANI GRANT THORNTON
(NO: AF-737)
PUBLIC ACCOUNTANTS

DATO' N.K. JASANI
PUBLIC ACCOUNTANT
(NO: 708/03/02(J/PH))
PARTNER

Kuala Lumpur
Date : 18 January 2001



Balance Sheets

As At 30 September 2000

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
SHARE CAPITAL	4	42,500	42,500	42,500	42,500
RESERVES	5	94,784	89,845	96,018	92,139
Total shareholders' equity		137,284	132,345	138,518	134,639
MINORITY INTEREST		52,691	51,268	-	-
DEFERRED AND LONG TERM LIABILITIES					
Term loans	6	5,110	-	-	-
Cash note facility	7	12,900	-	-	-
Finance creditors	8	1,238	200	100	200
Deferred taxation	9	1,266	(1,724)	-	-
		210,489	182,089	138,618	134,839
REPRESENTED BY :					
FIXED ASSETS	10	99,625	50,944	505	639
INVESTMENT PROPERTIES	11	29,713	29,713	-	-
INVESTMENT IN SUBSIDIARY COMPANIES	12	-	-	134,409	56,353
INTEREST IN ASSOCIATED COMPANIES	13	1,612	1,466	-	-
GOODWILL ON CONSOLIDATION		22,253	100	-	-
CURRENT ASSETS					
Inventories	14	47,624	22,293	-	-
Contract amount due from customers	15	1,593	2,173	-	-
Trade debtors	16	71,698	76,747	-	-
Short term investments	17	472	736	-	-
Other debtors, deposits and prepayments		10,178	9,406	5,468	4,187
Amount due from subsidiary companies	12	-	-	12,819	71,630
Short term deposits with licensed banks	18	20,412	33,539	-	-
Cash and bank balances		11,652	16,274	6,596	3,934
Total current assets		163,629	161,168	24,883	79,751
LESS: CURRENT LIABILITIES					
Contract amount due to customers	15	1,160	859	-	-
Trade creditors		32,941	8,504	-	-
Other creditors and accruals	19	51,549	32,105	19,931	206
Short term borrowing	20	16,143	16,682	-	-
Tax payable		3,326	1,933	24	474
Proposed dividend		1,224	1,224	1,224	1,224
Total current liabilities		106,343	61,307	21,179	1,904
NET CURRENT ASSETS		57,286	99,861	3,704	77,847
EXPENDITURE CARRIED FORWARD	21	-	5	-	-
		210,489	182,089	138,618	134,839

The above balance sheets are to be read in conjunction with the Notes to the Financial Statements on pages 28 to 46.

Income Statements

For The Year Ended 30 September 2000

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Revenue	22	380,787	234,774	9,410	11,716
Cost of sales		(327,734)	(184,338)	-	-
Gross profit		53,053	50,436	9,410	11,716
Other operating income		253	116	-	63
Selling and distribution expenses		(17,099)	(15,748)	-	-
Administrative expenses		(12,266)	(11,944)	(2,120)	(1,459)
Other operating expenses		(6,493)	(8,382)	-	-
Profit from operations		17,448	14,478	7,290	10,320
Finance cost		(442)	(3)	(28)	(2)
Share of profit of associated companies		187	16	-	-
Profit before taxation	23	17,193	14,491	7,262	10,318
Taxation	24	(5,401)	(595)	(2,159)	(600)
Profit after taxation		11,792	13,896	5,103	9,718
Minority interest		(5,608)	(4,831)	-	-
Net profit for the year		6,184	9,065	5,103	9,718
Earnings per share	25	14.6 sen	21.3 sen		
Dividend per share (4% less 28% income tax)		2.9 sen	2.9 sen		

The above income statements are to be read in conjunction with the Notes to the Financial Statements on pages 28 to 46.



Statements Of Changes In Equity

For The Year Ended 30 September 2000

Group	Note	Exchange				Total
		Share capital	Capital reserve	fluctuation reserve	Retained profits	
		RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
Balance as at 30 September 1998		42,500	526	72	83,191	126,289
Prior year adjustment	27	-	-	-	(1,466)	(1,466)
Restated balance		42,500	526	72	81,725	124,823
Translation of share of net assets in associated company		-	-	(25)	-	(25)
Minority interest's share of exchange reserve		-	-	12	-	12
Net profit for the year		-	-	-	9,065	9,065
Dividend	28	-	-	-	(1,530)	(1,530)
Balance as at 30 September 1999		42,500	526	59	89,260	132,345
Translation of share of net assets in associated company		-	-	(41)	-	(41)
Minority interest's share of exchange reserve		-	-	20	-	20
Net profit for the year		-	-	-	6,184	6,184
Dividend	28	-	-	-	(1,224)	(1,224)
Balance as at 30 September 2000		42,500	526	38	94,220	137,284
Company						
Balance as at 30 September 1998		42,500	-	-	83,951	126,451
Net profit for the year		-	-	-	9,718	9,718
Dividend	28	-	-	-	(1,530)	(1,530)
Balance as at 30 September 1999		42,500	-	-	92,139	134,639
Net profit for the year		-	-	-	5,103	5,103
Dividend	28	-	-	-	(1,224)	(1,224)
Balance as at 30 September 2000		42,500	-	-	96,018	138,518

The above statements of changes in equity are to be read in conjunction with the Notes to the Financial Statements on pages 28 to 46.

Cash Flow Statements

For The Year Ended 30 September 2000

Note	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation after minority interest	11,585	9,660	7,262	10,318
Adjustments for:				
Depreciation	3,285	2,822	134	196
Dividend income	-	-	(6,021)	(6,286)
Fixed assets written off	12	31	-	-
Gain on disposal of fixed assets	(10)	(69)	-	(63)
Interest expenses	437	1	23	-
Interest income	(251)	(5,541)	(3,093)	(5,146)
Minority interest	5,608	4,831	-	-
Share of profit in associated companies	(187)	(16)	-	-
Preliminary and pre-operating expenses written off	65	4	-	-
Provision for obsolete stocks	(514)	1,600	-	-
Provision for diminution in value of investment	38	-	-	-
Provision for doubtful debts	(2,962)	(99)	-	-
Unrealised gain on foreign exchange	(73)	-	-	-
Operating profit/(loss) before working capital changes	17,033	13,224	(1,695)	(981)
Changes in working capital :-				
Inventories	(15,052)	12,651	-	-
Debtors	34,087	(25,222)	(1,064)	96
Creditors	17,518	(1,013)	4,114	96
Cash generated from/(used in) operations	53,586	(360)	1,355	(789)
Interest paid	(437)	(1)	(23)	-
Interest received	251	5,541	3,093	4,420
Tax paid	(3,160)	(4,530)	(923)	(1,349)
Net cash generated from operating activities	50,240	650	3,502	2,282



Cash Flow Statements
For The Year Ended 30 September 2000 (cont'd)

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend received		-	-	4,118	1,561
Acquisition of investment properties		-	(29,713)	-	-
Acquisition of short term investments		-	(736)	-	-
Acquisition of subsidiary companies	A	(68,314)	(100)	(62,445)	(700)
Advances to subsidiary companies		-	-	-	(70,904)
Repayment of advances from subsidiary companies		-	-	58,811	-
Proceeds from disposal of fixed assets		15	640	-	627
Proceeds from disposal of short term investments		285	-	-	-
Purchase of fixed assets	B	(976)	(5,295)	-	(1,099)
Preliminary and pre-operating expenses incurred		-	(4)	-	-
Payment of dividend to minority interest		(3,957)	(1,500)	-	-
Net cash (used in)/generated from investing activities		(72,947)	(36,708)	484	(70,515)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of finance creditors		(100)	-	(100)	-
Short term borrowing		(16,682)	7,123	-	-
Dividend paid		(1,224)	(306)	(1,224)	(306)
Drawdown of cash note facility		18,000	-	-	-
Repayment of cash note facility		(1,200)	-	-	-
Net cash (used in)/generated from financing activities		(1,206)	6,817	(1,324)	(306)
Net (decrease)/increase in cash and cash equivalents		(23,913)	(29,241)	2,662	(68,539)
Cash and cash equivalents brought forward		49,813	79,054	3,934	72,473
Cash and cash equivalents carried forward	C	25,900	49,813	6,596	3,934

Cash Flow Statements
For The Year Ended 30 September 2000 (cont'd)

NOTES TO THE CASH FLOW STATEMENTS

A. ACQUISITION OF SUBSIDIARY COMPANIES

The fair value of assets acquired and liabilities assumed of the subsidiary companies acquired during the financial year are as follows:-

	Group and Company	
	2000 RM'000	1999 RM'000
Share of net assets acquired		
Fixed assets	51,007	-
Inventories	9,765	-
Debtors	26,268	-
Short term investments	59	-
Expenditure carried forward	60	-
Goodwill on acquisition	22,153	100
Creditors	(10,216)	-
Finance creditors	(1,840)	-
Bank borrowing	(11,189)	-
Deferred taxation	(1,473)	-
Tax payable	(669)	-
Cash and cash equivalents	(5,869)	600
Total purchase consideration	78,056	700
Less: balance payable	(15,611)	-
Company's cash flow on acquisition	62,445	700
Cash and cash equivalents acquired	5,869	(600)
Group's cash flow on acquisition net of cash acquired	68,314	100

B. PURCHASE OF FIXED ASSETS

During the financial year, the Group and the Company acquired fixed assets with an aggregate cost of RM976,000 (1999: RM5,595,000) and Nil (1999: RM1,399,000) respectively of which Nil (1999: RM300,000) and Nil (1999: RM300,000) were acquired by means of hire purchase. Cash payment of RM976,000 (1999: RM5,295,000) and Nil (1999: RM1,099,000) were made to purchase the fixed assets.

C. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the Cash Flow Statements comprise the following balance sheet items :-

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Bank overdraft (Note 20)	(6,164)	-	-	-
Cash and bank balances	11,652	16,274	6,596	3,934
Short term deposits with licensed banks (RM100,000 is pledged with licensed bank)	20,412	33,539	-	-
	25,900	49,813	6,596	3,934

The above cash flow statements are to be read in conjunction with the Notes to the Financial Statements on pages 28 to 46



Notes To The Financial Statements -

30 September 2000

1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards in Malaysia.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting convention

The financial statements of the Group and of the Company are prepared under the historical cost convention modified by the revaluation of certain fixed assets.

(b) Basis of consolidation

The consolidated financial statements include the audited financial statements of the Company and its subsidiary companies made up to 30 September 2000. Inter-company transactions are eliminated on consolidation and consolidated financial statements reflect external transactions only. The subsidiary companies are consolidated on acquisition method.

Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed off during the financial year are included in the consolidated income statements from the date of acquisition or up to the date of their disposal. At the date of acquisition, the fair value of the subsidiary companies' net assets are determined and reflected in the Group's financial statements. The excess of the consideration paid for the shares in the subsidiary companies over the fair value of the underlying net assets acquired represents goodwill arising on consolidation. It is retained in the consolidated balance sheet and will be written off only when the Directors are of the opinion that there is a permanent diminution in value.

(c) Investments

Investment in subsidiary companies, associated companies and other investments are stated at cost unless in the opinion of the Directors that there has been a permanent diminution in value, in which case, provision is made for the diminution in value.

(d) Associated companies

An associated company is a company in which the Group has a long term equity interest of between 20 to 50 percent and is in the position to exercise significant influence over its financial and operating policies through management participation.

The Group's share of profits less losses and share of taxes of associated companies included in the consolidated income statements are based on the latest audited financial statements or unaudited management financial statements. In the consolidated balance sheet, the carrying value of associated companies reflect the Group's share of underlying net assets of the associated companies.

(e) Foreign currency translation

Foreign currency transactions have been translated into Malaysian Ringgit at the rates of exchange ruling on transaction dates. All foreign currency assets and liabilities outstanding as at the balance sheet date are translated at the approximate exchange rates ruling at that date except for those hedged by foreign exchange contracts which are translated into Malaysian Ringgit at the contracted forward exchange rates. Unrealised gains and losses arising from the translation of current assets and liabilities are dealt with in the income statements.

The results of foreign associated company is translated at the exchange rates approximate those ruling at transaction dates. Foreign current assets and liabilities are translated at the exchange rates approximate those ruling at the balance sheet date except for those hedged by foreign exchange contracts which are translated into Malaysian Ringgit at the contracted forward rates. The exchange differences are taken to the exchange fluctuation reserve.

The closing rates of exchange of the foreign currencies applicable in the preparation of the financial statements were as follows :-

	2000	1999
Pound sterling	5.80	6.15
100 Japanese yen	3.73	3.37
Singapore dollar	2.30	2.29
US dollar	3.81	3.81

(f) Capital work-in-progress

Capital work-in-progress consists of buildings, plant and machinery under construction / installation for intended use as production facilities. The amount is stated at cost and includes capitalisation of interest incurred on borrowing related to fixed assets under construction / installation until the assets are ready for their intended use.

(g) Fixed assets and depreciation

Land and buildings are stated in the financial statements at cost or at Directors' valuation based on open market valuation by an independent professional valuer. Any surplus arising from revaluation is credited to the revaluation reserve.

Other fixed assets are stated at cost or valuation less accumulated depreciation. Freehold land and capital work in progress are not depreciated. Depreciation on fixed assets is calculated to write off the cost or valuation of the fixed assets on a straight line basis over the estimated useful lives of the assets concerned.

The principal annual rates used are as follows:-

Leasehold land and buildings	2%
Freehold buildings	2%
Computer equipment	20%
Furniture and fittings, office equipments and renovations	2% to 20%
Motor vehicles	20%
Tools, plant and machinery	10% to 25%

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method.

(i) Deferred taxation

Deferred taxation is provided on the liability method for taxation which is deferred due to differences between the net book value of assets eligible for capital allowances and the tax written down value of these assets and on any other timing differences existing at year end except to the extent that it can be demonstrated with reasonable probability that the timing differences will continue in the foreseeable future.

Deferred tax benefits are only recognised when there is a reasonable expectation of realisation in the near future.

(j) Hire purchase and finance lease

The cost of assets acquired under finance lease and hire purchase arrangements are capitalised. The depreciation policy on these assets is similar to that of the Company's fixed assets depreciation policy. Outstanding obligation due under the finance lease and hire purchase agreements after deducting finance expenses are included as liabilities in the financial statements. Finance charges on finance lease and hire purchase agreements are allocated to income statements over the period of the respective agreements.



Notes To The Financial Statements -
30 September 2000 (cont'd)

(k) Contract amount due to/from customers

Contract amount due to/from customers represents contract cost incurred plus attributable profits less recognised losses and progress billings. A full provision will be made for foreseeable losses anticipated on contract jobs.

(l) Investment properties

Investment properties, which are not depreciated, consist of freehold properties, at cost. It is the Group's policy to appraise the investment properties periodically by independent professional valuers based on market value. In respect of each individual property, any surplus arising thereon will be taken to the revaluation reserve account. A deficit is charged to the income statements to the extent that it is in excess of the amount outstanding in the revaluation reserve account.

(m) Debtors

Known bad debts are written off and specific provision is made for debts which are considered doubtful.

(n) Operating leases

Lease rentals applicable to operating leases are charged to the income statements as incurred.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, short-term demand deposits and highly liquid investments which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(p) Short term investments

Short term investments consist of properties acquired for resale purposes and are stated at lower of cost and net realisable value.

(q) Income recognition

Construction contracts

Income and cost on contract jobs are recognised in the income statements on the percentage of completion method based on the proportionate value of work done on the projects which cost incurred to date has been certified by engineers bear to total expected cost for that contract.

Trading and manufacturing

Sales of goods and services are recognised as income, net of discount and goods return in the income statements upon delivery of goods and when services are rendered.

Investment

Gross dividend and interest earned from investments and bank deposits are recognised as income to the income statements when the right to receive payment is established.

Incentives

Incentives earned from the cellular phone operators are recognised upon the registration of handphones with the respective cellular phone operators.

Money lender

Interest income is recognised based on accrual basis.

3. PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiary companies are mentioned in Note 12 to the Financial Statements.

4. SHARE CAPITAL

	Group and Company	
	2000 RM'000	1999 RM'000
Authorised:		
Ordinary shares of RM1 each	100,000	100,000
Issued and fully paid:		
Ordinary shares of RM1 each	42,500	42,500

5. RESERVES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Non-Distributable :-				
(i) Capital Reserve				
At beginning of year/				
At end of year	526	526	-	-
(ii) Exchange Fluctuation Reserve				
At beginning of year	59	72	-	-
Translation of share of net assets in associated company	(41)	(25)	-	-
Minority interest's share of exchange reserve	20	12	-	-
At end of year	38	59	-	-
Distributable:-				
Retained profits	94,220	89,260	96,018	92,139
	94,784	89,845	96,018	92,139

The capital reserve represents surplus arising from the revaluation of long term leasehold land and buildings.



Notes To The Financial Statements -
30 September 2000 (cont'd)

6. TERMS LOANS

	Group	
	2000 RM'000	1999 RM'000
Secured:		
Payable within 12 months (Note 20)	1,188	-
Payable after 12 months	5,110	-
	<u>6,298</u>	<u>-</u>

Term loans of the subsidiary companies are secured by :-

- (a) First and second legal charges over the properties of subsidiary companies.
- (b) Fixed and floating charges over the assets of subsidiary companies.
- (c) Joint and several guarantee by directors of subsidiary companies.

Certain term loans of the subsidiary companies are secured by its short term deposits.

Interest is charged at rates ranging from 1.5% to 2.25% per annum above the banks' base lending rates.

7. CASH NOTE FACILITY

	Group	
	2000 RM'000	1999 RM'000
Secured		
Cash note facility	16,800	-
Less : payable within 12 months (Note 20)	(3,900)	-
	<u>12,900</u>	<u>-</u>

The cash note facility of the subsidiary companies are secured by the following:-

- (a) First party assignments on the following properties of the subsidiary company sited on Vega Square Shopping Complex held under CT No. 2719, PT No. 2770, Mukim and District of Bentong, Pahang Darul Makmur.
 - (i) Space for department store on Lower Ground Floor
 - (ii) Space for department store on Ground Floor
 - (iii) Space for department store on First Floor
 - (iv) Space for department store on Second Floor
 - (v) Space for restaurant on Third Floor
- (b) First and third party assignments on the commercial center of the subsidiary company on the third floor, of Vega Square Shopping Complex held under CT No. 2719, PT No. 2770, Mukim and District of Bentong, Pahang Darul Makmur.
- (c) Corporate guarantee by the Company.

7. CASH NOTE FACILITY (CONT'D)

The facility is payable in 60 equal instalments.

Under the cash note facility, the Company disposes off the cash note to Bank Islam Malaysia Berhad for a total cash consideration of RM18,000,000. The cash note were then resold by Bank Islam Malaysia Berhad to the Company for a total cash consideration of RM22,946,808.

8. FINANCE CREDITORS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Finance creditors	2,393	368	245	368
Less : Interest in suspense	(353)	(68)	(45)	(68)
	2,040	300	200	300
Total principal sum payable				
- within 1 year	802	100	100	100
- after 1 year but not later than 5 years	1,238	200	100	200
	2,040	300	200	300

The amount payable within 1 year has been included in other creditors and accruals.

9. DEFERRED TAXATION

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
At beginning of year	(1,724)	(1,996)	-	-
Through acquisition of subsidiary companies	1,473	-	-	-
Transfer from income statements	1,517	272	-	-
At end of year	1,266	(1,724)	-	-



Notes To The Financial Statements -
30 September 2000 (cont'd)

10. FIXED ASSETS

Group	Land and buildings	Equipments, tools, plant and machinery	Motor vehicles	Furniture and fittings and others	Capital work-in-progress	Total 2000	Total 1999
Cost or valuation	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At beginning of year							
- cost	38,352	2,695	1,944	15,654	-	58,645	54,061
- valuation	5,260	-	-	-	-	5,260	5,260
	43,612	2,695	1,944	15,654	-	63,905	59,321
Addition through acquisition of subsidiary companies	36,466	20,016	1,824	1,379	6	59,691	-
Additions	30	66	51	829	-	976	5,595
Disposals	-	-	(35)	(7)	-	(42)	(714)
Written off	-	(46)	-	(114)	-	(160)	(297)
At end of year	80,108	22,731	3,784	17,741	6	124,370	63,905
Accumulated depreciation							
At beginning of year	2,704	2,401	1,176	6,680	-	12,961	10,548
Addition through acquisition of subsidiary companies	1,266	6,149	770	499	-	8,684	-
Charge for the year	679	154	301	2,151	-	3,285	2,822
Disposals	-	-	(35)	(2)	-	(37)	(143)
Written off	-	(46)	-	(102)	-	(148)	(266)
At end of year	4,649	8,658	2,212	9,226	-	24,745	12,961
Net book value							
2000	75,459	14,073	1,572	8,515	6	99,625	-
1999	40,908	294	768	8,974	-	-	50,944
Depreciation charge for the year ended 30 September 1999	591	184	419	1,628	-	-	2,822
Cost or valuation at end of year							
- cost	74,848	22,731	3,784	17,741	6	119,110	58,645
- valuation	5,260	-	-	-	-	5,260	5,260
	80,108	22,731	3,784	17,741	6	124,370	63,905

10. FIXED ASSETS (CONT'D)

Analysis of land and buildings as at 30 September:-

Group	Freehold land and buildings RM'000	Long leasehold land and building RM'000	Total 2000 RM'000	Total 1999 RM'000
Cost or valuation				
At beginning of year				
- cost	12,210	26,142	38,352	35,592
- valuation	-	5,260	5,260	5,260
	12,210	31,402	43,612	40,852
Addition through acquisition of subsidiary companies	31,498	4,968	36,466	-
Additions	-	30	30	-
Transfers	-	-	-	2,760
At end of year	43,708	36,400	80,108	43,612
Accumulated depreciation				
At beginning of year	71	2,633	2,704	2,113
Addition through acquisition of subsidiary companies	840	426	1,266	-
Charge for the year	50	629	679	591
At end of year	961	3,688	4,649	2,704
Net book value				
2000	42,747	32,712	75,459	-
1999	12,139	28,769	-	40,908
Depreciation charge for the year ended 30 September 1999	14	577	-	591
Cost or valuation at end of year:-				
- cost	47,164	27,684	74,848	38,352
- valuation	-	5,260	5,260	5,260
	47,164	32,944	80,108	43,612



Notes To The Financial Statements -
30 September 2000 (cont'd)

10. FIXED ASSETS (CONT'D)

Company	Motor vehicles	Furniture fittings and others	Total 2000	Total 1999
Cost or valuation	RM'000	RM'000	RM'000	RM'000
At beginning of year	532	240	772	-
Additions	-	-	-	1,399
Disposals	-	-	-	(627)
At end of year	532	240	772	772
Accumulated depreciation				
At beginning of year	106	27	133	-
Charge for the year	107	27	134	196
Disposals	-	-	-	(63)
At end of year	213	54	267	133
Net book value				
2000	319	186	505	-
1999	426	213	-	639
Depreciation charge for the year ended 30 September 1999	169	27	-	196

- (a) During the financial year ended 30 September 1993, the Directors revalued the Company's leasehold properties based on independent professional valuations on the open market value basis.
- (b) Had the long leasehold land and building been carried at historical cost less accumulated depreciation, the carrying amount of the revalued assets that would have been included in the financial statements is RM1,812,000 (1999: RM1,866,000).
- (c) The net book value of fixed asset which is under hire purchase is as follows:-

	2000	1999
	RM'000	RM'000
The Group	5,048	426
The Company	319	426

11. INVESTMENT PROPERTIES

	Group	
	2000	1999
	RM'000	RM'000
At cost		
Freehold properties located in Malaysia	29,713	29,713

The freehold properties have been pledged as first and third party assignment for cash note facility of fellow subsidiary companies.

The strata titles of the freehold properties have not been issued by the relevant authority yet.

12. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2000 RM'000	1999 RM'000
Unquoted shares, at cost	134,409	56,353

The amount due from subsidiary companies has no fixed term of repayment and is interest free except for advances to one subsidiary company amounting to RM41.5 million (1999: RM41.5 million) which bear interest at rates ranging from 6.5% to 8.25% (1999: 6.5% to 8.25%) per annum.

The particulars of the subsidiary companies are:-

Name of company	Place of incorporation	Effective interest		Principal activities
		2000 %	1999 %	
Exabina Sdn. Bhd.	Malaysia	100	100	Licensed money lender
Linear Profile Sdn. Bhd.	Malaysia	100	100	Investment properties holding
Rantai Pesona Sdn. Bhd.	Malaysia	100	100	Investment properties holding
Kaiserkorp Sdn. Bhd. (formerly known as Kaiserkop Berhad) *	Malaysia	100	-	Investment holding company
Agrow Malaysia Sdn. Bhd.*	Malaysia	100	-	Investment holding and buying, selling, fabricating spare parts and equipment in industries
O'Connor's Properties Sdn. Bhd. *	Malaysia	51	51	Investment holding and provision of management services

Subsidiary companies of Kaiserkorp Sdn. Bhd. (formerly known as Kaiserkorp Berhad) :-

TN Metal Industries (M) Sdn. Bhd. *	Malaysia	100	-	Manufacturing spring units and property holding
Jiwa Adil Sdn. Bhd. *	Malaysia	100	-	Property holding
Kaiserkoil Incorporated (M) Sdn. Bhd. *	Malaysia	100	-	Property holding
Bedco Sistem (M) Sdn. Bhd. *	Malaysia	100	-	Manufacturing of spring mattress, head board and divans
Dreambed (Malaysia) Sdn. Bhd. *	Malaysia	100	-	Manufacturers of polyurethane foam
Kingkoil Corporation (M) Sdn. Bhd. *	Malaysia	100	-	Trading and marketing of spring mattress and sleep related products
Acrowyn (M) Sdn. Bhd.*	Malaysia	100	-	Franchisee



12. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Name of company	Place of incorporation	Effective interest		Principal activities
		2000 %	1999 %	
Subsidiary companies of Agrow Malaysia Sdn. Bhd.				
Pure-Ecology (M) Sdn. Bhd. *	Malaysia	100	-	Investment in properties
Keenwai Enterprise (M) Sdn. Bhd. *	Malaysia	100	-	Investment holding
Subsidiary companies of O'Connor's Properties Sdn. Bhd. :-				
O'Connor's Engineering Sdn. Bhd. *	Malaysia	51	51	Supply, delivery, testing and commissioning of telecommunications, electromedical, audio-visual, studio projection and lighting equipment, office automation, data communications, card access and security systems, building automation and building services
O'Connor's Trading Sdn. Bhd. *	Malaysia	51	51	Trading in mobile telephones and consumer products
Gentron Trading Sdn. Bhd. *	Malaysia	51	51	Provision of services in claiming of incentives from the cellular phone operators
Alpha Merit Sdn. Bhd. *	Malaysia	51	51	Rental of property
O'Connor's Enterprise Sdn. Bhd. *	Malaysia	51	51	Investment in properties
Cinecom Raya Sdn. Bhd. *	Malaysia	51	51	Dormant

* Subsidiary companies not audited by Shamsir Jasani Grant Thornton

13. INTEREST IN ASSOCIATED COMPANIES

	Group	
	2000 RM'000	1999 RM'000
At cost		
Unquoted shares	2,218	2,218
Less: Post acquisition losses	(606)	(752)
	1,612	1,466
Represented by:		
Share of net assets of associated companies	1,612	1,466

13. INTEREST IN ASSOCIATED COMPANIES (CONT'D)

The particulars of the associated companies are:-

Name of company	Place of incorporation	Effective interest		Principal activities
		2000 %	1999 %	
Computer Measurement (S) Pte. Ltd. *#	Singapore	12.20	12.20	Design, manufacture, marketing and sales of industrial weighing scales, packaging machines parts and systems.
O'Connor's KLT JV Sdn. Bhd. *#	Malaysia	20.40	20.40	Supply, delivery, testing and commissioning of telecommunication electromedical, audio-visual, studio projection, and lighting equipment, office automation, data communication, card access and security systems, building automation and building services.

* All the associated companies are audited by another firm of accountants.

held by subsidiary companies

14. INVENTORIES

	Group	
	2000 RM'000	1999 RM'000
Raw materials	2,069	-
Work in progress	179	-
Finished goods	1,700	-
Trading stocks	49,874	29,005
	53,822	29,005
Less : Provision for obsolete stocks	(6,198)	(6,712)
	47,624	22,293



Notes To The Financial Statements -
30 September 2000 (cont'd)

15. CONTRACT AMOUNT DUE FROM/TO CUSTOMERS

	Group	
	2000 RM'000	1999 RM'000
Costs incurred to date	11,720	54,507
Attributable profit/(losses)	2,393	(2,927)
	14,113	51,580
Less: Progress billings	(13,680)	(50,266)
	433	1,314
Contract amount due from customers	1,593	2,173
Contract amount due to customers	(1,160)	(859)
	433	1,314
Retention on contracts (Note 16)	639	748
Advances received on contracts (Note 19)	294	204

16. TRADE DEBTORS

	Group	
	2000 RM'000	1999 RM'000
Trade debtors	80,731	88,553
Less : Provision for doubtful debts	(9,033)	(11,806)
	71,698	76,747

Included in the above is an amount of RM639,000 (1999: RM748,000) relating to retentions on contracts.

17. SHORT TERM INVESTMENTS

	Group	
	2000 RM'000	1999 RM'000
Quoted shares in Malaysia, at cost	144	-
Less: Provision for diminution in value	(38)	-
	106	-
Properties acquired for resale	366	736
	472	736
Quoted shares in Malaysia, at market value	106	-

18. SHORT TERM DEPOSITS WITH LICENSED BANKS

Included in the above is an amount of RM100,000 which is pledged for banking facilities granted to a subsidiary company.

19. OTHER CREDITORS AND ACCRUALS

Group

Included in the above is an amount of RM294,000 (1999: RM204,000) relating to advances received on contracts.

Company

The significant increase in other creditors and accruals was mainly due to the balance payable on the purchase consideration relating to the acquisition of subsidiary companies during the financial year.

20. SHORT TERM BORROWING

	Group	
	2000 RM'000	1999 RM'000
Unsecured :-		
Bills payable	-	16,682
Secured :-		
Bank overdraft	6,164	-
Bankers' acceptance	4,891	-
Term loans (Note 6)	1,188	-
Cash note facility (Note 7)	3,900	-
	16,143	16,682

Bank overdraft and bankers' acceptance of the subsidiary companies are secured by :-

- First and second legal charges over the properties of subsidiary companies.
- Fixed and floating charges over the assets of subsidiary companies.
- Joint and several guarantee by directors of subsidiary companies.

Certain bank overdraft and bankers' acceptance of subsidiary company are secured by short term deposits.

Interest is charged at rates ranging from 1.75% to 2.5% per annum above the banks' base lending rates.

21. EXPENDITURE CARRIED FORWARD

	Group	
	2000 RM'000	1999 RM'000
At beginning of year	5	5
Additions during the year	60	4
	65	9
Written off during the year	(65)	(4)
At end of year	-	5



Notes To The Financial Statements -
30 September 2000 (cont'd)

22. REVENUE

Revenue of the Group comprises the invoiced value of sales of goods and services, incentives derived from the cellular phone operators, the proportionate sales value of workdone on the projects recognised under the percentage of completion method, rental and interest income earned outside the Group.

Revenue for the Company comprises gross dividend, management fee and interest income.

23. PROFIT BEFORE TAXATION

Profit before taxation is determined after deducting/(crediting) amongst other items the following :-

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Audit fee				
- statutory audit	86	87	10	10
- overprovision in previous year	(4)	-	(2)	-
Contract cost	51,796	57,344	-	-
Depreciation	3,285	2,822	134	196
Directors' remuneration				
- fee	177	168	99	90
- other emoluments	452	224	452	224
Fixed assets written off	12	31	-	-
Interest expenses	437	1	23	-
Provision for doubtful debts				
- current	1,371	1,178	-	-
- no longer required	(4,333)	(1,277)	-	-
Preliminary and pre-operating expenses written off	65	4	-	-
Provision for diminution in value of investment	38	-	-	-
Provision for obsolete stocks				
- current	939	1,838	-	-
- no longer required	(1,453)	(238)	-	-
Rental of premises	1,179	1,103	96	64
Contract revenue	(80,233)	(74,501)	-	-
Dividend income from unquoted shares in Malaysia	-	-	(6,021)	(6,286)
Gain on disposal of fixed assets	(10)	(69)	-	(63)
Gain on foreign exchange				
- realised	(1,146)	(99)	-	-
- unrealised	(73)	-	-	-
Interest income	(251)	(5,541)	(3,093)	(5,146)
Rental income	(883)	(909)	-	-

24. TAXATION

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Current taxation	3,124	-	2,159	607
Under/(Over) provision in prior years	760	323	-	(7)
Deferred taxation	1,517	272	-	-
	5,401	595	2,159	600

- (a) The provision for current year's taxation is determined by applying the Malaysian tax rates on the chargeable income.
- (b) The effective tax rate of the Group after taking into account the tax saving, was higher than the statutory tax rate which is mainly due to certain expenses being disallowed by the Inland Revenue Board.
- (c) The Group's amount of tax saving for which tax credit is taken as a result of the realisation of unabsorbed business losses and unutilised capital allowances carried forward that had not been accounted for in the period of loss amounting to approximately RM1,476,000.
- (d) The Group's unabsorbed business losses, unutilised capital allowances and unutilised reinvestment allowances which can be carried forward to offset against future taxable profit amounted to approximately RM1,038,000 (1999: RM6,000,000), RM102,000 (1999: RM329,000) and RM2,892,000 (1999: Nil) respectively.
- (e) The Company has tax exempt account of RM4.3 million on which tax exempt dividend can be declared.
- (f) The effective tax rate of the Company was higher than the statutory tax rate which is mainly due to certain expenses being disallowed by the Inland Revenue Board.
- (g) The Company has sufficient tax credit under Section 108 of the Income Tax Act, 1967 to frank the payment of dividend out of its entire retained profits as at 30 September 2000.
- (h) The Company's unabsorbed capital allowances which can be carried forward to offset against future taxable profit amounting to approximately RM67,000 (1999: RM67,000).
- (i) The above amounts are subject to the approval of the Inland Revenue Board of Malaysia.

25. EARNINGS PER SHARE

The earnings per share has been calculated based on profit after taxation and minority interests of RM6,184,617 (1999: RM9,064,641) and the number of shares in issue during the financial year of 42,500,000 (1999: 42,500,000).

26. EMPLOYEES INFORMATION

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Staff costs	24,762	22,629	626	344

The number of employees of the Group and of the Company at the end of the financial year were 699 (1999:508) and 5 (1999: 4) respectively.



27. PRIOR YEAR ADJUSTMENT

During the financial year, the Group changed its accounting policy with respect to construction contracts.

In previous years, the Group used the completed contract method to determine the appropriate amount to be recognised in a given year. In accordance with MASB 7, Construction Contracts, the Groups now adopt the percentage of completion method to determine the appropriate amount to be recognised in a given year.

This change in accounting policy has been accounted for retrospectively. It has the effect of reducing previous financial year's profit after tax of the Group amounting to RM52,000. The effects relating to financial years prior to 30 September 1998 have been adjusted against retained profits brought forward for the relevant periods and the contract amount due from/to customers as disclosed in Note 15 to the Financial Statements.

28. DIVIDEND

Group and Company

	2000	1999
	RM'000	RM'000
First and final dividend of 1% per share less 28% income tax paid in respect of financial year 1998	-	306
Proposed first and final dividend of 4% per share less 28% income tax	1,224	1,224
	1,224	1,530

29. CONTINGENT LIABILITIES

Company

	2000	1999
	RM'000	RM'000
Corporate guarantee provided to secure credit facilities of subsidiary companies	18,000	-

30. CAPITAL COMMITMENTS

Capital expenditure in respect of the followings are not provided for in the financial statements:-

Group

	2000	1999
	RM'000	RM'000
Authorised and contracted for	3,904	649
Authorised but not contracted for	6	523
	3,910	1,172

31. SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant related party transactions during the financial year were as follows:-

	Company	
	2000 RM'000	1999 RM'000
Management fee from subsidiary companies	296	284
Interest income from subsidiary company	3,093	4,140
Dividend income from subsidiary company in Malaysia	6,021	6,286

The Directors of the Company are of the opinion that the terms of transactions have been entered on a negotiated basis.

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Pursuant to an extraordinary general meeting held on 9 August 2000, the member of the Company approved the following acquisition:-

- (i) Acquisition of the entire issued and paid-up share capital of Kaiserkorp Sdn. Bhd. (formerly known as Kaiserkorp Berhad) comprising 6,164,000 ordinary shares of RM1 each for a total cash consideration of RM64,548,000.
- (ii) Acquisition of the entire issued and paid-up share capital of Agrow Malaysia Sdn. Bhd. comprising 4,100,000 ordinary shares of RM1 each for a total cash consideration of RM13,508,000.

33. SEGMENTAL REPORTING – GROUP

Analysis by activity:-

	Revenue RM'000	Profit before taxation RM'000	Total assets employed RM'000
2000			
Trading	294,547	5,519	100,197
Engineering	80,791	9,607	44,446
Manufacturing	-	-	29,042
Others	5,449	2,067	143,147
	380,787	17,193	316,832
1999			
Trading	145,909	4,032	45,738
Engineering	81,459	3,869	42,231
Others	7,406	6,590	155,427
	234,774	14,491	243,396

The Directors regard the Group's operations as being located in one geographical area.



Notes To The Financial Statements -
30 September 2000 (cont'd)

34. PRESENTATION OF THE FINANCIAL STATEMENTS

Presentation of the financial statements have been changed to conform with the adoption of MASB 1, Presentation of Financial Statements.

35. COMPARATIVE INFORMATION

- (a) Certain comparative figures have been restated to reflect the adoption of the MASB 7, Construction Contracts as stated in Note 27 to the Financial Statements.
- (b) The following figure has been reclassified from other creditors to other debtors due to the reinstatement of balances in the respective accounts.

	As amended	As previously
	RM' 000	reported
		RM' 000
Other debtors, deposits prepayments	9,406	4,506
Other creditors and accruals	32,105	27,205
	<hr/>	

- (c) Certain comparative figures has been reclassified to conform with current year's presentation.

List Of Properties

Location	Tenure	Area	Description & Existing Use	Approximate Age of Buildings (Yrs)	Net Book Value @ 30-Sep-00 (RM)
No 14 Jalan Anson and No 201&203 Jalan Burmah 10050 Pulau Pinang	Freehold	3644.1 sq m	2-storey commercial/office Built-up 3062.1 sq m	Pre-war	6,058,715.00
Lot 13, Jalan 51A/223 46100 Petaling Jaya Selangor	Leasehold 99 years expiring 13.11.2069 Residual lease 68 years	4046.79 sq m	6-storey factory/office Built-up 6,942.88 sq m	14	15,689,772.74
No 1, Jalan 219 46100 Petaling Jaya Selangor	Leasehold 99 years expiring 02.11.2069 Residual lease 68 years	3877.77 sq m	Office Built-up 7,283.6 sq m	21	11,094,548.49
Lot 2-8 & 2-9 Lion Industrial Park 40000 Shah Alam Selangor	Freehold	21848 sq m	Leased out for rental income	N/A	5,108,575.46
No 56 & 58, Jalan Dian 8 Taman Munsyi Ibrahim Jalan Skudai 81200 Johor Bahru Johor	Freehold	286.14 sq m	2-storey shophot/ Office Built-up 551.84 sq m	8	542,868.51
Lot 5, Taman Mesra Mile 3 Jalan Penampang 88813 Kota Kinabalu Sabah	Leasehold 99 years expiring 31.12.2075 Residual lease 74 years	111.48 sq m	2-storey shophot/ Office Built-up 226.68 sq m	18	216,041.24
Lot 9-12 Block 31 Phase 2A Bandar Penampang Kota Kinabalu Sabah	Leasehold 99 years expiring 31.12.2078 Residual lease 77 years	464.51 sq m	2-storey commercial shophot/office Built-up 929 sq m	3	1,169,932.60
No 519, Jalan Pasir Puteh 31650 Ipoh Perak	Freehold	1,600 sq m	3-storey shophot Built-up 4,453 sq m	23	378,132.00
Level 1-4 #01,02,03,04-01 Bentong Vega Mall Jalan Ketari 28700 Bentong Pahang Darul Makmur	Freehold	72,311 sq m	Departmental store Built-up 72,311 sq m	1	22,130,090.00
#05-06 Bentong Vega Mall Jalan Ketari 28700 Bentong Pahang Darul Makmur	Freehold	7,980 sq m	Earmarked for Food Court Built-up 7,980 sq m	1	2,633,400.00
#05-01 Bentong Vega Mall Jalan Ketari 28700 Bentong Pahang Darul Makmur	Freehold	7,998 sq m	Earmarked for Entertainment Centre/Commercial Centre Built-up 7,998 sq m	1	2,639,340.00



List Of Properties (cont'd)

Location	Tenure	Area	Description & Existing Use	Approximate Age of Buildings (Yrs)	Net Book Value @ 30-Sep-00 (RM)
#05-05 Bentong Vega Mall Jalan Ketari 28700 Bentong Pahang Darul Makmur	Freehold	6,976 sq m	Earmarked for Family Park/ Amusement Centre Built-up 6,976 sq m	1	2,310,000.00
Lot 1 Lorong Perak 2 42500 Teluk Panglima Garang Kuala Langat Selangor	Leasehold 99 years expiring 2086 Residual lease 86 years	5,236 sq m	1 1/2 Storey Factory Built-up 2,913 sq m	13	4,202,560.00
Lot 2137, Jalan Enggang Kg Batu 9, Kebun Baru 42500 Teluk Panglima Garang Selangor	Freehold	20,233 sq m	1 Storey Factory Built-up 11,148 sq m	3	17,028,752.00
2B, Jalan SS6/6 Kelana Jaya 47301 Petaling Jaya Selangor	Freehold	372 sq m	4 Storey Commercial Shoplot/Office Built-up 1,802 sq m	5	3,126,062.00
2C, Jalan SS6/6 Kelana Jaya 47301 Petaling Jaya Selangor	Freehold	372 sq m	4 Storey Commercial Shoplot/Office Built-up 1,802 sq m	5	5,640,500.00
64, Jalan SS22/25 Damansara Jaya 47400 Petaling Jaya Selangor	Freehold	153 sq m	4 Storey Commercial Shoplot/Office Built-up 523 sq m	14	2,000,000.00
1A, Jalan Helang Bukit Kepong Baru Industrial Area 52100 Kepong Kuala Lumpur	Freehold	1,478 sq m	1 Storey Warehouse Built-up 870 sq m	23	2,830,937.00
A-6-P, Cameron Green Jalan Kemunting Tanah Rata, Cameron 39100 Pahang	Leasehold 99 years expiring 2087 Residual lease 87 years	196.11 sq m	Apartment Built-up 196.11 sq m	Under Construction	340,000.00
B1-07, Tingkat 1 Lorong Damai 6 Taman Permata 14000 Bukit Mertajam Pulau Pinang	Freehold	55.74 sq m	4 Storey Flat Built-up 55.74 sq m	12	32,000.00

Subsidiary And Associated Companies

No.	Name of Companies	Principal Activities	Country of Incorporation and Principal Place of Business	Group's %
1.	Linear Profile Sdn Bhd	Investment properties holding	Malaysia	100.00
2.	Rantai Pesona Sdn Bhd	Investment properties holding	Malaysia	100.00
3.	Exabina Sdn Bhd	Licensed money lender	Malaysia	100.00
4.	Kaiserkorp Sdn Bhd	Investment holding company	Malaysia	100.00
5.	Agrow Malaysia Sdn Bhd	Investment holding and buying, selling, fabricating spare parts and equipment in industries	Malaysia	100.00
6.	TN Metal Industries (M) Sdn Bhd	Manufacturing spring units and property holding	Malaysia	100.00
7.	Jiwa Adil Sdn Bhd	Property holding	Malaysia	100.00
8.	Kaiserkoil Incorporated (M) Sdn Bhd	Property holding	Malaysia	100.00
9.	Bedco Sistem (M) Sdn Bhd	Manufacturing of spring mattress, head board and divans	Malaysia	100.00
10.	Dreambed (Malaysia) Sdn Bhd	Manufacturers of polyurethane foam	Malaysia	100.00
11.	Kingkoil Corporation (M) Sdn Bhd	Trading and marketing of spring mattress and sleep related products	Malaysia	100.00
12.	Acrowyn (M) Sdn Bhd	Franchisee	Malaysia	100.00
13.	Pure-Ecology (M) Sdn Bhd	Investment in properties	Malaysia	100.00
14.	Keenwai Enterprise (M) Sdn Bhd	Investment holding	Malaysia	100.00
15.	Cinecom Raya Sdn Bhd	Dormant	Malaysia	51.00
16.	O' Connor's Engineering Sdn Bhd	Supply, delivery, testing and commissioning of telecommunications, electromedical, audio-visual, studio projection and lighting equipment, office automation, data communication, card access and security systems, building automation and building services	Malaysia	51.00
17.	O' Connor's Trading Sdn Bhd	Trading in mobile telephones and consumer products	Malaysia	51.00



Subsidiary And Associated Companies (cont'd)

No.	Name of Companies	Principal Activities	Country of Incorporation and Principal Place of Business	Group's %
18.	O' Connor's Properties Sdn Bhd	Investment holding and provision of management services	Malaysia	51.00
19.	Gentron Trading Sdn Bhd	Provision of services in claiming of incentives from the cellular phone operators	Malaysia	51.00
20.	O' Connor's Enterprise Sdn Bhd	Investment in properties	Malaysia	51.00
21.	Alpha Merit Sdn Bhd	Rental of property	Malaysia	51.00
22.	Computer Measurement (S) Pte Ltd	Design, manufacture, marketing and sales of industrial weighing scales, packaging machines parts and systems	Singapore	12.20
23.	O' Connor's KLT JV Sdn Bhd	Supply, delivery, testing and commissioning of telecommunications, electromedical, audio-visual, studio projection and lighting equipment, office automation, data communication, card access and security systems, building automation and building services	Malaysia	20.40

Shareholdings Statistics

Distribution Schedule of Shareholders As At 31 January 2001

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 - 499	1	0.0165	100	0.0002
500 - 5,000	5,276	87.1778	10,033,595	23.6085
5,001 - 10,000	437	7.2208	3,702,000	8.7106
10,001 - 100,000	311	5.1388	8,053,000	18.9482
100,001 - 1,000,000	26	0.4296	8,280,305	19.4831
Above 1,000,000	1	0.0165	12,431,000	29.2494
	6,052	100.0000	42,500,000	100.0000

Twenty Largest Shareholders As At 31 January 2001

Name of Shareholder	No. of Shares	%
1. BOC Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Rangkaian Kartika Sdn Bhd	12,431,000	29.2494
2. Kurnia Insurans (Malaysia) Berhad	970,305	2.2830
3. BOC Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Taipanmatics Sdn Bhd	840,000	1.9765
4. BOC Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Exosoft Sdn Bhd	809,000	1.9035
5. Liew Fook Meng	668,000	1.5718
6. BOC Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Prize Focus Sdn Bhd	520,000	1.2235
7. Citicorp Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Chin Chan Leong (471934)	479,000	1.1270
8. Employees Provident Fund Board	434,000	1.0212
9. BBMB Securities Nominees (Tempatan) Sdn Bhd - Petroliam Nasional Berhad	380,000	0.8471
10. Amanah Raya Nominees (Tempatan) Sdn Bhd - Amanah Saham Selangor	313,000	0.7365
11. Prize Focus Sdn Bhd	310,000	0.7294
12. Pos Malaysia Berhad	277,000	0.6518
13. Chan Wan Moi	239,000	0.5624
14. BBMB Securities Nominees (Tempatan) Sdn Bhd - Petroleum Research Fund	238,000	0.5600
15. Permodalan Nasional Berhad	234,000	0.5506
16. HSBC Nominees (Tempatan) Sdn Bhd - HSBC (Malaysia) Trustee Berhad for Amanah Saham Kedah	180,000	0.4235
17. Bank Kerjasama Rakyat Malaysia Berhad	147,000	0.3459
18. AMSEC Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Tan Beng Im	145,000	0.3412
19. Lee Lee Kim	142,000	0.3341
20. PRB Nominees (Tempatan) Sdn Bhd	140,000	0.3294
	19,876,305	46.7678



Shareholdings Statistics (cont'd)

Substantial Shareholders As At 31 January 2001

	Shareholding	%
1. Rangkai Kartika Sdn Bhd	12,431,000	29.2494
2. Stockware Capital Sdn Bhd *	12,431,000	29.2494
3. Law Tiam Hock *	12,431,000	29.2494
4. Lim Boon Hiong *	12,431,000	29.2494
5. Tan Tien Kok *	12,431,000	29.2494
6. Kurnia Insurans (Malaysia) Berhad	970,305	2.2831

* Deemed Interest

Proxy Form

Number of shares

I/We (block capitals please).....
of.....
being a member / members of OCB Berhad hereby appoint
.....
(NRIC No:) of.....
or failing him/her.....(NRIC No:.....)
of..... to vote for me/on our
behalf at the 42nd Annual General Meeting of the Company to be held on Thursday, 15 March 2001 at Eastin Hotel, 13 Section 16/11, Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan at 9.30 a.m. and at any adjournment thereof.

My/Our Proxy is to vote as indicated below :

NO.	RESOLUTIONS	FOR*	AGAINST*
1.	To receive and consider the Accounts and Reports		
2.	To approve the final dividend		
3.	To approve Directors' fees		
4.	To re-elect Mr Tan Tien Kok as Director		
5.	To re-elect Mr Fong Heng Leong as Director		
6.	To re-appoint auditors and to authorize the Directors to fix their remuneration		
7.	To authorise allotment of shares pursuant to S132D of the Companies Act 1965		

- Please indicate with a "X" in the spaces provided how you wish your votes to be cast. If you do not do so, the Proxy shall vote or abstain from voting at his / her discretion.

Date : _____ 2001

Signature : _____

Notes :

- A member of the Company entitled to attend and vote at this Meeting, is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, under its Common Seal or under the hand of an officer or its attorney duly authorised.
- The instrument appointing a proxy must be completed and deposited at the Registered Office of the Company at 25-1, Jalan SS 23/11, Taman SEA, 47400 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time appointed for the holding of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll).
- Any alteration in this form must be initialled.

Affix
stamp
here

The Secretary
OCB BERHAD (3465-H)
No. 25-1, Jalan SS 23/11, Taman SEA
47400 Petaling Jaya
Selangor Darul Ehsan
