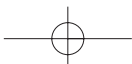


Berjantai Tin Dredging Berhad (852-D)

(Incorporated in Malaysia)



ANNUAL REPORT 2001



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NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT the Sixtieth Annual General Meeting (AGM) of members of Berjantai Tin Dredging Berhad will be held at the PNB Theatre, 2nd Floor, Menara PNB, 201A Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia on Wednesday, 3 October 2001 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following as ordinary resolutions:

1. "THAT the Directors' Report and Financial Statements for the year ended 30 April 2001 and the Auditors' Report thereon be and are hereby received and adopted."
2. "THAT the following Directors, who retire in accordance with Articles 77 and 84 of the Company's Articles of Association, be and are hereby re-elected Directors of the Company:
 - a) Phan Leong Kim (Article 77)
 - b) Dato' Mohd. Hanafiah Omar (Article 84)
3. "THAT Tuan Haji Mokty bin Dato' Mahmood, who retires pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the conclusion of the next AGM."
4. "THAT the Directors' fees for the year ended 30 April 2001 amounting to RM39,038 be and is hereby approved."

5. "THAT Messrs Ernst & Young, who are eligible and have given their consent for re-appointment, be and are hereby re-appointed the Company's Auditors for the period until the conclusion of the next AGM and that the remuneration to be paid to them be fixed by the Board."

By Order of the Board

Abd. Hadi Abd. Ghani
Secretary

Kuala Lumpur
6 September 2001

Notes:

- i. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- ii. A proxy form is enclosed and to be valid must reach the Registrar's office at Pernas Charter Management Sendirian Berhad, 32nd Floor, Menara PNB, 201A Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia not less than forty eight (48) hours before the meeting.

CORPORATE INFORMATION

Board of Directors

Datuk Ab. Sukor Shahar, *Chairman*

An Engineer by profession, YBhg Datuk Ab. Sukor Shahar, aged 54 is an Executive Director of Malaysia Mining Corporation Berhad. He is the non-independent, non-executive Chairman of the Board and was appointed on 14 December 1992.

YBhg Datuk Ab. Sukor Shahar was the Managing Director of Pernas Charter Management Sendirian Berhad from 1990 to 1993 and Chief Executive Officer of Gas Malaysia Sendirian Berhad from 1993 to 1995. He is currently the non-executive Chairman of Kramat Tin Dredging Berhad and a Board member of Malaysia Smelting Corporation Berhad, MMC Engineering Group Berhad, Tronoh Mines Malaysia Berhad and Hillgrove Gold N.L.

YBhg Datuk Ab. Sukor Shahar is a Malaysian citizen and holds a Bachelor of Science (Hons) in Mining from Imperial College of Science & Technology, London.

Haji Mokty bin Dato' Mahmood

A Mining Engineer by profession, Tuan Haji Mokty bin Dato' Mahmood, aged 72, joined the Board on 15 February 1984 as an independent non-executive Director. He is also the Chairman of the Audit Committee of the Board.

Tuan Haji Mokty was an Inspector of Mines from 1957 to 1960 in the Department of Mines, Malaysia and was the Deputy Director General in 1966. He was the former Executive Chairman of Pernas Charter Management Sendirian Berhad from 1977 to 1986 and was concurrently the Executive Chairman of Pernas Charter Management Sendirian Berhad from 1981 to 1986. He is currently a Board Member of Tronoh Mines Malaysia Berhad, MMC Engineering Group Berhad and Kramat Tin Dredging Berhad.

Tuan Haji Mokty is a Malaysian citizen and a member of Institute of Engineers Malaysia and a Fellow of the Institute of Mineral Engineers.

Datuk Haji Abu Bakar Lajim

YBhg Datuk Haji Abu Bakar Lajim, aged 63 was appointed as an Independent Non-Executive Director of the Company on 15 February 1984. He is also a member of the Audit Committee of the Board.

He was a Senator in the Parliament upper house for 2 terms from 1984 to 1990. He was a central Committee member of the Malay Chamber of Commerce and Industry. He is currently the Executive Chairman of Tuah Guard (M) Sendirian Berhad and ABL Security Sendirian Berhad and is also a Board member of Sime UEP Properties Berhad and Medas Corporation Berhad.

Phan Leong Kim

An Accountant by profession, Encik Phan Leong Kim, aged 47 was appointed a non-independent, non-executive member of the Board on 2 January 1996. He is also a member of the Audit Committee of the Board.

Encik Phan Leong Kim is the Group Chief Financial Officer of Malaysia Mining Corporation Berhad (MMC) since February 2000. From November 1995 to February 2000, Encik Phan Leong Kim was the Group General Manager, Finance of MMC. He is also a Board member of MMC Engineering Group Berhad, Kramat Tin Dredging Berhad, Hillgrove Gold N.L. and an Alternate Director on the Board of Malakoff Berhad.

Encik Phan Leong Kim is a Malaysian citizen and a Fellow of the Institute of Chartered Accountants in England and Wales, a member of the Malaysian Institute of Accountants and also a member of the Institute of Internal Auditors, Inc. Florida.

CORPORATE INFORMATION (CONTINUED)

Dato' Mohd. Hanafiah Omar

YBhg Dato' Mohd. Hanafiah Omar, aged 56, was appointed as a non-independent Non-Executive Director of the Company on 27 November 2000.

YBhg Dato' Mohd. Hanafiah Omar started his career with the Ministry of Finance as an officer in 1968 and has held several positions before his appointment as the first Director of the Bumiputra Coordination and Participation Unit, Prime Minister's Department in 1977. In 1983, he was appointed as the first General Manager of Penang Regional Development Authority and was subsequently appointed as the Head of Task Force on Privatisation of Economic Planning Unit in 1986. He became the Deputy Secretary General of the Ministry of Land and Regional Development, a position which he held for 2 years to 1991. In 1991, he joined Arab Malaysian Development Berhad (AMDB) as a Senior General Manager and was subsequently an Executive Director of AMDB.

YBhg Dato' Mohd. Hanafiah Omar is a Malaysian citizen and holds a Bachelor of Arts (Honours) from the University of Malaya, a Diploma in Economics from the University of Boulder, United States of America (USA) and a Masters in Business Administration (Finance) from the Michigan State University, USA.

Board and Committee Attendance

The number of Directors' meetings and meetings of committees of Directors held in the period each Director held office during the financial year and the number of meetings attended by each Director are as follows:

Number of meetings attended (first figure)/number of meetings held while in office (second figure)

Name	Board	Audit Committee
Datuk Ab. Sukor Shahar	6 / 6	—
Haji Mokty bin Dato' Mahmood	6 / 6	3 / 3
Datuk Haji Abu Bakar Lajim	2 / 6	2 / 3
Phan Leong Kim	5 / 6	3 / 3
Dato' Mohd. Hanafiah Omar	3 / 4	—

Directors' Remuneration

The aggregate Directors' remuneration paid or payable or otherwise made available to all Directors of the Company during the financial year are as follows:

Category	Fees (RM)	Salaries and other Emoluments (RM)
Non-executive Directors	39,038	12,000

The number of Directors of the Company whose income from the Company falls within the following band is:

Non-executive Directors	Number
Less than RM50,000	5

Directors' Responsibility Statement

In respect of the preparation of the audited financial statements (as required under paragraph 15.27(a) of the KLSE listing requirements):

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the income statements for that year. In preparing those financial statements, the Directors are required to:

CORPORATE INFORMATION (CONTINUED)

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 1965. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Other Information

Conflict of interest

None of the Directors has any family relationship with other Directors or major shareholders of the Company.

None of the Directors has any conflict of interest in the Company except for YBhg Datuk Ab. Sukor Shahar who is an Executive Director of Malaysia Mining Corporation Berhad (MMC), whilst Encik Phan Leong Kim is an employee of MMC. MMC is a major shareholder of Berjuntai Tin Dredging Berhad.

Convictions for offences

None of the Directors has been convicted for offences within the past ten (10) years other than traffic offences, if any.

Utilisation of proceeds

No proceeds were raised by the Company from any corporate proposals.

Share buybacks

During the financial year, there were no share buybacks by the Company.

Options, warrants or convertible securities

No options, warrants or convertible securities were exercised by the Company in the financial year.

American Depository Receipt (ADR) or Global Depository Receipt (GDR) programme

During the financial year, the Company did not sponsor any ADR or GDR programme.

Imposition of sanctions/penalties

There were no sanctions and/or penalties imposed on the Company and its subsidiary, Directors or management by the relevant regulatory bodies.

Non-audit fees

During the year, no non-audit fees was paid to the external auditors by the Company.

CORPORATE INFORMATION (CONTINUED)

Profit estimate, forecast or projection

There was no variance between the results for the financial year and the unaudited results previously announced. The Company did not make any release on the profit estimate, forecast or projections for the financial year.

Profit guarantees

During the year, there were no profit guarantees given by the Company.

Material contracts

During the year, there were no material contracts on the Company involving Directors' and major shareholders' interests.

Contract relating to loans

There were no contracts relating to loans by the Company in respect of the abovesaid item.

Revaluation of landed properties

The Company does not have a revaluation policy on landed properties.

Audit Committee

Haji Mokty bin Dato' Mahmood, *Chairman*
(*Independent, non-executive*)
Datuk Haji Abu Bakar Lajim
(*Independent, non-executive*)
Phan Leong Kim
(*Non-independent, non-executive*)

Secretary

Abd. Hadi Abd. Ghani

Registered Office

32nd Floor, Menara PNB
201A Jalan Tun Razak
50400 Kuala Lumpur
Tel: 03-2161 6000
E-mail: corpsec@mol.net.my
Fax: 03-2163 3137

General Managers and Share Registrar

Pernas Charter Management Sendirian Berhad
32nd Floor, Menara PNB
201A Jalan Tun Razak
50400 Kuala Lumpur
Tel: 03-2161 6000
E-mail: corpsec@mol.net.my
Fax: 03-2163 3137

Auditors

Ernst & Young
Public Accountants

Principal Banker

Bumiputra Commerce Bank Berhad
Standard Chartered Bank

Stock Exchange Listing

The Main Board
Kuala Lumpur Stock Exchange

AUDIT COMMITTEE

- Members : Haji Mokty bin Dato' Mahmood, *Chairman* (*Independent, non-executive*)
Datuk Haji Abu Bakar Lajim (*Independent, non-executive*)
Phan Leong Kim (*Non-independent, non-executive*)
The term of office of each member is subject to review every three years.
- Secretary : The Company Secretary shall be the Secretary of the Committee
- Quorum : Two
- Frequency of Meetings : 1. At least four times a year and as and when required.
2. The Committee shall meet with the external auditors at least once a year without executives being present.

Terms of reference

- i) Consider the appointment of the external auditors, the audit fee and any questions of resignation or dismissal, and inquire into the staffing and competence of the external auditors in performing their work.
- ii) Discuss the nature and scope of the audit in general terms and any significant problems that may be foreseen with the external auditors before the audit commences and ensure that adequate tests to verify the financial statements and procedures of the Company are performed.
- iii) Discuss the impact of any proposed changes in accounting principles on future financial statements.
- iv) Review the results and findings of the audit and monitor the implementation of any recommendations made therein.
- v) Review the quarter, half-year and annual financial statements before submission to the Board, focussing particularly on:
 - any changes in accounting policies and practices;
 - major judgemental areas;
 - significant adjustments resulting from the audit;
 - the going concern assumptions;
 - compliance with accounting standards;
 - compliance with stock exchange and legal requirements.
- iv) Discuss problems and reservation arising from the interim and final audits and any matters the auditors may wish to discuss (in the absence of Management where necessary).
- vii) Ensure that the internal audit is adequately resourced and has appropriate standing within the Company.
- viii) 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.
- ix) Keep under review the effectiveness of internal control systems and in particular review the external auditors management letter and Management's response.
- x) Consider any related party transactions that may arise within the Company.
- xi) Carry out such other assignments as defined by the Board.

AUDIT COMMITTEE (CONTINUED)

Audit Committee Report

During the financial year, the Committee met 3 times. The business covered by the Audit Committee were as follows:

- (a) review of the annual budget of the Company for submission to the Board for approval;
- (b) review of the quarterly results/announcements of the Company and making relevant recommendations to the Board for approval;
- (c) review of the annual accounts and making of relevant recommendations to the Board for approval;
- (d) review of the annual internal audit plan;
- (e) review of the significant areas highlighted by the external auditors before the audit commenced;
- (f) review of the findings of the external auditors and follow-up on the recommendations.

Internal Audit Activities Report

Summary of activities of the Group Internal Audit function during the year ended 30 April 2001 were as follows:

- (a) regularly examining the controls over all significant Group's operations and systems to ascertain whether the system established provides reasonable assurance that the Group's objectives and goals will be met efficiently and economically;
- (b) prepare the annual audit plan for deliberation by the Audit Committee;
- (c) act on suggestions made by external examiners and/or senior management on concerns over preparations or control;
- (d) issue audit reports which identify weaknesses and problems and contain recommendations for improvements;
- (e) issue audit reports to the appropriate level of management capable of achieving satisfactory audit results;
- (f) determine whether corrective action was taken and is achieving the desired results.

FINANCIAL HIGHLIGHTS

		1997	1998	1999	2000	2001
		RM'000	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation		452	(2,197)	(2,182)	(1,741)	(3,245)
Exceptional items		—	—	—	—	(1,915)
Profit/(Loss) attributable to shareholders		442	(2,238)	(2,726)	(1,741)	(3,236)
Gross assets		7,538	11,404	7,312	5,409	3,647
Shareholder' funds		(5,289)	(7,527)	(10,254)	(11,995)	(15,231)
Pre-tax return on shareholders' funds	%	(8.5)	(29.2)	(21.3)	(14.5)	(21.3)
Earnings per share	sen	1.4	(7.3)	(8.9)	(5.7)	(10.6)
Net tangible assets per share	sen	(17.3)	(24.7)	(33.6)	(39.3)	(49.9)

SHAREHOLDINGS STATISTICS

As at 2 August 2001

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
Less than 1,000	277	3.62	107,327	0.35
1,000 to 10,000	7,120	92.95	15,185,153	49.75
10,001 to 100,000	255	3.33	5,470,968	17.92
100,001 to less than 5% of issued shares	7	0.09	1,019,867	3.34
5% and above of issued shares	1	0.01	8,742,885	28.64
TOTAL	7,660	100.00	30,526,200	100.00

GEOGRAPHICAL

Malaysia	7,472	97.55	29,867,770	97.84
Singapore	142	1.85	536,350	1.76
United Kingdom and Others	46	0.60	122,080	0.40
TOTAL	7,660	100.00	30,526,200	100.00

CATEGORY

Individuals	6,281	82.00	15,887,982	52.05
Banks	13	0.17	50,250	0.17
Nominee Companies	1,223	15.97	4,655,803	15.25
Insurance Companies	—	—	—	—
Other Limited Companies	136	1.77	9,662,064	31.65
Pension Funds and Trustees	2	0.03	3,234	0.01
Others	5	0.06	266,867	0.87
TOTAL	7,660	100.00	30,526,200	100.00

SUBSTANTIAL SHAREHOLDERS

Name	Number of Shares Held			
	Direct	%	Deem Interested	%
Anglo-Oriental (Malaya) Sendirian Berhad	8,742,885	28.64	—	—
Malaysia Mining Corporation Berhad	—	—	8,742,885	28.64%
Permodalan Nasional Berhad	—	—	2,094,445	28.64%
Yayasan Pelaburan Bumiputra	—	—	@2,094,445	28.64%
Impian Teladan Sendirian Berhad	—	—	2,094,445	28.64%
Dr. Aziuddin bin Ahmad	—	—	Λ2,094,445	28.64%
Zainal Rashid bin Ab. Rahman	—	—	Λ2,094,445	28.64%
Employees Provident Fund Board	—	—	2,094,445	28.64%

Notes:

@ Yayasan Pelaburan Bumiputra owns 100% less 1 share of Permodalan Nasional Berhad.

Λ Substantial Shareholders of Impian Teladan Sendirian Berhad.

CLASS OF SHARES : Ordinary shares of RM1 each

VOTING RIGHTS : One (1) vote per share

SHAREHOLDINGS STATISTICS (CONTINUED)

As at 2 August 2001

THIRTY LARGEST SHAREHOLDERS

Name	No. of Shares Held	% of Issued Capital
1. Anglo-Oriental (Malaya) Sendirian Berhad	8,742,885	28.64
2. Menteri Kewangan Malaysia – Section 29 (SICDA)	227,867	0.75
3. Mayfin Nominees (Tempatan) Sendirian Berhad – Growthfolio Sdn Bhd	201,000	0.66
4. Satria Nominees (Tempatan) Sendirian Berhad – Chang Nyong Choo	150,000	0.49
5. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad – Dr Tai Kee Sing @ Hea N Sing, Charles	115,000	0.38
6. Southern Nominees (Tempatan) Sendirian Berhad – Ewe Eng Kah	115,000	0.38
7. Ke-zan Nominees (Tempatan) Sendirian Berhad – Kweh Beng Hui	110,000	0.36
8. Lim Ho Peng	101,000	0.33
9. Tan Chin Yam	98,000	0.32
10. Othman Bin Merican	90,000	0.29
11. Kwong Wah Rattan Industries (Private) Limited	80,000	0.26
12. Mayban Nominees (Tempatan) Sendirian Berhad – Leong Chee Wah	80,000	0.26
13. Yee Hang @ See Fann	75,000	0.25
14. Ewe Eng Kah	68,000	0.22
15. Ng Sai Guoid	66,000	0.22
16. Alliancegroup Nominees (Tempatan) Sendirian Berhad – Lee Nyuk Yin	63,000	0.21
17. Beh Swee Hong	63,000	0.21
18. Citicorp Nominees (Tempatan) Sendirian Berhad – Pheng Yin Huah	60,000	0.20
19. Goh Leong Chuan	55,000	0.18
20. Sim Chong Wan @ Sim Tan Beg	55,000	0.18
21. Eng Nominees (Asing) Sendirian Berhad – Ang Poon Soon	50,000	0.16
22. Kim Poh Holdings Sendirian Berhad	50,000	0.16
23. Tan Seow Than	50,000	0.16
24. Wong Peng Yan Benjamin @ Peng Yan Wong	50,000	0.16
25. Siew Yau Wai @ Siew Ah Why	49,000	0.16
26. Tha'an Sin Moy	48,000	0.16
27. Low Tuck Choy	44,000	0.14
28. Mayban Nominees (Tempatan) Sendirian Berhad – Lee Choi Yong	43,000	0.14
29. Bong Hon Liong	42,000	0.14
30. Looi Meng Tooi	42,000	0.14
TOTAL	11,083,752	36.31

LIST OF PROPERTIES

Held as at 30 April 2001

Location	Tenure	Area (Hectares)	Year of Expiry	Description/ Existing use	Net Book Value (RM)	Age of Building (Years)	Year of Acquisition
Selangor Darul Ehsan							
Lot No.2241 Batang Beruntai Kuala Selangor	Leasehold	4.81	2004	Mining land	1	–	1983
PT 823 Ulu Tinggi Kuala Selangor	Leasehold	36.42	2004	Mining land/ mining activities	1	–	2001
Lot Nos. 19946, 1997 and 2136 *Ulu Tinggi/ Batang Berjuntai Kuala Selangor	Sublease	750.77	2002	Mining land	1	–	1986
Lot No. 23 *Ulu Tinggi Kuala Selangor	Sublease	342.00	2003	Mining land	1	–	1986
Lot Nos. 682 and 514 Batang Berjuntai Kuala Selangor	Freehold Freehold	10.63 3.22	– –	Camp site Camps site/mine office	171,651 20,282	34 20	1960 1957
Lot No. 1559 **Batang Berjuntai Kuala Selangor	Under TOL application	4.05	1998	Cement brick plant	73,923	4	1978
Lot No. 4162 Mukim Batu (Batu Caves) Kuala Lumpur	Freehold	0.47	–	Laboratory	58,797	20–27	1970

* Premature termination of these subleases have been accepted by the Sublessor in December 1999 and pending cancellation of registration from the Land Office Register.

** The cement brick plant is located on an expired mining lease.

CHAIRMAN'S STATEMENT

The Directors of Berjantai Tin Dredging Berhad are pleased to present the Annual Report and Financial Statements of the Group and of the Company for the year ended 30 April 2001.

Overview

During the year under review, contract operation of No. 3 dredge continued until it was shutdown for repairs in January 2001. Production of tin concentrate for the year ended 30 April 2001 was 81.6 tonnes.

The cement brick plant belonging to PBT Sendirian Berhad (PBT), a wholly owned subsidiary of the Company, remained shutdown under care and maintenance since the suspension of operation in October 1997 due to the downturn in the property market. Contract for reactivation of the cement brick plant was awarded in March 2001.

For the year ended 30 April 2001, the Group registered a loss before taxation of RM3.245 million compared to a loss of RM1.741 million in the previous year mainly due to exceptional items in respect of write-off of costs incurred in a joint venture to develop the Company's land and the write-down of cement brick plant to the estimated net realisable value. PBT recorded a loss of RM0.606 million for the year, largely due to write-down of the cement brick plant.

Regarding the Company's applications for renewal of the expired mining leases, the State has approved 90 acres of the area earmarked for No. 3 dredge operation.

Tin Industry

The tin prices on the Kuala Lumpur Tin Market (KLTM) fluctuated around RM20.00 per kilogramme in 2000. It was on a downward trend from RM22.84 per kilogramme in January 2000 to RM19.85 per kilogramme in June 2000. Subsequently, the tin price fluctuated within a very narrow price range of RM19.50 to RM20.76 per kilogramme until the end of the year.

Tin price averaged RM20.45 per kilogramme during the year, up by 1% over that of RM20.20 per kilogramme in the previous year.

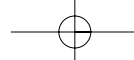
Property Development

The Company had held discussions with the State Government to develop the Company's ex-mining land under a joint-venture company into a combination of residential and commercial property. Proposal in this respect was submitted to the State Authorities. Recently, however, the State Government has assigned the development rights over a significant portion of the ex-mining land to third parties and earthwork has already commenced. Accordingly, all costs incurred thereon have been written-off.

Future Outlook

The Company is currently in a net liability position. In order to rationalise its financial position, the Board is actively seeking new business opportunities that would contribute positively to the Group's earnings in the long term. During the year, the Company announced to the Kuala Lumpur Stock Exchange that it had embarked on the restructuring scheme, which upon completion would transform the Company into a property development company. The said scheme involves the proposed acquisition of three development companies and land in Kuala Lumpur in respect of which sale and purchase agreements have been signed. The scheme also involves the proposed restricted issue of new Company's shares to Malaysia Mining Corporation Berhad (MMC) and proposed conversion of debts owing by the Company to MMC into new shares in the Company.

The proposed restructuring scheme above shall be an integral part of the Company's overall scheme to restructure its business and operation. Further components of this overall scheme are in the midst of finalisation. The overall scheme, which is conditional upon approvals by the relevant regulatory authorities, is expected to be tabled to the shareholders for considerations before the end of the next financial year.



CHAIRMAN'S STATEMENT (CONTINUED)

Directorate

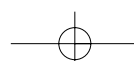
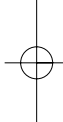
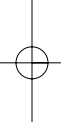
On behalf of the Board, I wish to welcome YBhg Dato' Mohd. Hanafiah Omar who was appointed as Director of the Company in November 2000 and look forward to his positive contribution to the Group.

Acknowledgement

I wish to thank my colleagues on the Board for their continued support and co-operation and also the employees and General Managers for their valuable contributions and services rendered during the year.

Datuk Ab. Sukor Shahar
Chairman

Kuala Lumpur
26 June 2001



DIRECTORS' REPORT

The Directors present their report together with the audited financial statements of the Company and of the Group for the year ended 30 April 2001.

Principal activities

With the curtailment of tin dredging operations, the Company has sought new business opportunities, in particular, in property development activities.

The cement brick plant belonging PBT Sendirian Berhad, a wholly-owned subsidiary of the Company, remained shutdown temporarily under care and maintenance due to the downturn in the property market.

Financial results

	GROUP (RM)	COMPANY (RM)
Loss for the year	(3,236,281)	(4,146,624)
Accumulated losses brought forward	<u>(42,641,045)</u>	<u>(42,171,801)</u>
Accumulated losses carried forward	<u>(45,877,326)</u>	<u>(46,318,425)</u>

There were no material transfers to or from reserves or provisions during the year.

In the opinion of the Directors, the results of the operations of the Company and of the Group during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

Dividend

No dividend was paid during the year and the Directors do not recommend any dividend to be paid for the year ended 30 April 2001.

Directors

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

Datuk Ab. Sukor Shahar, *Chairman*
 Haji Mokty bin Dato' Mahmood
 Datuk Haji Abu Bakar Lajim
 Phan Leong Kim
 Dato' Mohd. Hanafiah Omar (appointed on 27 November 2000)

In accordance with the Articles of Association of the Company, Encik Phan Leong Kim retires by rotation. YBhg Dato' Mohd. Hanafiah Omar, who was appointed during the year, also retires at the forthcoming Annual General Meeting. Both of the Directors, being eligible, offer themselves for re-election.

Tuan Haji Mokty bin Dato' Mahmood having attained the age of seventy years, retires in accordance with Section 129 of the Companies Act, 1965 and offers himself for re-appointment in accordance with Section 129(6) of the said Act to hold office until the conclusion of the next Annual General Meeting of the Company.

Directors' interests

None of the Directors held any beneficial interest in the shares of the Company or its subsidiary during the financial year ended 30 April 2001.

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

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

Substantial interest in the capital of the Company

As at the date of this report, Malaysia Mining Corporation Berhad is beneficially interested in 8,742,885 shares representing 28.64% of the issued share capital of the Company.

Significant events during the year

During the year, the Company announced to the Kuala Lumpur Stock Exchange (KLSE) that it had embarked on a restructuring scheme, which upon completion

would transform the Company into a property development company.

The said scheme involves the proposed acquisition of three development companies and land in Kuala Lumpur in respect of which sale and purchase agreements have been signed. The scheme also involves the proposed restricted issue of new shares in the Company to Malaysia Mining Corporation Berhad (MMC) and the proposed conversion of debts owing by the Company to MMC into new shares in the Company.

The proposed restructuring scheme above shall be an integral part of the Company's overall scheme to restructure its business and operations. Further components of this overall scheme are in the midst of finalisation. The overall scheme, which is conditional upon approvals by the relevant regulatory authorities, is expected to be tabled to the shareholders before the end of the next financial year.

The cement brick plant belonging to PBT Sendirian Berhad, a wholly-owned subsidiary of the Company that remained shutdown temporarily under care and maintenance, is scheduled to commence operations during the next financial year on a contract basis.

Other statutory information

- (a) Before the income statements and balance sheets of the Company and of the Group were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision for doubtful debts had been made; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business have been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
- (i) it necessary to write off any debts or the amount of the provision for doubtful debts in the Company and the Group inadequate to any substantial extent; and
 - (ii) the values attributed to current assets in the financial statements of the Company and of the Group misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of

valuation of assets or liabilities of the Company and of the Group misleading or inappropriate.

- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company and of the Group which would render any amount stated in the financial statements and consolidated financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Company or of the Group which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liabilities in respect of the Company or of the Group which have arisen since the end of the financial year.
- (f) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company or of the Group to meet its obligations as and when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Company or of the Group for the financial year in which this report is made.

Auditors

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

On behalf of the Board,

Datuk Ab. Sukor Shahar
Phan Leong Kim
Directors

Kuala Lumpur
26 June 2001

INCOME STATEMENTS

For the year ended 30 April 2001

	Note	GROUP		COMPANY	
		2001 (RM)	2000 (RM)	2001 (RM)	2000 (RM)
Revenue		—	—	—	—
Other operating income	4	1,085,861	1,007,675	1,085,861	962,675
Administrative expenses	5	(734,139)	(777,534)	(708,519)	(758,420)
Other operating expenses	6	(304,321)	(634,283)	(155,581)	(484,905)
Profit/(loss) from operations		47,401	(404,142)	221,761	(280,650)
Finance costs	7	(1,418,902)	(1,365,156)	(1,418,902)	(1,365,156)
Investment income	8	42,000	28,000	42,000	28,000
Loss before taxation and exceptional items		(1,329,501)	(1,741,298)	(1,155,141)	(1,617,806)
Exceptional items	9	(1,915,309)	—	(3,000,012)	—
Loss before taxation		(3,244,810)	(1,741,298)	(4,155,153)	(1,617,806)
Taxation	10	8,529	—	8,529	—
Loss attributable to shareholders		(3,236,281)	(1,741,298)	(4,146,624)	(1,617,806)
Loss per share (sen)	11	(11)	(6)		

The annexed notes form an integral part of these financial statements.

BALANCE SHEETS

As at 30 April 2001

	Note	GROUP		COMPANY	
		2001 (RM)	2000 (RM)	2001 (RM)	2000 (RM)
Property, plant and equipment	12	1,332,826	1,821,443	890,126	800,808
Subsidiary company	13	—	—	1	1,488,365
Associated company	14	49	49	49	49
Investments	15	1,245,000	1,245,000	1,245,000	1,245,000
Current assets					
Debtors	16	727,445	1,980,523	727,445	1,980,523
Fixed deposit with a licensed bank	17	63,296	60,000	63,296	60,000
Cash and bank balances		278,666	302,093	278,666	302,093
		1,069,407	2,342,616	1,069,407	2,342,616
Current liabilities					
Creditors	18	18,878,408	17,403,953	18,876,808	17,402,439
Net current liabilities		(17,809,001)	(15,061,337)	(17,807,401)	(15,059,823)
		(15,231,126)	(11,994,845)	(15,672,225)	(11,525,601)
Financed by:					
Share capital	19	30,526,200	30,526,200	30,526,200	30,526,200
Capital reserve (non-distributable)		120,000	120,000	120,000	120,000
Accumulated losses		(45,877,326)	(42,641,045)	(46,318,425)	(42,171,801)
		(15,231,126)	(11,994,845)	(15,672,225)	(11,525,601)

The annexed notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 April 2001

	Share Capital (RM)	Capital Reserve (RM)	Accumulated Loss (RM)	Total (RM)
GROUP				
At 1 May 1999	30,526,200	120,000	(40,899,747)	(10,253,547)
Loss for the year	—	—	(1,741,298)	(1,741,298)
At 30 April 2000	30,526,200	120,000	(42,641,045)	(11,994,845)
Loss for the year	—	—	(3,236,281)	(3,236,281)
At 30 April 2001	<u>30,526,200</u>	<u>120,000</u>	<u>(45,877,326)</u>	<u>(15,231,126)</u>
COMPANY				
At 1 May 1999	30,526,200	120,000	(40,553,995)	(9,907,795)
Loss for the year	—	—	(1,617,806)	(1,617,806)
At 30 April 2000	30,526,200	120,000	(42,171,801)	(11,525,601)
Loss for the year	—	—	(4,146,624)	(4,146,624)
At 30 April 2001	<u>30,526,200</u>	<u>120,000</u>	<u>(46,318,425)</u>	<u>(15,672,225)</u>

The annexed notes form an integral part of these financial statements.

CASH FLOW STATEMENTS

For the year ended 30 April 2001

	GROUP		COMPANY	
	2001 (RM)	2000 (RM)	2001 (RM)	2000 (RM)
Cash flows from operating activities				
Loss before taxation	(3,244,810)	(1,741,298)	(4,155,153)	(1,617,806)
Adjustments for:				
Provision for retirement benefits	2,338	2,702	2,338	2,702
Provision for retrenchment benefits	2,132	2,543	2,132	2,543
Gain on disposal of property, plant and equipment	—	(16,409)	—	(16,409)
Dividend income	(42,000)	(28,000)	(42,000)	(28,000)
Depreciation of property, plant and equipment	152,405	151,776	6,605	5,971
Loss arising from impairment of property, plant and equipment	432,135	—	—	—
Interest income	(2,096)	(1,200)	(2,096)	(1,200)
Interest expense	1,418,902	1,365,156	1,418,902	1,365,156
Provision for doubtful debts	3,129	185,100	3,129	185,100
Write-back of provision for doubtful debts	(74,008)	—	(74,008)	—
Joint venture land development costs written off	1,483,174	—	1,483,174	—
Provision for amount due from subsidiary company	—	—	1,516,838	—
Operating profit/(loss) before working capital changes	131,301	(79,630)	159,861	(101,943)
Changes in working capital:				
Debtors	(161,555)	(372,619)	(161,555)	(372,619)
Creditors	15,932	(700,780)	15,846	(700,719)
Store and spares	—	962,225	—	962,225
Cash (used in)/generated from operations	(14,322)	(190,804)	14,152	(213,056)
Retrenchment benefits paid	—	(107,991)	—	(107,991)
Taxes refunded	14,409	—	14,409	—
Taxes paid	(5,880)	—	(5,880)	—

CASH FLOW STATEMENTS (CONTINUED)

For the year ended 30 April 2001

	GROUP		COMPANY	
	2001 (RM)	2000 (RM)	2001 (RM)	2000 (RM)
Net cash (used in)/generated from operating activities	(5,793)	(298,795)	22,681	(321,047)
Cash flows from investing activities				
Purchase of property, plant and equipment	(95,923)	—	(95,923)	—
Proceeds from sale of property, plant and equipment	—	1,189,816	—	1,189,816
Dividend received	42,000	28,000	42,000	28,000
Interest income	2,096	1,200	2,096	1,200
Fixed deposit pledged	(3,296)	(60,000)	(3,296)	(60,000)
Net cash (used in)/generated from investing activities	(55,123)	1,159,016	(55,123)	1,159,016
Cash flows from financing activities				
(Advance to)/repayment from subsidiary company	—	—	(28,474)	22,252
Advance from/(repayment to) a shareholder	37,489	(720,530)	37,489	(720,530)
Net cash generated from/ (used in) financing activities	37,489	(720,530)	9,015	(698,278)
Net (decrease)/increase in cash and cash equivalents	(23,427)	139,691	(23,427)	139,691
Cash and cash equivalents as at 1 May	302,093	162,402	302,093	162,402
Cash and cash equivalents as at 30 April	278,666	302,093	278,666	302,093

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 2001

1. Fundamental accounting concept

The financial statements have been prepared under the going concern concept as the significant shareholder has agreed not to demand repayment of the amount owing by the Company as at the year end, during the next twelve months, except in so far as the funds of the Company permit repayment and such repayment will not adversely affect the ability of the Company to meet its liabilities as and when they fall due.

2. General

The registered office is located at Level 32, Menara PNB, Jalan Tun Razak, 50400 Kuala Lumpur.

The principal place of business is located at Level 32, Menara PNB, Jalan Tun Razak, 50400 Kuala Lumpur.

The principal activities of the Company is that of investment holding and tin dredging. With the curtailment of tin dredging operations, the Company has plans to pursue property development activities. The Company's subsidiary, PBT Sendirian Berhad, has since October 1997, temporarily ceased operations in the manufacture of cement bricks.

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

The number of employees of the Company as at 30 April 2001 is 10 (2000: 8).

3. Significant accounting policies

(a) Basis of accounting

The financial statements of the Group and of the Company are prepared under the historical cost convention modified to include the revaluation of certain property, plant and equipment and investments, and comply with applicable approved accounting standards issued by the Malaysian Accounting Standards Board. The dredge of the Group and of the Company was valued by the Directors in 1993 based on professional appraisals by an independent valuer using open market values on a net realisable value basis. As allowed by the transitional provisions of International Accounting Standard No. 16 (Revised) and adopted by the Malaysian Accounting Standards Board ("MASB"), this asset has continued to be stated on the basis of its 1993 valuation.

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary for the year ended 30 April 2001.

Where subsidiary companies are acquired or sold during the year, their results are included from the date of acquisition or excluded from the date of sale.

The difference between the consideration paid for the shares in the subsidiary companies and the value of attributable net assets acquired, at the date of acquisition, is shown as goodwill or reserve arising on consolidation. Goodwill arising on consolidation is amortised over a period which the Directors estimate to be the useful life.

(c) Subsidiary company

A subsidiary company is a company in which long term equity interest of more than 50% is held and where the Group is in a position to exercise significant influence through management participation.

The investment in the subsidiary company is stated at cost, and provision is made in the event of any permanent diminution in value.

3. Significant accounting policies (continued)

(d) Associated company

An associated company is one in which the Company has a long term equity interest of between 20% and 50% and participates in its management through board representation. Share of the post-acquisition results and reserves of an associated company (if any) is equity accounted based on the latest audited or management accounts of the Company concerned.

(e) Property, plant and equipment

Freehold property is not depreciated. The dredge is stated at valuation less accumulated depreciation. All other property, plant and equipment are included at cost less accumulated depreciation. These are depreciated over their estimated useful lives (after making due allowance for estimated residual value) using the straight line method as follows:-

Buildings	10%
Office equipment	10% – 33 1/3%
Plant and machinery	10%
Motor vehicles	10% – 25%

No further depreciation is charged for the dredge which has been written down to its estimated residual value.

(f) Stores and spares

Stores and spares are stated at cost on the weighted average basis less provision for obsolescence. Cost includes expenditure incurred in bringing the stores and spares into their present location.

(g) Investments

Quoted investments held on a long term basis are shown at Directors' valuation. Any surplus on revaluation, net of previous deficits, is credited to a capital reserve while any deficit on revaluation, net of previous surpluses, is taken to the income statement.

Income arising on these investments is taken to the income statement as and when received.

(h) Debtors

Debtors are recognised and carried at original invoice amounts less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is subject to uncertainty. Bad debts are written off when so determined.

(i) Retirement benefits

The Company provides benefits to an approved retirement trust fund to finance retirement benefits payable to employees in accordance with contribution plans as set out in the previous union agreements.

(j) Retrenchment benefits

Provision is made in the financial statements for retrenchment benefits in accordance with contribution plans set out in the previous union agreements.

(k) Deferred taxation

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

(l) Cash and cash equivalents

Cash and cash equivalents as stated in the cash flow statements comprise cash and bank balances including fixed deposits with licensed financial institutions available on demand against which overdraft balances, if any, are deducted. Pledged fixed deposits are excluded.

(m) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. When the significant risks and rewards of ownership of the goods have passed to the buyer, revenue is recognised.

Dividend income from investment in the subsidiary company is accrued when declared. Interest income is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectibility is in doubt.

4. Other operating income

	GROUP		COMPANY	
	2001 (RM)	2000 (RM)	2001 (RM)	2000 (RM)
Tribute income	320,865	467,621	320,865	467,621
Rental income	150,000	30,000	150,000	30,000
Interest income	2,096	1,200	2,096	1,200
Gain on disposal of property, plant and equipment	—	16,409	—	16,409
Others	612,900	492,445	612,900	447,445
	<u>1,085,861</u>	<u>1,007,675</u>	<u>1,085,861</u>	<u>962,675</u>

5. Administrative expenses

Directors' fees	39,038	40,972	39,038	40,972
Auditors' remuneration	17,500	17,500	16,000	16,000
Staff costs	205,355	256,424	205,355	256,424
Rental expense	11,100	3,950	11,100	3,950
Provision for doubtful debts	3,129	185,100	3,129	185,100
Provision for retirement benefits	2,338	2,702	2,338	2,702
Provision for retrenchment benefits	2,132	2,543	2,132	2,543
Write-back of provision for doubtful debts	(74,008)	—	(74,008)	—
Others	527,555	268,343	503,435	250,729
	<u>734,139</u>	<u>777,534</u>	<u>708,519</u>	<u>758,420</u>

6. Other operating expenses

Depreciation of property, plant and equipment	152,405	151,776	6,605	5,971
Management fee	60,000	60,000	60,000	60,000
Loss on sale of store and spares	—	356,274	—	356,274
Others	91,916	66,233	88,976	62,660
	<u>304,321</u>	<u>634,283</u>	<u>155,581</u>	<u>484,905</u>

7. Finance costs

	GROUP		COMPANY	
	2001 (RM)	2000 (RM)	2001 (RM)	2000 (RM)
Interest expense on loan from holding company	<u>1,418,902</u>	<u>1,365,156</u>	<u>1,418,902</u>	<u>1,365,156</u>

8. Investment income

	GROUP/COMPANY	
	2001	2000
	(RM)	(RM)
Gross dividend from investment quoted in Malaysia	<u>42,000</u>	<u>28,000</u>

9. Exceptional items

	GROUP		COMPANY	
	2001	2000	2001	2000
	(RM)	(RM)	(RM)	(RM)
Joint venture land development costs written off	1,483,174	—	1,483,174	—
Provision for amount due from subsidiary company	—	—	1,516,838	—
Loss arising from impairment of property, plant and equipment	<u>432,135</u>	—	—	—
	<u>1,915,309</u>	—	<u>3,000,012</u>	—

10. Taxation

	GROUP/COMPANY	
	2001	2000
	(RM)	(RM)
Malaysian taxation based on results for the year:		
— current year	5,880	—
— overprovision in prior years	<u>(14,409)</u>	—
	<u>(8,529)</u>	—

The taxation charge for the year is in respect of dividend income.

Subject to agreement by the Inland Revenue, the deferred taxation benefit on estimated unutilised tax losses and other provisions of the Group and the Company not dealt with in the financial statements are RM12,190,000 (2000: RM11,406,000) and RM11,862,000 (2000: RM11,123,000) respectively.

11. Loss per share

The calculation of loss per share is based on the loss for the year of RM3,236,281 (2000: RM1,741,298) for the Group and on 30,526,200 shares of RM1.00 each in issue throughout the two years ended 30 April 2001.

12. Property, plant and equipment

Group cost/valuation	Freehold property (RM)	Short term leasehold property (RM)	No. 3 dredge (RM)	Buildings,	Plant	Renovation	Motor vehicles (RM)	Total	
				office equipment and others (RM)	and machinery (RM)	in progress (RM)		2001 (RM)	2000 (RM)
At 1 May	121,941	1,910,945	4,628,035	3,298,464	1,720,193	—	557,285	12,236,863	50,034,429
Additions	—	—	—	21,087	—	74,836	—	95,923	—
Disposals	—	—	—	—	—	—	—	—	(26,526,751)
Write-off	—	(1,743,276)	—	—	—	—	—	(1,743,276)	(11,270,815)
Impairment	—	—	—	—	(720,224)	—	—	(720,224)	—
At 30 April	121,941	167,669	4,628,035	3,319,551	999,969	74,836	557,285	9,869,286	12,236,863
Accumulated depreciation									
At 1 May	—	1,910,945	4,271,035	2,962,186	879,865	—	391,389	10,415,420	46,887,803
Charge for the year	—	—	—	17,123	113,684	—	21,598	152,405	151,776
Disposals	—	—	—	—	—	—	—	—	(25,353,344)
Write-off	—	(1,743,276)	—	—	—	—	—	(1,743,276)	(11,270,815)
Impairment	—	—	—	—	(288,089)	—	—	(288,089)	—
At 30 April	—	167,669	4,271,035	2,979,309	705,460	—	412,987	8,536,460	10,415,420
Net book value									
At 30 April 2001	121,941	—	357,000	340,242	294,509	74,836	144,298	1,332,826	—
At 30 April 2000	121,941	—	357,000	336,278	840,328	—	165,896	—	1,821,443
Company cost/valuation									
At 1 May	121,941	1,910,945	4,628,035	3,168,324	583,303	—	366,265	10,778,813	48,576,379
Additions	—	—	—	21,087	—	74,836	—	95,923	—
Disposals	—	—	—	—	—	—	—	—	(26,526,751)
Write-off	—	(1,743,276)	—	—	—	—	—	(1,743,276)	(11,270,815)
At 30 April	121,941	167,669	4,628,035	3,189,411	583,303	74,836	366,265	9,131,460	10,778,813
Accumulated depreciation									
At 1 May	—	1,910,945	4,271,035	2,923,144	538,798	—	334,083	9,978,005	46,596,193
Charge for the year	—	—	—	4,109	—	—	2,496	6,605	5,971
Disposals	—	—	—	—	—	—	—	—	(25,353,344)
Write-off	—	(1,743,276)	—	—	—	—	—	(1,743,276)	(11,270,815)
At 30 April	—	167,669	4,271,035	2,927,253	538,798	—	336,579	8,241,334	9,978,005
Net book value									
At 30 April 2001	121,941	—	357,000	262,158	44,505	74,836	29,686	890,126	—
At 30 April 2000	121,941	—	357,000	245,180	44,505	—	32,182	—	800,808

12. Property, plant and equipment (continued)

The dredge of the Group and of the Company was valued by the Directors in 1993 based on professional appraisals by an independent valuer using open market values on a net realisable value basis. As allowed by the transitional provisions of International Accounting Standard No. 16 (Revised), issued by the Malaysian Accounting Standards Board, this asset has continued to be stated on the basis of its 1993 valuation.

At the year end, the cement brick plant of the wholly-owned subsidiary of the Company under the plant and machinery was written down to its net realisable value of RM250,000 based on the Directors' estimate obtained from a tender exercise on the basis of "as-is-where-is". The impairment loss of RM432,135 is reflected in the income statement as an exceptional item.

13. Subsidiary company

	COMPANY	
	2001 (RM)	2000 (RM)
Unquoted shares, at cost	8,300,003	8,300,003
Amount written off	(8,300,002)	(8,300,002)
	1	1
Amount due from subsidiary company	1,516,838	1,488,364
	1,516,839	1,488,365
Amount provided for	(1,516,838)	—
	1	1,488,365

Company	Percentage held		Country of incorporation	Principal activity
	2001 %	2000 %		
PBT Sendirian Berhad	100.00	100.00	Malaysia	Dormant

At the year end, the amount due from the subsidiary company was fully provided for and reflected in the income statement as an exceptional item.

14. Associated company

	GROUP/COMPANY	
	2001 (RM)	2000 (RM)
Unquoted shares, at cost	49	49

Company	Percentage held		Country of incorporation	Principal activity
	2001 %	2000 %		
* Wangsa Struktur Sendirian Berhad	49.00	49.00	Malaysia	Dormant

* Not audited by Ernst & Young

15. Investments

	GROUP/COMPANY	
	2001	2000
	(RM)	(RM)
Quoted in Malaysia, as revalued	<u>1,245,000</u>	<u>1,245,000</u>
Market value of quoted shares	<u>1,246,000</u>	<u>1,267,000</u>

16. Debtors

Other debtors	856,467	2,197,280
Provision for doubtful debts	<u>(129,022)</u>	<u>(216,757)</u>
	<u>727,445</u>	<u>1,980,523</u>

At the year end, the development costs of RM1,483,174 incurred in relation to a proposed joint venture to develop the Company's ex-mining land at Batang Berjuntai was written off and reflected in the income statement as an exceptional item following the expiry of the lease period of the ex-mining land and subsequent alienation of the said properties to third parties by the State Authorities.

17. Fixed deposits

The fixed deposit was placed with a licensed bank as security for bank guarantee facilities granted to the Company.

18. Creditors

	GROUP		COMPANY	
	2001	2000	2001	2000
	(RM)	(RM)	(RM)	(RM)
Trade creditors	—	1,347	—	1,347
Other creditors	18,637,717	17,164,047	18,636,117	17,162,533
Provision for retrenchment benefits	<u>240,691</u>	<u>238,559</u>	<u>240,691</u>	<u>238,559</u>
	<u>18,878,408</u>	<u>17,403,953</u>	<u>18,876,808</u>	<u>17,402,439</u>

Included in other creditors is an amount of RM18,097,714 (2000: RM16,641,323) advanced from a significant shareholder who has agreed not to demand repayment during the next twelve months except in so far as the funds of the Company permit repayment and such repayment will not adversely affect the ability of the Company to meet its liabilities as and when they fall due. The said advance is secured by a debenture creating a fixed and floating charge over all the Company's present and future properties, assets and undertakings and bears interest at 8.3% (2000: 8.3% to 8.75%) per annum.

19. Share capital

	GROUP/COMPANY	
	2001	2000
	(RM)	(RM)
Authorised:		
35,000,000 ordinary shares of RM1 each	<u>35,000,000</u>	<u>35,000,000</u>
Issued and fully paid:		
30,526,200 ordinary shares of RM1 each	<u>30,526,200</u>	<u>30,526,200</u>

20. Contingent liabilities

The Group have contingent liabilities which are not readily ascertainable in respect of filling and levelling conditions on the Group's mining leases.

21. Significant related party transactions

	COMPANY			
	2001	Amount outstanding as at 2001	2000	Amount outstanding as at 2000
	(RM)	(RM)	(RM)	(RM)
Professional services rendered by a related party	60,000	—	60,000	—
Rental charged to a related party	(30,000)	—	(30,000)	—
Reimbursable expenses to a related party	34,021	14,120	16,032	—
Advances to a related party	—	—	(622,769)	(13,901)
Reimbursable expenses to a significant shareholder	357,589	8,704,750	234,338	8,667,261
Interest charged on loan	<u>1,418,902</u>	<u>9,392,964</u>	<u>1,365,156</u>	<u>7,974,062</u>

The Directors of the Company are of the opinion that the above transactions were conducted in the normal course of business and are under terms that are no less favourable than those arranged with third parties.

22. Future capital commitments

	GROUP		COMPANY	
	2001	2000	2001	2000
	(RM)	(RM)	(RM)	(RM)
Consultancy fees in respect of restructuring scheme	1,000,000	—	1,000,000	—
Capital expenditure in respect of office renovation in progress	<u>118,164</u>	—	<u>118,164</u>	—
	<u>1,118,164</u>	—	<u>1,118,164</u>	—

23. Significant events during the year

During the year, the Company announced to the Kuala Lumpur Stock Exchange (KLSE) that it had embarked on a restructuring scheme, which upon completion would transform the Company into a property development company.

The said scheme involves the proposed acquisition of three development companies and land in Kuala Lumpur in respect of which sale and purchase agreements have been signed. The scheme also involves the proposed restricted issue of new shares in the Company to Malaysia Mining Corporation Berhad (MMC) and the proposed conversion of debts owing by the Company to MMC into new shares in the Company.

The proposed restructuring scheme above shall be an integral part of the Company's overall scheme to restructure its business and operations. Further components of this overall scheme are in the midst of finalisation. The overall scheme, which is conditional upon approvals by the relevant regulatory authorities is expected to be tabled to the shareholders before the end of the next financial year.

The cement brick plant belonging to PBT Sendirian Berhad, a wholly-owned subsidiary of the Company that remained shutdown temporarily under care and maintenance, is scheduled to commence operations during the next financial year on a contract basis.

24. Segmental information

There is no disclosure of segmental information as required by MASB Standard No. 22, Segment Reporting, as the Company operates principally within one industry and within the country.

25. Comparative figures

The presentation of the financial statements for the current year has been changed to adopt the format as prescribed in MASB Standard No. 1 - Presentation of Financial Statements. Certain comparative figures have been reclassified to conform with this presentation, where necessary.

STATEMENT BY DIRECTORS

Pursuant to Section 169(15) of the Companies Act, 1965

We, Datuk Ab. Sukor Shahar and Phan Leong Kim, being two of the Directors of Berjantai Tin Dredging Berhad, do hereby state that in the opinion of the Directors, the financial statements set out on pages 17 to 30 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of:

- (i) the state of affairs of the Company and of the Group as at 30 April 2001 and of the results of the business of the Company and of the Group for the year then ended; and
- (ii) the cash flows of the Group for the year ended 30 April 2001.

On behalf of the Board,

Datuk Ab. Sukor Shahar
Phan Leong Kim
Directors

Kuala Lumpur
26 June 2001

STATUTORY DECLARATION

Pursuant to Section 169(16) of the Companies Act, 1965

I, Thiruvalluvar Subramaniam, being the officer primarily responsible for the financial management of Berjuntai Tin Dredging Berhad, do solemnly and sincerely declare that the financial statements set out on pages 17 to 30 are in my opinion 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 Thiruvalluvar Subramaniam at Kuala Lumpur in the Federal Territory this 26 day of June 2001.

Before me,
Ahmed Khalil b. Mohamed Ali (No.W.269)
Commissioner for Oaths
Kuala Lumpur

REPORT OF THE AUDITORS

To the members of Berjantai Tin Dredging Berhad

We have audited the financial statements set out on pages 17 to 30. 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 standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance that 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 the 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 and consolidated financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:-
- (i) the state of affairs of the Company and of the Group as at 30 April 2001 and of the results and the cash flows of the Company and of the Group for the year then ended; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements and consolidated financial statements.

- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiary company of which we are auditors have been properly kept in accordance with the provisions of the Act.

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

The Auditors' Report on the financial statements of the subsidiary was not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Companies Act, 1965.

Ernst & Young AF: 0039
Public Accountants

Choong Mei Ling 1918/09/02(J)
Partner

Kuala Lumpur
26 June 2001

PROXY FORM

I/ We,

(BLOCK LETTERS)

of

being a member/members of Berjantai Tin Dredging Berhad, hereby appoint

.....

of

or failing him, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 3 October 2001 and at any adjournments thereof, on the following resolutions referred to in the notice of the Annual General Meeting:

No.	Resolutions	For	Against
1	Adoption of Report and Financial Statements		
2	Re-election of retiring Directors:		
	a. Phan Leong Kim		
	b. Dato' Mohd. Hanafiah Omar		
3	Re-appointment of Tuan Haji Mokty bin Dato' Mahmood		
4	Approval of Directors' fees		
5	Re-appointment of Auditors		

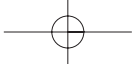
Number of Shares	
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Dated:

Signature:

Notes:

1. This proxy form must be deposited at the Registrar's office at Pemas Charter Management Sendirian Berhad, 32nd Floor, Menara PNB, 201A Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia not less than forty eight (48) hours before the meeting.
2. In the case of a corporation, this proxy form should be under its common seal or under the hand of an officer or attorney duly authorised on its behalf. A proxy need not be a member of the Company and a member may appoint any person to be his proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
3. A corporation may, by resolution of its directors or other governing body, if it is a member of the Company, authorise such person as it thinks fit to act as its representative and a person so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member of the Company.
4. In the case of joint holders, the signature of any one of them will suffice.
5. Unless voting instructions are indicated in the spaces provided above, the proxy may vote as he/she thinks fit.



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STAMP

TO : THE REGISTRARS
BERJUNTAI TIN DREDGING BERHAD (852-D)
32nd Floor, Menara PNB
201A Jalan Tun Razak
50400 Kuala Lumpur
Malaysia

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