

# Sarawak Oil Palms Berhad

(7949-M)

ANNUAL REPORT · LAPORAN TAHUNAN

# 2000







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## NOTICE OF GENERAL ANNUAL MEETING

## NOTIS MESYUARAT AGUNG TAHUNAN

Notice is hereby given that the Thirty-third Annual General Meeting of the Company will be held at the Brunei Bay Ballroom 1, Rihga Royal Hotel, Jalan Temenggong Datuk Oyong Lawai, 98008 Miri, Sarawak on 7th June 2001 at 10.30 am for the following purposes:-

### Agenda

- 1) To receive and adopt the annual accounts for the year ended 31st December 2000 and the Reports of the Directors and Auditors thereon.
- 2) To declare a Final Dividend in respect of the financial year ended 31st December 2000 as recommended by the Directors.
- 3) To approve payment of Directors' fees in respect of the financial year ended 31st December 2000.
- 4) To re-elect the following Directors who retire pursuant to Article 80 and Article 86 of the Company's Articles of Association and being eligible, offer themselves for re-election.  
Datu Haji Hamzah Haji Drahman  
Gary Tan Yow Hoo  
Gerald Rentap Jabu  
Ling Chiong Ho  
Polit Hamzah  
Tang Tiong Ing
- 5) To re-appoint Messrs. KPMG as auditors of the Company and to authorise the Board of Directors to fix their remuneration.

Dengan ini dimaklumkan bahawa mesyuarat Agung Tahunan yang ke-33 akan diadakan di Brunei Bay Ballroom 1, Hotel Rihga Royal, Jalan Temenggong Datuk Oyong Lawai, 98009 Miri, Sarawak pada 7 Jun 2001 jam 10.30 pagi untuk tujuan berikut:

### Agenda

- 1) Menerima dan meluluskan akaun tahunan berakhir 31hb Disember 2000 dan laporan pengarah dan juruaudit;
- 2) Mengistiharkan dividen terakhir yang berkaitan dengan tahun kewangan yang berakhir 31hb Disember 2000 seperti yang disyorkan oleh lembaga pengarah;
- 3) Untuk meluluskan bayaran Fee pengarah yang berkaitan dengan tahun kewangan yang berakhir 31hb Disember 2000;
- 4) Untuk melantik semula pengarah-pengarah berikut yang bersara mengikut Artikel 86 pada Artikel Penubuhan Syarikat, dan di atas kelayakan, menawarkan diri mereka untuk dilantik semula.  
Datu Haji Hamzah Haji Drahman  
Gary Tan yow Hoo  
Gerald Rentap jabu  
Ling Chiong Ho  
Polit Hamzah  
Tang Tiong Ing
- 5) Untuk melantik semula Tetuan KPMG sebagai juruaudit syarikat dan memberi kuasa kepada Lembaga Pengarah untuk menentukan yuran mereka.

- 6) To transact any other business for which due notice shall have been given.

By Order of the Board

ERIC KIU KWONG SENG  
Secretary  
LS 007062

Miri  
21 May 2001

Notes:-

- 1) A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- 2) In the case of a corporate member, the instrument appointing a proxy shall be under its Common Seal or under the hand of its attorney.
- 3) Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- 4) The Form of Proxy must be deposited at either of the following offices not less than forty eight (48) hours before the time appointed for holding the meeting:
  - a) The Office of the Share Registrars, Signet Share Registration Services Sdn. Bhd. at 11th Floor - Tower Block, Kompleks Antarabangsa, Jalan Sultan Ismail, 50250 Kuala Lumpur.
  - b) The Registered office of the Company at 41KM, Miri-Bintulu Road, 98000 Miri, Sarawak.

- 6) Untuk membincangkan hal-hal lain yang mana notis awal telah diberikan.

Dengan Arahan Lembaga Pengarah

ERIC KIU KWONG SENG  
Setiausaha  
LS007062

Miri  
21 Mei 2001

Nota:

- 1) Seseorang ahli Syarikat yang berhak untuk menghadiri dan mengundi di dalam mesyuarat tersebut, berhak untuk melantik seorang wakil untuk menghadiri dan mengundi bagi pihak dirinya. Seseorang wakil tidak semestinya merupakan ahli Syarikat.
- 2) Untuk ahli korporat, cop mohor Syarikat mestilah diturunkan ke atas segala persuratan perlantikan wakil di hadapan peguamnya.
- 3) Jika seseorang ahli melantik lebih daripada seorang wakil, perlantikan tersebut tidak sah kecuali jika ahli tersebut menyatakan bahagian-bahagian pemilikannya yang diwakili oleh setiap wakil yang dilantikannya.
- 4) Borang Perwakilan mestilah disampaikan ke salah sebuah pejabat yang berikut tidak kurang daripada empat puluh lapan(48) jam sebelum waktu yang ditetapkan untuk menjalankan mesyuarat tersebut:
  - a) Pejabat Pendaftaran Saham, Signet Share Registration Services Sdn Bhd di Tingkat 11 - Tower Block, Kompleks Antarabangsa, Jalan Sultan Ismail, 50250 Kuala Lumpur
  - b) Pejabat Berdaftar Syarikat di 41km, Jalan Miri - Bintulu, 98000 Miri, Sarawak.

**BOARD OF DIRECTORS / LEMBAGA PENGARAH**

Chairman / Pengerusi

**Mr Ling Chiong Ho**

Directors / Pengarah-Pengarah

**Datu Haji Hamzah Haji Drahman**

(Appointed on 7 June 2000)

Dilantik pada 7 Jun 2000

**Encik Polit Bin Hamzah**

(Appointed on 24 May 2000)

Dilantik pada 24 Mei 2000

**Mr Gerald Rentap Jabu**

(Appointed on 24 May 2000)

Dilantik pada 24 Mei 2000

**Mr Tang Tiong Ing**

**Mr Gary Tan Yow How**

(Appointed on 15 July 2000)

Dilantik pada 15 Julai 2000

**Mr Fong Tshu Kwong @ Fong Tshun Kwong**

**Mr Lai Yew Hock**

(Appointed on 24 Feb 2000)

Dilantik pada 24 Februari 2000

**Dr Abdillah Bin Aton**

(Resigned on 24 May 2000)

Meletak jawatan pada 24 Mei 2000

**Tuan Haji Bujang Mohidin Bin Haji Jol**

(Retired on 24 May 2000)

Bersara pada 24 Mei 2000

**Mr Ling Chiong Sing**

(Resigned on 6 July 2000)

Meletak jawatan sebagai Pengarah pada 6 Julai 2000

**ADVISOR / PENASIHAT**

**Tan Sri Datuk Amar Haji Hamid Bugo**

**AUDIT COMMITTEE / JAWATANKUASA AUDIT**

**Mr Fong Tshu Kwong @ Fong Tshun Kwong**

(Chairman, Independent Non-Executive Director)

Pengerusi, Pengarah Bukan Eksekutif Bebas

**Mr Lai Yew Hock**

(Independent Non-Executive Director)

Pengarah Bukan Eksekutif Bebas

**Mr Tang Tiong Ing**

**CHIEF EXECUTIVE / KETUA EKSEKUTIF**

**Mr Wong Hee Kwong**

**SECRETARY / SETIAUSAHA**

**Mr Eric Kiu Kwong Seng**

**REGISTERED OFFICE / PEJABAT BERDAFTAR**

41KM Miri-Bintulu Road

98000 Miri

Tel (085) 481 188

Fax (085) 481 260



**SHARE REGISTRARS / PENDAFTAR SAHAM**

Signet Share Registration Services Sdn Bhd  
11th Floor, Tower Block  
Kompleks Antarabangsa  
Jalan Sultan Ismail  
50250 Kuala Lumpur  
Tel (03) 2145 4337  
Fax(03) 2142 1353

**PRINCIPAL BANKERS / BANK-BANK UTAMA**

HSBC Bank Malaysia Berhad  
Imperial Mall, Level 1 & 2  
Lot 827 Block 9 MTLD  
Jalan North Yu Seng  
98000 Miri

Bumiputra-Commerce Bank Berhad  
6 Jalan Tun Perak  
50050 Kuala Lumpur

**AUDITORS / JURUAUDIT**

KPMG  
Level 6, Westmore House  
Twin Tower Centre  
Rock Road  
93200 Kuching

**LISTING / SENARAI**

The Kuala Lumpur Stock Exchange  
Bursa Saham Kuala Lumpur





AUDIT COMMITTEE  
JAWATANKUASA AUDIT



## Terms Of Reference

It is the policy of Sarawak Oil Palms Berhad to establish an Audit Committee to ensure that internal and external audit functions are properly conducted, and the audit recommendations are being carried out effectively.

## Objectives

The objectives of this policy are:-

- a) to comply with Chapter 15, Part C of the Listing Requirements of Kuala Lumpur Stock Exchange.
- b) to assist the Board in the effective discharge of its responsibilities for corporate governance and control.

## Members of Audit Committee

The Audit Committee shall be appointed by the Directors and shall comprise of not less than 3 members. The members of the Audit Committee shall elect a Chairman from among themselves who is not an executive director or employee of the Company or any related corporation.



## Dasar

Adalah menjadi dasar Sarawak Oil Palms Berhad untuk menubuhkan Jawatankuasa Audit bagi memastikan fungsi audit dalaman dan luaran dijalankan sewajarnya, dan segala saranan audit dilaksanakan dengan berkesan.

## Matlamat

Matlamat dasar ini ialah:

- a) untuk mematuhi Fasal 15, Bahagian C Kehendak-kehendak Penyenaraian Bursa Saham Kuala Lumpur.
- b) untuk membantu Lembaga dalam menjalankan tanggungjawabnya dengan berkesan terhadap pentadbiran dan pengawasan korporat.

## Ahli Jawatankuasa Audit

Jawatankuasa Audit akan dilantik oleh para Pengarah dan akan mengandungi tidak kurang daripada 3 orang ahli. Ahli-ahli Jawatankuasa Audit akan melantik seorang Pengerusi di kalangan mereka yang bukan pengarah eksekutif atau kakitangan Syarikat atau syarikat berkait.

## Functions of the Audit Committee

The functions of the Audit Committee shall be:

- a) to review -
  - i) with the auditor, the audit plan;
  - ii) with auditor, his evaluation of the system of internal accounting controls;
  - iii) with the auditor, his audit report;
  - iv) the assistance given by the Company's officers to the auditor;
  - v) the scope and results of the internal audit procedures; and
  - vi) the balance sheet and profit and loss account of the Company submitted to it by the Company, and thereafter to submit them to the directors of the Company;
  - vii) any related party transactions that may arise within the Company;
- b) to nominate a person or persons as auditors; and
- c) such other functions as may be agreed to by the Audit Committee and the Board of Directors.



## Fungsi-fungsi Jawatankuasa Audit

Fungsi Jawatankuasa Audit merangkumi yang berikut:

- a) meneliti:
  - i) bersama juruaudit, rancangan audit;
  - ii) bersama juruaudit, penilaian mereka terhadap sistem kawalan perakaunan dalaman;
  - iii) bersama juruaudit, laporan audit mereka;
  - iv) kerjasama yang diberi oleh pegawai Syarikat kepada juruaudit;
  - v) lingkungan dan keputusan tatacara audit dalaman; dan
  - vi) kunci kira-kira akaun untungrugi Syarikat yang diserahkan kepada Jawatankuasa oleh Syarikat, dan seterusnya diserahkan kepada Lembaga Pengarah Syarikat;
  - vii) sebarang urusanniaga berkaitan yang mungkin wujud dalam Syarikat;
- b) untuk melantik seorang atau lebih sebagai juruaudit; dan
- c) sebarang tugas lain yang dipersetujui oleh Jawatankuasa Audit dan Lembaga Pengarah.

## Quorum

Two members shall constitute a quorum.

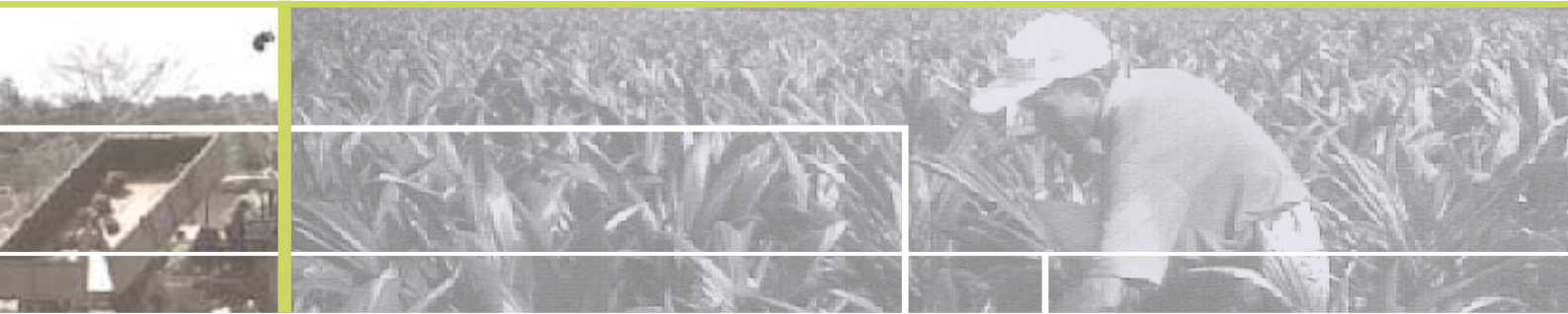
## Meetings

The Audit Committee shall meet not less than twice a year to be determined by its Chairman.

## Authority

The Committee is authorised by the Board to:

- a) investigate any activity within the scope of the Committee's duties;
- b) obtain any information it requires from any employee(s);
- c) obtain outside legal or independent professional advice; and
- d) make recommendations for the improvements of operating performance and management control arising from internal and external audit recommendations.



## Korum

Dua orang ahli akan mencukupi korum.

## Mesyuarat

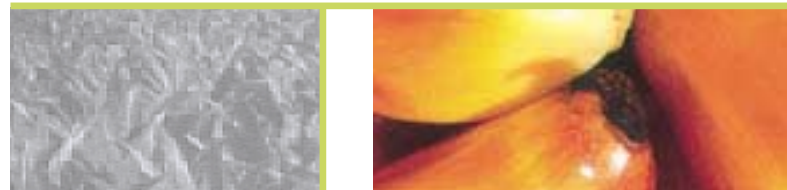
Jawatankuasa Audit akan bermesyuarat tidak kurang daripada dua kali setahun, seperti yang akan ditetapkan oleh Pengerusinya.

## Bidang Kuasa

Jawatankuasa diberi kebenaran oleh Lembaga untuk;

- a) memeriksa sebarang aktiviti dalam lingkungan tugas Jawatankuasa;
- b) mendapatkan sebarang maklumat yang diperlukannya daripada mana-mana kakitangan;
- c) mendapatkan nasihat guaman atau iktisas bebas diluar Syarikat; dan
- d) membuat saranan untuk memperbaiki prestasi operasi dan kawalan pengurusan yang wujud daripada saranan audit luaran dan dalaman.

**O**n behalf of the Board of Directors, it gives me great pleasure to present the Annual Report of Sarawak Oil Palms Berhad (SOP) for the Financial Year ended 31 December 2000.



**B**agi pihak lembaga pengarah, sukacita saya bentangkan Penyata Tahunan Sarawak Oil Palms Berhad (SOP) untuk tahun kewangan yang berakhir 31 Disember 2000

## Financial Reviews

The turnover of the Group dropped by 39.6% to RM40.3 million from RM66.6 million, while profit before taxation declined from RM28.1 million to RM8.9 million. Profit after tax attributable to shareholders also declined from RM25.1 million to RM5.3 million for the year. The drop in turnover and profit was mainly due to the sharp fall in Crude Palm Oil (CPO) and Palm Kernel (PK) prices and lower production of fresh fruit bunches (FFB).

## Dividend

The Board propose a first and final dividend of 5% less tax at 28% per ordinary share amounting to RM3.4 million for the Financial Year ended 31 December 2000, in line with the Group's objective to sustain growth by substantially reinvesting profits.

## Imbasan Kewangan

Pendapatan pusingan kumpulan menurun sebanyak 39.6% kepada RM40.3 juta daripada RM66.6 juta, sementara keuntungan sebelum cukai berkurangan daripada RM28.1 juta kepada RM8.9 juta. Keuntungan selepas cukai kepada pemegang saham juga berkurangan daripada RM25.1 juta kepada RM5.3 juta untuk tahun kewangan yang sama. Kemerosotan pulangan dan keuntungan disebabkan oleh kejatuhan mendadak harga Minyak Sawit Mentah (CPO) dan Isiruang Sawit (PK) serta pengurangan pengeluaran buah sawit segar terkumpul (FFB).

## Dividen

Lembaga mencadangkan dividen yang pertama dan terakhir sebanyak 5% tolak cukai pada 28% seunit saham biasa berjumlah RM3.4 juta untuk tahun kewangan yang berakhir 31 Disember 2000, sejajar dengan objektif kumpulan untuk mengekalkan pertumbuhan dengan melabur semula keuntungan.

## Operational Reviews

Production of FFB for the year fell by 4.0% to 169,732 metric tonnes compared to 176,871 metric tonnes recorded in 1999. Total matured area decreased by 2.3% to 8,552 hectares because of the on going replanting programme of the Group. Average yield per hectare fell by 1.9% to 19.9 tonnes per mature hectare in 2000.

During the same period, the Group's palm oil mill produced a total of 37,995 tonnes of CPO, a decrease of 5.7% over the preceding year. The extraction rates of CPO and Palm Kernel remained at 22.0% and 5.5% respectively. The total land bank of the Group is 26,450 hectares of which 12,051 hectares are planted with oil palm.

In anticipation of higher FFB production when the oil palm estates of subsidiary companies have matured, the Group is planning to build a new 45 MT/hour palm oil mill in Galasah Estate, Miri, Sarawak, and it is expected to commence construction in 2001 and to be commissioned by Mid-2002.

Keresa Plantations Sdn Bhd, a 45% owned associated company of SOP has a total land bank of 6,024 hectares of which 4,094 hectares are planted with oil palm and 1,501.8 hectares planted with rattan. It is the intention of the Board to continue to expand the size of the oil palm plantations of the Group.



## Imbasan Operasi

Pengeluaran FFB jatuh sebanyak 4% kepada 169,732 tan metrik berbanding dengan 176,871 tan metrik yang dicatatkan pada tahun 1999. Jumlah kawasan matang berkurangan sebanyak 2.3% kepada 8,552 hektar disebabkan oleh program tanaman semula yang berterusan. Purata hasil sehektar jatuh sebanyak 1.9% kepada 19.9 tan sehektar kawasan matang pada tahun 2000.

Pada jangkamasa mengeluarkan sejumlah 37,995 tan minyak kelapa sawit mentah, pengurangan 5.7% berbanding dengan tahun sebelumnya. Kadar pengeluaran minyak kelapa sawit mentah dan minyak isirang yang sama kekal pada 22% dan 5.5% masing-masing. Jumlah luas tanah simpanan Kumpulan ialah 26,450 hektar di mana 12,051 hektar ditanam dengan pokok kelapa sawit.

Memandangkan jangkaan pengeluaran FFB yang lebih tinggi apabila estet kelapa sawit anak-anak syarikat matang, Kumpulan merancang untuk membina sebuah kilang minyak kelapa sawit yang baru dengan keupayaan A5 MT/jam di Estet Galasah di Miri, Sarawak, di mana pembinaan adalah dijangka bermula pada tahun 2001 dan mula beroperasi pada tahun 2002.

Keresa Plantations Sdn Bhd, sebuah syarikat bersekutu yang 45% dimiliki oleh SOP, mempunyai sejumlah 6,024 hektar simpanan tanah dimana 4,094 hektar ditanam dengan kelapa sawit dan 1,501.8 hektar ditanam dengan rotan. Adalah menjadi hasrat lembaga untuk terus memperluaskan saiz ladang kelapa sawit Kumpulan.

## Human Resources

SOP Group recognises that for the Group to be competitive, the employees' skills and knowledge must continuously be upgraded and enhanced. The Group continues to conduct training programs through internal and external courses.

## Prospects

CPO prices have been weak for the whole of year 2000 and may continue to remain so given the present high surplus stock of 1.5 million metric ton and the excess supply over demand of edible oils around the world. The Group will continue to emphasize on productivity and efficiency to achieve lower cost of production. Having considered the above and barring any unforeseen circumstances, the results for the financial year 2001 are expected to be lower than those recorded for 2000.

## Appreciation

On behalf of the Board, I would also like to extend our sincere gratitude to the Management and staff for their support, dedication and commitment towards the continued success of the Group. I would also like to convey our thanks and appreciation to our customers, business associates, shareholders and the relevant authorities for their continued support and confidence in the Group.

**LING CHIONG HO**

Chairman



## Tenaga Manusia

Kumpulan SOP mengiktiraf bahawa untuk Kumpulannya mempunyai daya kompetitif, kemahiran dan pengetahuan pekerja-pekerjanya perlu dinaiktaraf dan diperkukuhkan. Bagi tujuan tersebut, Kumpulan terus menjalankan program-program latihan melalui krusus-krusus dalaman dan luaran.

## Prospek Perniagaan

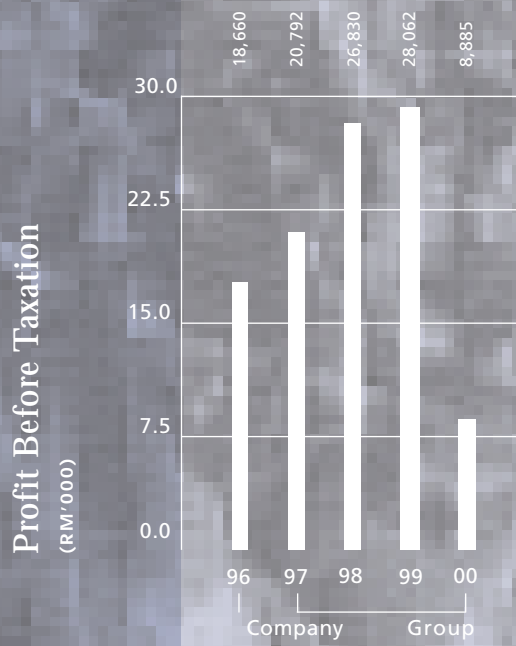
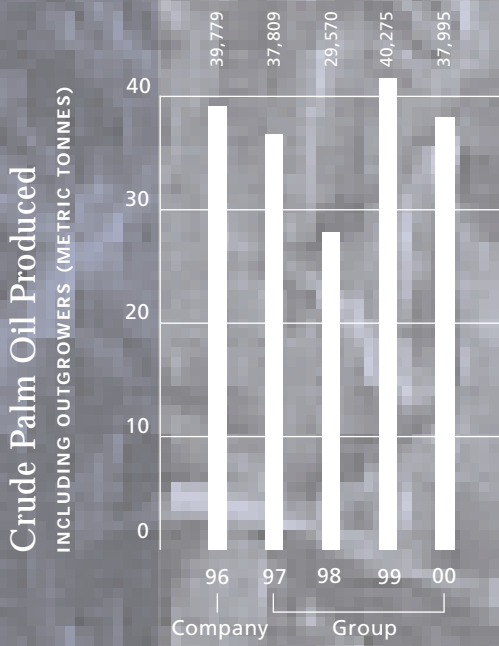
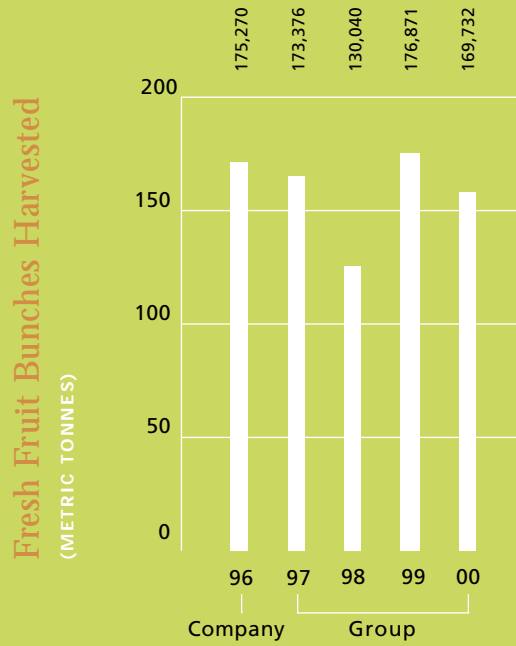
Harga minyak sawit mentah lemah untuk keseluruhan tahunan 2000 dan mungkin terus kekal pada tahap yang sama memandangkan terdapatnya stok lebihan tinggi sebanyak 1.5 juta metrik tan dan pembekalan yang berlebihan berbanding keperluan untuk minyak makanan di seluruh dunia. Kumpulan akan terus menumpukan perhatian kepada produktiviti dan efisiensi demi mencapai kos pengeluaran yang lebih rendah. Setelah mempertimbangkan perkara di atas dan jika tiada kejadian luarbiasa, prestasi untuk tahun kewangan 2001 adalah dijangka lebih rendah berbanding dengan tahun 2000.

## Penghargaan

Bagi pihak Ahli Lembaga Pengarah, saya ingin merakamkan setinggi-tinggi terima kasih kepada Pihak Pengurusan dan kakitangan di atas sokongan, dedikasi dan komitmen yang diberikan terhadap kejayaan Kumpulan. Terima kasih juga diucapkan kepada semua pelanggan, rakan perniagaan, pemegang saham dan jabatan-jabatan serta agensi-agensi kerajaan di atas sokongan dan keyakinan berterusan yang diberikan kepada Kumpulan.



FIVE YEAR COMPANY  
STATISTICAL HIGHLIGHTS



FINANCIAL STATEMENTS

PENYATA KEWANGAN



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**DIRECTOR'S REPORT**

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**FOR THE YEAR ENDED 31 DECEMBER 2000**

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

### Principal Activities

The principal activities of the Company are the cultivation of oil palms and the operation of a palm oil mill whilst the principal activities of its subsidiary companies and associated company are stated in Notes 4 and 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

### Results

	<b>Group</b>	<b>Company</b>
	<b>RM'000</b>	<b>RM'000</b>
Net profit for the year	5,338	5,640
Retained profits brought forward	56,071	56,071
Profits available for appropriation	<b>61,409</b>	<b>61,711</b>
<b>Appropriation:</b>		
Dividend	<b>(3,419)</b>	<b>(3,419)</b>
Retained profits carried forward	<b>57,990</b>	<b>58,292</b>

### Reserves and Provisions

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

### Dividends

Since the end of the previous financial year, the Company paid a first and final dividend of 5% less tax totalling RM3,418,857 in respect of the year ended 31 December 1999 on 3 July 2000.

The directors recommend a first and final dividend of 5% less tax totalling RM3,418,857 in respect of the year ended 31 December 2000.

### Directors of the Company

Directors who served since the date of the last report are:

**POLIT BIN HAMZAH** (appointed on 24.5.2000)  
**DATU HAJI HAMZAH HAJI DRAHMAN** (appointed on 7.6.2000)  
**GERALD RENTAP JABU** (appointed on 24.5.2000)  
**LING CHIONG HO**  
**LING CHIONG SING** (resigned on 6.7.2000)  
**TANG TIONG ING**  
**FONG TSHU KWONG @ FONG TSHUN KWONG**  
**LAI YEW HOCK** (appointed on 24.2.2000)  
**GARY TAN YOW HOO** (appointed on 15.7.2000)  
**DR. ABDILLAH BIN ATON** (resigned on 24.5.2000)  
**TUAN HAJI BUJANG MOHIDIN BIN HAJI JOL** (retired on 24.5.2000)

In accordance with the Articles of Association, Ling Chiong Ho and Tang Tiong Ing retire by rotation from the Board at the forthcoming Annual General Meeting and being eligible, offer themselves for re-election.

In accordance with the Articles of Association, Polit Bin Hamzah, Datu Haji Hamzah Haji Drahman, Gerald Rentap Jabu and Gary Tan Yow Hoo who were appointed to the board since the last Annual General Meeting, now retire and being eligible, offer themselves for re-election.

## Directors' interests in shares

The interests in the shares of the Company and its related corporations of the directors in office at the end of the year are as follows:-

Sarawak Oil Palms Berhad	Balance at 1.1.2000	Number of ordinary shares of RM1.00 each		Balance at 31.12.2000
		Bought	Sold	
<b>DIRECT INTEREST</b>				
Lai Yew Hock	10,000	-	-	10,000
Datu Haji Hamzah Haji Drahman	8,000	-	3,000	5,000
<b>INDIRECT INTEREST</b>				
Ling Chiong Ho )				
Ling Chiong Sing )	23,749,982	-	-	23,749,982

Indirect interest represents shares held by a company in which the directors are deemed to have a substantial interest. By virtue of their interest in the shares of Sarawak Oil Palms Berhad, Ling Chiong Ho and Ling Chiong Sing are deemed interested in the shares of the subsidiaries of Sarawak Oil Palms Berhad to the extent that Sarawak Oil Palms Berhad has an interest.

None of the other directors in office at the end of the year held any shares or are deemed to have any interest in the shares of the Company or its related corporations during the financial year.

## Directors' Benefits

Since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the financial statements) by reason of a contract made by the Company or a related company with the 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, other than certain directors who have significant financial interests in companies which traded with companies in the Group in the ordinary course of business, the significant ones of which are disclosed in Note 29 to the financial statements.

There were no arrangements during and at the end of the financial year which had the object of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any body corporate.

## Issue of Shares

There were no changes in the issued and paid-up capital of the Company during the year.

## Options Granted Over unissued shares and debentures

No options were granted to any person to take up unissued shares or debentures of the Company during the year.

## Other statutory information

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that:

- (i) there are no bad debts to be written off and no provision need to be made for doubtful debts; and
- (ii) all current assets have been stated at the lower of cost and net realisable value.

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

- (i) that would render the collection of any of the debts doubtful, or
- (ii) that would render the value attributed to the current assets in the Group and in the Company financial statements misleading, or
- (iii) 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, or
- (iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report there does not exist:

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

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

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended 31 December 2000 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

## Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed in accordance with a resolution of the directors:

**FONG TSHU KWONG @ FONG TSHUN KWONG**

Director

**LAI YEOW HOCK**

Director

Miri

Date: 26/2/2001

**STATEMENT BY DIRECTORS PURSUANT TO  
SECTION 169(15) OF THE COMPANIES ACT, 1965**

We, Fong Tshu Kwong @ Fong Tshun Kwong and Lai Yew Hock being two of the directors of SARAWAK OIL PALMS BERHAD state that, in the opinion of the directors, the financial statements set out on pages 22 to 41 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2000 and of the results of their operations and of their cash flows for the year ended on that date.

Signed in accordance with a resolution of the directors:

**FONG TSHU KWONG @ FONG TSHUN KWONG**

Director

**LAI YEW HOCK**

Director

Miri

Date: 26/2/2001

**DECLARATION PURSUANT TO**

**SECTION 169(16) OF THE COMPANIES ACT, 1965**

I, Wong Hee Kwong, being the officer primarily responsible for the financial management of SARAWAK OIL PALMS BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 22 to 41 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named  
Wong Hee Kwong at Miri  
in the State of Sarawak on 26th February 2001

Before me:

**DOMINIC LAI YEW HOCK**

Commissioner For Oaths

Lot 273, 2nd Floor

Jalan Nahkoda Gampar

98000 Miri, Sarawak

**REPORT OF THE AUDITORS TO THE MEMBERS**  
**FOR THE YEAR ENDED 31 DECEMBER 2000**

We have audited the financial statements set out on pages 22 to 41. 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 have conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we consider necessary to provide us with evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall 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 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 Group and of the Company at 31 December 2000 and the results of their operations and cash flows for the year ended on that date; and
  - (ii) 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
- 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 have been properly kept in accordance with the provisions of the said Act.

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 required by us for those purposes.

The audit reports on the financial statements of the subsidiary companies are not made subject to any qualification and do not include any comments made under Section 174(3) of the Act.

KPMG  
Firm No: AF: 0758  
Public Accountants

**CHIN CHEE KONG**  
Partner  
Approval No: 1481/1/03 (J)

Kuching  
Date: 26 February 2001



<b>BALANCE SHEET</b>
<b>AT 31 DECEMBER 2000</b>

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
<b>PROPERTY, PLANT AND EQUIPMENT</b>	3	141,361	128,058	96,891	98,392
<b>INVESTMENT IN SUBSIDIARIES</b>	4	-	-	15,500	9,800
<b>INVESTMENT IN ASSOCIATE</b>	5	13,134	13,320	13,320	13,320
<b>CURRENT ASSETS</b>					
Inventories	6	6,217	6,737	3,131	4,004
Trade and other receivables	7	4,532	5,348	4,024	4,798
Amount due from subsidiaries	8	-	-	5,776	4,112
Amount due from an associated company	9	3	3	3	3
Deposits, cash and bank balances	10	33,064	41,388	32,653	41,087
		<b>43,816</b>	<b>53,476</b>	<b>45,587</b>	<b>54,004</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	11	12,940	17,953	4,443	7,122
Bank overdraft	12	222	-	222	-
Taxation		-	4,482	-	4,482
Proposed dividend		3,419	3,419	3,419	3,419
		<b>16,581</b>	<b>25,854</b>	<b>8,084</b>	<b>15,023</b>
<b>NET CURRENT ASSETS</b>		<b>27,235</b>	<b>27,622</b>	<b>37,503</b>	<b>38,981</b>
<b>DEFERRED EXPENDITURE</b>	13	-	120	-	-
		<b>181,730</b>	<b>169,120</b>	<b>163,214</b>	<b>160,493</b>
<b>Financed by:</b>					
<b>CAPITAL AND RESERVES</b>					
Share capital	14	94,968	94,968	94,968	94,968
Revaluation reserves	15	4,454	4,454	4,454	4,454
Unappropriated profits		57,990	56,071	58,292	56,071
		<b>157,412</b>	<b>155,493</b>	<b>157,714</b>	<b>155,493</b>
<b>MINORITY SHAREHOLDERS' INTERESTS</b>	16	2,976	1,860	-	-
		<b>160,388</b>	<b>157,353</b>	<b>157,714</b>	<b>155,493</b>
<b>LONG TERM AND DEFERRED LIABILITIES</b>					
Other payable	11	4,512	6,767	-	-
Borrowings	17	11,330	-	-	-
Deferred taxation	18	5,500	5,000	5,500	5,000
		<b>181,730</b>	<b>169,120</b>	<b>163,214</b>	<b>160,493</b>

The notes set out on pages 26 to 41 form an integral part of, and should be read in conjunction with, these financial statements.

**I N C O M E   S T A T E M E N T****F O R   T H E   Y E A R   E N D E D   3 1   D E C E M B E R   2 0 0 0**

	Note	Group		Company	
		2000	1999	2000	1999
		RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>		<b>40,274</b>	<b>66,587</b>	<b>40,274</b>	<b>66,587</b>
Cost of sales		( 32,125 )	( 31,646 )	( 32,125 )	( 31,646 )
<b>GROSS PROFIT</b>		<b>8,149</b>	<b>34,941</b>	<b>8,149</b>	<b>34,941</b>
Other operating income		2,104	290	2,091	290
Distribution costs		( 1,162 )	( 4,763 )	( 1,162 )	( 4,763 )
Administrative expenses		( 1,308 )	( 3,941 )	( 1,132 )	( 3,941 )
<b>OPERATING PROFIT</b>	19	<b>7,783</b>	<b>26,527</b>	<b>7,946</b>	<b>26,527</b>
Interest income		1,178	1,542	1,155	1,542
Financing costs	21	( 76 )	( 7 )	( 76 )	( 7 )
<b>PROFIT BEFORE TAXATION</b>		<b>8,885</b>	<b>28,062</b>	<b>9,025</b>	<b>28,062</b>
Share of loss in associated company		( 186 )	-	-	-
		<b>8,699</b>	<b>28,062</b>	<b>9,025</b>	<b>28,062</b>
Tax expense	22	( 3,385 )	( 3,000 )	( 3,385 )	( 3,000 )
<b>NET PROFIT FOR THE YEAR AFTER TAX BUT BEFORE MINORITY INTERESTS AND DIVIDENDS</b>		<b>5,314</b>	<b>25,062</b>	<b>5,640</b>	<b>25,062</b>
Minority share of loss in subsidiaries companies		24	-	-	-
<b>PROFIT AFTER TAXATION AND MINORITY INTERESTS</b>		<b>5,338</b>	<b>25,062</b>	<b>5,640</b>	<b>25,062</b>
<b>EARNINGS PER SHARE (SEN)</b>	23	<b>5.62</b>	<b>26.39</b>		

The notes set out on pages 26 to 41 form an integral part of, and should be read in conjunction with, these financial statements.

<b>STATEMENT OF CHANGES IN EQUITY</b>
<b>FOR THE YEAR ENDED 31 DECEMBER 2000</b>

	Non-distributable			
	Share capital	Revaluation reserve	Unappropriated profits	Total
	RM'000	RM'000	RM'000	RM'000
<b>GROUP</b>				
<b>At 1 January 1999</b>	94,968	4,454	34,428	133,850
Net profit for the year	-	-	25,062	25,062
Dividends (Note 24)	-	-	( 3,419)	( 3,419)
<b>At 31 December 1999</b>	94,968	4,454	56,071	155,493
Net profit for the year	-	-	5,338	5,338
Dividends (Note 24)	-	-	( 3,419)	( 3,419)
<b>At 31 December 2000</b>	<b>94,968</b>	<b>4,454</b>	<b>57,990</b>	<b>157,412</b>
<b>COMPANY</b>				
<b>At 1 January 1999</b>	94,968	4,454	34,428	133,850
Net profit for the year	-	-	25,062	25,062
Dividends (Note 24)	-	-	( 3,419)	( 3,419)
<b>At 31 December 1999</b>	94,968	4,454	56,071	155,493
Net profit for the year	-	-	5,640	5,640
Dividends (Note 24)	-	-	( 3,419)	( 3,419)
<b>At 31 December 2000</b>	<b>94,968</b>	<b>4,454</b>	<b>58,292</b>	<b>157,714</b>
	(Note 14)	(Note 15)		

The notes set out on pages 26 to 41 form an integral part of, and should be read in conjunction with, these financial statements.

**CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2000**

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	8,699	28,062	9,025	28,062
Adjustment for:				
Deferred expenditure written off	120	-	-	-
Depreciation and amortisation of property, plant and equipment	7,293	7,264	7,293	7,264
(Gain)/Loss on disposal of property, plant and equipment	(170)	1	(170)	1
Interest income	(1,178)	(1,542)	(1,155)	(1,542)
Interest expense	76	7	76	7
Share of loss retained in associated companies	186	-	-	-
Property, plant and equipment written off	374	-	374	-
Operating profit before working capital changes	15,400	33,792	15,443	33,792
Changes in working capital:				
Inventories	520	( 1,570)	873	( 74)
Trade and other receivables	1,358	( 1,605)	(349)	( 2,760)
Trade and other payables	( 7,628)	13,627	(2,679)	2,959
Cash generated from operations	9,650	44,244	13,288	33,917
Deferred expenditure incurred	-	( 19)	-	-
Tax paid	( 7,909)	( 5,465)	(7,908)	( 5,466)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,741</b>	<b>38,760</b>	<b>5,380</b>	<b>28,451</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment (excluding accruals and depreciation charge capitalised )	( 19,963)	( 18,248)	( 6,264)	( 2,415)
Proceeds from disposal of property, plant and equipment	319	63	268	63
Subscription of additional shares in associated company	-	( 900)	-	( 900)
Subscription of additional shares in subsidiary company	-	-	( 5,700)	( 5,000)
Interest received	1,178	1,542	1,155	1,542
Net receipts from sale of timber on conversion of land	344	-	-	-
Net cash used in investing activities	(18,122)	( 17,543)	(10,541)	( 6,710)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from loans	11,330	-	-	-
Dividend paid	( 3,419)	( 3,419)	( 3,419)	( 3,419)
Interest paid	(76)	(7)	(76)	( 7)
Net cash used in financing activities	7,835	( 3,426)	( 3,495)	( 3,426)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>( 8,546)</b>	<b>17,791</b>	<b>( 8,656)</b>	<b>18,315</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>41,388</b>	<b>23,597</b>	<b>41,087</b>	<b>22,772</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>32,842</b>	<b>41,388</b>	<b>32,431</b>	<b>41,087</b>
Cash and cash equivalents comprise:-				
Cash and bank balances	689	1,077	278	776
Fixed deposits	32,375	40,311	32,375	40,311
Bank overdraft	( 222)	-	( 222)	-
	<b>32,842</b>	<b>41,388</b>	<b>32,431</b>	<b>41,087</b>

The notes set out on pages 26 to 41 form an integral part of, and should be read in conjunction with, these financial statements.

## 1) Principal Activities

The principal activities of the Company are the cultivation of oil palms and the operation of a palm oil mill, whilst the principal activities of its subsidiary companies and associated company are stated in Notes 4 and 5 respectively.

## 2) Summary of Significant Accounting Policies

The following accounting policies are adopted by the Group and the Company and are consistent with those adopted in previous years.

### A) BASIS OF ACCOUNTING

The financial statements of the Group and of the Company are prepared under the historical cost convention except for the revaluation of certain of the Company's long-term leasehold land, buildings and plantation development expenditure to their open market values as disclosed in Note 3 and in compliance with approved accounting standards in Malaysia.

### B) BASIS OF CONSOLIDATION

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases. Subsidiaries are consolidated using the acquisition method of accounting.

Under the acquisition method of accounting, the results of subsidiaries acquired or disposed of during the year are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the Group financial statements. The difference between the acquisition cost and the fair values of the subsidiaries' net assets is reflected as goodwill or reserve on consolidation as appropriate.

Intra-group transactions and balances and the resulting unrealised profits are eliminated on consolidation. Unrealised losses resulting from intra-group transactions are also eliminated unless cost cannot be recovered.

### C) ASSOCIATES

Associates are those enterprises in which the Group has significant influence, but not control, over the financial and operating policies.

The consolidated financial statements include the total recognised gains and losses of associates on an equity accounted basis from the date that significant influence effectively commences until the date that significant influence effectively ceases.

Unrealised profits arising on transactions between the Group and its associates which are included in the carrying amount of the related assets and liabilities are eliminated partially to the extent of the Group's interests in the associates. Unrealised losses on such transactions are also eliminated partially unless cost cannot be recovered.

Discount or premium on acquisition is calculated based on the fair value of net assets acquired. This is amortised over 25 years commencing the year of acquisition.

### D) PROPERTY, PLANT AND EQUIPMENT

i) Certain leasehold estates and buildings have been revalued in 1991 (see Note 3) and are stated in the financial statements at valuation less amortisation. All other property, plant and equipment and additions to the leasehold estates and buildings subsequent to their revaluation are stated in the financial statements at cost less depreciation/amortisation.

It is the Group's policy to state its property, plant and equipment at cost. The revaluation of the leasehold estates and buildings in 1991 was not intended to effect a change in accounting policy to one of revaluation of assets.

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. The impairment loss is charged to the income statement unless it reverses a previous revaluation in which case it will be charged to equity. Any subsequent increase in recoverable amount is reduced by the amount that would have been recognized as depreciation had the write-down or write-off not occurred.

- ii) New planting expenditure incurred on land clearing, upkeep of immature palms, administrative expenses and interest incurred during the pre-maturity period (pre-cropping costs) are capitalised under leasehold estates. Upon maturity, all subsequent maintenance expenditure are charged to revenue and the capitalised pre-cropping cost is amortised on a straight line basis over 25 years, the expected useful life of oil palms. Oil palm is considered mature 36 months after the month of planting.

All replanting expenditure are also capitalised under leasehold estates and amortised on the above-mentioned basis.

#### **E) DEPRECIATION**

Leasehold land are amortised in equal instalments over the period of the remaining leases which range from 59 to 91 years. However, leasehold land with immature plantings, except for those on replanted areas, are not amortised. Other property, plant and equipment are depreciated on a straight-line basis to write off the cost or valuation of the assets over the term of their estimated useful lives.

The principal annual rates of depreciation used are as follows:-

Building	5% - 20%
Plant, machinery and field equipment	10% - 20%
Motor vehicles	20% - 25%
Furniture and office equipment	10% - 20%

#### **F) CAPITAL WORK-IN-PROGRESS**

Expenditure incurred on the extension of factory and the installation of plant and machinery is capitalised as capital work-in-progress until the plant is fully commissioned and operational.

#### **G) INVESTMENT**

Investment in the subsidiary companies and associate company is stated at cost. A provision is made when in the opinion of the directors, a permanent diminution has arisen on the value of the investment.

#### **H) INVENTORIES**

Finished goods comprising crude palm oil and palm kernel are valued at the lower of cost and net realisable value with weighted average cost being the main basis for cost. In arriving at net realisable value, provision is made, where necessary, for obsolete and slow moving items. The cost of finished goods includes cost of raw materials, direct labour and an appropriate proportion of fixed and variable production overheads.

Stores and spares are valued at the cost of purchase on the weighted average cost basis and after due allowance have been made for deteriorated/damaged items.

Nursery inventories are the cost of seedlings remaining in the nursery for eventual field planting and are valued at cost.

**I) RECOUPMENT OF PLANTATION DEVELOPMENT EXPENDITURE**

The directors consider that net sums received from extraction and sale of timber from plantation land are sums received in the course of development of the land into an estate. Such receipts net of extraction costs, royalties, commissions and other overheads are accordingly credited to the plantation development expenditure.

Previously, the net receipts were credited to capital reserve account. The change in the accounting treatment has no material impact on the financial statements.

**J) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value, net of bank overdrafts and exclude deposits pledged as securities for banking facilities (other than those pledged for overdraft facilities).

**K) REVENUE**

Revenue from sale of crude palm oil and palm kernel is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to buyers.

**L) INTEREST INCOME**

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the money deposited.

**M) TAXATION**

The tax expense in the income statement represents taxation at current tax rates based on profit earned during the year.

Deferred taxation is provided on the liability method for all material timing differences. Deferred tax benefits are only recognised when there is reasonable expectation of realisation in the near future.

**N) DEBTORS**

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

**O) FOREIGN CURRENCY TRANSACTIONS**

Transactions denominated in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the foreign exchange rates ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to Ringgit Malaysia at the foreign exchange rates ruling at the transaction dates. Foreign exchange differences arising on translation are recognized in the income statement.

**P) FINANCE COST**

All interest and other costs incurred in connection with borrowings are expensed off when incurred as part of financing costs except for borrowing costs incurred on development of plantation and capital work-in-progress which are capitalised.

Borrowing costs incurred relating to the development of plantation is capitalised until the plantations are considered mature.

Borrowing costs incurred on capital work-in-progress are capitalised until the assets are ready for their intended use.

### 3) Property, plant and equipment

<b>GROUP</b>	<b>Long-term leasehold land, buildings and oil palm estates</b>	<b>Plant, machinery and field equipment</b>	<b>Motor vehicles</b>	<b>Furniture and office equipment</b>	<b>Capital work-in-progress</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Cost/Valuation</b>						
At 1 January 2000	167,048	30,832	3,803	2,391	1,074	205,148
Additions	16,452	2,299	2,100	147	582	21,580
Disposals	-	(49)	(405)	(13)	-	(467)
Write-offs	(619)	(161)	-	(28)	-	(808)
Transfer	835	221	-	-	(1,056)	-
At 31 December 2000	<b>183,716</b>	<b>33,142</b>	<b>5,498</b>	<b>2,497</b>	<b>600</b>	<b>225,453</b>
Representing items at:						
Cost	117,179	33,142	5,498	2,497	600	158,916
Recoupment of plantation development expenditure	(928)	-	-	-	-	(928)
Valuation - 1989	67,465	-	-	-	-	67,465
At 31 December 2000	<b>183,716</b>	<b>33,142</b>	<b>5,498</b>	<b>2,497</b>	<b>600</b>	<b>225,453</b>
<b>Depreciation</b>						
At 1 January 2000	52,883	19,783	2,653	1,771	-	77,090
Charge for the year	4,664	2,308	610	172	-	7,754
Disposals	-	(48)	(265)	(12)	-	(325)
Write-offs	( 243)	(161)	-	(23)	-	(427)
At 31 December 2000	<b>57,304</b>	<b>21,882</b>	<b>2,998</b>	<b>1,908</b>	<b>-</b>	<b>84,092</b>
<b>Net book value</b>						
At 31 December 2000	<b>126,412</b>	<b>11,260</b>	<b>2,500</b>	<b>589</b>	<b>600</b>	<b>141,361</b>
At 31 December 1999	114,165	11,049	1,150	620	1,074	128,058
Depreciation charge for the year ended 31 December 1999	4,613	2,178	455	170	-	7,416



	Long-term leasehold land, buildings and oil palm estates RM'000	Plant, machinery and field equipment RM'000	Motor vehicles RM'000	Furniture and office equipment RM'000	Capital work-in- progress RM'000	Total RM'000
<b>COMPANY</b>						
<b>Cost/Valuation</b>						
At 1 January 2000	139,102	29,882	3,386	2,329	595	175,294
Additions	2,606	1,491	1,755	60	352	6,264
Disposals	-	(49)	(347)	(13)	-	(409)
Write-offs	(619)	(161)	-	(28)	-	(808)
Transfers	359	220	-	-	(579)	-
At 31 December 2000	<b>141,448</b>	<b>31,383</b>	<b>4,794</b>	<b>2,348</b>	<b>368</b>	<b>180,341</b>
Representing items at:						
Cost	73,983	31,383	4,794	2,348	368	112,876
Valuation - 1989	67,465	-	-	-	-	67,465
At 31 December 2000	<b>141,448</b>	<b>31,383</b>	<b>4,794</b>	<b>2,348</b>	<b>368</b>	<b>180,341</b>
<b>Depreciation</b>						
At 1 January 2000	52,860	19,685	2,591	1,766	-	76,902
Charge for the year	4,519	2,125	488	161	-	7,293
Disposals	-	(48)	(258)	(12)	-	(318)
Write-offs	(243)	(161)	-	(23)	-	(427)
At 31 December 2000	<b>57,136</b>	<b>21,601</b>	<b>2,821</b>	<b>1,892</b>	<b>-</b>	<b>83,450</b>
<b>Net book value</b>						
At 31 December 2000	<b>84,312</b>	<b>9,782</b>	<b>1,973</b>	<b>456</b>	<b>368</b>	<b>96,891</b>
At 31 December 1999	86,242	10,197	795	563	595	98,392
Depreciation charge for the year ended 31 December 1999	4,590	2,108	400	166	-	7,264

Certain of the leasehold estates and buildings of the Company were revalued by a firm of professional valuers in November 1989 using the investment method of valuation for planted fields and the cost method of valuation for the other areas of the plantations. The valuation, as adjusted and approved by the Capital Issues Committee on 29 April 1991, was incorporated in the financial statements in 1991. Subsequent additions to property, plant and equipment are included at cost. Had these revalued assets been carried at historical cost less amortisation, their carrying amounts would have been:-

Historical cost	Net book value	
	31.12.2000	31.12.1999
RM	RM	RM
57,260,000	20,467,000	22,017,000

Certain leasehold land of the subsidiary companies are charged to a bank to secure banking facilities granted to them (see Note 17).

Depreciation and amortisation charge of property, plant and equipment during the year is allocated in the financial statements as follows:-

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Charged to income statement	7,293	7,264	7,293	7,264
Capitalised under leasehold estates	461	152	-	-
	<b>7,754</b>	<b>7,416</b>	<b>7,293</b>	<b>7,264</b>

Buildings and oil palm estates of the Group and Company include the following expenses incurred during the year:

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Loan interest	237	-	-	-
Depreciation	461	152	-	-
Interest on land premium	-	260	-	-
Hiring of heavy equipment	272	76	102	-

The lease terms of the subsidiary companies' leasehold land expire between the years 2057 and 2059. The lease terms of the Company's leasehold land expire between the years 2067 and 2090.

The documents of title to certain leasehold land belonging to the subsidiary companies stated at a cost of RM4,917,276 (1999: RM4,917,276) are in the process of being issued by the Sarawak State Government.

#### 4) Investment in subsidiaries

	2000 RM'000	1999 RM'000
Unquoted shares – at cost	15,500	9,800

The particulars of the subsidiaries are:-

Name	% equity held		Principal activities	Country of incorporation	Accounting year end
	2000 %	1999 %			
SOP Plantations (Balingian) Sdn. Bhd.	80	80	Early stage of oil palms cultivation	Malaysia	31 December
SOP Plantations (Niah) Sdn. Bhd.	80	80	Early stage of oil palms cultivation	Malaysia	31 December
SOP Plantations (Suai) Sdn. Bhd.	85	85	Early stage of oil palms cultivation	Malaysia	31 December

## 5) Investments in associate

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Unquoted shares - at cost	13,320	13,320	13,320	13,320
Less: Share of post acquisition loss in associated company	(186)	-	-	-
	<b>13,134</b>	<b>13,320</b>	<b>13,320</b>	<b>13,320</b>
Share of net assets of associated company	13,454	13,640	-	-
Discount on acquisition less amortisation	( 320)	( 320)	-	-
	<b>13,134</b>	<b>13,320</b>	<b>-</b>	<b>-</b>

The results of the associated company have been included in the consolidated financial statements of the Company under the equity method using the associated company's unaudited financial statements for the year ended 31 December 2000.

The discount on acquisition of the associated company has not been amortised. The non-amortisation has no material impact on the financial statements.

The accumulated loss of the associated company of RM414,200 arose from the write-off of deferred expenditure during the year. This deferred expenditure has previously been taken up in arriving at the discount on acquisition.

The particulars of the associate are:-

Name	% equity held		Principal activities	Country of incorporation	Accounting year end
	2000	1999			
	%	%			
Keresa Plantation Sdn. Bhd.	45	45	Cultivation of rattan and oil palm	Malaysia	31 December

The associated company is not producing income yet at this early stage of cultivation.

The total rattan plantation expenditure incurred by the associated company excluding land cost amounts to RM11,615,000 as at 31 December 2000.

#### PRELIMINARY FINDINGS ON THE RATTAN PLANTATION OF THE ASSOCIATED COMPANY

Towards the last quarter of 2000, the associated company engaged a consultant to assess the various maturities of canes in its rattan plantation and review the initial trial harvests conducted in May 2000.

The consultant's preliminary findings on the major species of canes are as follows:-

- (i) Calamus Trachycoleus - not planted in the optimal habitat and suffering from insufficient light due to the partially dense forest canopy which could have contributed to its immaturity and poor growth.
- (ii) Calamus Caesius - some are apparently growing well except clumping is restricted probably due to insufficient light and may eventually yield good quality canes but in limited amounts.
- (iii) Calamus Manan - growing extremely well although it was still considered immature.

As the initial trial harvests were done at random, the consultant recommended that new trial harvests be conducted for some of the rattan species in which plots with apparent good growth be selected to give a better idea of their productivity. The associated company is still in the process of verifying the consultant's findings by conducting new trial harvests and a comprehensive study to determine the potential yield of the different species of rattan, especially if the canes are allowed to grow to maturity.

#### 6) Inventories

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Finished goods (crude palm oil and palm kernel)	71	573	71	573
Store and spares	3,367	3,354	2,888	3,224
Nursery	2,779	2,810	172	207
	<b>6,217</b>	<b>6,737</b>	<b>3,131</b>	<b>4,004</b>

All inventories are stated at cost which is lower than or equal to the respective net realisable values.

#### 7) Trade and other receivables

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Trade receivables	1,678	3,822	1,678	3,528
Other debtor, deposits and repayments	2,313	1,526	1,805	1,270
Tax refundable	541	-	541	-
	<b>4,532</b>	<b>5,348</b>	<b>4,024</b>	<b>4,798</b>

Included in other debtor are unsecured amounts of RM803,081 (1999: RM594,179) due from staff which bear interest at 6.00% (1999: 6.00%) per annum and is repayable in accordance to agreed repayment schedule. The remaining balance is unsecured, interest free and has no fixed terms of repayment.

#### 8) Amount due from subsidiaries - Company

The amount due from subsidiaries is unsecured, interest free and has no fixed terms of repayment.

## 9) Amount due from an associated company - Group and Company

The amount due from the associated company is unsecured, interest free and has no fixed terms of repayment.

## 10) Deposits, cash and bank balances

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Cash and bank balance	689	1,077	278	776
Deposits with a licensed bank	32,375	40,311	32,375	40,311
	<b>33,064</b>	<b>41,388</b>	<b>32,653</b>	<b>41,087</b>

## 11) Trade and other payables

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
<b>Current:</b>				
Trade payables	2,287	2,939	1,693	2,694
Other payable and accrued expenses	10,653	15,014	2,750	4,428
	<b>12,940</b>	<b>17,953</b>	<b>4,443</b>	<b>7,122</b>
<b>Long-term:</b>				
Other payable - land premium	4,512	6,767	-	-
	<b>17,452</b>	<b>24,720</b>	<b>4,443</b>	<b>7,122</b>

Other payable and accrued expenses consist of the following:-

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Land premium payable	4,739	9,756	-	-
Retention sum payable to contractors	1,225	403	165	70
Staff remuneration payable	1,010	633	868	585
Other creditors and accruals	3,679	4,222	1,717	3,773
	<b>10,653</b>	<b>15,014</b>	<b>2,750</b>	<b>4,428</b>

## 12) Bank overdraft - unsecured - Group

The overdraft arose as a result of the Group's current account with a bank being overdrawn due to issuance of several cheques prior to the year end which were only presented for payment subsequent to that date. The Group does not have a formal overdraft arrangement with the said bank.

### 13) Deferred expenditure - Group

	2000 RM'000	1999 RM'000
Preliminary expenses	98	98
Pre-operating expenses	22	22
	<u>120</u>	<u>120</u>
Less: Amount written off during the year	120	-
	<u>-</u>	<u>120</u>

Following the adoption of MASB Standard No. 1, Presentation of Financial Statements, preliminary and pre-operating expenses at 1 January 2000 are fully written off during the current financial year.

Pre-operating expenses incurred during the year ended 31 December 1999 included audit fee of RM4,200.

### 14) Share capital

	2000 RM'000	1999 RM'000
Ordinary shares of RM1.00 each		
Authorised:		
Balance at beginning and end of year	<u>110,100</u>	<u>110,100</u>
Issued and fully paid:		
Balance at beginning and end of year	<u>94,968</u>	<u>94,968</u>

### 15) Revaluation reserves

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Revaluation reserves - non distributable	<u>4,454</u>	<u>4,454</u>	<u>4,454</u>	<u>4,454</u>

The revaluation reserves represent the surplus on the revaluation of long-term leasehold estates in 1991 and are not distributable by way of dividends.

### 16) Minority shareholders' interests

This consists of minority shareholders' proportion of share capital and reserves of subsidiaries, net of their share of subsidiary's goodwill on consolidation and amortisation of goodwill charged to the minority shareholders.

## 17) Borrowings - secured

	Group	
	2000 RM'000	1999 RM'000
<b>Non-current:</b>		
Term loans	11,330	-

### TERM AND DEBT REPAYMENT SCHEDULE

The Group has two term loans which are subject to interest at 1.50% per annum above the lender bank's base lending rate. They are repayable in accordance with an agreed repayment schedule commencing the sixth year from the date of first drawdown in May and July 2000 respectively.

	Under Total	1 - 2 1 year	2 - 5 years	Over 5 years
Secured terms loan				
- bearing interest at				
8.30% per annum	11,330,000	-	-	11,330,000

The term loans are secured by fixed charges over the subsidiary companies' leasehold land (see Note 3) and corporate guarantees from the Company.

### COMPANY

At 31 December 2000, the Company has unutilised banking facilities comprising revolving credits of RM10 million (secured by a negative pledge on the Company's assets) and a composite overdraft/revolving credits line of RM6 million (unsecured).

## 18) Deferred taxation

	Group and Company	
	2000 RM'000	1999 RM'000
Balance at beginning of year	5,000	2,000
Current year's provision	500	3,000
Balance at end of year	5,500	5,000

Subject to agreement by the Inland Revenue Board, the subsidiary companies have potential deferred tax benefits not taken up in the balance sheet under the liability method in respect of the following items:-

	2000 RM'000	1999 RM'000
Unabsorbed capital allowances	12,875	3,307
Unutilised allowable deduction carried forward	4,077	1,327
Timing difference between net book value and tax written down value of qualifying property, plant and equipment	(12,738)	(2,655)

The potential deferred tax benefit not taken up in the Group financial statements amounts to RM1,180,000 (1999: RM554,000).

## 19) Operating profit

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
<b>Revenue -</b>				
Sale of crude palm oil and palm kernel	40,274	66,587	40,274	66,587
Operating profit is arrived at after crediting:				
Gain on disposal of property, plant and equipment	170	-	170	-
Rental income from land and buildings	31	26	31	26
Interest received	1,178	-	1,155	-
<b>And after charging:</b>				
Audit fee	34	25	25	25
Directors' remuneration				
- fee	100	104	100	104
- other emoluments	-	1	-	1
Rent of land and buildings	-	117	-	117
Depreciation (Note 3)	7,293	7,264	7,293	7,264
Deferred expenditure written off (Note 13)	120	-	-	-
Inventory written off	25	-	25	-
Loss on disposal of property, plant and equipment	-	1	-	1
Property, plant and equipment written off	374	-	374	-

## 20) Employees information

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
<b>Staff costs</b>				
- charged to profit and loss accounts	11,032	12,042	11,032	12,042
- capitalised into plantation development expenditure	2,347	1,224	419	335
	<b>13,379</b>	<b>13,266</b>	<b>11,451</b>	<b>12,377</b>
Number of employees (excluding directors) at the end of financial year	<b>1,781</b>	<b>1,763</b>	<b>1,398</b>	<b>1,523</b>

## 21) Financing costs

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Term loan interest	76	7	76	7



## 22) Tax expense

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Current tax expense				
Malaysian				
-current	2,960	-	2,960	-
-over provision in prior years	( 75)	-	( 75)	-
Deferred tax expense				
Malaysian				
-current	500	3,000	500	3,000
	<u>3,385</u>	<u>3,000</u>	<u>3,385</u>	<u>3,000</u>

The income tax expense is higher than had the statutory tax rate being applied to the profit before tax due to certain expenses being disallowed as deduction for tax purposes.

The income for the year ended 31 December 1999 was exempted from income tax in accordance with the Income Tax (Amendment) Act, 1999 and can be distributed as exempt dividends.

## 23) Earnings per ordinary share

Earning per share is calculated on the profit after taxation and minority interests of RM5,338,000 (1999: RM25,062,000) and on the number of ordinary shares of RM1 each in issue during the year of 94,968,000 (1999: 94,968,000).

## 24) Dividends

	Group and Company	
	2000 RM'000	1999 RM'000
<b>Ordinary</b>		
Proposed first and final dividend of 5% (1999: 5%) per share less tax	<u>3,419</u>	<u>3,419</u>

## 25) Tax credit - company

Subject to agreement with the Inland Revenue Board, the Company has sufficient tax exempt income and Section 108 tax credit to distribute all its distributable reserves at 31 December 2000 if paid out as dividends. The tax exempt income arising from the tax waived income of 1999 in accordance with the Income Tax (Amendment) Act, 1999 was approximately RM37,300,000.

## 26) Commitments

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Property, plant and equipment				
Authorised and contracted for	684	691	510	595
Authorised but not contracted for	43,624	44,149	40,044	40,201
	<b>44,308</b>	<b>44,840</b>	<b>40,554</b>	<b>40,796</b>
Plantation development expenditure				
Authorised and contracted for	-	-	-	-
Authorised but not contracted for	49,065	36,694	2,433	2,301
	<b>93,373</b>	<b>81,534</b>	<b>42,987</b>	<b>43,097</b>

## 27) Contingent liabilities - unsecured - company

	2000 RM'000	1999 RM'000
Corporate guarantees favouring banks for facilities granted to subsidiary companies (see Note 17)	<b>68,000</b>	<b>68,000</b>

## 28) Segment analysis

No segment analysis is prepared as the Group is primarily engaged in the oil palm industry in Malaysia.

## 29) Related parties

During the year, the Group and the Company entered into the following significant transactions with companies in which certain directors have substantial interests.

	<b>Group and Company</b>	
	<b>2000</b>	<b>1999</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>NATURE OF TRANSACTIONS</b>		
Purchase of consumables from:-		
Shin Yang Trading Sdn Bhd )		
Shin Yang Services Sdn Bhd )		
Hollystone Quarry Sdn Bhd )		
Pekerjaan Piasau Konkerit Sdn Bhd )	<b>1,064</b>	550
Purchase of property, plant and equipment from:-		
Pekerjaan Piasau Konkerit Sdn Bhd )	-	241
Sale of oil palm seedlings to:-		
Shin Yang Oil Palm Sdn Bhd )		
Greenwood Estate Sdn Bhd )	<b>(426)</b>	(286)
<b>ACCOUNT BALANCES AT YEAR END</b>		
Amount owing to the following companies at 31 December comprises:-		
Shin Yang Trading Sdn Bhd	-	12
Shin Yang Services Sdn Bhd	<b>67</b>	70
Hollystone Quarry Sdn Bhd	-	8
Pekerjaan Piasau Konkerit Sdn Bhd	-	10
	<b>67</b>	<b>100</b>
Amount owing by the following companies as at 31 December comprises:-		
Shin Yang Oil Palm Sdn Bhd	<b>13</b>	253
Greenwood Estate Sdn Bhd	-	33
	<b>13</b>	<b>286</b>

The directors of the Group are of the opinion that the above transactions have been entered into in the normal course of business based on commercial terms.

### 30) Land Disputes

A subsidiary company, SOP Plantations (Suai) Sdn Bhd has in 1998 accepted an offer of alienation of nine provisional land leases for oil palm plantation purpose comprising Lot 157, Suai Land District; Lots 931 and 932, Niah Land District; and Lots 73 to 78, Sawai Land District totaling 6,586 hectares.

Out of the land alienated, the subsidiary company has developed an area of 883 hectares. The development on the remaining areas has been deferred due mainly to land disputes and claims of native customary rights over the land.

Among the claimants are five individuals who have sued the Superintendent of Lands and Surveys, Sarawak, the State Government of Sarawak and the Company, claiming to have native customary rights over the said Lot 78, Sawai Land District, Sarawak.

Pending a resolution of the land disputes and the afore-mentioned suit, the subsidiary company has deferred developing the land for the moment.

### 31) Comparatives

Following the adoption of MASB Standards in the preparation of this set of financial statements, the presentation and classification of certain items in the financial statements have been revised.

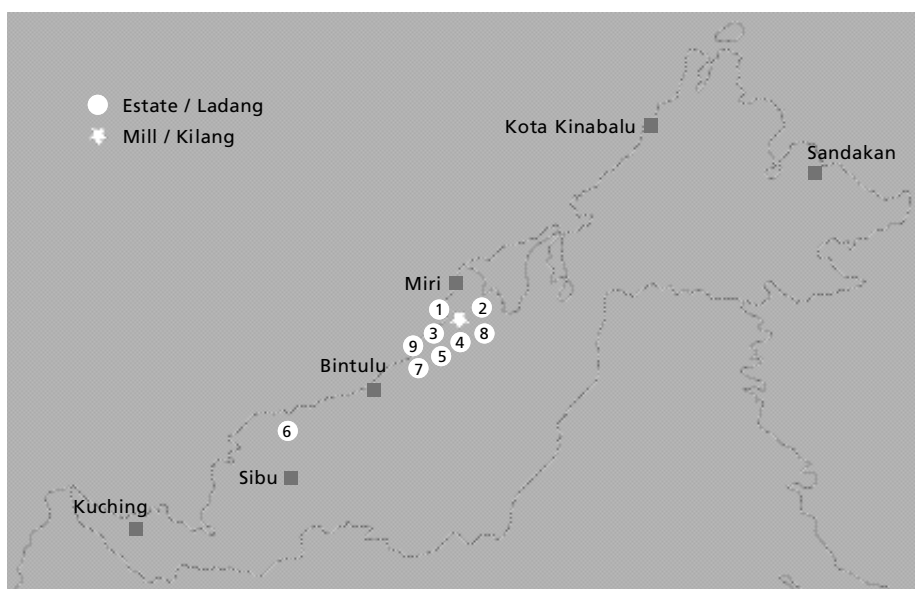
Accordingly, the comparative amounts for those items have been reclassified to ensure comparability with the current financial year.

**PROPERTIES OF THE GROUP**

**AS AT 31 DECEMBER 2000**

Location of Property Sarawak	Tenure	Year of Expiry	Size Hectares	Description	Net Book Value		Age of Building (Years)			
					As At 31 Dec 2000 (RM Million)					
1. Kebuloh Estate, Miri	Leasehold 87 to 97 years	2067	1,841	Oil Palm Estate & Oil Mil	}	<b>84,548</b>	1 to 30			
2. Luak Estate, Miri	Leasehold 87 to 97 years	2067	2,785	Oil Palm Estate						
3. Telabit Estate, Miri	Leasehold 99 years	2085	2,762	Oil Palm Estate						
4. Pinang Estate, Miri	Leasehold 99 years	2090	1,482	Oil Palm Estate						
5. Galasah Estate, Miri	Leasehold 99 years	2084	1,907	Oil Palm Estate						
6. Balingian Estate 1, Balingian	Leasehold 60 years	2057	1,669	Land under Oil Palm Development				}	<b>9,064</b>	1 to 2
Balingian Estate 2, Balingian	Leasehold 60 years	2059	2,368	Land for Oil Palm Development						
7. Sengah Estate, Miri*	-	-	2,725	Land for Oil Palm Development				}	<b>10,253</b>	1 to 3
8. Lamaus Estate, Miri*	-	-	3,911	Land under Oil Palm Development						
9. Niah Estate, Miri	Leasehold 60 years	2059	5,000	Land under Oil Palm Development	}	<b>18,469</b>	1 to 2			

\*Pending for the issue of provisional lease.



## FIVE YEARS FINANCIAL RECORD

	<b>Company</b>	<b>Group</b>			
	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
	<b>(Restated)</b>				
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
<b>RESULTS</b>					
Turnover	57,522	54,680	62,690	66,587	40,274
Profit before taxation	18,660	20,792	26,830	28,062	8,885
Profit after taxation and minority interest	12,692	14,292	15,668	25,062	5,338
Total Shareholders' Fund	110,728	121,601	133,871	155,493	157,412
Total assets	126,232	142,730	162,652	194,854	198,311
Total borrowing	-	-	-	-	11,330
Issued & paid -up capital	94,968	94,968	94,968	94,968	94,968
Dividend ( Net of tax )	3,324	3,419	3,419	3,419	3,419
<b>FINANCIAL STATISTICS</b>					
Profit before taxation / turnover (%)	32.4	38.0	42.8	42.1	22.1
Gross Dividend (sen / share)	5.0	5.0	5.0	5.0	5.0
Net Earnings per share of RM 1 each (sen)	13.4	15.1	16.5	26.4	5.6
Net tangible assets of RM 1 each (RM)	1.17	1.28	1.41	1.64	1.65

<b>FIVE YEARS CROP RECORD</b>
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## Planted Hectarage, Production and Produce Prices

	<b>Company</b>		<b>Group</b>		
	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
	<b>(Restated)</b>				
	<b>Ha.</b>	<b>Ha.</b>	<b>Ha.</b>	<b>Ha.</b>	<b>Ha.</b>
<b>OIL PALMS</b>					
Mature	8,503	9,004	8,973	8,743	8,552
Immature	1,421	911	1,244	2,169	3,499
Total	9,924	9,915	10,217	10,912	12,051
Reserves, Unplanted, Building sites, etc	853	9,167	13,865	15,538	14,399
Total Area Under Lease	10,777	19,082	24,082	26,450	26,450
	<b>Tonnes</b>	<b>Tonnes</b>	<b>Tonnes</b>	<b>Tonnes</b>	<b>Tonnes</b>
<b>FFB CROP</b>					
Estate Crop	175,270	173,376	130,040	176,871	169,732
Outside Crop	25,553	4,647	3,542	3,096	3,072
	200,823	178,023	133,582	179,967	172,804
Crude Palm Oil	39,779	37,809	29,570	40,275	37,995
Palm Kernels	10,133	9,362	6,837	9,436	9,567
<b>YIELD PER HECTARE</b>					
Tonnes FFB / Mature palms	20.61	19.26	14.49	20.23	19.85
Crude Palm Oil / FFB	19.81%	21.24%	22.14%	22.38%	22.02%
Palm Kernels / FFB	5.05%	5.26%	5.12%	5.24%	5.55%
<b>AVERAGE PRICES</b>					
FOB Bintulu / Miri					
Crude Palm Oil	1,200	1,246	1,831	1,320	906
Palm Kernels	751	728	1,045	922	548

**SHAREHOLDING STATISTICS****AS AT 23 APRIL 2001**

### Share Capital

Authorised	: 110,100,000 Ordinary Shares of RM1.00 each
Issued and Fully Paid	: 94,968,240 Ordinary Shares of RM1.00 each
Voting Rights	: One Vote Per Share

### Breakdown Of Shareholdings

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
1 - 499	800	11.33	183,899	0.19
500 - 5,000	5,195	73.60	9,970,889	10.50
5,001 - 10,000	580	8.22	4,529,400	4.77
10,001 - 100,000	443	6.28	11,596,000	12.21
100,001 - 1,000,000	35	0.50	12,448,812	13.11
1,000,001 and above	5	0.07	56,239,240	59.22
Total	7,058	100.00	94,968,240	100.00

### Classification Of Shareholdings

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
Individuals	5,731	81.20	21,848,088	23.01
Nominee Companies	1,225	17.36	46,016,482	48.45
Body Corporate	98	1.39	26,681,258	28.10
Federal and State	4	0.05	422,412	0.44
Government Agencies				
Total	7,058	100.00	94,968,240	100.00

### Substantial Shareholders

	No. of Shares Held	% of Issued Capital
1) Pelita Holdings Sdn Bhd	24,334,458	25.62
2) Shin Yang Plantation Sdn Bhd	23,749,982	25.01
3) Perra Group Ltd	5,346,000	5.63
Total	53,430,440	56.26

### Thirty Largest Shareholders

Name	No. of Shares	%
1) Pelita Holdings Sdn Bhd	24,334,458	25.62
2) Arab-Malaysian Nominees (Tempatan) Sdn Bhd AMMB International (L) Ltd for Shin Yang Plantation Sdn Bhd	23,749,982	25.01
3) HSBC Nominees (Asing) Sdn Bhd HIB SG for Perra Group Ltd	5,346,000	5.63
4) HSBC Nominees (Tempatan) Sdn Bhd HSBC (Malaysia) Trustee Berhad for Amanah Saham Sarawak	1,538,800	1.62
5) Ling Lu Kuang	1,270,000	1.34



## Thirty Largest Shareholders Cont'd

Name	No. of Shares	%
6) HSBC Nominees (Asing) Sdn Bhd HSBC Trustee SG Ltd for Millionasia Properties Limited	996,000	1.05
7) Citicorp Nominees (Asing) Sdn Bhd MLPFS for Shea Kin Kwok	993,400	1.05
8) Pekan Megah Sdn Bhd	839,000	0.88
9) HSBC Nominees (Asing) Sdn Bhd HSBC Trustee (S) Limited for Millionasia Properties Limited	804,000	0.85
10) Citicorp Nominees (Asing) Sdn Bhd TNTC for Government of Singapore Investment Corporation Pte Ltd	728,000	0.77
11) DB (Malaysia) Nominee (Asing) Sdn Bhd BNP Paribas Nominees Singapore Pte Ltd for Contend Investments Limited	701,000	0.74
12) UB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for UT Securities Sdn Bhd	557,000	0.59
13) Sia Su King	464,000	0.49
14) Cimsec Nominees (Tempatan) Sdn Bhd Libra Asia Securities Limited for Euphorex Corporation Sdn Bhd	449,000	0.47
15) Ki Yien Ping	446,000	0.47
16) HDM Nominees (Tempatan) Sdn Bhd Pledged securities account for LSM Enterprises Sdn Bhd	422,000	0.44
17) Ministry of Finance Malaysia	381,612	0.40
18) HSBC Nominees (Tempatan) Sdn Bhd HSBC (Malaysia) Trustee Berhad for Amanah Saham Kedah	357,000	0.38
19) Citicorp Nominees (Asing) Sdn Bhd MLPFS for Shea Kin Kwok	316,000	0.33
20) Wong Ing Yung	316,000	0.33
21) Ling Pien Huoi @ Ling Beng Hui	280,800	0.30
22) Botly Nominees (Tempatan) Sdn Bhd Pledged securities account for Chan Kam Leong	256,000	0.27
23) HLG Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for Quek Leng Chye	240,000	0.25
24) Universal Trustee (Malaysia) Berhad Multi-Purpose First Fund	238,000	0.25
25) Multi-Purpose Bank Nominees (Asing) Sdn Bhd Bayerische Landesbank Girozentrale Singapore for Goldtip Co Ltd	228,000	0.24
26) HDM Nominees (Asing) Sdn Bhd Ong & Company Private Limited for Global Bridge Venture Ltd	220,000	0.23
27) Eow Cheng Siew	214,000	0.23
28) Mint Victor (M) Sdn Bhd	200,000	0.21
29) Public Nominees (Tempatan) Sdn Bhd Pledged securities account for Wong Ing Kee	200,000	0.21
30) HSBC Nominees (Asing) Sdn Bhd HIB SG for Longville Ltd	67,276,052	70.84

<b>L A P O R A N P A R A P E N G A R A H</b>
<b>B A G I T A H U N B E R A K H I R 3 1 D I S E M B E R 2 0 0 0</b>

Para pengarah dengan sukacitanya ingin membentangkan laporan mereka serta Penyata Akaun Kumpulan dan syarikat yang telah beraudit bagi tahun berakhir 31 Disember 2000.

## Aktiviti Utama

Aktiviti utama syarikat merupakan penanaman pokok kelapa sawit dan operasi kilang minyak sawit sementara aktiviti utama anak-anak syarikat dan syarikat-syarikat bersekutu adalah seperti yang tertera pada nota 4 dan 5 Penyata akaun. Syarikat tidak mengalami sebarang perubahan ketara pada aktiviti di sepanjang tahun kewangan tersebut.

## Keputusan

	<b>Kumpulan</b>	<b>Syarikat</b>
	<b>RM'000</b>	<b>RM'000</b>
Keuntungan bersih bagi tahun	5,338	5,640
Simpanan keuntungan di bawa hadapan	56,071	56,071
Keuntungan yang boleh diagihkan	<u>61,409</u>	<u>61,711</u>
<b>PENGAGIHAN:</b>		
Dividen	<u>(3,419)</u>	<u>(3,419)</u>
Simpanan keuntungan dihantar ke hadapan	<u>57,990</u>	<u>58,292</u>

## Rizab dan Peruntukan

Tiada terdapat pemindahan di antara akaun rizab dan peruntukan bagi tahun kewangan kecuali seperti yang dinyatakan di dalam penyata kewangan.

## Dividen

Sejak penghujung tahun kewangan sebelumnya, syarikat telah membayar dividen pertama dan terakhir sebanyak 5% tolak cukai berjumlah RM3,418,857 untuk tahun kewangan yang berakhir 31 Disember 1999 pada 3 Julai 2000.

Para pengarah mencadangkan dividen pertama dan terakhir sebanyak 5% tolak cukai berjumlah RM3,418,857 untuk tahun kewangan yang berakhir 31 Disember 2000.

## Para Pengarah

Para pengarah yang berkhidmat sejak tarikh laporan yang lepas terdiri daripada:

**POLIT BIN HAMZAH** (dilantik pada 24.5.2000)

**DATU HAJI HAMZAH HAJI DRAHMAN** (dilantik pada 7.6.2000)

**GERALD RENTAP JABU** (dilantik pada 24.5.2000)

**LING CHIONG HO**

**LING CHIONG SING** (meletak jawatan pada 6.7.2000)

**TANG TIONG ING**

**FONG TSHU KWONG @ FONG TSHUN KWONG**

**LAI YEW HOCK** (dilantik pada 24.2.2000)

**GARY TAN YOW HOO** (dilantik pada 15.7.2000)

**DR. ABDILLAH BIN ATON** (meletak jawatan pada 24.5.2000)

**TUAN HAJI BUJANG MOHIDIN BIN HAJI JOL** (bersara pada 24.5.2000)

Menurut Tataurusian Pertubuhan, Ling Chiong Ho dan Tang Tiong Ing bersara mengikut giliran lembaga pengarah pada mesyuarat agung tahunan yang bakal diadakan dan oleh kerana layak, menawarkan diri mereka untuk dipilih semula.

Menurut Tataurusian Pertubuhan, Polit Bin Hamzah, Datu Haji Hamzah Haji Drahman, Gerald Rentap Jabu dan Gary Tan Yew Hoo yang telah dilantik ke lembaga pengarah sejak mesyuarat agung tahunan yang lepas, kini bersara dan oleh kerana layak, menawarkan diri mereka untuk dipilih semula.

## Kepentingan Para Pengarah dalam Saham

Kepentingan pengarah-pengarah aktif pada akhir tahun kewangan di syarikat yang berkaitan adalah seperti berikut:-

	Baki pada 1.1.2000	Bilangan Saham biasa berharga RM1.00 seunit		Baki pada 31.12.2000
		Dibeli	Dijual	
<b>Sarawak Oil Palms Berhad</b>				
<b>KEPENTINGAN LANGSUNG</b>				
Lai Yew Hock	10,000	-	-	10,000
Datu Haji Hamzah Haji Drahman	8,000	-	3,000	5,000
<b>KEPENTINGAN TIDAK LANGSUNG</b>				
Ling Chiong Ho )				
Ling Chiong Sing )	23,749,982	-	-	23,749,982

Kepentingan tidak langsung mewakili saham yang dipegang oleh sebuah syarikat dimana pengarah-pengarahnya dianggap mempunyai kepentingan yang ketara. disebabkan kepentingan mereka di dalam saham Sarawak Oil Palms Berhad, Ling Chiong Ho dan Ling Chiong Sing dianggap mempunyai kepentingan di dalam saham anak-anak syarikat Sarawak Oil Palms Berhad terhad pada kepentingan yang dimiliki oleh Sarawak Oil Palms Berhad.

Tiada pengarah lain yang berkhidmat pada akhir tahun kewangan ini yang memegang sebarang saham atau dianggap mempunyai kepentingan dalam saham syarikat atau syarikat-syarikat berkaitannya pada tahun kewangan yang sama.

## Manfaat Para Pengarah

Sejak akhir tahun kewangan sebelumnya, tiada pengarah syarikat yang telah menerima atau berhak untuk menerima sebarang manfaat (selain daripada manfaat yang termasuk di dalam jumlah agregat emolumen yang diterima atau yang bakal diterima oleh para pengarah seperti yang dinyatakan pada penyata kewangan) diatas sebab kontrak yang dibuat oleh syarikat atau syarikat yang berkaitan dengan pengarah atau dengan firma di mana pengarah tersebut merupakan ahli, atau dengan sebuah syarikat di mana pengarah tersebut mempunyai kepentingan kewangan ketara, kecuali seseorang pengarah yang mempunyai kepentingan kewangan yang ketara di dalam syarikat-syarikat kumpulan secara biasa, urusan utama dinyatakan di dalam nota 29 kepada penyata kewangan.

Tiada perancangan yang dilakukan di sepanjang dan di akhir tahun kewangan yang bertujuan untuk membolehkan para pengarah menerima manfaat syarikat atau badan korporat lain.

## Terbitan Saham

Tiada sebarang perubahan pada modal terbitan dan berbayar syarikat pada tahun ini.

## Opsyen Yang Tawarkan Bagi Saham Dan Debentur Yang Belum Diterbitkan.

Tiada opsyen yang telah ditawarkan bagi saham dan debentur syarikat di sepanjang tahun ini.

## Maklumat Berkanun Yang Lain.

Sebelum penyata-penyata kewangan kumpulan dan syarikat disediakan, para pengarah telah mengambil langkah-langkah wajar untuk memastikan bahawa:

- (i) tiada akaun siputang yang dihapusira dan peruntukan untuk hutang ragu tidak diperlukan; dan
- (ii) semua aset semasa telah dinyatakan pada kos dan nilai jualan bersih yang lebih rendah.

Pada tarikh laporan ini, para pengarah tidak menyedari sebarang keadaan:

- (i) yang mungkin menyebabkan pungutan sebarang hutang yang meragukan; atau
- (ii) yang mungkin menyebabkan nilai aset semasa di dalam akaun kumpulan dan syarikat mengelirukan; atau
- (iii) yang telah timbul yang menyebabkan pematuhan kepada kaedah penilaian aset atau tanggungan di dalam akaun Kumpulan dan Syarikat yang sedia mengelirukan atau tidak bersesuaian; atau
- (iv) yang tidak diliputi di dalam laporan atau akaun ini, yang mungkin menyebabkan sebarang jumlah yang dinyatakan didalam akaun Kumpulan dan Syarikat mengelirukan.

Pada tarikh laporan ini tidak wujud:

- (i) sebarang tuntutan ke atas aset Kumpulan dan Syarikat yang timbul sejak akhir tahun kewangan dan yang menjadi sandaran tanggungan pihak lain; atau
- (ii) sebarang tanggungan luar jangka berkaitan dengan Kumpulan dan Syarikat yang telah timbul sejak akhir tahun kewangan.

Tiada tanggungan luarjangka atau tanggungan lain yang telah berkuatkuasa, atau berkemungkinan berkuatkuasa di dalam tempoh duabelas bulan selepas akhir tahun kewangan, yang pada pendapat para pengarah, akan atau mungkin menjejaskan dengan ketara keupayaan Kumpulan dan Syarikat dalam mematuhi kewajipan mereka apabila tiba masanya kelak.

Pada pendapat para pengarah, keputusan operasi Kumpulan dan Syarikat untuk tahun kewangan berakhir 31 Disember 2000 tidak terjejas dengan ketara oleh sebarang perkara urusaniaga atau peristiwa penting dan luarbiasa mahupun sebarang perkara, urusaniaga atau peristiwa yang telah berlaku dalam tempoh di antara akhir tahun kewangan tersebut dan tarikh laporan ini.

## Juruaudit

Juruaudit, Messrs KPMG, telah menyatakan kesediaan mereka untuk menerima perlantikan semula.

Ditandatangani menurut resolusi para pengarah:

**FONG TSHU KWONG @ FONG TSHUN KWONG**

Pengarah

**LAI YEW HOCK**

Pengarah

Miri

Tarikh: 26/2/2001

**PENYATA PARA PENGARAH MENURUT**

**SEKSYEN 169(15) PADA AKTA SYARIKAT 1965**

Kami, Fong Tshu Kwong @ Fong Tshun Kwong dan Lai Yew Hock, selaku dua daripada para pengarah SARAWAK OIL PALMS BERHAD, dengan ini mengaku bahawa, pada pendapat para pengarah, akaun-akaun yang dibentangkan pada muka surat 22 hingga 41 telah disediakan menurut piawaian akaun Malaysia yang disahkan supaya memberi gambaran yang sebenar dan saksama mengenai kedudukan Kumpulan dan Syarikat pada 31 Disember 2000 dan keputusan operasi serta aliran tunai mereka bagi tahun kewangan yang berakhir pada tarikh tersebut.

Ditandatangani menurut resolusi para pengarah:

**FONG TSHU KWONG @ FONG TSHUN KWONG**

Pengarah

**LAI YEW HOCK**

Pengarah

Miri

Tarikh: 26/2/2001

**PENGAKUAN MENURUT**

**SEKSYEN 169(16) PADA AKTA SYARIKAT 1965**

Saya, Wong Hee Kwong, sebagai utama yang bertanggungjawab terhadap pengurusan kewangan SARAWAK OIL PALMS BERHAD, dengan tulus ikhlas mengaku bahawa kunci kira-kira yang disatukan, Kunci Kira-kira dan Akaun Untung Rugi bersama dengan nota-nota yang dibentangkan pada mukasurat 22 hingga 41 adalah, pada pendapat dan kepercayaan saya, betul dan saya mengaku dengan penuh kepercayaan dan kesedaran bahawa ia adalah benar, dan menurut peruntukan Akta Akaun Berkanun, 1960.

Ditandatangani dan diperakui oleh penama di atas  
Wong Hee Kwong at Miri  
di Miri dalam Negeri Sarawak pada 26hb Februari 2001

Di hadapan saya:

**DOMINIC LAI YEW HOCK**

Pesuruhjaya Sumpah  
Lot 273, 2nd Floor  
Jalan Nahkoda Gampar  
98000 Miri, Sarawak

**L A P O R A N   J U R U A U D I T   K E P A D A   A H L I - A H L I**  
**B A G I   T A H U N   B E R A K H I R   3 1   D I S E M B E R   2 0 0 0**

Kami telah mengaudit akaun-akaun kewangan yang dibentangkan pada muka surat 22 hingga 41. Persediaan akaun-akaun tersebut adalah tanggungjawab para pengarah Syarikat. Tanggungjawab kami adalah untuk memberi pendapat berpandukan audit kami terhadap akaun-akaun kewangan tersebut.

Kami telah menjalankan audit kami menurut piawaian yang disahkan untuk pengauditan di Malaysia, Piawaian ini memerlukan kami merancang dan mengaudit untuk mendapatkan kesemua maklumat dan penjelasan, yang kami anggap perlu untuk membekalkan kami dengan bukti untuk memberi keyakinan sewajarnya bahawa akaun-akaun kewangan tersebut bebas daripada kenyataan yang salah. Audit juga termasuk pemeriksaan, secara percubaan, bukti-bukti relevan pada jumlah dan pernyataan di dalam akaun-akaun kewangan. Audit juga termasuk sebuah penilaian terhadap prinsip perakaunan yang digunakan dan jangkaan ketara yang dilakukan oleh para pengarah serta menilai kelengkapan keseluruhan pembentangan maklumat di dalam akaun-akaun kewangan. Kami percaya bahawa audit kami memberikan dasar untuk kami melahirkan pendapat yang sewajarnya.

Pada pendapat kami:

- a) Akaun-akaun kewangan tersebut telah disediakan menurut kehendak Akta Syarikat, 1965 dan piawaian perakaunan yang disahkan di Malaysia supaya memberi gambaran sebenar dan saksama mengenai:
  - i) kedudukan Kumpulan dan Syarikat pada 31 Disember 2000 dan keputusan operasi serta aliran tunai mereka bagi tahun berakhir pada tarikh tersebut; dan
  - ii) perkara-perkara yang diperlukan oleh Seksyen 169 pada Akta Syarikat, 1965 seharusnya dipatuhi di dalam Akaun-akaun Kumpulan dan Syarikat tersebut;dan
- b) perakaunan dan rekod-rekod serta buku-buku rekod yang diperlukan oleh Akta Syarikat, 1965 seharusnya disimpan oleh Syarikat dan anak-anak Syarikatnya telah disimpan dengan sempurna menurut kehendak peruntukan Akta tersebut.

Kami berpuashati dengan penyata kewangan anak-anak syarikat yang telah digabungkan dengan penyata kewangan Syarikat yang telah digabungkan dengan penyata kewangan Syarikat adalah bersesuaian dari segi bentuk dan isi kandungan serta layak untuk tujuan persediaan penyata dan penjelasan yang memuaskan seperti yang kami perlukan untuk tujuan tersebut.

Laporan audit mengenai penyata kewangan anak-anak Syarikat tidak disediakan berdasarkan sebarang kelayakan dan tidak mengandungi sebarang komen yang dibuat di bawah Seksyen 174(3) akta Syarikat, 1965.

KPMG  
No. Firma : AF: 0758  
Akauntan Awam

**CHIN CHEE KONG**  
Rakan Kongsi  
No. Pengesahan : 1481/1/03 (J)

Kuching  
Tarikh: 26 Februari 2001

**SARAWAK OIL PALMS BERHAD**  
**FORM OF PROXY**

i/we \_\_\_\_\_  
of \_\_\_\_\_  
being a member/members of the above Company, hereby appoint \_\_\_\_\_  
\_\_\_\_\_  
of \_\_\_\_\_  
or failing him/her \_\_\_\_\_  
of \_\_\_\_\_

as my/our proxy to vote for me/us and on my/our behalf at the Thirty-third Annual General Meeting of the Company to be held at the Brunei Bay Ballroom 1, Rihga Royal Hotel, Jalan Temengong Datuk Oyong Lawai 98008 Miri, Sarawak on 7th June 2001 at 10.30 am, and at any adjournment thereof. The proxy is to vote on the resolutions set out in the Notice of Annual General Meeting as indicated with an "X" in the appropriate spaces.

Resolution No.	For	Against
1 Adoption of Accounts and Reports of Directors and Auditors.		
2 Declaration of Final Dividend.		
3. Approval of Directors' fees.		
4. Re-election of retiring directors:- Datu Haji Hamzah Haji Drahman Gary Tan Yow Hoo Gerald Rentap Jabu Ling Chiong Ho Polit Bin Hamzah Tang Tiong Ing		
5 Re-appointment of Auditors		

(Please indicate with an "X" in the appropriate box against each Resolution how you wish your proxy to vote. If no instruction is given this form will be taken to authorise the proxy to vote at his/her discretion.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2001

\_\_\_\_\_  
Signature and/or Common Seal of Shareholder

Number of shares held

Notes -

- 1) A member of the Company entitled to attend and vote at the 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.
- 2) In the case of a corporate member, the instrument appointing a proxy shall be under its Common Seal or under the hand of its attorney.
- 3) Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- 4.) The Form of Proxy must be deposited at either of the following offices not less than forty eight (48) hours before the time appointed for holding the meeting:
  - a) The Office of the Share Registrars, Signet Share Registration Services Sdn. Bhd. at 11th Floor - Tower Block, Kompleks Antarabangsa, Jalan Sultan Ismail, 50250 Kuala Lumpur.
  - b) The Registered Office of the company at 41 Km, Miri-Bintulu Road, 98000 Miri, Sarawak.