advance synergy berhad annual report / *laporan tahunan* 2004





advance synergy berhad (Company No / No. Syarikat: 1225-D)

Level 3, Wisma ASCAP - QBC, No. 72, Pesiaran Jubli Perak, Seksyen 22, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia.



Contents / Kandungan



Logo Rationale

This logo, circular in shape, comprises symbols which represent the fire, water, and earth elements in constant interaction. The interaction of these elements releases free flowing energy which produces the TREE, a symbol of all life on earth. Situated at the centre of the logo, the TREE represents the focus of the company goal which is the creation of wealth benefiting shareholders and society at large. The logo holistically, symbolises synergistic energy in motion.

Rasional Logo

Logo ini, yang berbentuk bulat, mengandungi simbol-simbol yang mewakili api, air dan elemen-elemen bumi yang berinteraksi secara kostan. Interaksi elemen-elemen ini menjana tenaga yang mengalir bebas. Tenaga ini menghasilkan POKOK, simbol bagi semua hidupan di bumi. Kedudukan POKOK ini, di tengah logo, mewakili fokus matlamat syarikat, iaitu penciptaan kekayaan yang memberi manfaat kepada para pemegang saham dan masyarakat keseluruhannya. Secara holistik, logo ini melambangkan tenaga sinergestik yang sedang bergerak.

Group Corporate Structure as at 3 May 2005 Struktur Korporat Kumpulan pada 3 Mei 2005	2
Notice of Annual General Meeting Notis Mesyuarat Agung Tahunan	4 30
Statement Accompanying Notice of Annual General Meeting Penyata Bersama Notis Mesyuarat Agung Tahunan	5 31
Board of Directors & Corporate Information Ahli Lembaga Pengarah & Maklumat Korporat	6 32
Management Information Maklumat Pengurusan	9 35
Statement on Corporate Governance Penyata Mengenai Urus Tadbir Korporat	10 36
Additional Compliance Information Maklumat Pematuhan Tambahan	14 40
Audit Committee Report Laporan Jawatankuasa Audit	16 42
Statement of Internal Control Penyata Kawalan Dalaman	19 45
Chairman's Statement Catatan Pengerusi	21 47
Financial StatementDirectors' Report	57 58
Statement by Directors	62
Statutory Declaration	62
Report of The Auditors to the Members of Advance Synergy Berhad	63
Income Statements	64
Balance Sheets	65
Statements of Changes in Equity	67
Cash Flow Statements	68
Notes to the Financial Statements	69
Statistics on Stockholdings Statistik Pemegangan Stok	130
Statistics on Warrantholding Statistik Pemegangan Waran	132
Statement on Directors' Interests Penyata Kepentingan Para Pengarah	134
List of Properties Senarai Hartanah	135
Proxy Form Borana Proksi	Enclosed Dilampirkan

Group Corporate Structure as at 3 May 2005 / Struktur Korporat Kumpulan pada 3 Mei 2005

Advance Synergy Berhad (1225-D)



(2



Motice Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the **Eighty-First ANNUAL GENERAL MEETING** of the Company will be held at Classics Ballroom 1, Level 3, Holiday Villa Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 28 June 2005 at 2.30 p.m. for the following purposes:-

1.	To receive and adopt the audited financial statements for the financial year ended 31 December 2004 and the Directors' and Auditors' reports thereon.	Resolution 1
2.	To approve Directors' fees for the financial year ended 31 December 2004.	Resolution 2
3.	To re-elect the following Directors:- 3.1 Aznan Bin Haji Ismail 3.2 Datin Masri Khaw Binti Abdullah	Resolution 3 Resolution 4
4.	To re-appoint Messrs BDO Binder as Auditors of the Company and to authorise the Directors to fix their remuneration.	Resolution 5
5.	As special business, to consider and, if thought fit, pass the following Ordinary Resolution:-	

Resolution 6

Authority to allot and issue shares

"THAT subject always to the approvals of the relevant authorities, the Directors be and are hereby authorised, pursuant to Section 132D of the Companies Act, 1965 to issue new shares in the Company, from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and upon allotment of such shares to convert the same into new stock units of RM1.00 each AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

6. To transact any other ordinary business of which due notice shall have been given.

BY ORDER OF THE BOARD

HO TSAE FENG

Secretary

4

Selangor Darul Ehsan 3 June 2005

Note:-

- (1) A member of the Company entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
- (2) A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 may appoint one (1) proxy in respect of each securities account it holds with stock units of the Company standing to the credit of the said securities account.
- (3) The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney duly authorised and in the case of a corporation, the instrument appointing a proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
- (4) The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 3, Wisma ASCAP QBC, No. 72, Pesiaran Jubli Perak, Seksyen 22, 40000 Shah Alam, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof.

EXPLANATORY NOTE ON SPECIAL BUSINESS

Resolution 6 - Authority to allot and issue shares

The Ordinary Resolution pursuant to Section 132D of the Companies Act, 1965, if passed, will empower the Directors, from the date of the above General Meeting until the next Annual General Meeting to allot and issue new shares of the Company and to convert the same into new stock units in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for the time being and for such purposes as the Directors consider would be in the best interests of the Company. This would avoid any delay and cost involved in convening a general meeting to specifically approve the aforesaid. This authority, unless revoked or varied at a general meeting will expire at the next Annual General Meeting of the Company.

(A proxy form is attached with this report and financial statements.)

Statement Accompanying Notice of Annual General Meeting

Directors standing for re-election at the Eighty-First Annual General Meeting of Advance Synergy Berhad

Aznan Bin Haji Ismail Datin Masri Khaw Binti Abdullah

Details of attendance of Directors at Board Meetings

Four (4) Board Meetings were held during the financial year ended 31 December 2004. Details of attendance of Directors at the Board Meetings are as follows:-

Name of Directors	No. of Meetings		
	Held	Attended	
Dato' Ahmad Sebi Bakar	4	4	
Aznan Bin Haji Ismail	4	2	
Wong Ah Nam @ Wong Joon Tuang	4	4	
Datin Masri Khaw Binti Abdullah	4	3	
Chim Wai Khuan	4	4	
Sng Ngiap Koon	4	4	

Place, Date and Time of the Eighty-First Annual General Meeting

The Eighty-First Annual General Meeting of the Company will be held at Classics Ballroom 1, Level 3, Holiday Villa Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 28 June 2005 at 2.30 p.m.

Details of Directors who are standing for re-election

The securities holdings of the Directors standing for re-election in the Company and its subsidiaries are disclosed in the Statement on Directors' Interests on page 134 of this Annual Report and other details of Directors standing for re-election are disclosed in Directors' profile on page 7 to 8 of this Annual Report.

Board Board of Directors & Corporate Information



6

Dato' Ahmad Sebi Bakar Executive Chairman



Sng Ngiap Koon Executive Director

BOARD OF DIRECTORS

Dato' Ahmad Sebi Bakar Sng Ngiap Koon Aznan bin Haji Ismail Wong Ah Nam @ Wong Joon Tuang Datin Masri Khaw binti Abdullah Chim Wai Khuan

SECRETARY Ho Tsae Feng

AUDITORS

BDO Binder Public Accountants 12th Floor, Menara Uni. Asia 1008, Jalan Sultan Ismail 50250 Kuala Lumpur Tel: 03-2616 2888 Fax: 03-2616 3190

REGISTRARS

Sectrars Services Sdn. Bhd. No. 28-1, Jalan Tun Sambathan 3 Brickfields, 50470 Kuala Lumpur Tel: 03-2274 6133 Fax: 03-2274 1016

REGISTERED OFFICE

Level 3, Wisma ASCAP - QBC No. 72, Pesiaran Jubli Perak Seksyen 22, 40000 Shah Alam Selangor Darul Ehsan Tel: 03-5192 8822 Fax: 03-5192 8811

PRINCIPAL BANKERS Southern Bank Berhad Affin Bank Berhad

SOLICITORS Shearn Delamore & Co. Jin & Co.



Aznan bin Haji Ismail Independent Non-Executive Director



Datin Masri Khaw binti Abdullah Non-Independent Non-Executive Director



Wong Ah Nam @ Wong Joon Tuang Independent Non-Executive Director



Chim Wai Khuan Independent Non-Executive Director



Dato' Ahmad Sebi Bakar, 57, a Malaysian, is a Non-Independent Director and the Executive Chairman of Advance Synergy Berhad. He was appointed to the Board on 9 April 1991. Dato' Ahmad Sebi Bakar holds a Bachelor of Arts (Hons) degree from the University of Malaya, Kuala Lumpur, a Diploma in Journalism from the Thomson Foundation, United Kingdom and a Master of Arts from Michigan State University, United States of America. He was the Editor of the Malay Mail, a member of the New Straits Times Press Group from 1976 to 1982 and subsequently the Group Editor of Berita Harian from 1983 to 1986. From 1986 to 1989, he was the Managing Director of Sistem Televisyen Malaysia Bhd and a director of the New Straits Times Press Group from 1988 to 1989.

He was conferred the Ahli Mangku Negara (A.M.N.) by the Yang Di-Pertuan Agong, DYMM Tuanku Haji Ahmad Shah Al-Mustain Billah Ibni Almarhum Sultan Abu Bakar in 1983, the Justice of Peace (J.P.) by DYMM Sultan Azlan Muhibbuddin Shah Ibni Almarhum Sultan Yusoff Izzuddin Shah Ghafarullah, Sultan of Perak, in 1986 and the Dato' Setia Diraja Kedah (D.S.D.K.) by DYMM Tuanku Alhaj Abdul Halim Mu'adzam Shah Ibni Almarhum Sultan Badlishah, Sultan of Kedah, in 1988.

Currently, he sits on the Boards of public listed companies in Malaysia namely, Advance Synergy Capital Berhad, in which he holds the position as Chairman and Kumpulan Powernet Berhad, in which he holds both the positions as Executive Chairman and Managing Director. He is also the Non-Executive Chairman of Unified Communications Holdings Limited, an indirect subsidiary of Advance Synergy Berhad and is listed on the Singapore Exchange Securities Trading Limited, as well as a director of Alangka-Suka Hotels & Resorts Berhad, a non-listed public company which is a subsidiary of Advance Synergy Berhad. He is also actively involved in social and charitable work and is the Chairman of several non-profit organisations, namely, the privately funded Orphanage Foundation of Malaysia (YATIM) and in the past the Bosnia Action Front, Malaysia. He is also the President of the Malaysian National Writers Association (PENA) since 1992.

Dato' Ahmad Sebi Bakar does not have any family relationship with any director and/or major stockholder of Advance Synergy Berhad, nor has he any conflict of interest with Advance Synergy Berhad, except that he is also the substantial stockholder of Advance Synergy Berhad. He has had no convictions for any offences within the past 10 years.

Sng Ngiap Koon, 57, a Malaysian, is an Executive Director of Advance Synergy Berhad. He was appointed to the Board on 28 October 2003. Mr Sng Ngiap Koon is an Associate Member of the Institute of Chartered Accountants in England and Wales. Prior to 1984, he was working in London, England. Between 1984 to 1985, he was the Group Accountant of Innovest Berhad. He joined Advance Synergy Berhad in 1986 as the Group Accountant. In 1987, he was appointed the Group Financial Controller of Advance Synergy Berhad and assumed an additional position as Company Secretary in 1989. Prior to his appointment as the Executive Director of Advance Synergy Berhad, he held the positions of Senior Group General Manager and Company Secretary. He was also a Director of Advance Synergy Berhad from 1988 until early 1991.

Mr Sng Ngiap Koon currently sits on the Board of various subsidiaries of Advance Synergy Berhad including Alangka-Suka Hotels & Resorts Berhad and Cherating Holiday Villa Berhad, which are non-listed public companies.

Mr Sng Ngiap Koon is a member of the Audit Committee of Advance Synergy Berhad.

He does not have any family relationship with any director and/or major stockholder of Advance Synergy Berhad, nor has he any conflict of interest with Advance Synergy Berhad. He has had no convictions for any offences within the past 10 years.

Aznan Bin Haji Ismail, 58, a Malaysian, is an Independent Non-Executive Director of Advance Synergy Berhad. He was appointed to the Board on 25 May 1988. He was educated at the Royal Military College in Sungei Besi and is an Associate of the Institute of Bankers, Malaysia. After leaving General Electric Company in 1971, Encik Aznan Bin Haji Ismail started his own private contracting business. In 1982, he was appointed as the coordinator for the Land Rehabilitation Project in the Prime Minister's Department. He was also a Director of Kampung Lanjut Tin Dredging Berhad and Sim Lim Holding from 1988 to early 1991.

Encik Aznan Bin Haji Ismail is the Chairman of the Remuneration Committee of Advance Synergy Berhad.

He does not have any family relationship with any director and/or major stockholder of Advance Synergy Berhad, nor has he any conflict of interest with Advance Synergy Berhad. He has had no convictions for any offences within the past 10 years.



8

Datin Masri Khaw Binti Abdullah, 52, a Malaysian, is a Non-Independent Non-Executive Director of Advance Synergy Berhad. She was appointed to the Board on 6 January 1995. Datin Masri Khaw Binti Abdullah was one of the first Asians to complete the General Manager's Programme at the Holiday Inn University in Memphis, USA in 1976. In 1982, she completed a summer course on Hotel Development & Design at Cornell University, USA and had undergone Hotel training in Singapore and Canada. She was awarded the Best Marketing Person of the Year for Holiday Inn Hotels Asia Pacific in 1985. Datin Masri Khaw Binti Abdullah played a key role when Antara Holiday Villas Sdn Bhd won a special award for Quality Management in the Industry Excellence Award 1997 organised by the Ministry of International Trade and Industry. She received the prestigious award from the former Prime Minister Tun Dr. Mahathir Mohamad on 18 December 1997. Her experience in the hotel industry dates back to 1969 and she has since contributed significantly to the development of new hotels. She initiated the Holiday Villa chain in 1987 with the opening of Holiday Villa Cherating.

She is presently the Executive Director and Chief Executive Officer of Antara Holiday Villas Sdn Bhd and Holiday Villas International Limited, subsidiaries of Advance Synergy Berhad. She also sits on the Board of other subsidiaries of Advance Synergy Berhad, including Mayor Hotels Berhad, a non-listed public company.

Datin Masri Khaw Binti Abdullah is a member of the Remuneration Committee and Nomination Committee of Advance Synergy Berhad.

She does not have any family relationship with any director and/or major stockholder of Advance Synergy Berhad, nor has she any conflict of interest with Advance Synergy Berhad. She has had no convictions for any offences within the past 10 years.

Wong Ah Nam @ Wong Joon Tuang, 59, a Malaysian, is an Independent Non-Executive Director of Advance Synergy Berhad. He was appointed to the Board on 10 January 1994. Mr Wong Joon Tuang obtained his Bachelor in Science degree from Malaya University. He was a Business Consultant with Hak Niaga Sdn Bhd and has been in the profession since 1985. He was the Marketing Director of EMC (M) Sdn Bhd from 1980 to 1984 and Area Manager of General Electric Co. (M) Sdn Bhd from 1976 to 1980. He was with Matsushita Sales & Services Sdn Bhd as Product Manager from 1974 to 1975. Prior to 1974, he held the position of Marketing Executive of Matsushita Elektrik Co (M) Bhd and had worked for Ames Laboratory (Australia) Pte Ltd.

Mr Wong Joon Tuang is the Chairman of the Audit Committee and a member of the Nomination Committee of Advance Synergy Berhad.

He does not have any family relationship with any director and/or major stockholder of Advance Synergy Berhad, nor has he any conflict of interest with Advance Synergy Berhad. He has had no convictions for any offences within the past 10 years.

Chim Wai Khuan, 54, a Malaysian, is an Independent Non-Executive Director of Advance Synergy Berhad. He was appointed to the Board on 12 December 2001. Mr Chim Wai Khuan is a member of the Malaysian Institute of Accountants. He has vast experience in auditing, taxation and management consultancy services while he was attached to several accounting firms in Malaysia and the United Kingdom from 1974 to 1985. Currently, he manages his own practice under the name WKC & Co., an audit firm.

He is also an independent non-executive director of Advance Synergy Capital Berhad, Ganad Corporation Berhad and United U-Li Corporation Berhad.

Mr Chim Wai Khuan is the Chairman of the Nomination Committee as well as a member of the Audit Committee and Remuneration Committee of Advance Synergy Berhad.

He does not have any family relationship with any director and/or major stockholder of Advance Synergy Berhad, nor has he any conflict of interest with Advance Synergy Berhad. He has had no convictions for any offences within the past 10 years.

Man Management Information ation

CORPORATE OFFICE

Dato' Ahmad Sebi Bakar Executive Chairman

Sng Ngiap Koon Executive Director

Lee Su Nie Chief Executive Officer

Gary Chan Kian Heoi General Manager Corporate Services

Anton Syazi Dato' Ahmad Sebi Assistant General Manager Business Development

Agnes Cheah Ping Huey Assistant General Manager Business Development - Travel & Tours

James Wong Jee Mun Manager Finance

Ho Tsae Feng Manager Secretarial

Zuhaida Zainuddin Manager Internal Audit

Advance Synergy Berhad Group

HEADS OF KEY GROUP DIVISIONS

FINANCIAL SERVICES AND TRANSPORTATION

Advance Synergy Capital Berhad Wong Joon Hian Managing Director

HOTELS AND RESORTS

Alangka-Suka Hotels & Resorts Berhad Datin Masri Khaw binti Abdullah Chief Executive Officer

CARD AND PAYMENT SERVICES

iSynergy Sdn Bhd Ng King Kau Managing Director

MANUFACTURING

Advansa Pty Ltd Anton Syazi Dato' Ahmad Sebi Executive Director

PROPERTY DEVELOPMENT

Advance Synergy Realty Sdn Bhd Jee Chun Fah General Manager

Sadong Development Sdn Bhd Liew Chaw Thai Manager

TRAVEL AND TOURS

Orient Escape Travel Sdn Bhd Agnes Cheah Ping Huey General Manager

INFORMATION & COMMUNICATIONS TECHNOLOGY

Unified Communications Holdings Limited Wong Tze Leng Chief Executive Officer

State Statement on Corporate Governance

The Board of Directors fully subscribes to the recommendations of the Malaysian Code on Corporate Governance ("the Code") and is committed in ensuring that the Company and its subsidiaries ("the Group") practises the highest standard of Corporate Governance as a fundamental part of discharging its responsibilities to protect and enhance long-term stockholder value and the financial performance of the Group.

The disclosure statement describes the manner in which the Group has applied the Code's Principles and the extent of compliance with the Best Practices advocated therein.

BOARD OF DIRECTORS

10

The direction and control of the Group rest firmly with the Board as it effectively assumes the overall responsibility for corporate governance, strategic direction, formulation of policies and overseeing the investments and operations of the Group.

The Board meets at least four (4) times a year, with additional meetings convened as necessary. During the financial year ended 31 December 2004, four (4) meetings were held. Details of attendance of each Director at Board Meetings held during the financial year are set out in the Statement Accompanying Notice of Annual General Meeting on page 5 of this Annual Report.

The Board of Directors has established three standing committees : an Audit Committee, a Nomination Committee and a Remuneration Committee, the details of which are set out in this Statement and Annual Report. These Committees have the authority to examine particular issues and report back to the Board with their recommendations. The ultimate responsibility for decisions on all matters, however, lies with the Board.

BOARD BALANCE

The Board currently consists of an Executive Chairman, an Executive Director and four (4) Non-Executive Directors, three (3) of whom are independent. The current Directors bring a wide range of business and financial experience, skills and knowledge necessary for the effective stewardship of the Group. Profiles of the Directors are set out on pages 7 to 8 of this Annual Report.

The Executive Chairman is entrusted with the task of running the business of the Group and implementation of the policies and strategies adopted by the Board.

The presence of three (3) Independent Non-Executive Directors representing 50% of the total number of Directors fulfil a pivotal role in ensuring that there is balance of power and authority. Although all the Directors have an equal responsibility for the Group's operations, the role of these Independent Non-Executive Directors is particularly important in ensuring that the strategies proposed by the executive management are fully deliberated upon, and take into account the long term interests of the shareholders, employees, customers, suppliers and the many communities in which the Group conduct its business. Together, their representation on the Board fairly reflect the investment of the minority stockholders of the Company and in addition carry sufficient weight for decision making.

SUPPLY OF INFORMATION

Each Director has unrestricted access to senior management, all information within the Company and is entitled to the advice and services of the Company Secretary. The Directors whether as full Board or in their individual capacity, may in furtherance of their duties, take independent professional advice at the Company's expense, if required.

Prior to Board meetings, the Agenda for each meeting together with reports and papers containing information relevant to the business of the meetings (including information on major financial, operational and corporate matters as well as activities and performance of the Group and minutes of Committees of the Board and Board meetings) are circulated to the Board members to provide time for the Board members to read and contemplate the issues. During Board meetings, management provides further details on each issue raised for discussion or as supplementary information.

APPOINTMENTS TO THE BOARD

With the establishment of the Nomination Committee, a formal procedure is in place for the appointment of new Directors to the Board. Candidates for directorship will be identified and recommended to the Board by the Committee.

Nomination Committee

The Nomination Committee consists of three (3) Non-Executive Directors. Members of the Nomination Committee are:-

• Chim Wai Khuan	(Chairman, Independent Non-Executive Director)
 Wong Ah Nam @ Wong Joon Tuang 	(Member, Independent Non-Executive Director)
 Datin Masri Khaw Binti Abdullah 	(Member, Non-Independent Non-Executive Director)

The Nomination Committee is responsible for making recommendations on any nomination to the Board and to Committees of the Board. In making these recommendations, due consideration is given to the required mix of skills and experience that the proposed directors should bring to the Board and to the respective Board Committees. The actual decision as to who shall be nominated is the responsibility of the full Board after considering the Nomination Committee's recommendations.

The Nomination Committee will also assess annually, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director. The Board, through the Nomination Committee, reviews annually its required mix of skills and experience and other qualities, including core competencies, which Non-Executive Directors should bring to the Board.

The Nomination Committee shall meet once a year and additional meetings can be scheduled if the Chairman of the Committee considers necessary.

All Directors have attended the Mandatory Accreditation Programme as required under the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Directors will also undergo relevant training programmes as a continuing effort to train and equip themselves to effectively discharge their duties and the Board shall evaluate and determine the training needs of its directors on continuous basis pursuant to the Listing Requirements of Bursa Securities.

RE-ELECTION

In accordance with the Company's Articles of Association, one-third (1/3) of the Directors retire from office at each Annual General Meeting but shall be eligible for re-election. Directors who are appointed by the Board during each financial year are subject to election by stockholders at the first Annual General Meeting following their appointments. The Articles of Association of the Company provide that all Directors shall submit themselves for re-election at least once every three (3) years.

DIRECTORS' REMUNERATION

The remuneration for all Directors are determined at levels so as to ensure that the Company attracts and retains the right calibre of Directors needed to run the Group successfully. The Remuneration Committee reviews and recommends to the Board, the Company's remuneration policy for Executive Directors to ensure that they are appropriately rewarded for their contribution to the Group.

The determination of the remuneration of the Non-Executive Directors is a matter for the Board as a whole.

No Director shall take part in decisions pertaining to his or her own remuneration.

Remuneration Committee

The Remuneration Committee consists of three (3) Non-Executive Directors. Members of the Remuneration Committee are:-

- Aznan Bin Haji Ismail
 (Chairman, Independent Non-Executive Director)
- Chim Wai Khuan
 (Member, Independent Non-Executive Director)
- Datin Masri Khaw Binti Abdullah
 (Member, Non-Independent Non-Executive Director)

The Remuneration Committee shall meet at least once a year and additional meetings can be scheduled if the Chairman of the Committee considers necessary.

Details of the aggregate remuneration for the Directors of the Company (including remuneration earned as Executive Directors of subsidiaries) for the year ended 31 December 2004 are as follows:-

1. Aggregate remuneration of Directors categorised into appropriate components:-

Category of Director	Fees RM'000	Salaries & Bonus RM'000	Benefits-in-kind RM'000	Total RM′000
Executive Directors	276	813	72	1,161
Non-Executive Directors	445	157	10	612

2. Range of Aggregate Remuneration:-

	Number of Directors		
	Executive	Non-Executive	
Below 50,000	-	2	
50,001 - 100,000	-	1	
400,001 - 450,000	1	-	
450,001 - 500,000	-	1	
700,001 - 750,000	1	-	

STOCKHOLDERS

The Board acknowledges the importance of establishing a direct line of communication with stockholders and investors through timely dissemination of information on the Group's performance and operations via distribution of annual reports and relevant circulars, release of quarterly financial results, press releases and announcements.

The Annual General Meeting ("AGM") is the principal forum for dialogue with stockholders. There is an open question and answer session in which stockholders may pose questions regarding the resolutions being proposed at the meeting and also on matters relating to the Group's businesses and affairs. The Board members are in attendance to provide explanations to all stockholders' queries and stockholders are encouraged to participate in discussions and to give their views to the Directors.

To enhance the quality and value of the AGM, the Board ensures that, for re-election of Directors, the Notice of AGM identifies the Directors standing for re-election or election with a brief description to include matters such as age, relevant experience, list of directorships, date of appointment to the Board, details of participation in Board Committees and whether the particular Director is independent. In addition, each item of special business included in the notice of AGM will be accompanied by a full explanation of the effects of a proposed resolution.

It is also the practice of the Board to hold a press conference with journalists upon request after an AGM.

FINANCIAL REPORTING

In presenting the annual financial statements and quarterly announcement of results, the Board aims to present a balanced and understandable assessment of the Group's position and prospects. This also applies to other price-sensitive public reports and reports to regulators. The Audit Committee assists the Board in scrutinizing such reports to ensure accuracy and adequacy.

Statement on Directors' Responsibility for Preparing Financial Statements

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which have been made out in accordance with applicable approved accounting standards and give a true and fair view of the state of affairs of the Group and Company at the end of the financial year and of the results and cash flows of the Group and the Company for the financial year.

In preparing the financial statements, the Directors have:-

- · Selected suitable accounting policies and applied them consistently;
- · Made judgments and estimates that are reasonable and prudent;
- · Ensured that all applicable accounting standards have been followed; and
- Prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors have the responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Group and Company and which enables them to ensure the financial statements comply with the Companies Act, 1965.

The Directors have overall responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

INTERNAL CONTROL

The Board acknowledges its overall responsibility for maintaining a sound system of internal control to safeguard stockholders' investments, the Company's assets, and the need to review the adequacy and integrity of those systems regularly. In establishing and reviewing the system of internal control, the Directors recognise that the system of internal control can only provide reasonable but not absolute assurance against the risk of material misstatement or loss. The effectiveness of the Group's system of internal controls is reviewed periodically by the Audit Committee and such review covers the financial, operational and compliance controls as well as risk management.

The Statement on Internal Controls as set out on pages 19 to 20 of this Annual Report provides an overview of the state of internal control within the Group.

RELATIONSHIP WITH AUDITORS

Through the Audit Committee of the Board, the Company has established a transparent and appropriate relationship with the Company's auditors. The external auditors are invited to attend Audit Committee Meetings at least once a year to discuss the nature and scope of the audit and problems and reservations arising from the final audit.

This statement is made in accordance with a resolution of the Board of Directors dated 28 April 2005.

Additional Compliance Information mation

1. UTILISATION OF PROCEEDS

14

Unified Communications Holdings Limited ("UCHL"), a 58.3%-owned subsidiary of Worldwide Matrix Sdn Bhd ("WMSB") which in turn is a wholly-owned subsidiary of the Company was listed on the Singapore Exchange Securities Trading Limited on 19 February 2004. In conjunction with this listing exercise, WMSB had raised gross proceeds of approximately RM6.5 million from the offer for sale of its UCHL shares whilst the total net proceeds raised by UCHL from the public issue of its shares amounted to approximately SGD9.3 million. WMSB has since fully utilised the proceeds which were raised for the purposes as set out in the Company's Circular to Stockholders dated 27 October 2003. As for UCHL, a total of SGD8.8 million have been utilised todate for the purposes as set out in UCHL's prospectus dated 10 February 2004.

2. SHARE BUY-BACK

During the financial year ended 31 December 2004, the Company's subsidiary, Advance Synergy Capital Berhad ("ASC") repurchased a total of 1,170,300 units of its own shares for a total consideration of RM722,122 from the open market. All the shares bought back were retained as treasury shares as at 31 December 2004.

The details of the share buy-back carried out by ASC are set out in the 2004 Annual Report of ASC.

3. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

On 1 May 2000, the Company had issued RM185,874,269 nominal value of 7% Redeemable Loan Stocks 2000/2005 ("RLS") and RM183,460,787 nominal value of 7% Convertible Loan Stocks 2000/2005 ("CLS") together with 168,896,809 detachable warrants.

The 168,896,809 warrants were issued on 29 August 2000. The original expiry date of 28 August 2003 of these warrants was extended to 28 August 2008. Thereafter, there is an option to extend the duration and exercise period for a further two (2) years expiring on 28 August 2010. Details of the aforesaid extension are as disclosed in Note 27(a) of the financial statements. As at 31 December 2004, none of these warrants have been exercised.

The Company had during the financial year ended 31 December 2004 redeemed a total of RM18,697,768 equivalent nominal value of RLS out of the balance of RM93,676,321 in issue.

The Company has not issued any options, warrants or convertible securities during the financial year ended 31 December 2004.

4. NON-AUDIT FEES PAID TO EXTERNAL AUDITORS

Non-statutory audit fees paid to the external auditors, BDO Binder, by the Company and by the Group for the financial year ended 31 December 2004 amounted to RM3,000 and RM3,000 respectively.

5. MATERIAL CONTRACTS INVOLVING DIRECTORS AND MAJOR STOCKHOLDERS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major stockholders' interests, either still subsisting at the end of the financial year ended 31 December 2004 or entered into since the end of the previous financial year.

6. REVALUATION POLICY ON LANDED PROPERTIES

The revaluation policy of the Group on landed properties is as disclosed in Note 5.4 to the financial statements.

7. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

At an Extraordinary General Meeting held on 29 June 2004, the Company had obtained a stockholders' mandate to allow the Group to enter into recurrent related party transactions of a revenue or trading nature.

In accordance with Paragraph 10.09(1)(b), Part E, Chapter 10 of the Listing Requirements of Bursa Securities, the details of the recurrent related party transactions conducted during the financial year ended 31 December 2004 pursuant to the stockholders' mandate were as follows:-

Nature of transaction	Vendor / Provider	Purchaser / Recipient	Aggregate value of recurrent transactions (RM'000)	Nature of relationship with Advance Synergy Berhad ("ASB") – interested directors, major stockholders and persons connected
Rental of office premise located at B-16-8 Megan Phileo Avenue, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur, covering an area of 3,708 sq. ft.	ASH Holdings Sdn Bhd ("ASH")	Antara Holiday Villas Sdn Bhd ("Antara")	98	Datin Masri Khaw Binti Abdullah is a director of ASB and Antara, a wholly-owned subsidiary company of Alangka-Suka Hotels & Resorts Berhad ("ASHR") (a 99.63%-owned subsidiary company of ASB). She holds 0.25% interest in ASHR and 50% interest in ASH.
Royalties for Cash-In Rebate Card	Interpay International Franchising Ltd ("IIF")	Rewardstreet.com (Malaysia) Sdn Bhd ("Rewardstreet")	-	Rewardstreet is a wholly-owned subsidiary company of iSynergy Sdn Bhd ("iSynergy"). Both IIF and Interpay International Resources Ltd, a major shareholder of iSynergy, are wholly-owned subsidiary companies of Interpay International Group Ltd ("IIG"). Benny Lee Shing Bun, a director of iSynergy, holds 35% interest in IIG. He has no interest in ASB.
Requisition of technical support	Interpay International Associates Ltd ("IIA")	iSynergy	-	Both IIA and Interpay International Resources Ltd, a major shareholder of iSynergy, are wholly-owned subsidiary companies of IIG. Benny Lee Shing Bun, a director of iSynergy, holds 35% interest in IIG. He has no interest in ASB.
Requisition of medical charge cards with insurance features known as "Alpha Medi-Charge Card" for employees	iSynergy	ASB	29	Dato' Ahmad Sebi Bakar is the Executive Chairman as well as a major stockholder of ASB. He is also a director of iSynergy. iSynergy is an immediate 51%-owned subsidiary company of ASB.
Provision of equity research services	Strategic Research & Consultancy Sdn Bhd ("SRC")	SJ Securities Sdn Bhd ("SJ")	260	SRC is a wholly-owned subsidiary of ASB where Dato' Ahmad Sebi Bakar is the Director and major stockholder. He is also a Director of SJ holding 40% deemed interest.



MEMBERSHIP AND ATTENDANCE

16

The members of the Audit Committee during the financial year ended 31 December 2004 and details of attendance of each member at the five (5) meetings held during the year are as follows:-

Name	No. of Meetings		
Name	Held	Attended	
Wong Ah Nam @ Wong Joon Tuang Chairman / Independent Non-Executive Director	5	5	
Chim Wai Khuan Member / Independent Non-Executive Director	5	5	
Sng Ngiap Koon Member / Executive Director	5	5	

ACTIVITIES

The Audit Committee carried out its duties as set out in the terms of reference for activities related to the year 2004.

INTERNAL AUDIT FUNCTION

The Board, with the assistance of the Audit Committee, is actively monitoring the risk management and internal controls of the Group.

The Audit Committee has adopted a top down, risk based approach to the implementation and monitoring of internal controls of the Group. This was achieved via the critical and in depth review and deliberation of the management reports and relevant issues presented during the regular Audit Committee meetings held. This top down, risk based approach will enable the Audit Committee to identify any major breakdown in the risk management and internal controls of the Group and to take necessary steps to address the issues.

The Audit Committee endorses the importance of the internal audit function to assist in maintaining a sound system of internal control to safeguard stockholders' investment. The Internal Audit Department is responsible for undertaking regular and systematic reviews of the system of controls and reports directly and independently to the Audit Committee.

During the financial year, the Internal Audit Department had carried out various operational, system and risk assessment reviews in accordance with the Internal Audit Plan approved by the Audit Committee. Follow-up audits have also been performed by the Internal Audit Department to ensure that audit recommendations and corrective action plans have been implemented accordingly.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

OBJECTIVE

The Audit Committee assists the Board in fulfilling its responsibility for overseeing and ensuring the quality and integrity of the accounting, auditing, internal control, and financial reporting practices of the Group and the Company.

MEMBERSHIP

The Audit Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than three (3) members, a majority of whom shall be Independent Directors. No alternate director shall be appointed as a member of the Audit Committee.

At least one (1) member of the Audit Committee:-

- (i) Must be a member of the Malaysian Institute of Accountants; or
- (ii) If he/she is not a member of the Malaysian Institute of Accountants, he/she must have at least three (3) years working experience and:-
 - (a) He/she must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967;
 - (b) He/she must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
 - (c) Fulfils such other requirements as prescribed by Bursa Securities.

The members of the Audit Committee shall elect a Chairman from among their number who shall be an Independent Director.

The appointment of an Audit Committee member terminates when the member ceases to be a Director.

MEETINGS

A quorum shall be two (2) members present, both of whom must be Independent Directors.

The Audit Committee shall meet at least four (4) times a year, or more frequently as the Audit Committee considers necessary.

The Chief Financial Officer, Internal Audit Manager and a representative of the external auditors shall normally be invited to attend the meetings. Other Board members may attend meetings upon the invitation of the Audit Committee. The Secretary to the Audit Committee shall be the Company Secretary.

MINUTES

The Secretary of the Audit Committee will prepare the minutes, which shall be signed by the Chairman of the meeting and distributed to each member of the Audit Committee and of the Board. The Chairman of the Audit Committee shall report on each meeting to the Board.

AUTHORITY

The Audit Committee is authorised by the Board:-

- (i) To investigate any activity within its terms of reference;
- (ii) To have the resources required to perform its duties;
- (iii) To have full and unrestricted access to any information pertaining to the Company and the Group;
- (iv) To have direct communication channels with the internal and external auditors;
- (v) To obtain external legal or other independent advice as necessary; and
- (vi) To convene meetings with the external auditors, excluding the attendance of executive members of the Group, whenever deemed necessary.

FUNCTIONS AND DUTIES

The functions and duties of the Audit Committee shall be:-

- (i) To review the following and report the same to the Board of Directors:-
 - (a) with the external auditor, the audit plan;
 - (b) with the external auditor, his evaluation of the system of internal controls;
 - (c) with the external auditor, his audit report;
 - (d) the assistance given by the employees of the Company and the Group to the external auditor;
 - (e) the adequacy of the scope, functions and resources of the internal audit functions and that it has the necessary authority to carry out its work;
 - (f) the internal audit programme, processes, the results of the internal audit programme, processes or investigations undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - (g) the quarterly results and year end financial statements prior to the approval by the Board of Directors, focusing particularly on:-
 - changes in or implementation of major accounting policy changes;
 - significant and unusual events;
 - compliance with accounting standards and other legal requirements;
 - major judgmental areas;
 - the going concern assumption;
 - compliance with Bursa Securities requirements;
 - (h) any related party transaction and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
 - (i) any letter of resignation from the external auditors of the Company;
 - (j) whether there is reason (supported by grounds) to believe that the external auditor is not suitable for reappointment;
 - (k) external auditors management letter and management's response;
 - (I) whether they are satisfied that the Corporate Risk Management procedure used within the Company and the Group provides reasonable assurance that all known risks are identified, evaluated and effectively managed;
- (ii) To prepare the Audit Committee Report for the annual report as established by paragraph 15.16 of the Bursa Securities Listing Requirements;
- (iii) Where the Audit Committee is of the view that any matter reported by it to the Board of Directors of the Company has not been satisfactorily resolved resulting in a breach of the Bursa Securities Listing Requirements, the Audit Committee must promptly report such matters to Bursa Securities;
- (iv) To make recommendations to the Board of Directors on the appointment of external auditors and their remuneration;
- (v) To review any appraisal or assessment of the performance of the members of the internal audit functions;
- (vi) To approve any appointment or termination of senior staff members of the internal audit functions;
- (vii) To inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning;
- (viii) To discuss problems and reservations arising from the interim and final audits, their evaluation of the system of internal controls, and any matters the external auditor may wish to discuss (in the absence of management where necessary);
- (ix) To consider the major findings of internal investigations and management's response; and
- (x) To carry out any other function that may be mutually agreed upon by the Audit Committee and the Board.

This report is made in accordance with a resolution of the Board of Directors dated 28 April 2005.

(18

State Statement on Internal Control

Paragraph 15.27(b) of the Listing Requirements of Bursa Securities requires the Board of Directors of public listed companies to include in its Annual Report a "statement about the state of internal control of the listed issuer as a group". The Board is committed to maintaining a sound system of internal control in the Group and is pleased to provide the following statement, which outlines the nature and scope of internal control of the Group during the financial year under review.

BOARD RESPONSIBILITY

The Board acknowledges its ultimate responsibility for the Group's system of internal control, which includes the establishment of an appropriate control environment and framework as well as reviewing its adequacy and integrity on a regular basis. In view of the limitations that are inherent in any system of internal control, this system is designed to manage, rather than eliminate, the risk of failure to achieve corporate objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement, operational failures, fraud or loss. The Group's system of internal control covers risk management and financial, operational and compliance controls. Except for insurable risks where insurance covers are purchased, other significant risks faced by the Group (excluding associated companies) are reported to, and managed by the respective Boards within the Group.

RISK MANAGEMENT

The Board fully supports the content of the publication on "Statement on Internal Control – A Guidance for Directors of Public Listed Companies". In 2003 an independent consultancy firm was engaged to put in place a structured risk management framework, Enterprise Risk Management ("ERM") for the Group to reinforce the tone of risk awareness and control consciousness. The subsequent rollout of the risk management exercise was carried out by the Internal Audit Department.

Apart from that, the Board and its various sub-committees have taken the necessary steps to address the need for risk management within the Group and have tasked Management with developing and maintaining the necessary systems to give effect to this responsibility which include the following:-

- Rolling the ERM review to the other companies in the Group;
- Formally adopting the risk management policy and procedure document, which outlines the risk framework for the Group and offers practical guidance to all employees on risk assessment and their upward reporting;
- Establishing a Group Risk Management Committee, with responsibility to identify and communicate to the Board, on an ongoing basis, the critical risks the Group faces, their changes and the management action plans to manage risks; and
- The appointment of a Risk Officer, to update the risk profile of the Group according to the risk management policy and procedure document.

The next steps in the Group's risk management process include the following:-

- To develop a consolidated risk profile for the Group upon completion of the ERM review of the other companies in the Group;
- To establish and formalise the risk management reporting framework, including submission of periodic risk management reports to the Group Risk Management Committee; and
- To formalise periodic review by the Board, with the assistance of the Audit Committee, on the adequacy and integrity of the system of internal control.

INTERNAL AUDIT FUNCTION

During the year, the internal audit function carried out the various audit assessments in accordance with the internal audit plan. The internal audit function provides assurance of the effectiveness of the system of internal controls within the Group. Adapting a risk based approach, it conducts independent reviews of the key activities within the Group's operating units based on detailed annual internal audit plans which are approved by the Audit Committee.

All audit findings are deliberated and resolved with management. The Audit Committee, on behalf of the Board, reviews the internal control issues identified, and the recommendations made by internal and external auditors on a regular basis.

OTHER RISK AND CONTROL PROCESSES

20

Apart from internal audit and risk management, the Board has put in place the following processes to provide a certain degree of assurance to the Board as to the operation and validity of the system on internal control within the Group:-

- Rigorous review of the quarterly financial results and reports and evaluating the reasons for unusual variances noted thereof by the Board and Audit Committee;
- The Executive Director is closely involved in the running of the business and operations of the Group and reports to the Board on significant changes in the business and external environment, which affect the operations of the Group at large; and
- The Board has in place an organizational structure with formally defined lines of responsibility, proper segregation of duties and delegation
 of authority. A process of hierarchical reporting has been established, which provides for a documented and auditable trail of accountability.
 The procedures include the establishment of limits of authority and policies on health and safety, training and development, equality of
 opportunity, staff performance and serious misconduct. These procedures are relevant across the Group to provide for continuous
 assurance to be given at increasingly higher levels of management and, finally to the Board.

WEAKNESSES IN INTERNAL CONTROLS THAT RESULT IN MATERIAL LOSSES

There were no material losses incurred during the current financial year as a result of weaknesses in internal control. The Board, together with Management, continues to take measures to strengthen the control environment.

This statement is issued in accordance with a resolution of the Directors dated 28 April 2005.





Accounts of the Company and i

the financial year a On behalf of the Board of Directors, I am pleased to present the Annual Report and Accounts of the Company and the Group for the financial year ended December 31, 2004."

Chairman's Statement

INTRODUCTION

22

On behalf of the Board of Directors, I am pleased to present the Annual Report and Accounts of the Company and the Group for the financial year ended December 31, 2004.

In 2004, the Group's operating subsidiaries had either approached the tail-end of their various reorganisation activities or were making sound progress in executing recently adopted strategies.

The Group is certainly making steady headway in improving the asset-efficiency and profitability of all business segments. During the year, our Card and Payment Services business segment, represented by iSynergy Sdn Bhd, reached agreement with a major financial institution for the provision of a revolving line of credit to support its credit card business strategy. This positive development awaits Bank Negara Malaysia's final approval before iSynergy can launch its MasterCard business in the growing Malaysian credit card market.

Triton, the banner under which our Group provides public transportation services, had also made significant progress on all fronts during the year - achieving the required scale of operations to lift Advance Synergy Capital Berhad out of its Practice Note 10 classification. Our property and casualty insurance associate business, ACE Synergy Insurance Berhad, meanwhile reported strong growth in premiums written, coupled with an exemplary increase in profitability.

Our hotels and resorts business – Holiday Villa International – progressed well with the execution of its cautious expansion strategy into growth markets by securing a management contract for Shifeng Holiday Villa in Changshu, China. Our manufacturing, marketing and distribution operation in Australia, was renamed Advansa Pty Ltd during the year and continued to deliver robust growth on the back of its strong 2003 performance.

One of our Group's strongest performers last year, Unified Communications Holdings Limited, however, faced rather difficult conditions in 2004 and subsequently undertook a change in revenue model. Its new focus on securing high-quality, recurring revenues from its business, rather than one-off project fees from its telecommunications provider customer base had an adverse, but decidedly transitory, effect on this business segment's operating results for the year.

Advance Synergy Realty Sdn Bhd, our property development subsidiary operating in East Malaysia once again reported sound earnings for the year. Our remaining business segment of travel and tours, represented by Orient Escape Travel Sdn Bhd – the renamed and repositioned Inter-Pacific Travel and Tours Group – made sizeable improvements in performance in the latter half of 2004 and is well positioned to enjoy further growth in the coming year.

FINANCIAL RESULTS

Our Group recorded total revenue of RM227.0 million for the financial year ended 31 December 2004, as compared to RM218.9 million for the previous year ended 31 December 2003, representing an increase of 3.7 %.

However, our net profit achieved for the year was only RM5.5 million compared to RM6.1 million for the last financial year. This decrease in profits was primarily due to a drop in the earnings contribution from the Unified Communications group. As a result, our Group's earnings per stock unit declined from 1.79 sen per stock unit for the financial year ended 31 December 2003 to 1.62 sen per stock unit for the financial year ended 31 December 2004.

GROUP OPERATIONS

CARDS AND PAYMENT SERVICES

During the year, iSynergy Sdn Bhd's ("iSynergy") sales of Cash-In Rebate Cards were adversely affected due to the non-renewal of contracts with Petronas and Celcom. This development affected the performance of iSynergy for the year. However, this unfavourable outcome, was more than offset by progress made by the iSynergy team in reviving plans for the development of its credit card business.

In 2004, after much groundwork, I am pleased to report that iSynergy had secured from a financial institution a revolving line of credit to support iSynergy's MasterCard Cardholder base, subject to the final approval of Bank Negara Malaysia (BNM). Once approval is obtained, iSynergy shall relaunch its credit card business, most probably in the second half of 2005.

PUBLIC TRANSPORTATION

Meanwhile, our public transportation business segment, represented by the Triton Group ("Triton") under Advance Synergy Capital Berhad, focused its energies on rationalising and consolidating the support and operating resource base for delivering its services.

As this process was being completed, progress of the business operations was adversely affected by the slow redeployment of buses from feeder bus services to stage bus services and also by rising diesel prices. Furthermore, revenue growth was slower than expected due to the reduced number of bus travellers caused mainly by the national repatriation of foreign workers in the latter half of the year. Notwithstanding these challenges, the business was successful in its efforts to achieve an adequate level of operations by the end of the financial year to allow for Advance Synergy Capital Berhad to be uplifted from its Practice Note 10 classification. From the first year of service in 2003, Triton revenue had grown 187% year-on-year in 2004.





A Triton Express Bus

As previously reported, Advance Synergy Capital Berhad, via one of its wholly owned subsidiaries, had also acquired two office buildings together with attached factory and warehousing facilities in Shah Alam. This acquisition was completed on 31 October 2003 and by the first quarter of 2004, the Company had centralised all its operations namely its bus transportation operations and ancillary facilities to this one location.

Throughout the year, Triton intensified its efforts to build, deploy and maintain buses that meet proper safety standards in order to provide a safe and comfortable travelling environment for passengers. The refurbishment programme undertaken had increased its operational fleet to some 160 buses. Triton now operates express bus routes covering all the cities and major towns in Peninsular Malaysia, including a daily service from Kuala Lumpur/Shah Alam to Singapore and vice versa.

A decision was made in early 2004 to phase out feeder bus services which had been deployed to selected Putra and Star LRT stations in the Klang Valley. Accordingly, the feeder buses were gradually re-licensed to other stage bus routes in Johor Bahru and Shah Alam. As at 31 March 2005, the Company had deployed 45 stage buses to service Johor Bahru and its surrounding areas.



Triton bus workshop in Shah Alam

PROPERTY & CASUALTY INSURANCE

As Triton completed the rationalisation of its operating resource base during the year, our other business segment, under Advance Synergy Capital Berhad, that is property and casualty insurance services – represented by associate company ACE Synergy Insurance Berhad ("Ace Synergy") - made significant advances in boosting revenue and profitability.

For the financial year ended 31 December 2004, Ace Synergy performed exceedingly well by producing a profit before tax of RM31.1 million, an increase of 59.6% on the prior year and grew gross written premiums to RM146.9 million, up by 17.4%.

The result achieved for 2004 builds on the substantial ground made by the Ace Synergy team in growing the business since 2001. Over this four year period Ace Synergy recorded a respectable compounded annual growth rate of 14% for revenue and an impressive 38% for corresponding growth in profit before tax.





During this period, revenue in absolute terms had grown from RM87.1 million (2001) to RM146.9 million (2004) while profit before tax leapt from RM8.6 million (2001) to RM31.1 million (2004).

The first half of 2004 however, proved tumultuous for the company as premium rates were drastically reduced, coupled with low local market growth due to a slowing down of large infrastructure developments in the country and uncertainties in the world market. By relying on its underwriting strengths and strategic partnerships, its established direct marketing and branch networks and the outstanding performance of dedicated staff, the company continued to perform well.

There were also a number of important strategic developments during the year; the most important being the endorsement to pursue diversified business lines and the operation of Ace Synergy's Penang and Johor Bahru branches. The decision to expand the company's reach to interstate markets is expected to bolster client relationships as it provides new business opportunities and services.

The general insurance market will see a continuous strain in the rates offered due to reforms in the financial services sector. But this is an excellent opportunity for the company to re-evaluate its value proposition to the marketplace and secure current and future business through innovative risk solutions and risk management programmes.

The Ace Synergy team plans to continue to grow the business by concentrating on core competencies, promoting its risk management expertise, improving technical capabilities and at the same time reinforcing and building strategic alliances.

(24

HOTELS AND RESORTS

The results posted by the team at Ace Synergy for the year had set the performance standard for all our other business segments. Among the teams that had risen to meet the challenge was the hotels and resorts group. Our hotels and resorts business segment – under the brand name Holiday Villa International – continued to grow from strength to strength and marked 2004 with the achievement of significantly increased operating profits compared to the preceding year.

In 2004, revenue for the hotels and resorts business segment increased 22% year-on-year to RM71.9 million, compared with RM59.0 million achieved in 2003. To the credit of the Holiday Villa team's strong discipline and efforts, gross operating profit increased to RM34.8 million, rising 43% from RM24.3 million achieved in the preceding year.



Among the other achievements of the Holiday Villa team during the year include:



Shifeng Holiday Villa Changshu, China (Opening March 2006)

- The conclusion of a management services agreement with Shifeng International to manage a prestigious hotel project in Changshu, China. This is the first internationally managed 4-star hotel in Changshu and the 15th hotel property under the Holiday Villa group. The hotel will soft-open in March 2006 and will be named Shifeng Holiday Villa Changshu. It is located along the up-market commercial Hai Yu South Road, diagonally opposite the city's first and only Fangta pedestrian shopping street in Changshu City, which is about 100 km from Shanghai. The 452-room hotel will be the tallest building in the city and its premises will include a revolving restaurant, multi-purpose hall, a lobby lounge and a music bar.
- The Holiday Villa group has also opened a new spa – The Amoaras Relaxation Spa at Holiday Villa London. Located on the lower level of the hotel, The Amoaras Relaxation Spa brings a uniquely Asian brand of treatments and therapies where it incorporates all the tropical treatments using only natural herbs and ingredients to ensure safety. Patrons to the spa get a chance to experience traditional body massages reputed to aid the body in removing illness, while restoring and maintaining good health.



Amoaras Relaxation Spa

 Another attraction is Sedap Fun Food Restaurant and Strange Fellow Bistro Pub at Holiday Villa Apartment Suites Kuala Lumpur in Jalan Ampang. With a seating capacity of 40 persons, the restaurant boasts unique and equally mouth-watering fusion cuisine. House specialties include mee rebus, balinese ulam set, stuffed tiger prawns and baked crabs. Meanwhile, Strange Fellow Bistro Pub, the newest craze in after hours entertainment pleasure offers guests with music from all eras.



One of Sedap Fun Food Restaurant's Specialty



A Treat For Orphans held at City Villa, Kuala Lumpur

The year 2004 also saw Holiday Villa group of hotels bringing some cheer into the lives of orphans in Malaysia and abroad. Orphans were treated to food, fun and laughter and a host of activities in "A Treat For Orphans" programme. This is part of a wider community work programmes aimed at instilling the spirit of concern, love and care for the orphans.

INFORMATION AND COMMUNICATIONS TECHNOLOGY

26

Unfortunately, one of our best performing business segments of 2003 did not fare as well as our hotels and resorts and insurance businesses in 2004. Unified Communications Holdings Limited ("UCHL"), our subsidiary representing the Group in the information and communications technology ("ICT") industry faced a difficult environment in its maiden year of being a listed company. UCHL successfully completed its listing on the Singapore Stock Exchange last year, on 19 February, to an overwhelming response from the public.

Although the ICT industry - especially the area of mobile telephony and data services – continues to show strong sustained growth, dampened demand from tier 2 telecommunications service providers in the region and the longer than expected time taken for new and emerging markets to contribute significant results had adversely affected the performance of UCHL in 2004. For the full year just gone, UCHL and its subsidiaries reported a net loss of \$\$3.2 million on sales of \$\$18 million.

The difficult business environment faced by the UCHL team was a product of both market saturation and also industry inertia as telecommunications operators and service providers prepare for the transition to next generation technologies. But, to the credit of UCHL and its people, the business responded swiftly to this development and the changing conditions of its market by evolving its long-term business strategy and revenue model into one based on revenue-sharing rather than one-off project fees. This switch in revenue model resulted in the step-drop in recognised revenue for the year, when compared to prior years which comprised purely outright project fees derived revenue.

During the year, UCHL firmly fixed its focus on developing a higher quality, recurring-revenue base in line with this long-term business strategy. In 2004, six revenue-sharing contracts were secured with leading telcos in Asia to provide our flagship solutions, Location--Based and Personalized Ring Back Tone Services. The group also made its first foray into Central Asia by teaming up with Uzmacom, a leading GSM network operator in Uzbekistan to provide the Prepaid Mobile Platform and SMS Centre.

Although still in its infancy and yet to make a substantial contribution to overall results, this recurring-revenue model has been progressing well in delivering to group expectations. From April 2004 both key solutions under the revenue-sharing approach have met forecasts if not exceeded them.

Our System and Software Development team has also developed other innovative value-added mobile services such as the Missed Call Notification and Visitor Local Number solutions. UCHL was one of the first in Asia to introduce the Visitor Local Call Number service, which allows multiple virtual local numbers to be stored in a single SIM card.

The telecommunications industry in Asia is expected to continue to offer immense potential for growth. Increasing mobile penetration and end-user sophistication is expected to spur increased demand for innovative, more technically demanding mobile solutions. All these factors are drivers for the future growth of UCHL.









Innovative Value-Added Mobile Services Developed by UCHL

MANUFACTURING, MARKETING AND DISTRIBUTION

As UCHL in our ICT business segment progresses towards completing its change in revenue model, our manufacturing, marketing and distribution business in Australia also underwent some further highly positive changes during the year. These changes were the finishing touches to the reorganisation of the business initiated in mid-2001. In 2004, Jarrett Synergy Pty Ltd, representing our manufacturing, marketing and distribution business segment, continued to make strong progress in improving its already sound growth track record over the past two years.

The most visible change at Jarrett Synergy Pty Ltd was the adoption of a new name and identity – Advansa Pty Ltd ("Advansa") – on 1 June 2004. The name Advansa is intended to capture the pioneering and forward looking spirit of the business and the team driving its progress. During the year, Advansa built on the foundations put in place during its reorganisation period and delivered 21% growth in total turnover from the preceding reporting period (2003: AUD7.1m, 2004 : AUD8.5m).

This double-digit growth in topline however, belies the scale of progress made over the past three years. The focus on developing robust wholesale and retail sales channels and on building strong, nationally-recognised product brands has delivered considerable like-for-like turnover growth. Own-brand product turnover registered a compounded annual growth rate of 27% between 2002-2004.

In 2004, the process of setting the remaining foundations for supporting rapid growth was completed - from the installation of a world-class ERP system; to inculcating a strong company-wide high-performance culture; to best practices being adopted in operational functions; to developing a cost-leading and responsive supply chain; and to the establishment of an effective national-scale marketing, distribution and fulfilment network.

During 2004, the Advansa team remained steadfast in their focus to deliver strong growth in Tuff Hardware – brand turnover : turnover from this brand increased 65% year-on-year (2003: 102% y-o-y). The Jarrett Winches and Cranes brand of products meanwhile grew 5% year-on-year (2003: 4% y-o-y).



Turnover Category

In total, own-brand product turnover continued to grow at a rapid clip, rising 42% against previous year results. (2003: 48% y-o-y).

Under the current development strategy, an AUD3.2 million turnover business segment in 2001 – comprising the combined Jarrett Winches and Cranes and Tuff Hardware turnover – had become by end-2004, an AUD8.5 million core business. This progress translates to a total growth rate for our core business of 162% over the three-year period.

Operating profit for the year, however was reduced when compared to the 2003 result, because of additional expenses and investment required in completing the roll-out of our national marketing and distribution infrastructure. Our business now has 3 distribution centres, Australia-wide, along with considerably streamlined freight arrangements with national transportation partners. This vital investment for the future is expected to yield its full benefits from 2005 onwards, as further economies of scale are obtained in tandem with the expected growth of our business.

PROPERTY DEVELOPMENT

Our subsidiary, Advansa has successfully tapped into the growth opportunities offered by a strong property and construction market in Australia since 2002. Along the same vein, our property development business segment, represented by Advance Synergy Realty Sdn Bhd ("ASR") continued to capitalise on opportunities offered by the steadily growing property market in East Malaysia.

The ASR team continued with the development of their housing project at Taman Sri Matang and three blocks of commercial cum apartment buildings at Synergy Square, Taman Matang Jaya in Kuching. In addition, a new housing project was also launched at Taman Kong Ping, Kuching.

In 2005, the projects at Taman Sri Matang, Synergy Square and Taman Kong Ping are slated for completion. ASR will then launch a new housing development project at Muara Tuang Land District, Kuching, and intends to extend its development operations to Sabah through the development of Telipok Commercial Centre in Kota Kinabalu.

As in prior years, steady and strong financial performance underscored the contribution of our property development business segment to overall group results.



Blocks J & K Synergy Square, Taman Matang Jaya, Kuching

(28

TRAVEL AND TOURS

Although yet to find the stability and maturity, our travel and tours business segment represented by Inter-Pacific Travel & Tours Sdn Bhd, made significant inroads into strengthening its market position and redefining its identity. One of the key measures of this initiative was the renaming of Inter-Pacific Travel & Tours Sdn Bhd to Orient Escape Travel Sdn Bhd ("Orient Escape").

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Orient Escape, in addition, is the only travel agency licensed by Bank Negara Malaysia to provide currency exchange services to serve travellers needs. Offering very competitive rates, this convenient, safe and reliable service is available at the company's branches located in Crown Regency Service Apartments and Bangsar Shopping Centre in Kuala Lumpur; and Sadong Jaya in Kota Kinabalu, Sabah.

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Opening Ceremony in Sheraton, Tianjin Incentive Corporate Man

Potala Palace group photo in Lhasa " Been here, done that !" Incentive Corporate Management Tour (2004-2005)

THE FUTURE

2004 was a year of good progress for the Group, although not one without its challenges and obstacles. The capable people at all operating subsidiaries in our various business segments performed admirably in maintaining their firm focus on building for the future. I am confident we will be delivering improvements in overall performance and profitability in the coming year.

DIVIDENDS

The Directors do not recommend the payment of any dividend for the financial year ended 31 December 2004.

APPRECIATION

To all shareholders, customers and associates, our deepest gratitude for their confidence, trust and continued support for the Group. To the Regulatory Authorities, our appreciation for their continued guidance and support. To the Board of Directors, management and staff, my appreciation for your perseverance and dedication in helping achieve the goals of the Group.

DATO' AHMAD SEBI BAKAR Executive Chairman

PROPERTY & CASUALTY INSURANCE

As Triton completed the rationalisation of its operating resource base during the year, our other business segment, under Advance Synergy Capital Berhad, that is property and casualty insurance services – represented by associate company ACE Synergy Insurance Berhad ("Ace Synergy") - made significant advances in boosting revenue and profitability.

For the financial year ended 31 December 2004, Ace Synergy performed exceedingly well by producing a profit before tax of RM31.1 million, an increase of 59.6% on the prior year and grew gross written premiums to RM146.9 million, up by 17.4%.

The result achieved for 2004 builds on the substantial ground made by the Ace Synergy team in growing the business since 2001. Over this four year period Ace Synergy recorded a respectable compounded annual growth rate of 14% for revenue and an impressive 38% for corresponding growth in profit before tax.





During this period, revenue in absolute terms had grown from RM87.1 million (2001) to RM146.9 million (2004) while profit before tax leapt from RM8.6 million (2001) to RM31.1 million (2004).

The first half of 2004 however, proved tumultuous for the company as premium rates were drastically reduced, coupled with low local market growth due to a slowing down of large infrastructure developments in the country and uncertainties in the world market. By relying on its underwriting strengths and strategic partnerships, its established direct marketing and branch networks and the outstanding performance of dedicated staff, the company continued to perform well.

There were also a number of important strategic developments during the year; the most important being the endorsement to pursue diversified business lines and the operation of Ace Synergy's Penang and Johor Bahru branches. The decision to expand the company's reach to interstate markets is expected to bolster client relationships as it provides new business opportunities and services.

The general insurance market will see a continuous strain in the rates offered due to reforms in the financial services sector. But this is an excellent opportunity for the company to re-evaluate its value proposition to the marketplace and secure current and future business through innovative risk solutions and risk management programmes.

The Ace Synergy team plans to continue to grow the business by concentrating on core competencies, promoting its risk management expertise, improving technical capabilities and at the same time reinforcing and building strategic alliances.

(24

HOTELS AND RESORTS

The results posted by the team at Ace Synergy for the year had set the performance standard for all our other business segments. Among the teams that had risen to meet the challenge was the hotels and resorts group. Our hotels and resorts business segment – under the brand name Holiday Villa International – continued to grow from strength to strength and marked 2004 with the achievement of significantly increased operating profits compared to the preceding year.

In 2004, revenue for the hotels and resorts business segment increased 22% year-on-year to RM71.9 million, compared with RM59.0 million achieved in 2003. To the credit of the Holiday Villa team's strong discipline and efforts, gross operating profit increased to RM34.8 million, rising 43% from RM24.3 million achieved in the preceding year.



Among the other achievements of the Holiday Villa team during the year include:



Shifeng Holiday Villa Changshu, China (Opening March 2006)

- The conclusion of a management services agreement with Shifeng International to manage a prestigious hotel project in Changshu, China. This is the first internationally managed 4-star hotel in Changshu and the 15th hotel property under the Holiday Villa group. The hotel will soft-open in March 2006 and will be named Shifeng Holiday Villa Changshu. It is located along the up-market commercial Hai Yu South Road, diagonally opposite the city's first and only Fangta pedestrian shopping street in Changshu City, which is about 100 km from Shanghai. The 452-room hotel will be the tallest building in the city and its premises will include a revolving restaurant, multi-purpose hall, a lobby lounge and a music bar.
- The Holiday Villa group has also opened a new spa – The Amoaras Relaxation Spa at Holiday Villa London. Located on the lower level of the hotel, The Amoaras Relaxation Spa brings a uniquely Asian brand of treatments and therapies where it incorporates all the tropical treatments using only natural herbs and ingredients to ensure safety. Patrons to the spa get a chance to experience traditional body massages reputed to aid the body in removing illness, while restoring and maintaining good health.



Amoaras Relaxation Spa

 Another attraction is Sedap Fun Food Restaurant and Strange Fellow Bistro Pub at Holiday Villa Apartment Suites Kuala Lumpur in Jalan Ampang. With a seating capacity of 40 persons, the restaurant boasts unique and equally mouth-watering fusion cuisine. House specialties include mee rebus, balinese ulam set, stuffed tiger prawns and baked crabs. Meanwhile, Strange Fellow Bistro Pub, the newest craze in after hours entertainment pleasure offers guests with music from all eras.



One of Sedap Fun Food Restaurant's Specialty



A Treat For Orphans held at City Villa, Kuala Lumpur

The year 2004 also saw Holiday Villa group of hotels bringing some cheer into the lives of orphans in Malaysia and abroad. Orphans were treated to food, fun and laughter and a host of activities in "A Treat For Orphans" programme. This is part of a wider community work programmes aimed at instilling the spirit of concern, love and care for the orphans.

INFORMATION AND COMMUNICATIONS TECHNOLOGY

26

Unfortunately, one of our best performing business segments of 2003 did not fare as well as our hotels and resorts and insurance businesses in 2004. Unified Communications Holdings Limited ("UCHL"), our subsidiary representing the Group in the information and communications technology ("ICT") industry faced a difficult environment in its maiden year of being a listed company. UCHL successfully completed its listing on the Singapore Stock Exchange last year, on 19 February, to an overwhelming response from the public.

Although the ICT industry - especially the area of mobile telephony and data services – continues to show strong sustained growth, dampened demand from tier 2 telecommunications service providers in the region and the longer than expected time taken for new and emerging markets to contribute significant results had adversely affected the performance of UCHL in 2004. For the full year just gone, UCHL and its subsidiaries reported a net loss of \$\$3.2 million on sales of \$\$18 million.

The difficult business environment faced by the UCHL team was a product of both market saturation and also industry inertia as telecommunications operators and service providers prepare for the transition to next generation technologies. But, to the credit of UCHL and its people, the business responded swiftly to this development and the changing conditions of its market by evolving its long-term business strategy and revenue model into one based on revenue-sharing rather than one-off project fees. This switch in revenue model resulted in the step-drop in recognised revenue for the year, when compared to prior years which comprised purely outright project fees derived revenue.

During the year, UCHL firmly fixed its focus on developing a higher quality, recurring-revenue base in line with this long-term business strategy. In 2004, six revenue-sharing contracts were secured with leading telcos in Asia to provide our flagship solutions, Location--Based and Personalized Ring Back Tone Services. The group also made its first foray into Central Asia by teaming up with Uzmacom, a leading GSM network operator in Uzbekistan to provide the Prepaid Mobile Platform and SMS Centre.

Although still in its infancy and yet to make a substantial contribution to overall results, this recurring-revenue model has been progressing well in delivering to group expectations. From April 2004 both key solutions under the revenue-sharing approach have met forecasts if not exceeded them.

Our System and Software Development team has also developed other innovative value-added mobile services such as the Missed Call Notification and Visitor Local Number solutions. UCHL was one of the first in Asia to introduce the Visitor Local Call Number service, which allows multiple virtual local numbers to be stored in a single SIM card.

The telecommunications industry in Asia is expected to continue to offer immense potential for growth. Increasing mobile penetration and end-user sophistication is expected to spur increased demand for innovative, more technically demanding mobile solutions. All these factors are drivers for the future growth of UCHL.









Innovative Value-Added Mobile Services Developed by UCHL

MANUFACTURING, MARKETING AND DISTRIBUTION

As UCHL in our ICT business segment progresses towards completing its change in revenue model, our manufacturing, marketing and distribution business in Australia also underwent some further highly positive changes during the year. These changes were the finishing touches to the reorganisation of the business initiated in mid-2001. In 2004, Jarrett Synergy Pty Ltd, representing our manufacturing, marketing and distribution business segment, continued to make strong progress in improving its already sound growth track record over the past two years.

The most visible change at Jarrett Synergy Pty Ltd was the adoption of a new name and identity – Advansa Pty Ltd ("Advansa") – on 1 June 2004. The name Advansa is intended to capture the pioneering and forward looking spirit of the business and the team driving its progress. During the year, Advansa built on the foundations put in place during its reorganisation period and delivered 21% growth in total turnover from the preceding reporting period (2003: AUD7.1m, 2004 : AUD8.5m).

This double-digit growth in topline however, belies the scale of progress made over the past three years. The focus on developing robust wholesale and retail sales channels and on building strong, nationally-recognised product brands has delivered considerable like-for-like turnover growth. Own-brand product turnover registered a compounded annual growth rate of 27% between 2002-2004.

In 2004, the process of setting the remaining foundations for supporting rapid growth was completed - from the installation of a world-class ERP system; to inculcating a strong company-wide high-performance culture; to best practices being adopted in operational functions; to developing a cost-leading and responsive supply chain; and to the establishment of an effective national-scale marketing, distribution and fulfilment network.

During 2004, the Advansa team remained steadfast in their focus to deliver strong growth in Tuff Hardware – brand turnover : turnover from this brand increased 65% year-on-year (2003: 102% y-o-y). The Jarrett Winches and Cranes brand of products meanwhile grew 5% year-on-year (2003: 4% y-o-y).



Turnover Category

In total, own-brand product turnover continued to grow at a rapid clip, rising 42% against previous year results. (2003: 48% y-o-y).

Under the current development strategy, an AUD3.2 million turnover business segment in 2001 – comprising the combined Jarrett Winches and Cranes and Tuff Hardware turnover – had become by end-2004, an AUD8.5 million core business. This progress translates to a total growth rate for our core business of 162% over the three-year period.

Operating profit for the year, however was reduced when compared to the 2003 result, because of additional expenses and investment required in completing the roll-out of our national marketing and distribution infrastructure. Our business now has 3 distribution centres, Australia-wide, along with considerably streamlined freight arrangements with national transportation partners. This vital investment for the future is expected to yield its full benefits from 2005 onwards, as further economies of scale are obtained in tandem with the expected growth of our business.
PROPERTY DEVELOPMENT

Our subsidiary, Advansa has successfully tapped into the growth opportunities offered by a strong property and construction market in Australia since 2002. Along the same vein, our property development business segment, represented by Advance Synergy Realty Sdn Bhd ("ASR") continued to capitalise on opportunities offered by the steadily growing property market in East Malaysia.

The ASR team continued with the development of their housing project at Taman Sri Matang and three blocks of commercial cum apartment buildings at Synergy Square, Taman Matang Jaya in Kuching. In addition, a new housing project was also launched at Taman Kong Ping, Kuching.

In 2005, the projects at Taman Sri Matang, Synergy Square and Taman Kong Ping are slated for completion. ASR will then launch a new housing development project at Muara Tuang Land District, Kuching, and intends to extend its development operations to Sabah through the development of Telipok Commercial Centre in Kota Kinabalu.

As in prior years, steady and strong financial performance underscored the contribution of our property development business segment to overall group results.



Blocks J & K Synergy Square, Taman Matang Jaya, Kuching

(28

TRAVEL AND TOURS

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DATO' AHMAD SEBI BAKAR Executive Chairman



30

Notis Mesyuarat Agung Tahunan

DENGAN INI DIMAKLUMKAN bahawa MESYUARAT AGUNG TAHUNAN ke Lapan Puluh Satu Syarikat akan diadakan di Classics Ballroom 1, Paras 3, Holiday Villa Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan pada hari Selasa, 28 Jun 2005 jam 2.30 petang untuk menjalankan urusan-urusan berikut:-

1.	Untuk menerima dan meluluskan penyata kewangan yang telah diaudit bagi tahun kewangan berakhir 31 Disember 2004 dan laporan para pengarah dan juruaudit.	Resolusi 1
2.	Untuk meluluskan fi para pengarah bagi tahun kewangan berakhir 31 Disember 2004.	Resolusi 2
3.	Untuk melantik semula pengarah-pengarah yang berikut:- 3.1 Aznan Bin Haji Ismail 3.2 Datin Masri Khaw Binti Abdullah	Resolusi 3 Resolusi 4
4.	Untuk melantik semula Tetuan BDO Binder sebagai juruaudit Syarikat dan memberi kuasa kepada para pengarah untuk menetapkan imbuhan mereka.	Resolusi 5
5.	Sebagai urusan khas, menimbangkan dan, jika didapati wajar, meluluskan Resolusi Biasa yang berikut:-	
	Kuasa untuk memperuntuk dan menerbitkan saham-saham	Resolusi 6
	"BAHAWA sentiasa tertakluk kepada kelulusan autoriti-autoriti yang relevan, para pengarah adalah dan dengan ini	

"BAHAWA sentiasa tertakluk kepada kelulusan autoriti-autoriti yang relevan, para pengarah adalah dan dengan ini diberi kuasa, selaras dengan Seksyen 132D Akta Syarikat 1965, menerbitkan saham-saham Syarikat yang baru, dari masa ke semasa dan menurut terma-terma dan syarat-syarat tertentu dan bagi tujuan tertentu menurut pertimbangan mutlak para pengarah seperti yang mereka fikirkan sesuai asalkan bilangan agregat saham yang akan diterbitkan selaras dengan resolusi ini tidak melebihi 10% daripada modal terbitan Syarikat yang semasa dan lanjutan dari peruntukan saham-saham tersebut untuk menukarnya ke unit-unit stok baru yang bernilai RM1.00 setiap satu DAN kuasa tersebut akan berkuatkuasa sehingga berakhir Mesyuarat Agung Tahunan Syarikat yang akan datang."

6. Untuk menjalankan sebarang urusan biasa lain yang mana notis mengenainya telah diberikan.

DENGAN PERINTAH LEMBAGA PENGARAH

HO TSAE FENG Setiausaha

Selangor Darul Ehsan 3 Jun 2005

Nota:-

- (1) Seorang ahli Syarikat yang layak untuk menghadiri dan mengundi dalam mesyuarat agung berhak untuk melantik seorang proksi untuk menghadiri dan mengundi bagi pihak dirinya. Seorang proksi tidak semestinya seorang ahli Syarikat.
- (2) Seorang ahli Syarikat yang merupakan nomini yang diberi kuasa seperti yang dimaksudkan di bawah Akta Sekuriti Industri (Depositori Pusat), 1991, berhak melantik seorang proksi bagi setiap akaun sekuriti yang memegang unit-unit stok Syarikat yang dikreditkan ke akaun sekuriti tersebut.
- (3) Instrumen perlantikan proksi bagi individu hendaklah ditandatangani oleh pelantik atau peguamnya yang telah diberi kuasa dan bagi syarikat, instrumen perlantikan proksi mestilah disempurnakan dengan meterai syarikat atau ditandatangani oleh seorang pegawai atau peguam yang telah diberi kuasa.
- (4) Instrumen perlantikan proksi mesti dihantar ke Pejabat Berdaftar Syarikat di Paras 3, Wisma ASCAP QBC, No. 72, Pesiaran Jubli Perak, Seksyen 22, 40000 Shah Alam, Selangor Darul Ehsan tidak lewat daripada 48 jam sebelum masa yang ditetapkan untuk mengadakan mesyuarat atau sebarang penangguhannya.

NOTA PENJELASAN BAGI URUSAN KHAS

Resolusi 6 - Kuasa untuk memperuntuk dan menerbitkan saham-saham

Resolusi Biasa selaras dengan Seksyen 132D Akta Syarikat, 1965, jika diluluskan, akan memberi kuasa kepada para pengarah, dari tarikh Mesyuarat Agung di atas sehingga Mesyuarat Agung Tahunan yang akan datang, untuk memperuntuk dan menerbitkan saham-saham Syarikat yang baru dan menukarnya ke unit-unit stok Syarikat yang jumlahnya tidak melebihi 10% daripada modal terbitan Syarikat yang semasa dan untuk tujuan tertentu yang para pengarah pertimbangkan untuk kepentingan Syarikat. Ini akan mengelakkan sebarang kelewatan dan kos yang bersangkutan untuk mengadakan sebuah mesyuarat am yang khususnya bertujuan meluluskan yang tersebut. Pemberian kuasa ini, kecuali ditarik balik atau dipinda di mesyuarat am, akan luput pada Mesyuarat Agung Tahunan Syarikat yang akan datang.

(Borang proksi dilampirkan bersama-sama laporan dan penyata kewangan ini.)

Penyata Bersama Notis Mesyuarat Agung Tahunan

Para Pengarah yang menawarkan diri untuk dipilih semula pada Mesyuarat Agung Tahunan ke Lapan Puluh Satu Advance Synergy Berhad

Aznan Bin Haji Ismail Datin Masri Khaw Binti Abdullah

Butir kehadiran Para Pengarah pada Mesyuarat Lembaga Pengarah

Empat (4) Mesyuarat Lembaga Pengarah telah diadakan pada tahun kewangan berakhir 31 Disember 2004. Butir-butir kehadiran Para Pengarah di Mesyuarat Lembaga Pengarah adalah seperti berikut:-

Nama Dangarah	Bilangan	Mesyuarat
Nama Pengarah	Diadakan	Dihadiri
Dato' Ahmad Sebi Bakar	4	4
Aznan Bin Haji Ismail	4	2
Wong Ah Nam @ Wong Joon Tuang	4	4
Datin Masri Khaw Binti Abdullah	4	3
Chim Wai Khuan	4	4
Sng Ngiap Koon	4	4

Tempat, Tarikh dan Masa Mesyuarat Agung Tahunan ke Lapan Puluh Satu

Mesyuarat Agung Tahunan ke Lapan Puluh Satu Syarikat akan diadakan di Classics Ballroom 1, Paras 3, Holiday Villa Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan pada hari Selasa, 28 Jun 2005 jam 2.30 petang.

Butir-butir Para Pengarah yang menawarkan diri untuk dipilih semula

Pegangan sekuriti Para Pengarah yang menawarkan diri untuk dipilih semula di dalam Syarikat dan anak-anak syarikatnya dipaparkan dalam Penyata Kepentingan Para Pengarah di mukasurat 134 dalam Laporan Tahunan ini dan butir-butir lain mengenai Para Pengarah yang menawarkan diri untuk dipilih semula dipaparkan dalam profil Para Pengarah di mukasurat 33 hingga 34 dalam Laporan Tahunan ini.

Ahle Le Ahli Lembaga Pengarah & Maklumat Korporat



Dato' Ahmad Sebi Bakar Pengerusi Eksekutif



Sng Ngiap Koon Pengarah Eksekutif

LEMBAGA PENGARAH

Dato' Ahmad Sebi Bakar Sng Ngiap Koon Aznan bin Haji Ismail Wong Ah Nam @ Wong Joon Tuang Datin Masri Khaw binti Abdullah Chim Wai Khuan

SETIAUSAHA

Ho Tsae Feng

JURUAUDIT

BDO Binder Akauntan Awam 12th Floor, Menara Uni. Asia 1008, Jalan Sultan Ismail 50250 Kuala Lumpur Tel: 03-2616 2888 Fax: 03-2616 3190

PENDAFTAR

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Level 3, Wisma ASCAP - QBC No. 72, Pesiaran Jubli Perak Seksyen 22, 40000 Shah Alam Selangor Darul Ehsan Tel: 03-5192 8822 Fax: 03-5192 8811

JURUBANK UTAMA Southern Bank Berhad Affin Bank Berhad

PEGUAMCARA Shearn Delamore & Co. Jin & Co.



Aznan bin Haji Ismail Pengarah Bebas Bukan Eksekutif



Wong Ah Nam @ Wong Joon Tuang Pengarah Bebas Bukan Eksekutif



Datin Masri Khaw

binti Abdullah

Pengarah Bukan Bebas

Bukan Eksekutif

Chim Wai Khuan Pengarah Bebas Bukan Eksekutif

(32)



Dato' Ahmad Sebi Bakar, 57, seorang warganegara Malaysia, adalah Pengarah Bukan Bebas dan Pengerusi Eksekutif Advance Synergy Berhad. Beliau telah dilantik menganggotai Lembaga Pengarah pada 9 April 1991. Dato' Ahmad Sebi Bakar memegang ijazah Sarjana Muda Sastera (Kepujian) daripada Universiti Malaya, Kuala Lumpur, Diploma Kewartawanan daripada Thomson Foundation, United Kingdom dan ijazah Sarjana Sastera daripada Michigan State University, Amerika Syarikat. Beliau adalah Editor Malay Mail, ahli Kumpulan New Straits Times Press daripada tahun 1976 hingga 1982 dan selepas itu menjadi Editor Kumpulan untuk Berita Harian daripada tahun 1983 hingga 1986. Daripada tahun 1986 hingga 1989, beliau telah dilantik sebagai Pengarah Urusan Sistem Televisyen Malaysia Bhd dan pengarah Kumpulan New Straits Times Press daripada tahun 1988 hingga 1989.

Beliau telah dianugerahkan Pingat Ahli Mangku Negara (A.M.N.) oleh Yang Di-Pertuan Agong, DYMM Tuanku Haji Ahmad Shah Al-Mustain Billah Ibni Almarhum Sultan Abu Bakar pada tahun 1983, Jaksa Pendamai (J.P.) oleh DYMM Sultan Azlan Muhibbuddin Shah Ibni Almarhum Sultan Yusoff Izzuddin Shah Ghafarullah, Sultan Perak, pada tahun 1986 dan Dato' Setia Diraja Kedah (D.S.D.K.) oleh DYMM Tuanku Alhaj Abdul Halim Mu'adzam Shah Ibni Almarhum Sultan Badlishah, Sultan Kedah, pada tahun 1988.

Kini, beliau menganggotai Lembaga Pengarah syarikat-syarikat awam yang disenaraikan di Malaysia iaitu, Advance Synergy Capital Berhad, yang mana beliau memegang jawatan sebagai Pengerusi dan Kumpulan Powernet Berhad, yang mana beliau memegang kedua-dua jawatan sebagai Pengerusi Eksekutif dan Pengarah Urusan. Beliau adalah juga Pengerusi Bukan Eksekutif Unified Communications Holdings Limited, sebuah anak syarikat tidak langsung Advance Synergy Berhad dan disenaraikan di Singapore Exchange Securities Trading Limited, serta pengarah Alangka-Suka Hotels & Resorts Berhad, sebuah syarikat awam tidak tersenarai iaitu anak syarikat Advance Synergy Berhad. Beliau juga turut bergiat aktif dalam kerja-kerja sosial dan kebajikan dan merupakan Pengerusi beberapa pertubuhan bukan komersial, iaitu, Yayasan Kebajikan Anak-Anak Yatim Malaysia (YATIM) yang dibiayai secara persendirian, dan pada masa yang lepas Barisan Bertindak Bosnia, Malaysia. Beliau adalah juga Presiden Persatuan Penulis Nasional Malaysia (PENA) sejak 1992.

Dato' Ahmad Sebi Bakar tidak mempunyai sebarang hubungan kekeluargaan dengan mana-mana pengarah dan/atau pemegang stok utama Advance Synergy Berhad, mahupun mempunyai sebarang konflik kepentingan dengan Advance Synergy Berhad, kecuali bahawa beliau adalah juga pemegang stok utama Advance Synergy Berhad. Beliau tidak pernah disabitkan dengan sebarang kesalahan dalam tempoh 10 tahun yang lepas.

Sng Ngiap Koon, 57, seorang warganegara Malaysia, ialah seorang Pengarah Eksekutif Advance Synergy Berhad. Beliau telah dilantik menganggotai Lembaga Pengarah pada 28 Oktober 2003. Encik Sng Ngiap Koon adalah seorang Ahli Bersekutu Institute of Chartered Accountants di England dan Wales. Sebelum 1984, beliau bekerja di London, England. Di antara 1984 hingga 1985, beliau adalah Akauntan Kumpulan Innovest Berhad. Beliau menyertai Advance Synergy Berhad pada 1986 sebagai Akauntan Kumpulan. Pada 1987, beliau dilantik sebagai Pengawal Kewangan Kumpulan Advance Synergy Berhad dan memegang jawatan tambahan sebagai Setiausaha Syarikat pada 1989. Sebelum beliau dilantik sebagai Pengarah Eksekutif Advance Synergy Berhad, beliau memegang jawatan sebagai Pengurus Besar Kanan Kumpulan dan Setiausaha Syarikat. Beliau juga adalah seorang pengarah Advance Synergy Berhad daripada 1988 hingga awal 1991.

Encik Sng Ngiap Koon kini menganggotai Lembaga Pengarah beberapa anak syarikat Advance Synergy Berhad termasuk Alangka-Suka Hotels & Resorts Berhad dan Cherating Holiday Villa Berhad, iaitu syarikat-syarikat awam tidak tersenarai.

Encik Sng Ngiap Koon adalah seorang ahli Jawatankuasa Audit Advance Synergy Berhad.

Beliau tidak mempunyai sebarang hubungan kekeluargaan dengan mana-mana pengarah dan/atau pemegang stok utama Advance Synergy Berhad, mahupun mempunyai sebarang konflik kepentingan dengan Advance Synergy Berhad. Beliau tidak pernah disabitkan dengan sebarang kesalahan dalam tempoh 10 tahun yang lepas.

Aznan Bin Haji Ismail, 58, seorang warganegara Malaysia, adalah Pengarah Bebas Bukan Eksekutif Advance Synergy Berhad. Beliau telah dilantik menganggotai Lembaga Pengarah pada 25 Mei 1988. Beliau menerima pendidikan di Maktab Tentera Diraja di Sungai Besi dan adalah Ahli Bersekutu Institute of Bankers, Malaysia. Selepas meninggalkan General Electric Company (GEC) pada tahun 1971, Encik Aznan Bin Haji Ismail memulakan perniagaan kontrak swasta miliknya sendiri. Pada 1982, beliau telah dilantik sebagai Penyelaras bagi Projek Pemulihan Tanah di Jabatan Perdana Menteri. Beliau juga menjadi Pengarah Kampung Lanjut Tin Dredging Berhad dan Sim Lim Holding daripada tahun 1988 hingga awal 1991.

Encik Aznan Bin Haji Ismail adalah Pengerusi Jawatankuasa Imbuhan Advance Synergy Berhad.

Beliau tidak mempunyai sebarang hubungan kekeluargaan dengan mana-mana pengarah dan/atau pemegang stok utama Advance Synergy Berhad, mahupun mempunyai sebarang konflik kepentingan dengan Advance Synergy Berhad. Beliau tidak pernah disabitkan dengan sebarang kesalahan dalam tempoh 10 tahun yang lepas.



34

Datin Masri Khaw Binti Abdullah, 52, seorang warganegara Malaysia, adalah Pengarah Bukan Bebas Bukan Eksekutif Advance Synergy Berhad. Beliau telah dilantik menganggotai Lembaga Pengarah pada 6 Januari 1995. Datin Masri Khaw Binti Abdullah adalah salah seorang daripada orang Asia pertama yang tamat mengikuti Program Pengurus Besar di Holiday Inn University di Memphis, USA pada tahun 1976. Pada tahun 1982, beliau tamat mengikuti satu kursus musim panas berkenaan Pembangunan & Reka Bentuk Hotel di Cornell University, USA dan telah menjalani latihan Hotel di Singapura dan Kanada. Beliau telah dianugerah Pegawai Pemasaran Terbaik Tahunan untuk Holiday Inn Hotels Asia Pacific pada tahun 1985. Datin Masri Khaw Binti Abdullah memainkan peranan penting bila Antara Holiday Villas Sdn Bhd memenangi anugerah khas untuk Pengurusan Berkualiti Dalam Anugerah Kecemerlangan Industri 1997 yang dikelolakan oleh Kementerian Perusahaan dan Perdagangan Antarabangsa. Beliau menerima anugerah berprestij tersebut daripada bekas Perdana Menteri Tun Dr. Mahathir Mohamad pada 18 Disember 1997. Pengalaman beliau dalam industri perhotelan menjangkau balik ke tahun 1969 dan beliau telah memberi sumbangan besar kepada pembangunan hotel baru. Beliau menulakan rangkaian hotel Holiday Villa pada tahun 1987 dengan pembukaan Holiday Villa Cherating.

Pada masa ini, beliau adalah Pengarah Eksekutif dan Ketua Pegawai Eksekutif Antara Holiday Villas Sdn Bhd dan Holiday Villas International Limited, anak-anak syarikat Advance Synergy Berhad. Beliau juga menganggotai Lembaga Pengarah anak-anak syarikat Advance Synergy Berhad yang lain, termasuk Mayor Hotels Berhad, sebuah syarikat awam tidak tersenarai.

Datin Masri Khaw Binti Abdullah adalah seorang ahli Jawatankuasa Imbuhan dan Jawatankuasa Pencalonan Advance Synergy Berhad.

Beliau tidak mempunyai sebarang hubungan kekeluargaan dengan mana-mana pengarah dan/atau pemegang stok utama Advance Synergy Berhad, mahupun mempunyai sebarang konflik kepentingan dengan Advance Synergy Berhad. Beliau tidak pernah disabitkan dengan sebarang kesalahan dalam tempoh 10 tahun yang lepas.

Wong Ah Nam @ Wong Joon Tuang, 59, seorang warganegara Malaysia, ialah seorang Pengarah Bebas Bukan Eksekutif Advance Synergy Berhad. Beliau telah dilantik menganggotai Lembaga Pengarah pada 10 Januari 1994. Encik Wong Joon Tuang memperolehi ijazah Sarjana Muda Sains beliau daripada Universiti Malaya. Beliau pernah menjadi seorang Perunding Perniagaan dengan Hak Niaga Sdn Bhd dan telah berkecimpung di dalam bidang tersebut sejak 1985. Beliau berkhidmat sebagai seorang Pengarah Pemasaran dengan EMC (M) Sdn Bhd daripada tahun 1980 hingga 1984 dan Pengurus Kawasan General Electric Co. (M) Sdn Bhd daripada tahun 1976 hingga 1980. Beliau berkhidmat dengan Matsushita Sales & Services Sdn Bhd sebagai Pengurus Produk daripada tahun 1974 hingga 1975. Sebelum tahun 1974, beliau memegang jawatan sebagai Eksekutif Pemasaran Matsushita Elektrik Co (M) Bhd dan pernah bekerja dengan Ames Laboratory (Australia) Pte Ltd.

Encik Wong Joon Tuang ialah Pengerusi Jawatankuasa Audit dan seorang ahli Jawatankuasa Pencalonan Advance Synergy Berhad.

Beliau tidak mempunyai sebarang hubungan kekeluargaan dengan mana-mana pengarah dan/atau pemegang stok utama Advance Synergy Berhad, mahupun mempunyai sebarang konflik kepentingan dengan Advance Synergy Berhad. Beliau tidak pernah disabitkan dengan sebarang kesalahan dalam tempoh 10 tahun yang lepas.

Chim Wai Khuan, 54, seorang warganegara Malaysia, ialah seorang Pengarah Bebas Bukan Eksekutif Advance Synergy Berhad. Beliau telah dilantik menganggotai Lembaga Pengarah pada 12 Disember 2001. Encik Chim Wai Khuan adalah seorang ahli Institut Akauntan Malaysia. Beliau berpengalaman luas dalam bidang audit, percukaian dan perkhidmatan perundingan pengurusan semasa beliau berkhidmat dengan beberapa firma perakaunan di Malaysia dan United Kingdom daripada tahun 1974 hingga 1985. Pada masa ini, beliau mengurus amalan sendiri di bawah nama WKC & Co., sebuah firma audit.

Beliau juga ialah pengarah bebas bukan eksekutif Advance Synergy Capital Berhad, Ganad Corporation Berhad dan United U-Li Corporation Berhad.

Encik Chim Wai Khuan adalah Pengerusi Jawatankuasa Pencalonan serta seorang ahli Jawatankuasa Audit dan Jawatankuasa Imbuhan Advance Synergy Berhad.

Beliau tidak mempunyai sebarang hubungan kekeluargaan dengan mana-mana pengarah dan/atau pemegang stok utama Advance Synergy Berhad, mahupun mempunyai sebarang konflik kepentingan dengan Advance Synergy Berhad. Beliau tidak pernah disabitkan dengan sebarang kesalahan dalam tempoh 10 tahun yang lepas.



PEJABAT KORPORAT

Dato' Ahmad Sebi Bakar Pengerusi Eksekutif

Sng Ngiap Koon Pengarah Eksekutif

Lee Su Nie Ketua Pegawai Eksekutif

Gary Chan Kian Heoi Pengurus Besar Perkhidmatan Korporat

Anton Syazi Dato' Ahmad Sebi Penolong Pengurus Besar Pembangunan Perniagaan

Agnes Cheah Ping Huey Penolong Pengurus Besar Pembangunan Perniagaan - Pelancongan

James Wong Jee Mun Pengurus Kewangan

Ho Tsae Feng Pengurus Kesetiausahaan

Zuhaida Zainuddin Pengurus Audit Dalaman

Kumpulan Advance Synergy Berhad

KETUA-KETUA BAHAGIAN KUMPULAN UTAMA

KEWANGAN DAN PENGANGKUTAN

Advance Synergy Capital Berhad Wong Joon Hian Pengarah Urusan

HOTEL DAN PUSAT PERANGINAN

Alangka-Suka Hotels & Resorts Berhad Datin Masri Khaw binti Abdullah Ketua Pegawai Eksekutif

PERKHIDMATAN KAD DAN PEMBAYARAN

iSynergy Sdn Bhd Ng King Kau Pengarah Urusan

PEMBUATAN

Advansa Pty Ltd Anton Syazi Dato' Ahmad Sebi Pengarah Eksekutif

PEMBANGUNAN HARTANAH

Advance Synergy Realty Sdn Bhd Jee Chun Fah Pengurus Besar

Sadong Development Sdn Bhd Liew Chaw Thai Pengurus

PELANCONGAN

Orient Escape Travel Sdn Bhd Agnes Cheah Ping Huey Pengurus Besar

TEKNOLOGI MAKLUMAT DAN KOMUNIKASI

Unified Communications Holdings Limited Wong Tze Leng Ketua Pegawai Eksekutif



Penyata Penyata Mengenai Urus Tadbir Korporat Korporat

Lembaga Pengarah berpegang sepenuhnya dengan cadangan-cadangan Kod Urus Tadbir Korporat Malaysia ("Kod tersebut") dan komited dalam mempastikan bahawa Syarikat dan anak syarikatnya ("Kumpulan") mengamalkan piawaian tertinggi Urus Tadbir Korporat sebagai tonggak penting melaksanakan tanggungjawabnya untuk melindungi dan mempertingkatkan nilai pemegangan saham jangka panjang dan prestasi kewangan Kumpulan.

Penyata pendedahan ini menerangkan cara di mana Kumpulan telah menggunapakai Prinsip-Prinsip Kod tersebut dan tahap pematuhan dengan Amalan-Amalan Terbaik yang digariskan di dalamnya.

LEMBAGA PENGARAH

Arah dan kawalan Kumpulan terletak pada Lembaga Pengarah kerana ia secara efektif memegang tanggungjawab keseluruhan untuk urus tadbir korporat, arah strategik, perumusan dasar dan penyeliaan pelaburan dan operasi Kumpulan.

Lembaga Pengarah bermesyuarat sekurang-kurangnya 4 kali setahun, dengan mesyuarat tambahan diadakan jika perlu. Sepanjang tahun kewangan berakhir 31 Disember 2004, empat (4) mesyuarat Lembaga Pengarah telah diadakan. Butir-butir kehadiran setiap Pengarah di Mesyuarat Lembaga Pengarah yang telah diadakan sepanjang tahun kewangan adalah dinyatakan di dalam Penyata Bersama Notis Mesyuarat Agung Tahunan di muka surat 31 Laporan Tahunan ini.

Lembaga Pengarah telah mewujudkan tiga jawatankuasa tetap : Jawatankuasa Audit, Jawatankuasa Pencalonan dan Jawatankuasa Imbuhan, yang mana butir-butirnya ada dinyatakan di Penyata ini serta Laporan Tahunan. Jawatankuasa-jawatankuasa ini mempunyai kuasa untuk memeriksa isu-isu khusus dan melaporkannya kepada Lembaga Pengarah berserta dengan saranan mereka. Bagaimanapun, tanggungjawab mutlak untuk keputusan berkenaan semua perkara terletak pada Lembaga Pengarah.

KESEIMBANGAN LEMBAGA PENGARAH

Lembaga Pengarah kini terdiri daripada seorang Pengerusi Eksekutif, seorang Pengarah Eksekutif dan empat (4) Pengarah Bukan Eksekutif, di mana tiga (3) daripadanya adalah Pengarah Bebas. Para Pengarah yang ada sekarang membawa pengalaman, kemahiran dan pengetahuan perniagaan dan kewangan yang luas, yang perlu untuk menerajui Kumpulan dengan berkesan. Profil Para Pengarah adalah dinyatakan di muka surat 33 hingga 34 Laporan Tahunan ini.

Pengerusi Eksekutif dipertanggungjawabkan dengan tugas menjalankan perniagaan Kumpulan dan melaksanakan dasar-dasar dan strategistrategi yang diterima oleh Lembaga Pengarah.

Kehadiran tiga (3) Pengarah Bebas Bukan Eksekutif yang mewakili lima puluh peratus (50%) jumlah keseluruhan Para Pengarah memenuhi satu tugas yang penting dalam mempastikan terdapat keseimbangan kuasa dan pengaruh. Walaupun semua Pengarah mempunyai tanggungjawab yang sama rata ke atas operasi Kumpulan, namun peranan para Pengarah Bebas Bukan Eksekutif adalah penting bagi mempastikan strategi yang dicadangkan oleh pengurusan eksekutif dibincangkan sepenuhnya, dan mengambilkira kepentingan jangka panjang kepentingan para pemegang saham, pekerja, pelanggan, pembekal dan berbagai komuniti di mana Kumpulan menjalankan perniagaannya. Kehadiran mereka dalam Lembaga Pengarah mencerminkan dengan adil pelaburan pemegang stok minoriti Syarikat di samping mempunyai cukup pengaruh dalam membuat sesuatu keputusan.

BEKALAN MAKLUMAT

Setiap Pengarah mempunyai akses yang tidak terhad kepada pengurusan kanan, semua maklumat dalam Syarikat dan untuk mendapatkan nasihat dan perkhidmatan Setiausaha Syarikat. Para Pengarah tidak kira sebagai lembaga penuh atau dalam kapasiti peribadi mereka, boleh dalam menjalankan tanggungjawab mereka, mendapatkan nasihat profesional bebas di atas perbelanjaan Syarikat, jika diperlukan.

Sebelum mesyuarat Lembaga Pengarah, Agenda untuk setiap mesyuarat berserta laporan-laporan dan dokumen-dokumen yang mengandungi maklumat yang relevan dengan perkara mesyuarat (termasuk maklumat berkenaan perkara-perkara kewangan, operasi dan korporat yang penting serta kegiatan dan prestasi Kumpulan dan minit-minit Jawatankuasa-jawatankuasa Lembaga Pengarah dan mesyuarat Lembaga Pengarah) diedarkan kepada ahli lembaga untuk memberikan mereka masa untuk membaca dan merenungkan isu-isu. Semasa mesyuarat Lembaga Pengarah, pengurusan memberikan butir-butir yang lebih lanjut mengenai setiap isu yang ditimbulkan untuk perbincangan atau sebagai maklumat tambahan.

PERLANTIKAN KE LEMBAGA PENGARAH

Dengan kewujudan Jawatankuasa Pencalonan, satu prosedur rasmi disediakan untuk perlantikan Pengarah-Pengarah baru ke Lembaga Pengarah. Calon-calon pengarah akan dikenalpasti dan disyorkan kepada Lembaga Pengarah oleh Jawatankuasa tersebut.

Jawatankuasa Pencalonan

Jawatankuasa Pencalonan terdiri daripada tiga (3) Pengarah Bukan Eksekutif. Ahli-ahli Jawatankuasa Pencalonan adalah:-

◆ Chim Wai Khuan	(Pengerusi, Pengarah Bebas Bukan Eksekutif)
 Wong Ah Nam @ Wong Joon Tuang 	(Ahli, Pengarah Bebas Bukan Eksekutif)
 Datin Masri Khaw Binti Abdullah 	(Ahli, Pengarah Bukan Bebas Bukan Eksekutif)

Jawatankuasa Pencalonan bertanggungjawab untuk membuat cadangan berkenaan sebarang pencalonan kepada Lembaga Pengarah dan kepada Jawatankuasa-Jawatankuasa Lembaga Pengarah. Dalam membuat cadangan ini, pertimbangan sewajarnya diberikan kepada gabungan kemahiran dan pengalaman yang diperlukan dari pengarah yang dicadangkan haruslah dibawa ke Lembaga Pengarah dan kepada Jawatankuasa-Jawatankuasa Lembaga Pengarah yang berkenaan.

Jawatankuasa Pencalonan juga akan menilai, setiap tahun, keberkesanan Lembaga Pengarah secara keseluruhannya, Jawatankuasa-Jawatankuasa Lembaga Pengarah dan sumbangan setiap Pengarah. Lembaga Pengarah, melalui Jawatankuasa Pencalonan, mengkaji setiap tahun gabungan kemahiran dan pengalaman serta sifat lain, termasuk kemampuan asas, yang diperlukan, yang mana Para Pengarah Bukan Eksekutif patut membawanya ke Lembaga Pengarah.

Jawatankuasa Pencalonan akan bermesyuarat sekurang-kurangnya sekali setahun dan mesyuarat tambahan boleh dijadualkan jika difikirkan perlu oleh Pengerusi Jawatankuasa.

Kesemua Pengarah telah menghadiri Program Akreditasi Mandatori sebagaimana ditetapkan dibawah Keperluan Penyenaraian Bursa Malaysia Securities Berhad ("Bursa Securities"). Para Pengarah juga akan mengikuti program-program pendidikan yang berkenaan sebagai usaha untuk mendidik dan melengkapkan diri mereka bagi melaksanakan tugas mereka secara efektif dan Lembaga Pengarah akan menaksir dan menentu keperluan pendidikan untuk Para Pengarah secara berterusan menurut Keperluan Penyenaraian Bursa Securities.

PEMILIHAN SEMULA

Menurut Tataurusan Pertubuhan Syarikat, satu pertiga (1/3) daripada Para Pengarah bersara daripada jawatan pada setiap Mesyuarat Agung Tahunan tetapi layak untuk dipilih semula. Para Pengarah yang dilantik oleh Lembaga Pengarah semasa setiap tahun kewangan tertakluk kepada pemilihan semula oleh pemegang saham pada Mesyuarat Agung Tahunan yang pertama selepas perlantikan mereka. Tataurusan Pertubuhan Syarikat memperuntukkan supaya semua Pengarah hendaklah menawarkan diri mereka untuk dipilih semula sekurang-kurangnya tiga (3) tahun sekali.

IMBUHAN PENGARAH

Imbuhan kesemua Pengarah ditentukan pada peringkat untuk mempastikan Syarikat menarik dan mengekalkan Para Pengarah yang berkaliber yang diperlukan untuk mengendalikan Syarikat dengan berjaya. Jawatankuasa Imbuhan menyemak dan mengesyorkan kepada Lembaga Pengarah, dasar imbuhan Syarikat untuk Para Pengarah Eksekutif untuk mempastikan bahawa mereka diberi imbuhan sewajarnya untuk sumbangan mereka kepada Kumpulan.

Penetapan imbuhan Para Pengarah Bukan Eksekutif merupakan perkara yang diputuskan oleh Lembaga Pengarah secara keseluruhan.

Tiada Pengarah akan mengambil bahagian dalam keputusan berkenaan imbuhannya sendiri.

Jawatankuasa Imbuhan

Jawatankuasa Imbuhan terdiri daripada tiga (3) Pengarah Bukan Eksekutif. Ahli-ahli Jawatankuasa Imbuhan adalah:-

 Aznan Bin Haji Ismail 	(Pengerusi, Pengarah Bebas Bukan Eksekutif)
• Chim Wai Khuan	(Ahli, Pengarah Bebas Bukan Eksekutif)
 Datin Masri Khaw Binti Abdullah 	(Ahli, Pengarah Bukan Bebas Bukan Eksekutif)

Jawatankuasa Imbuhan akan bermesyuarat sekurang-kurangnya setahun sekali dan mesyuarat tambahan boleh dijadualkan jika difikirkan perlu oleh Pengerusi Jawatankuasa.

Butir-butir jumlah imbuhan untuk Para Pengarah Syarikat (termasuk imbuhan diperolehi sebagai Pengarah Eksekutif anak syarikat) untuk tahun berakhir 31 Disember 2004 adalah seperti berikut:-

1. Jumlah imbuhan untuk Para Pengarah dikategorikan ke dalam komponen-komponen yang sesuai:-

Kategori Pengarah	Fi RM'000	Gaji & Bonus RM'000	Faedah ihsan RM'000	Jumlah RM'000
Para Pengarah Eksekutif	276	813	72	1,161
Para Pengarah Bukan Eksekutif	445	157	10	612

2. Julat Jumlah Imbuhan:-

	Bilangan Pengarah Eksekutif Bukan Eksekutif		
Di bawah 50,000	-	2	
50,001 - 100,000	-	1	
400,001 - 450,000	1	-	
450,001 - 500,000	-	1	
700,001 - 750,000	1	-	

PEMEGANG STOK

Lembaga Pengarah mengakui kepentingan untuk menubuhkan saluran komunikasi secara langsung dengan pemegang-pemegang stok serta pelabur-pelabur melalui penyebaran infomasi semasa di atas prestasi dan operasi Kumpulan melalui laporan-laporan tahunan dan pekeliling berkaitan, penyiaran keputusan kewangan suku tahunan, siaran akhbar dan pengumuman.

Mesyuarat Agung Tahunan ialah forum utama untuk berdialog dengan pemegang-pemegang stok. Terdapat sesi soal-jawab terbuka di mana pemegang-pemegang stok boleh mengajukan soalan-soalan berkenaan resolusi-resolusi yang dicadangkan di mesyuarat dan juga berkenaan perkara-perkara berkaitan perniagaan serta hal-ehwal Kumpulan. Ahli-ahli Lembaga Pengarah turut hadir untuk memberi penjelasan kepada semua pertanyaan dari pemegang-pemegang stok dan pemegang-pemegang stok digalakkan untuk menyertai perbincangan serta memberi pandangan mereka kepada Para Pengarah.

Untuk meningkatkan kualiti dan nilai Mesyuarat Agung Tahunan, Lembaga Pengarah mempastikan bahawa, untuk pemilihan semula Para Pengarah, Para Pengarah yang menawarkan diri untuk dipilih semula dikenalpasti dalam Notis Mesyuarat Agung Tahunan bersama dengan huraian ringkas termasuk perkara-perkara seperti umur, pengalaman yang relevan, senarai pengarahan, tarikh perlantikan kepada Lembaga Pengarah, butir-butir penyertaan dalam Jawatankuasa-Jawatankuasa Lembaga Pengarah dan sama ada Pengarah tertentu adalah bebas. Di samping itu, setiap perkara urusan khas yang terkandung dalam notis mesyuarat akan disertakan dengan penjelasan penuh kesan-kesan sesuatu resolusi yang dicadangkan.

Adalah juga menjadi amalan Lembaga Pengarah untuk mengadakan sidang akhbar dengan wartawan jika diminta berbuat demikian selepas Mesyuarat Agung Tahunan.

LAPORAN KEWANGAN

Dalam membentangkan penyata kewangan tahunan dan pengumuman keputusan suku tahunan, Lembaga Pengarah bertujuan membentangkan satu penilaian yang seimbang dan mudah difahami mengenai kedudukan dan prospek Kumpulan. Ini turut digunakan kepada laporan-laporan awam yang sensitif-harga dan laporan kepada penguatkuasa peraturan. Jawatankuasa Audit membantu Lembaga Pengarah dalam meneliti laporan-laporan sedemikian untuk mempastikan ketepatan dan kecukupan.

(38

Kenyataan berkenaan Tanggungjawab Pengarah untuk Menyediakan Penyata Kewangan

Para Pengarah disyaratkan oleh Akta Syarikat, 1965 untuk menyediakan penyata kewangan untuk setiap tahun kewangan yang telah disediakan menurut piawaian-piawaian perakaunan yang sesuai serta diluluskan dan memberikan gambaran yang benar serta saksama berkenaan kedudukan Kumpulan dan Syarikat pada penghujung tahun kewangan dan keputusan serta aliran tunai Kumpulan dan Syarikat bagi tahun kewangan.

Dalam menyediakan penyata kewangan, Para Pengarah telah:-

- Memilih dasar-dasar perakaunan yang sesuai dan menggunakannya secara seragam;
- · Membuat keputusan dan anggaran yang munasabah dan cermat;
- Mempastikan bahawa semua piawaian-piawaian perakaunan yang terpakai telah diikuti; dan
- Menyediakan penyata kewangan diatas asas perniagaan berterusan memandangkan Para Pengarah mempunyai harapan yang munasabah, daripada siasatan yang mereka buat, bahawa Kumpulan dan Syarikat mempunyai sumber-sumber yang mencukupi untuk meneruskan operasi sejauh yang mungkin pada masa hadapan.

Para Pengarah bertanggungjawab untuk mempastikan bahawa Syarikat menyimpan rekod-rekod perakaunan yang mendedahkan dengan ketepatan yang munasabah kedudukan kewangan Kumpulan dan Syarikat dan yang membolehkan mereka mempastikan bahawa penyata kewangan mematuhi Akta Syarikat, 1965.

Para Pengarah mempunyai tanggungjawab keseluruhan untuk mengambil langkah-langkah yang terbuka kepada mereka untuk melindungi aset-aset Kumpulan dan untuk menghalang serta mengesan sebarang pemalsuan dan sebarang keadaan lain yang tidak mematuhi peraturan.

KAWALAN DALAMAN

Lembaga Pengarah mengakui tanggungjawab keseluruhannya untuk mengekalkan sistem kawalan dalaman yang berkesan untuk melindungi pelaburan pemegang-pemegang stok, aset-aset Syarikat, dan keperluan mengkaji kecukupan dan integriti sistem tersebut dari semasa ke semasa. Dalam mewujud dan mengkaji sistem kawalan dalaman, Para Pengarah mengiktiraf bahawa sistem kawalan dalaman hanya boleh memberi jaminan yang berpatutan tetapi tidak muktamad daripada risiko salahnyata atau kerugian yang ketara. Keberkesanan sistem kawalan dalaman Kumpulan dikaji secara berkala oleh Jawatankuasa Audit dan kajian sedemikian meliputi kewangan, operasi dan pematuhan serta pengurusan risiko.

Penyata Kawalan Dalaman sebagaimana dibentangkan di muka surat 45 hingga 46 Laporan Tahunan ini menyediakan gambaran keseluruhan keadaan kawalan dalaman dalam Kumpulan.

HUBUNGAN DENGAN JURUAUDIT

Melalui Jawatankuasa Audit, Syarikat telah mewujudkan satu hubungan yang terbuka dan wajar dengan juruaudit Syarikat. Juruaudit luar adalah dijemput menghadiri Mesyuarat Jawatankuasa Audit sekurang-kurangnya sekali setahun untuk membincangkan sifat dan skop audit serta masalah dan kesangsian yang timbul daripada audit terakhir.

Penyata ini telah dibuat selaras dengan resolusi Lembaga Pengarah bertarikh 28 April 2005.



1. PENGGUNAAN HASIL KUTIPAN

40

Unified Communications Holdings Limited ("UCHL"), sebuah anak syarikat 58.3%-milik Worldwide Matrix Sdn Bhd ("WMSB") yang mana adalah sebuah anak syarikat milik penuh Syarikat telah disenaraikan di Singapore Exchamge Securities Trading Limited pada 19 Februari 2004. Berhubung dengan penyenaraian ini, WMSB telah mengumpul hasil kutipan berjumlah lebih kurang RM6.5 juta daripada tawaran jualan saham UCHL milikannya sementara jumlah hasil kutipan bersih UCHL daripada terbiran awam saham-sahamnya adalah lebih kurang SGD9.3 juta. WMSB telah menggunakan kesemua hasil kutipan untuk tujuan-tujuan yang dinyatakan dalam Pekeliling Syarikat kepada pemegang-pemegang stok bertarikh 27 Oktober 2003. Untuk UCHL, sejumlah SGD8.8 juta telah digunakan setakat ini untuk tujuan-tujuan yang dinyatakan dalam prospektus UCHL bertarikh 10 Februari 2004.

2. BELIAN BALIK SAHAM

Sepanjang tahun kewangan berakhir 31 Disember 2004, anak syarikatnya, Advance Synergy Capital Berhad ("ASC") membeli balik sejumlah 1,170,300 unit saham dirinya untuk jumlah balasan RM722,122 dari pasaran saham terbuka. Kesemua saham yang dibeli balik telah disimpan sebagai saham perbendaharaan setakat 31 Disember 2004.

Butir-butir pembelian balik saham yang dilaksanakan oleh ASC adalah seperti yang dikemukakan dalam Laporan Tahunan 2004 ASC.

3. OPSYEN, WARAN ATAU SEKURITI BOLEH DITUKAR

Pada 1 Mei 2000, Syarikat telah menerbitkan RM185,874,269 nilai nominal 7% Stok Pinjaman Boleh Tebus 2000/2005 ("RLS") dan RM183,460,787 nilai nominal 7% Stok Pinjaman Boleh Tukar 2000/2005 ("CLS") bersama dengan 168,896,809 waran-waran boleh pisah.

168,896,809 waran-waran telah diterbitkan pada 29 Ogos 2000. Tarikh lupus asal iaitu 28 Ogos 2003 untuk waran-waran tersebut telah dilanjutkan sehingga 28 Ogos 2008. Seterusnya, dengan opsyen untuk melanjutkan lagi jangka masa dan tempoh pelaksanaan untuk dua (2) tahun yang akan lupus pada 28 Ogos 2010. Butir-butir lanjutan tersebut adalah seperti yang dinyatakan dalam Nota 27(a) penyata kewangan. Setakat 31 Disember 2004, tiada waran telah dilaksanakan.

Syarikat telah pada sepanjang tahun kewangan berakhir 31 Disember 2004 menebus sejumlah RM18,697,768 nilai persamaan nominal RLS daripada baki berjumlah RM93,676,321 dalam terbitan.

Syarikat tidak menerbitkan sebarang opsyen, waran atau sekuriti boleh tukar sepanjang tahun kewangan berakhir 31 Disember 2004.

4. FI BUKAN AUDIT DIBAYAR KEPADA JURUAUDIT LUAR

Fi bukan audit berkanun yang dibayar kepada juruaudit luar, BDO Binder, oleh Syarikat dan oleh Kumpulan bagi tahun kewangan berakhir 31 Disember 2004 masing-masing berjumlah RM3,000 dan RM3,000.

5. KONTRAK MATERIAL MEMBABITKAN PARA PENGARAH DAN PEMEGANG STOK UTAMA

Tiada kontrak material dimeterai oleh Syarikat dan anak-anak syarikatnya yang membabitkan kepentingan para pengarah dan pemegang stok utama, sama ada masih wujud pada hujung tahun kewangan berakhir 31 Disember 2004 atau dimeterai sejak akhir tahun kewangan yang lepas.

6. DASAR PENILAIAN SEMULA HARTANAH

Dasar penilaian semula hartanah Kumpulan adalah sebagaimana dinyatakan dalam Nota 5.4 kepada penyata kewangan.

7. URUSNIAGA PIHAK BERKAITAN BERULANG BERSIFAT HASIL ATAU DAGANGAN

Pada Mesyuarat Agung Luar Biasa yang diadakan pada 29 Jun 2004, Syarikat telah mendapat mandat para pemegang stok untuk membenarkan Kumpulan memasuki urusniaga pihak berkaitan berulang bersifat hasil atau dagangan.

Menurut Perenggan 10.09(1)(b), Bahagian E, Bab 10 Syarat-syarat Penyenaraian Bursa Securities, butir-butir urusniaga pihak berkaitan berulang yang dilaksanakan sepanjang tahun kewangan berakhir 31 Disember 2004 menurut mandat para pemegang stok adalah seperti berikut:-

Sifat Urusniaga	Penjual / Penyedia	Pembeli / Penerima	Nilai agregat urusniaga berulang (RM'000)	Sifat perhubungan dengan Advance Synergy Berhad ("ASB") – pengarah berkepentingan, pemegang stok utama dan pihak berkaitan
Sewa premis pejabat yang terletak di B-16-8 Megan Phileo Avenue, No.12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur, meliputi kawasan seluas 3,708 kaki persegi	ASH Holdings Sdn Bhd ("ASH")	Antara Holiday Villas Sdn Bhd ("Antara")	98	Datin Masri Khaw Binti Abdullah adalah pengarah ASB dan Antara, anak syarikat milik penuh Alangka-Suka Hotels & Resorts Berhad ("ASHR") (sebuah anak syarikat 99.63%-milik ASB). Beliau memegang kepentingan 0.25% dalam ASHR dan 50% dalam ASH.
Royalti untuk Kad Cash-In Rebate	Interpay International Franchising Ltd ("IIF")	Rewardstreet.com (Malaysia) Sdn Bhd ("Rewardstreet")	-	Rewardstreet adalah sebuah anak syarikat milik penuh iSynergy Sdn Bhd ("iSynergy"). Kedua-dua IIF dan Interpay International Resources Ltd, pemegang saham utama iSynergy, adalah anak-anak syarikat milik penuh Interpay International Group Ltd ("IIG"). Benny Lee Shing Bun, seorang pengarah iSynergy, mempunyai kepentingan 35% dalam IIG. Beliau tidak mempunyai sebarang kepentingan dalam ASB.
Rekuisisi sokongan Teknikal	Interpay International Associates Ltd ("IIA")	iSynergy	-	Kedua-dua IIA dan Interpay International Resources Ltd, pemegang saham utama iSynergy, adalah anak-anak syarikat milik penuh IIG. Benny Lee Shing Bun, seorang pengarah iSynergy, mempunyai kepentingan 35% dalam IIG. Beliau tidak mempunyai sebarang kepentingan dalam ASB.
Rekuisisi kad bayaran perubatan dengan ciri-ciri insuran dikenali sebagai "Alpha Medi-Charge Card" untuk pekerja- pekerja	iSynergy	ASB	29	Dato' Ahmad Sebi Bakar adalah Pengerusi Eksekutif dan pemegang stok utama ASB. Beliau juga seorang pengarah iSynergy. iSynergy adalah anak syarikat 51%-milik langsung ASB.
Penyediaan perkhidmatan penyelidikan ekuiti	Strategic Research & Consultancy Sdn Bhd ("SRC")	SJ Securities Sdn Bhd ("SJ")	260	SRC adalah sebuah anak syarikat milik penuh ASB dimana Dato' Ahmad Sebi Bakar adalah pengarah dan pemegang stok utama. Beliau juaga seorang pengarah SJ memegang 40% kepentingan tidak langsung.

(41)

Laboran Jawatankuasa Audit

KEAHLIAN DAN KEHADIRAN

42

Ahli-ahli Jawatankuasa Audit sepanjang tahun kewangan berakhir 31 Disember 2004 dan butir-butir kehadiran setiap ahli di lima (5) mesyuarat yang telah diadakan sepanjang tahun adalah seperti berikut:-

Nama	Bilangan	Mesyuarat
Nama	Diadakan	Dihadiri
Wong Ah Nam @ Wong Joon Tuang Pengerusi / Pengarah Bebas Bukan Eksekutif	5	5
Chim Wai Khuan Ahli / Pengarah Bebas Bukan Eksekutif	5	5
Sng Ngiap Koon Ahli / Pengarah Eksekutif	5	5

KEGIATAN-KEGIATAN

Jawatankuasa Audit telah menjalankan tugasnya sebagaimana dinyatakan dalam bidang tugasnya bagi kegiatan-kegiatan berkaitan pada tahun 2004.

FUNGSI AUDIT DALAMAN

Lembaga Pengarah dengan bantuan Jawatankuasa Audit memantau secara aktif pengurusan risiko dan kawalan dalaman dalam Kumpulan.

Jawatankuasa Audit telah menerima pakai pendekatan risiko dari atas ke bawah dalam pelaksanaan dan pemantauan kawalan dalaman dalam Kumpulan. Ia dicapai melalui kajian dan perbincangan yang kritikal dan mendalam mengenai laporan pengurusan dan isu-isu berkaitan yang dibentangkan dalam mesyuarat Jawatankuasa Audit yang kerap diadakan. Pendekatan berasaskan risiko dari atas ke bawah ini akan membolehkan Jawatankuasa Audit mengenal pasti sebarang gangguan utama dalam pengurusan risiko dan kawalan dalaman dalaman dalam Kumpulan dan untuk mengambil langkah-langkah perlu bagi menangani isu-isu tersebut.

Jawatankuasa Audit mengakui kepentingan fungsi-fungsi audit dalaman untuk mengekalkan sistem kawalan dalaman yang baik untuk melindungi pelaburan para pemegang stok. Jabatan Audit Dalaman adalah bertanggungjawab untuk mengendalikan kajian-kajian teratur dan sistematik atas sistem kawalan dan melapor terus dan bebas kepada Jawatankuasa Audit.

Sepanjang tahun kewangan, Jabatan Audit Dalaman telah mengendalikan pelbagai kajian atas operasi, sistem serta penilaian risiko menurut Pelan Audit Dalaman yang telah diluluskan oleh Jawatankuasa Audit. Jabatan Audit Dalaman juga mengendalikan audit berterusan untuk mempastikan cadangan-candangan audit dan rancangan-rancangan pembetulan telah dilaksanakan.

BIDANG TUGAS JAWATANKUASA AUDIT

OBJEKTIF

Jawatankuasa Audit membantu Lembaga Pengarah menjalankan tanggungjawabnya untuk mengawalselia dan mempastikan kualiti dan integriti perakaunan, pengauditan, kawalan dalaman dan amalan laporan kewangan Syarikat dan Kumpulan.

KEAHLIAN

Jawatankuasa Audit akan dilantik oleh Lembaga Pengarah dari kalangan Pengarah Syarikat dan akan terdiri tidak kurang daripada tiga (3) ahli, majoriti daripada mereka adalah Pengarah Bebas. Tiada pengarah gantian dilantik sebagai ahli Jawatankuasa Audit.

Sekurang-kurangnya seorang ahli Jawatankuasa Audit:-

- (i) Mestilah seorang ahli Institut Akauntan Malaysia; atau
- Sekiranya beliau bukan ahli Institut Akauntan Malaysia, beliau hendaklah menpunyai sekurang-kurangnya tiga (3) tahun pengalaman dan:-
 - (a) Beliau mestilah telah lulus peperiksaan-peperiksaan yang ditetapkan dalam Bahagian I Jadual Pertama Akta Akauntan 1967;
 - (b) Beliau mestilah seorang ahli salah satu pertubuhan akauntan yang ditetapkan dalam Bahagian II Jadual Pertama Akta Akauntan 1967; atau
 - (c) Memenuhi keperluan lain yang ditentukan oleh Bursa Securities.

Ahli-ahli Jawatankuasa Audit akan memilih seorang Pengerusi daripada kalangan mereka yang merupakan seorang Pengarah Bebas.

Perlantikan seseorang ahli Jawatankuasa Audit tamat apabila ahli tersebut berhenti menjadi Pengarah Syarikat.

MESYUARAT

Korum akan terdiri daripada dua (2) ahli yang hadir, yang kedua-duanya merupakan Pengarah Bebas.

Jawatankuasa Audit ini akan bermesyuarat sekurang-kurangnya empat (4) kali setahun, atau lebih kerap sekiranya dianggap perlu oleh Jawatankuasa Audit.

Ketua Pengawal Kewangan, Pengurus Audit Dalaman dan seorang wakil juruaudit luar lazimnya akan diundang untuk menghadiri mesyuarat. Ahli Lembaga Pengarah lain boleh menghadiri mesyuarat jika dijemput oleh Jawatankuasa Audit. Setiausaha kepada Jawatankuasa Audit adalah Setiausaha Syarikat.

MINIT

Setiausaha Jawatankuasa Audit akan menyediakan minit, yang akan ditandatangani oleh Pengerusi mesyuarat dan diedarkan kepada setiap ahli Jawatankuasa Audit dan Lembaga Pengarah. Pengerusi Jawatankuasa Audit akan melaporkan setiap mesyuarat kepada Lembaga Pengarah.

AUTORITI

Jawatankuasa Audit ini diberi kuasa oleh Lembaga Pengarah:-

- (i) Untuk menyiasat sebarang kegiatan yang termasuk dalam bidang tugasnya;
- (ii) Untuk mempunyai sumber yang diperlukan bagi melaksanakan tugasnya;
- (iii) Untuk mempunyai akses penuh dan tidak terhalang kepada sebarang maklumat berkenaan Syarikat dan Kumpulan;
- (iv) Untuk mempunyai saluran komunikasi langsung dengan juruaudit dalaman dan luar;
- (v) Untuk mendapatkan nasihat guaman atau nasihat bebas luar jika perlu; dan
- (vi) Untuk mengadakan mesyuarat dengan juruaudit luar, tanpa kehadiran ahli-ahli eksekutif Kumpulan, apabila perlu.

FUNGSI DAN TUGAS

Fungsi dan tugas Jawatankuasa Audit ini adalah:-

- (i) Untuk mengkaji perkara-perkara berikut dan melaporkan perkara yang sama kepada Lembaga Pengarah:-
 - (a) rancangan audit dengan juruaudit luar;
 - (b) penilaian tentang sistem kawalan dalaman dengan juruaudit luar;
 - (c) dengan juruaudit luar, laporan audit beliau;
 - (d) bantuan yang diberikan oleh kakitangan Syarikat dan Kumpulan kepada juruaudit luar;
 - (e) kecukupan skop, fungsi dan sumber fungsi audit dalaman dan bahawa ia mempunyai autoriti yang perlu untuk melaksanakan tugasnya;
 - (f) program audit dalaman, proses, keputusan program audit dalaman, proses atau penyiasatan yang dijalankan dan sama ada tindakan yang sewajarnya diambil berhubung syor fungsi audit dalaman;
 - (g) keputusan suku tahunan dan penyata kewangan akhir tahun sebelum kelulusan Lembaga Pengarah dengan fokus khususnya diberikan kepada:-
 - perubahan atau pelaksanaan perubahan dasar perakaunan utama;
 - peristiwa-peristiwa signifikan atau luarbiasa;
 - pematuhan terhadap piawaian perakaunan dan keperluan perundangan lain;
 - bidang-bidang pertimbangan utama;
 - andaian perniagaan berterusan;
 - pematuhan terhadap keperluan Bursa Securities;
 - (h) sebarang urusniaga pihak berkaitan dan keadaan konflik kepentingan yang mungkin timbul dalam Syarikat atau Kumpulan termasuk sebarang urusniaga, prosedur atau perjalanan tatacara yang menimbulkan persoalan berhubung integriti pengurusan;
 - (i) sebarang surat perletakan jawatan daripada juruaudit luar Syarikat;
 - (j) sama ada terdapat sebab (disokong oleh alasan) untuk mempercayai bahawa juruaudit luar tidak sesuai untuk dilantik semula;
 - (k) surat pengurusan juruaudit luar dan tindakbalas pengurusan;
 - sama ada mereka berpuas hati bahawa prosedur Pengurusan Risiko Korporat yang digunakan dalam Syarikat dan Kumpulan memberikan jaminan yang munasabah bahawa semua risiko yang diketahui telah dikenalpasti, dinilai dan diuruskan dengan berkesan;
- (ii) Untuk menyediakan Laporan Jawatankuasa Audit bagi laporan tahunan seperti yang ditetapkan oleh perenggan 15.16 Keperluan Penyenaraian Bursa Securities;
- (iii) Di mana Jawatankuasa Audit berpendapat bahawa perkara yang dilaporkan olehnya kepada Lembaga Pengarah Syarikat telah tidak diselesaikan dengan memuaskan serta melanggar Keperluan Penyenaraian Bursa Securities, maka Jawatankuasa Audit mestilah dengan segera melaporkan perkara tersebut kepada Bursa Securities;
- (iv) Untuk mengesyorkan kepada Lembaga Pengarah perlantikan juruaudit luar dan imbuhan mereka;
- (v) Untuk mengkaji sebarang penaksiran atau penilaian prestasi ahli-ahli fungsi audit dalaman;
- (vi) Untuk meluluskan sebarang perlantikan atau pemberhentian kerja kakitangan kanan fungsi audit dalaman;
- (vii) Untuk memaklumkan perletakan jawatan ahli kakitangan audit dalaman dan memberi ahli kakitangan yang akan meletak jawatan peluang mengemukakan sebab-sebab perletakan jawatan;
- (viii) Untuk membincangkan masalah dan perkara khusus yang timbul daripada audit interim dan akhir, penilaian mereka ke atas sistem kawalan dalaman, dan sebarang perkara yang ingin dibincangkan oleh juruaudit dalaman (tanpa kehadiran pengurusan jika perlu);
- (ix) Untuk mempertimbangkan penemuan utama siasatan dalaman dan tindakbalas pengurusan; dan
- (x) Untuk melaksanakan fungsi-fungsi lain yang dipersetujui oleh Jawatankuasa Audit dan Lembaga Pengarah.

Laporan ini telah dibuat selaras dengan resolusi Lembaga Pengarah bertarikh 28 April 2005.

(44

Pennyata Kawalan Dalaman

Perenggan 15.27(b) Syarat-syarat Penyenaraian Bursa Securities memerlukan Lembaga Pengarah syarikat-syarikat tersenarai awam untuk memasukkan dalam laporan tahunannya "penyata mengenai keadaan kawalan dalaman penerbit tersenarai sebagai sebuah kumpulan". Lembaga Pengarah adalah dikomitkan untuk mengekalkan sistem kawalan dalaman yang kukuh dalam Kumpulan dan dengan sukacitanya memberikan penyata berikut, yang menggariskan sifat dan skop kawalan dalaman Kumpulan sepanjang tahun kewangan.

TANGGUNGJAWAB LEMBAGA PENGARAH

Lembaga Pengarah mengakui tanggungjawab utamanya bagi sistem kawalan dalaman Kumpulan, yang termasuk pembentukan rangka kerja persekitaran kawalan yang sesuai serta mengkaji kecukupan dan integritinya dari masa ke masa. Memandangkan batasan sedia ada dalam mana-mana sistem kawalan dalaman, sistem ini telah direka untuk mengurus, dan bukan menghapuskan, risiko kegagalan untuk mencapai objektif korporat. Selaras dengan itu, ia hanya boleh menyediakan jaminan munasabah tetapi bukan jaminan mutlak terhadap salahnyataan material, kegagalan operasi, penipuan atau kerugian. Sistem kawalan dalaman merangkumi pengurusan risiko dan kawalan kewangan, operasi serta pematuhan. Kecuali untuk risiko yang boleh diinsurankan di mana perlindungan insuran adalah dibeli, risiko penting lain yang dihadapi oleh Kumpulan (kecuali rakan-rakan syarikat) telah dilaporkan dan diuruskan oleh Lembaga Pengarah tertentu dalam Kumpulan.

RANGKA KERJA PENGURUSAN RISIKO

Lembaga Pengarah menyokong sepenuhnya kandungan penerbitan mengenai "Penyata mengenai Kawalan Dalaman – Panduan kepada Pengarah-Pengarah Syarikat-syarikat Tersenarai Awam". Pada 2003 sebuah firma perunding bebas telah dilantik untuk melaksanakan satu rangka kerja pengurusan risiko yang terancang, Pengurusan Risiko Perusahaan ("ERM") dalam Kumpulan demi mengukuhkan kesedaran risiko serta kesedaran kawalan. Pembentangan seterusnya berkenaan dengan kesedaran risiko telah dilaksanakan oleh Unit Kawalan Dalaman.

Selain dari itu, Lembaga Pengarah dan juga jawatankuasa sampingan telah mengambil langkah-langkah yang sepatutnya untuk menyuarakan keperluan kesedaran risiko dalam Kumpulan, dan telah memberikan tugas kepada pihak pengurusan untuk membentuk dan mengekalkan sistem-sistem tertentu untuk mencapai matlamat pengurusan risiko, termasuk:-

- Membentangkan kajian ERM kepada syarikat-syarikat lain dalam Kumpulan;
- Menerima pakai dokumen dasar dan prosedur pengurusan risiko, yang menggariskan rangka kerja risiko untuk Kumpulan dan menawarkan garis panduan praktikal kepada semua kakitangan mengenai penilaian risiko dan laporan ke pihak atasan mereka;
- Menubuhkan Jawatankuasa Pengurusan Risiko Kumpulan, dengan tanggungjawab untuk mengenal pasti dan memaklumkan kepada Lembaga Pengarah, atas dasar berterusan, risiko-risiko penting yang dihadapi oleh Kumpulan, perubahannya dan rancangan tindakan pengurusan untuk mengurus risiko; dan
- Melantik seorang Pegawai Risiko, untuk mengemaskini profil risiko Kumpulan mengikut dokumen dasar dan prosedur pengurusan risiko.

Langkah-langkah seterusnya dalam Pengurusan Risiko Kumpulan termasuk yang berikut:-

- Untuk mewujudkan profil risiko disatukan untuk Kumpulan apabila kajian ERM terhadap syarikat-syarikat lain dalam Kumpulan telah diselesaikan;
- Untuk mewujudkan dan memformalkan rangka kerja pelaporan pengurusan risiko, termasuk pengemukaan laporan pengurusan risiko berkala kepada Jawatankuasa Pengurusan Risiko Kumpulan; dan
- Untuk memformalkan kajian berkala oleh Lembaga Pengarah, dengan bantuan Jawatankuasa Audit, mengenai kecukupan dan integriti sistem kawalan dalaman.

FUNGSI AUDIT DALAMAN

Sepanjang tahun kewangan, unit kawalan dalaman menjalankan pelbagai kajian audit selaras dengan jadual perancangan kawalan dalaman. Fungsi unit kawalan dalaman adalah memberi jaminan tentang keberkesanan sistem kawalan dalaman dalam Kumpulan. Dengan menggunakan pendekatan berasaskan risiko, unit kawalan dalaman mengadakan kajian bebas ke atas aktiviti-aktiviti utama dalam Kumpulan berdasarkan jadual perancangan tahunan unit kawalan dalaman yang telah diluluskan oleh Jawatankuasa Audit.

Kesemua penemuan audit diteliti dan dibincangkan bersama pihak pengurusan. Jawatankuasa Audit, bagi pihak Lembaga Pengarah, meneliti isu-isu kawalan dalaman yang dikenal pasti dan saranan-saranan yang dikemukakan oleh unit kawalan dalaman serta perunding bebas secara berterusan.

PROSES KAWALAN DALAMAN

46

Selain daripada audit dalaman dan pengurusan risiko, Lembaga Pengarah telah mempunyai proses-proses berikut untuk memberikan tahap jaminan tertentu kepada Lembaga Pengarah berhubung dengan operasi dan kesahihan sistem ke atas kawalan dalaman dalam Kumpulan:-

- Kajian yang mendalam atas keputusan dan laporan kewangan suku tahunan dan menilai alasan-alasan bagi perbezaan luar biasa yang diperhatikan daripadanya oleh Lembaga Pengarah dan Jawatankuasa Audit;
- Pengarah Eksekutif terlibat secara rapat dalam pengendalian perniagaan dan operasi Kumpulan dan melapor kepada Lembaga Pengarah atas perubahan penting dalam perniagaan dan persekitaran luar, yang melibatkan operasi Kumpulan secara umum; dan
- Lembaga Pengarah telah pun mempunyai struktur organisasi dengan garis-garis tanggungjawab yang dinyatakan secara formal, pembahagian tugas dan perwakilan kuasa yang sewajarnya. Satu proses pelaporan berhairaki telah diwujudkan, yang menyediakan susunan tanggungjawab didokumen dan boleh diauditkan. Prosedur-prosedur termasuk pengwujudan had kuasa dan dasar ke atas kesihatan dan keselamatan, latihan dan pembangunan, persamaan peluang, prestasi kakitangan dan salah laku serius. Prosedur-prosedur ini adalah berkaitan dalam Kumpulan keseluruhan untuk memberi jaminan berterusan yang akan diberi pada peringkat pengurusan lebih tinggi dan akhirnya kepada Lembaga Pengarah.

KELEMAHAN DALAM KAWALAN DALAMAN YANG MENGAKIBATKAN KERUGIAN MATERIAL

Tiada kerugian material ditanggung dalam tahun kewangan semasa akibat daripada kelemahan dalam kawalan dalaman. Lembaga Pengarah, bersama dengan Pengurusan, terus mengambil langkah-langkah untuk mengukuhkan persekitaran kawalan.

Penyata ini telah dibuat selaras dengan resolusi Lembaga Pengarah bertarikh 28 April 2005.



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Sagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan Laporan Tahunan dan Akaun bagi Syarikat dan Kumpulan Advance Synergy Berhad untuk tahun kewangan berakhir 31 Disember 2004.³³

Catatan Pengerusi

PENGENALAN

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan Laporan Tahunan dan Akaun bagi Syarikat dan Kumpulan Advance Synergy Berhad untuk tahun kewangan berakhir 31 Disember 2004.

Dalam tahun 2004, anak-anak syarikat yang beroperasi telah sama ada menghampiri penghujung pelbagai aktiviti-aktiviti penyusunan semula atau sedang menunjukkan kemajuan dalam melaksanakan strategi-strategi yang baru.

Kumpulan semakin berjaya meningkatkan aset-kecekapannya serta keuntungan di dalam semua segmen perniagaan. Dalam tahun kewangan ini, Perkhidmatan Kad dan Pembayaran, yang dikendalikan oleh iSynergy Sdn Bhd, telah mencapai perjanjian bersama sebuah institusi kewangan yang bersetuju menyediakan 'revolving line of credit' bagi menyokong strategi perniagaan kad iSynergy. Pembangunan positif ini masih tertakluk kepada kelulusan Bank Negara Malaysia sebelum iSynergy boleh melancarkan semula perniagaan MasterCard dalam pasaran kad kredit Malaysia.

Triton, anak syarikat Kumpulan kita yang menyediakan perkhidmatan pengangkutan awam, telah juga menunjukkan kemajuan pendapatan yang bermakna sepanjang tahun kewangan bagi membolehkan Advance Synergy Capital Berhad keluar daripada klasifikasi Nota Amalan 10. Perniagaan bersekutu insuran hartabenda dan korban kita, ACE Synergy Insurance Berhad, juga melaporkan pertumbuhan premium yang kukuh, sementara keuntungan pula meningkat dengan cemerlang.

Perniagaan hotel dan pusat peranginan kita – Holiday Villa International juga berkembang baik. Strategi kita berkembang di negeri China secara berhemah telah membuahkan hasil pertama apabila ia mendapat kontrak pengurusan untuk Shifeng Holiday Villa di Changshu, China.

Sementara itu, syarikat pembuatan, pemasaran dan edaran di Australia telah mendapat nama baru - Advansa Pty Ltd tahun lepas dan ia telah terus memberi pertumbuhan yang memberangsangkan mengatasi prestasi tahun 2003.

Namun begitu, Unified Communications Holdings Limited yang berprestasi baik tahun lalu, menghadapi situasi yang sukar dalam tahun 2004 dan kerana itu ia membuat perubahan kepada model hasil pendapatan. Fokus terbarunya adalah untuk mendapatkan hasil yang berulang-ulang daripada perniagaannya berbanding hasil yang "sekali saja" atau "one-off". Perubahan strategi memberi kesan negatif bagi jangkamasa dekat, tetapi jelaslah bahawa kesannya adalah sementara.

Advance Synergy Realty Sdn Bhd, anak syarikat hartanah kita yang beroperasi di Malaysia Timur, sekali lagi melaporkan hasil yang baik sepanjang tahun. Segmen perniagaan pelancongan kita melalui Orient Escape Travel Sdn Bhd – dahulunya Inter-Pacific Travel and Tours Sdn Bhd – telah bertambah maju dalam separuh akhir tahun 2004 dan mampu berkembang di tahun yang akan datang.

KEPUTUSAN KEWANGAN

Kumpulan kita telah mencatatkan hasil berjumlah RM227.0 juta untuk tahun kewangan berakhir 31 Disember 2004, berbanding RM218.9 juta bagi tahun berakhir 31 Disember 2003, iaitu peningkatan sebanyak 3.7%.

Akan tetapi, keuntungan bersih yang telah kita capai bagi tahun ini hanyalah RM5.5 juta berbanding RM6.1 juta pada tahun kewangan lalu. Penyusutan keuntungan ini disebabkan terutamanya oleh kejatuhan sumbangan perolehan daripada Unified Communication Group (UC). Kerana itu, perolehan Kumpulan merosot dari 1.79 sen setiap unit stok bagi tahun kewangan berakhir 31 Disember 2003 ke 1.62 sen setiap unit stok bagi tahun kewangan berakhir 31 Disember 2004.

OPERASI KUMPULAN

PERKHIDMATAN KAD DAN PEMBAYARAN

Pada tahun kewangan ini juga, hasil iSynergy Sdn Bhd ("iSynergy") daripada "Cash-In Rebate Cards" telah terjejas teruk kerana kontrakkontrak dengan Petronas dan Celcom tidak diperbaharui. Kejadian ini dengan nyata mengganggu prestasi tahunan iSynergy. Akan tetapi, kesan yang kurang menggembirakan ini dapat diimbangi oleh kejayaan pasukan iSynergy untuk menghidupkan semula rancangan pembangunan perniagaan kad kredit.

Sehubungan ini, saya dengan sukacitanya melaporkan bahawa iSynergy telah memperolehi, "revolving line of credit" daripada sebuah institusi kewangan untuk pemegang kad iSynergy MasterCard, yang tertakluk kepada kelulusan akhir Bank Negara Malaysia (BNM). Apabila kelulusan akhir diperolehi, iSynergy akan melancarkan semula perniagaan kad kreditnya, mungkin dalam setengah tahun kedua 2005.

PENGANGKUTAN AWAM

Segmen perniagaan pengangkutan awam yang dilaksanakan oleh Kumpulan Triton ('Triton') anak syarikat Advance Synergy Capital Berhad, telah menumpukan tenaga bagi merasionalkan dan menggabungkan sokongan dan asas sumber operasinya.

Semasa proses ini sedang disempurnakan, kemajuan operasi perniagaan terjejas agak teruk disebabkan proses yang terlalu lama bagi mengalihkan pelancaran perkhidmatan bas pengantara kepada perkhidmatan bas berhenti-henti, dan masalah lain seperti peningkatan harga disel. Tambahan pula, jumlah penumpang bas juga banyak berkurangan kebanyakannya disebabkan oleh tindakan besar-besaran kerajaan menghantar pulang pekerja asing. Meskipun banyak cabaran yang dihadapi, Syarikat telah berjaya dalam usahanya untuk mencapai tahap operasi yang mencukupi pada akhir tahun kewangan untuk membenarkan Advance Synergy Capital Berhad dikeluarkan daripada klasifikasi Nota Amalan 10. Daripada tahun pertama perkhidmatan pada 2003, hasil Triton telah berkembang 187% tahun-ke-tahun dalam 2004.





Bas Ekspres Triton

Seperti yang dilaporkan dahulu, Syarikat, melalui salah satu anak syarikat milik penuhnya memperolehi dua bangunan pejabat serta kemudahan kilang dan gudang di Shah Alam. Pemerolehan ini telah selesai pada 31 Oktober 2003 dan pada suku pertama tahun 2004, Syarikat telah memusatkan semua operasinya iaitu perkhidmatan pengangkutan bas dan kemudahan sokongan tambahan di lokasi ini.

Sepanjang tahun, Syarikat telah mempertingkatkan usahanya untuk membina, melancarkan dan menyenggara bas yang memenuhi piawaian-piawaian keselamatan untuk menyediakan suasana perjalanan yang selamat dan selesa untuk penumpang-penumpangnya. Program pengubahsuaian Syarikat telah meningkatkan jumlah bas yang beroperasi kepada 160 buah. Syarikat kini beroperasi di laluan-laluan bas ekspres merangkumi semua bandar-bandar dan pekan-pekan utama di Semenanjung Malaysia dan termasuk perkhidmatan harian dari Kuala Lumpur/Shah Alam ke Singapura dan sebaliknya.

Pada awal tahun 2004, keputusan telah dibuat untuk menghentikan secara beransur-ansur perkhidmatan bas pengantara di stesen Putra dan Star LRT yang tertentu di Kuala Lumpur. Seterusnya, bas pengantara sedikit demi sedikit telah dilesenkan semula kepada laluan bas berhenti-henti di Johor Bahru dan Shah Alam. Pada 31 Mac 2005, Syarikat telah menghantar 45 buah bas berhenti-henti untuk perkhidmatan di Johor Bahru dan kawasan sekitarnya.



Bengkel bas Triton di Shah Alam

INSURAN HARTABENDA DAN KORBAN

50

Di samping Triton, ACE Synergy Insurance Berhad ("Ace Synergy") juga telah mencapai kemajuan penting untuk meningkatkan hasil dan keuntungannya.

Untuk tahun kewangan berakhir 31 Disember 2004, Ace Synergy telah menunjukkan prestasi baik dengan memperolehi keuntungan sebelum cukai sebanyak RM31.1 juta, peningkatan 59.6% daripada tahun sebelumnya dan pertumbuhan premium kasar tercatatnya kepada RM146.9 juta, iaitu naik 17.4%.

Pencapaian untuk 2004 ini terus memperkukuh asas penting yang telah dibina oleh pasukan Ace Synergy bagi memajukan perniagaan sejak 2001. Sepanjang tempoh empat tahun ini, Ace Synergy merekodkan kadar pertumbuhan tahunan berkompaun yang tinggi iaitu 14% untuk hasil dan sebanyak 38% peningkatan dalam keuntungan sebelum cukai.







Sepanjang tempoh itu juga, hasil dalam terma mutlak telah tumbuh daripada RM87.1 juta (2001) kepada RM146.9 juta (2004) manakala keuntungan sebelum cukai melonjak daripada RM8.6 juta (2001) kepada RM31.1 juta (2004).

Namun begitu, separuh pertama 2004 terbukti menjadi waktu huru-hara untuk Ace Synergy kerana kadar premium telah diturunkan mendadak, ditambah pula dengan pertumbuhan pasaran tempatan yang rendah disebabkan kelembapan pembangunan infrastruktur besar dalam negara dan pasaran dunia yang tidak menentu. Dengan bergantung kepada kekuatan "underwriting" dan rakan strategik, pemasaran terus yang kukuh dan rangkaian serta dan prestasi baik para pekerja, syarikat terus menunjukkan prestasi baik.

Terdapat beberapa perkembangan strategik sepanjang tahun; yang terpenting ialah kelulusan untuk mendapatkan perniagaan yang pelbagai dan operasi cawangan Pulau Pinang dan Johor Bahru. Keputusan untuk memperkembang urusniaga syarikat kepada pasaran antara negeri dijangka menggalakkan hubungan dengan pelanggan kerana ianya menyediakan peluang-peluang perniagaan dan perkhidmatan baru.

Pasaran insurans am akan menyaksikan kemelesetan berterusan pada kadar-kadar yang ditawarkan disebabkan oleh perubahan-perubahan dalam sektor perkhidmatan kewangan. Ini peluang baik untuk syarikat kita menilai semula kedudukan nilainya dalam pasaran dan mendapatkan perniagaan untuk masa kini dan masa hadapan melalui penyelesaian risiko inovatif dan program-program pengurusan risiko.

Pasukan Ace Synergy bercadang untuk terus memperkembangkan perniagaan dengan memberi penumpuan pada kompetensi asas, mempromosi kepakaran pengurusan risiko, meningkatkan kemampuan teknikal dan pada masa yang sama, meneruskan dan membina ikatan-ikatan strategik.

HOTEL DAN PUSAT PERANGINAN

Keputusan yang diperolehi oleh pasukan Ace Synergy bagi tahun ini telah menetapkan piawaian prestasi untuk semua segmen perniagaan kita yang lain. Antara pasukan yang telah bangun menghadapi cabaran adalah kumpulan hotel dan pusat peranginan. Segmen perniagaan hotel dan pusat peranginan kita – melalui jenama Holiday Villa International – terus melonjak ke hadapan dan menandakan 2004 dengan peningkatan keuntungan operasi yang tinggi berbanding tahun sebelumnya.

Hasil segmen perniagaan hotel dan pusat peranginan bagi tahun 2004 meningkat 22% kepada RM71.9 juta, berbanding dengan RM59.0 juta yang dicapai dalam tahun 2003. Dengan adanya disiplin yang kukuh dan usaha berterusan, keuntungan pengurusan kasar yang diperolehi adalah sebanyak RM34.8 juta, meningkat 43% daripada RM24.3 juta bagi tahun sebelumnya.



Di antara pencapaian lain pasukan Holiday Villa sepanjang tahun adalah:-



Shifeng Holiday Villa Changshu, China (Pembukaan pada Mac 2006)

- Perjanjian perkhidmatan pengurusan dengan Shifeng International untuk menguruskan projek hotel berprestij di Changshu, China. Ini adalah hotel 4 bintang yang pertama diuruskan secara antarabangsa di Changshu dan adalah hotel yang ke 15 di bawah kumpulan Holiday Villa. Hotel ini akan dirasmikan pada Mac 2006 dan akan dinamakan Shifeng Holiday Villa Changshu. Terletak di Jalan Hai Yu South, pusat komersil "up-market", bertentangan dengan tempat membeli-belah Fangta yang pertama dan satu-satunya di Bandar Changshu, lebih kurang 100 km daripada Shanghai. Hotel yang mempunyai 452 bilik ini akan menjadi bangunan tertinggi di bandar ini dan premisnya termasuk restoran berputar, dewan serbaguna, ruang istirehat dan bar.
- Kumpulan Holiday Villa juga telah membuka pusat spa baru – "The Amoaras Relaxation Spa" di Holiday Villa London. Terletak di tingkat paling bawah, "The Amoaras Relaxation Spa" dengan uniknya menawarkan rawatan dan terapi jenama Asia yang menggabungkan semua rawatan tropikal yang menggunakan herba dan kandungan asli. Pengunjung-pengunjung spa berpeluang mendapat pengalaman urutan badan secara tradisional untuk menyembuhkan penyakit, serta mengembalikan dan mengekalkan kesihatan badan.



Spa Amoaras

 Satu lagi tarikan adalah Restoran "Sedap Fun Food" dan "Strange Fellow Bistro Pub" yang beroperasi di Holiday Villa Apartmen Suit, di Jalan Ampang, Kuala Lumpur. Dengan tempat duduk untuk 40 orang, restoran ini mempunyai hidangan yang unik dan menyelerakan. Hidangan istimewanya termasuk mi rebus, set ulam ala bali, udang harimau sumbat dan ketam bakar. Sementara itu, tetamu juga akan dihiburkan dengan hiburan dari pelbagai era.



Salah satu hidangan istimewa di Restoran "Sedap Fun Food"



Jamuan untuk anak-anak yatim di City Villa, Kuala Lumpur

Tahun 2004 ini juga telah memperlihatkan kumpulan hotel Holiday Villa membawa keceriaan dalam kehidupan anak-anak yatim di Malaysia dan luar negara. Anak-anak yatim telah dilayan dengan makanan yang istimewa melalui aktiviti program "A Treat For Orphans". Ini adalah sebahagian daripada program kerja amal yang lebih besar, bertujuan untuk menimbulkan kesedaran, kasih dan sayang terhadap anak-anak yatim.

TEKNOLOGI KOMUNIKASI DAN INFORMASI

52

Unified Communications Holdings Limited ("UCHL"), subsidiari kita yang mewakili kumpulan komunikasi dan informasi dalam industri teknologi ("ICT") mengalami kesukaran dalam tahun sulung sebagai sebuah syarikat yang disenaraikan di bursa saham. UCHL berjaya disenaraikan di Bursa Saham Singapura tahun lepas, pada 19 Februari, dengan respon yang membanggakan dari orang ramai.

Walaupun industri ICT – terutama di lingkungan rangkaian data dan telefoni mobil – terus menunjukkan pertumbuhan yang mapan, namun kekurangan permintaan dari pembekal servis telekomunikasi paras kedua di rantau ini telah memberikan kesan buruk dan menjejaskan prestasi UCHL pada tahun 2004. Sepanjang tahun lalu, UCHL dan subsidiarinya telah mencatatkan kerugian bersih sebanyak \$\$3.2 juta dengan jumlah jualan \$\$18 juta.

Keadaan persekitaran perniagaan yang lembap dan longlai ini disebabkan terutamanya oleh sikap pengusaha telekomunikasi dan pembekal servis di rantau yang kurang berbelanja demi menanti teknologi generasi akan datang. Oleh kerana itu, UCHL telah berusaha mendorong beberapa strategi perniagaan jangka panjang melalui model keuntungan berulang yang berasaskan perkongsian keuntungan. Peralihan dasar keuntungan ini telah menyebabkan pendapatan yang diterima pada tahun ini turun mendadak, berbanding dengan tahun-tahun sebelumnya.

Selaras dengan strategi baru tersebut UCHL telah berjaya menandatangani 6 kontrak perkongsian keuntungan dengan syarikat telekomunikasi terulung di Asia untuk menggunakan produk kemegahan kita, iaitu perkhidmatan "Location – Based" dan "Personalized Ring Back Tone". Kumpulan juga mengorak usaha pertama di Asia Tengah melalui kerjasama dengan Uzmacom, sebuah operator rangkaian GSM yang terulung di Uzbekistan untuk menyediakan Platform Mobil Prabayar dan pusat SMS.

Walaupun ia masih di dalam peringkat permulaan dan belum lagi menyumbang kepada keputusan keseluruhan, "recurring-revenue" ini telah menunjukkan kemajuan yang memberangsangkan. Dari April 2004, kedua-kedua penyelesaian utama di bawah pendekatan perkongsian pendapatan telah mencapai ramalan.

Kumpulan pembangunan perisian dan sistem juga telah membangunkan produk perkhidmatan tambah nilai yang inovatif seperti perisian "Missed Call Notification" dan "Visitor Local Number". Produk ini menjadi salah satu produk yang pertama di Asia dengan memperkenalkan perkhidmatan "Visitor Local Call Number", yang membolehkan pelbagai nombor tempatan disimpan di dalam sekeping kad SIM.

Industri telekomunikasi di Asia dijangka akan terus pesat. Peningkatan jumlah pengguna telefon bimbit dan sofistikasi pengguna dijangka dapat memberi sokongan dalam penambahan permintaan yang inovatif dan perisian mobil yang lebih teknikal. Faktor-faktor ini dijangka menjadi penggerak kepada pertumbuhan UCHL di masa akan datang.









Produk Perkhidmatan Tambah Nilai yang Inovatif

PEMBUATAN, PEMASARAN DAN EDARAN

Sementara UCHL bergerak ke arah perubahan model keuntungan, bahagian perniagaan pembuatan, pemasaran dan edaran di Australia juga melalui kemajuan yang memberangsangkan sepanjang tahun. Perubahan ini adalah disebabkan penyusunan semula perniagaan yang dimulakan pada pertengahan tahun 2001. Dalam tahun 2004, Jarrett Synergy Pty Ltd, syarikat kita yang bergerak dalam sektor pembuatan, pemasaran dan edaran, terus mempertingkatkan rekod pertumbuhan yang sedia ada semenjak dua tahun yang lepas.

Perubahan yang paling ketara di Jarrett Synergy Pty Ltd adalah penggunaan identiti dan nama baru – Advansa Pty Ltd ("Advansa") – pada 1 Jun 2004. Nama Advansa bertujuan untuk menguasai semangat perintis dan pandang ke hadapan dalam perniagaan dan kumpulan yang bertanggungjawab menggerakkan perniagaan. Pada tahun ini, Advansa terus mengukuhkan asas-asas yang telah digariskan semasa tempoh penyusunan semula dan telah menyumbangkan pertumbuhan sebanyak 21% dalam jumlah penjualan berbanding tempoh sebelumnya (2003: AUD7.1 juta, 2004 : AUD8.5 juta).

Pertumbuhan dua digit ini melebihi skala kemajuan yang telah dibuat sepanjang tiga tahun yang lepas. Penekanan dalam memperkembangkan saluran jualan borong dan runcit dan memperkukuhkan jenama keluaran nasional yang diiktiraf telah menjadi pemangkin kepada pertumbuhan jualan. Produk jenama sendiri juga telah mencatatkan purata kadar pertumbuhan tahunan sebanyak 27% di antara tahun 2002 – 2004.

Pada tahun 2004, proses memperkukuh asas bagi menyokong pertumbuhan yang cergas telah dilakukan melalui penubuhan sistem ERP bertaraf dunia; penekanan kepada budaya prestasi tinggi; penghayatan amalan terbaik dalam fungsi operasi; membangunkan rangkaian kos-utama dan rantai pembekalan responsif; dan mendirikan rangkaian pemasaran dan edaran ke peringkat nasional.

Pada tahun 2004 juga, kumpulan Advansa terus menyumbangkan pertumbuhan yang kukuh melalui jualan jenama Tuff Hardware; meningkat sebanyak 65% (2003 : 102%). Manakala, jenama produk Jarrett Winches dan Cranes mengalami pertumbuhan sebanyak 5% (2003 : 4%).



Secara keseluruhan, jualan produk jenama sendiri ini terus mencapai pertumbuhan yang pesat, peningkatan 42% berbanding tahun sebelumnya (2003 : 48%).

Hasil strategi perkembangan yang sedia ada, perniagaan yang cuma bernilai AUD3.2 juta dalam tahun 2001 telah menjadi AUD8.5 juta pada akhir tahun 2004.

Namun begitu, keuntungan pengurusan pada tahun ini telah merosot jika dibandingkan pada tahun 2003, kerana beberapa perbelanjaan tambahan dan pelaburan yang diperlukan untuk mewujudkan infrastruktur pemasaran peringkat nasional. Kini perniagaan kita mempunyai tiga pusat edaran di seluruh Australia. Kita percaya strategi pelaburan ini akan membuahkan keuntungan mulai tahun 2005.

PEMBANGUNAN HARTANAH

54

Anak syarikat kita Advansa telah berjaya berkembang berlandaskan kekukuhan pasaran hartanah dan pembinaan di Australia sejak 2002. Pada masa yang sama, segmen perniagaan pembangunan hartanah kita, melalui Advance Synergy Realty Sdn Bhd ("ASR") telah juga terus mencipta kemajuan selaras dengan kekukuhan pasaran hartanah di Malaysia Timur.

Pasukan ASR telah meneruskan pembangunan projek perumahan di Taman Sri Matang dan tiga blok bangunan apartmen dan komersil di Synergy Square, Taman Matang Jaya di Kuching. Kita juga telah merasmikan projek perumahan baru di Taman Kong Ping, Kuching.

Pada tahun 2005, projek di Synergy Square, Taman Sri Matang dan Taman Kong Ping akan selesai. Seterusnya, kita akan merasmikan projek pembangunan perumahan baru di Muara Tuang Land District, Kuching. Kita juga akan menyambungkan operasi pembangunan kita ke Sabah melalui pembangunan Pusat Komersil Telipok di Kota Kinabalu.

Sepertimana pada tahun-tahun sebelumnya, kestabilan dan kekukuhan prestasi kewangan segmen hartanah memberi sumbangan penting kepada keputusan kumpulan secara keseluruhan.



Blok J & K Synergy Square, Taman Matang Jaya, Kuching

PELANCONGAN

Walaupun masih mencari kestabilan dan kematangan, segmen perniagaan pelancongan kita melalui Inter-Pacific Travel & Tours Sdn Bhd, telah mengambil langkah penting ke arah mengukuhkan kedudukan pasarannya dan mentakrif semula identitinya. Salah satu tahap pengukuh bagi inisiatif ini adalah dengan menggantikan nama Inter-Pacific Travel & Tours Sdn Bhd kepada Orient Escape Travel Sdn Bhd ("Orient Escape").

Dalam tahun 2004, Orient Escape telah mengembangkan dan menambah nilai terhadap produk dan perkhidmatannya melalui perkongsian dan kerjasama dengan syarikat penerbangan, perhotelan dan lain-lain penyedia perkhidmatan yang berkaitan pelancongan. Dengan menumpukan pada perkhidmatan tiket korporat dan 'Incentive Conference Management' (ICM), syarikat telah mencapai prestasi yang lebih baik sepanjang setengah tahun kedua 2004. Promosi berkongsi dari pakej pelancongan dengan pelbagai kelab percutian, institusi kewangan dan syarikat pelayaran terus memberi sumbangan kepada prestasi yang lebih baik.

Tambahan pula, Orient Escape, adalah satu-satunya agen pelancongan yang telah dilesenkan oleh Bank Negara Malaysia untuk menyediakan perkhidmatan pertukaran matawang bagi keperluan pengembara. Penawaran kadar yang sangat kompetitif, keselesaan, keselamatan dan perkhidmatan yang boleh dipercayai dapat diperolehi di cawangan syarikat yang terletak di Crown Regency Service Apartment dan Bangsar Shopping Centre di Kuala Lumpur dan Sadong Jaya di Kota Kinabalu, Sabah.

Dengan peningkatan perniagaan dan pembangunan yang kukuh dalam bidang pelancongan di kawasan ini, syarikat merancang untuk membuka cawangan dan pusat perkhidmatan baru di seluruh Malaysia dalam masa dua tahun ke hadapan.

Sepanjang tahun, Motorsports Adventure Sdn Bhd, pula berjaya mencipta "The Wilderness Explorer" – jenama baru yang merangsang pengalaman pemanduan unggul di luar negara. Ekspedisi yang mencabar ini telah mengambil kumpulan pengembara antarabangsa (daripada UK, New Zealand, USA, Kanada, China, Hongkong, Singapura dan Malaysia) merentasi kawasan pedalaman China sejauh 13,000 km melalui Beijing, Urumqi, Lhasa, Zhongdian, Kunming, Vientiane dan Bangkok.



alancongan Insentif Pengurusan Korporat (2004-2005)

Berkumpulan di Potala Palace, Lhasa Pelancongan Insen

Pelancongan Insentif Pengurusan Korporat (2004-2005)

MASA HADAPAN

Tahun 2004 adalah tahun kemajuan, meskipun jalannya penuh rintangan dan halangan. Cuma kerana semua warga kerja kita di tiap peringkat telah begitu tekun memberikan sumbangan masing-masing untuk membina masa depan. Saya amat yakin yang kita akan berjaya menghasilkan prestasi lebih baik dan juga keuntungan pada tahun-tahun yang akan datang.

DIVIDEN

Para Pengarah tidak mencadangkan bayaran dividen untuk tahun kewangan berakhir 31 Disember 2004.

PENGHARGAAN

Akhir sekali, kita ingin ucapkan setinggi-tinggi penghargaan kepada semua pemegang saham, pelanggan dan rakan-rakan niaga kita kerana keyakinan, kepercayaan dan sokongan mereka yang berterusan kepada Kumpulan. Penghormatan kita juga untuk semua badan berkuasa kerana sokongan dan tunjuk ajar yang berterusan, serta penghargaan dan terima kasih kepada Ahli Lembaga Pengarah dan semua warga kerja kerana usaha dan bakti yang berterusan untuk mengukuhkan kedudukan Kumpulan.

DATO' AHMAD SEBI BAKAR Pengerusi Eksekutif



Directors' Report

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2004.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and providing full corporate and financial support to its subsidiary companies. The principal activities of the subsidiary companies are set out in Note 44 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

58

	Group RM′000	Company RM'000
(Loss)/Profit after tax Minority interests	(4,465) 9,950	8,263
Net profit for the financial year	5,485	8,263

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any dividend payment in respect of the financial year ended 31 December 2004.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any shares or debentures during the financial year ended 31 December 2004.

WARRANTS 2000/2008

On 1 May 2000, the Company had issued RM185,874,269 nominal value of 7% Redeemable Loan Stocks 2000/2005 and RM183,460,787 nominal value of 7% Convertible Loan Stocks 2000/2005 together with 168,896,809 detachable warrants ("Warrants").

The Warrants were issued to the entitled stockholders of the Company at an offer price of 20 sen per Warrant on the basis of one (1) Warrant for every two (2) existing stock units held in the Company.

Each Warrant entitles the registered holder at any time during the exercise period to subscribe for one new stock unit of RM1.00 each at the exercise price of RM1.00 per stock unit during the original exercise period which had expired on 28 August 2003.

On 9 July 2003 and 23 July 2003, the stockholders and the warrantholders of the Company had respectively approved the extension of the duration and exercise period of the Warrants by five (5) years from 28 August 2003 up to and including 28 August 2008 ("First Extension") and thereafter an option to extend the duration and the exercise period for a further period of two (2) years expiring on 28 August 2010 ("Further Extension"). Following the First Extension, the Further Extension will be implemented by the Company if the weighted average price of the Company's stock units quoted on the Main Board of Bursa Malaysia Securities Berhad is not more than twenty percent (20%) over the exercise price of RM1.00 per stock unit for any period of thirty (30) consecutive days during the six (6)-month period from 29 November 2007 to 28 May 2008.

The registered holders have no right to participate by virtue of the Warrants in any other share issue of the Company and its subsidiary companies.

Upon expiry of the exercise period, any unexercised Warrants will lapse and cease to be valid for any purpose.

As at the end of the current financial year, no exercise of Warrants had taken place.



RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year ended 31 December 2004 other than those as disclosed in the financial statements.

DIRECTORS

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

Dato' Ahmad Sebi Bakar Aznan Bin Haji Ismail Wong Ah Nam @ Wong Joon Tuang Datin Masri Khaw Binti Abdullah Chim Wai Khuan Sng Ngiap Koon

In accordance with Article 102 of the Company's Articles of Association, Aznan Bin Haji Ismail and Datin Masri Khaw Binti Abdullah retire from the Board by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the stock units and/or warrants of the Company and shares of its related corporations during the financial year ended 31 December 2004 as recorded in the Register of Directors' Stockholdings kept by the Company under Section 134 of the Companies Act, 1965, were as follows:

	Number of stock units/ordinary shares of RM1.00 each			each
	Balance as at 1.1.2004	Bought	Sold	Balance as at 31.12.2004
Direct Interests		Dougin	Dora	0
Interests of:				
Dato' Ahmad Sebi Bakar in: - Advance Synergy Berhad	15,203,509	-		15,203,509
Datin Masri Khaw Binti Abdullah in: - Advance Synergy Berhad - Alangka-Suka Hotels & Resorts Berhad	6,000 308,000	930,000 -	-	936,000 308,000
Indirect Interests				
Interests of:				
Dato' Ahmad Sebi Bakar in: - Advance Synergy Berhad	27,451,109	-		27,451,109
Datin Masri Khaw Binti Abdullah in: - Advance Synergy Berhad	1,000,000	600,000	-	1,600,000
Sng Ngiap Koon in: - Advance Synergy Berhad	500,000	-	-	500,000

59

Directors' Report

(continued)

DIRECTORS' INTERESTS (continued)

	Number of Warrants 2000/2008			
	Balance as at 1.1.2004	Bought	Sold	Balance as at 31.12.2004
Direct Interests				
Interests of:				
Dato' Ahmad Sebi Bakar Datin Masri Khaw Binti Abdullah	7,510,005 3,000	-	-	7,510,005 3,000
Indirect Interests				
Interests of:				
Dato' Ahmad Sebi Bakar Datin Masri Khaw Binti Abdullah	13,727,000 350,000	-	-	13,727,000 350,000
Sng Ngiap Koon	80,000	-	-	80,000

No other Directors holding office at the end of the financial year had any beneficial interests in the stock units or warrants of the Company and shares of its related corporations during the financial year ended 31 December 2004.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive a benefit, other than the benefits as disclosed in Note 7 to the financial statements, by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements made or entered into during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of stock units/shares in or debentures of the Company or any other body corporate except for the Warrants as disclosed in Note 27(a) to the financial statements.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY:

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the income statements and balance sheets of the Group and of the Company 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 have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(60



OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY: (continued)

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the abilities of the Group and of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

AUDITORS

The auditors, BDO Binder, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Dato' Ahmad Sebi Bakar Director

Wong Ah Nam @ Wong Joon Tuang Director

Selangor Darul Ehsan 28 April 2005

Statement By Directors

In the opinion of the Directors, the financial statements set out on pages 64 to 129 have been 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 Group and of the Company as at 31 December 2004 and of their results for the financial year then ended; and

(ii) the cash flows of the Group and of the Company for the financial year ended 31 December 2004.

On behalf of the Board,

62

Dato' Ahmad Sebi Bakar Director

Wong Ah Nam @ Wong Joon Tuang Director

Selangor Darul Ehsan 28 April 2005

Statutory Declaration

I, Sng Ngiap Koon, being the Director primarily responsible for the financial management of Advance Synergy Berhad, do solemnly and sincerely declare that the financial statements set out on pages 64 to 129 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Selangor Darul Ehsan this 28 April 2005)

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Before me:

E. Radakrishnan AMN, PPN, PK, PPM, PPA, PKB, PJP (Sel) No. B 008 Commissioner for Oaths Malaysia

Report Of The Auditors To The Members Of Advance Synergy Berhad

We have audited the financial statements set out on pages 64 to 129.

These financial statements are the responsibility of the Company's Directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

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 about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been properly drawn up in accordance with applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of:
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company; and
 - (ii) the state of affairs of the Group and of the Company as at 31 December 2004 and of their results and cash flows for the financial year then ended; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

We have considered the financial statements and the auditors' reports of the subsidiary companies of which we have not acted as auditors, as indicated in Note 44 to the financial statements, being financial statements that are included in the consolidated financial statements.

We are satisfied that the financial statements of the subsidiary companies that are 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' reports on the financial statements of the subsidiary companies were not subject to any qualification and did not include any comment made under Section 174(3) of the said Act.

BDO Binder AF : 0206 Chartered Accountants

Siew Kah Toong 1045/03/06 (J) Partner

Kuala Lumpur 28 April 2005

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2004

		Group		Comp	Company	
	NOTE	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM'000	
Revenue	6	227,040	218,898	3,657	4,627	
Cost of sales		(111,982)	(104,237)			
Gross profit		115,058	114,661	3,657	4,627	
Other operating income		34,452	22,517	26,753	47,159	
Distribution costs		(13,936)	(11,373)	-	-	
Administration expenses		(41,229)	(36,442)	(444)	(438)	
Other operating expenses		(83,645)	(50,468)	(3,738)	(32,370)	
Profit from operations		10,700	38,895	26,228	18,978	
Finance costs		(23,755)	(24,417)	(17,965)	(18,887)	
Share of profits in associated companies		17,002	8,791			
Profit before tax	7	3,947	23,269	8,263	91	
Tax expenses	8					
Company and subsidiary companies Share of tax expenses in associated companies		3,121 5,291	4,348 3,398	-	-	
		(8,412)	(7,746)			
(Loss)/Profit after tax		(4,465)	15,523	8,263	91	
Minority interests		9,950	(9,463)			
Net profit for the financial year		5,485	6,060	8,263	91	
Earnings per stock unit (sen)						
Basic	9	1.62	1.79			

The attached notes form an integral part of the financial statements.


AS AT 31 DECEMBER 2004

		Group		Company		
ASSETS EMPLOYED	NOTE	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000	
Non current assets						
Property, plant and equipment	10	419,028	399,880	698	768	
Investment in subsidiary companies	11	-	-	419,841	419,536	
Investment in associated companies	12	65,829	58,925	-	-	
Land held for development	13	13,774	13,774	-	-	
Investment securities	14	69,210	58,918	35,175	35,175	
Goodwill on consolidation	15	111,511	125,904	-	-	
Purchased goodwill	16	1,554	1,569	-	-	
Intangible assets	17	4,922	8,366	-	-	
Deposit	18	-	30,000	-	-	
Deferred tax assets	32	1,443	-	-	-	
Current assets						
Property development costs Accrued progress billings Inventories Receivables Tax recoverable Marketable securities Short term deposits Cash and bank balances	19 20 21 22 23	21,680 20,040 45,242 117,464 12,229 3,000 82,696 42,532	23,054 7,439 37,333 116,909 11,032 3,109 119,464 43,201	- - 206,991 10,474 - 640 213	- 215,175 9,486 - 9,200 333	
Less: Current liabilities		344,883	361,541	218,318	234,194	
Progress billings Payables Bank overdrafts Short term borrowings Taxation	24 25 26	58 94,363 2,567 32,805 8,990 138,783	2,092 137,616 1,291 8,167 9,905 159,071	- 86,464 - - 4,931 91,395	- 91,671 - - 4,931 96,602	
Net current assets		206,100	202,470	126,923	137,592	
		893,371	899,806	582,637	593,071	

The attached notes form an integral part of the financial statements.

(65)

Balance Sheets

AS AT 31 DECEMBER 2004 (continued)

		Gro	up	o Company		
FINANCED BY	NOTE	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000	
Share capital	27	337,794	337,794	337,794	337,794	
Reserves	28	52,325	44,102	(12,897)	(21,160)	
Stockholders' equity		390,119	381,896	324,897	316,634	
Minority interests		182,972	178,721	-	-	
Non current and deferred liabilities						
7% redeemable loan stocks 2000/2005	29	74,979	93,676	74,979	93,676	
7% convertible loan stocks 2000/2005	29	182,761	182,761	182,761	182,761	
Term loans	30	55,868	56,565	-	-	
Hire purchase and lease creditors	31	1,216	1,082	-	-	
Deferred tax liabilities	32	5,197	4,876	-	-	
Retirement benefits	33	225	193	-	-	
Deferred income	34	34	36			
		893,371	899,806	582,637	593,071	



	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Revalua- tion reserve RM'000	Exchange fluctua- tion reserve RM'000	Reserve on consoli- dation RM'000	Accumu- lated losses RM'000	Total RM'000
Group								
Balance as at 1 January 2003	337,794	430,437	(1,792)	46,724	4,513	11,736	(460,180)	369,232
Translation gain	-	-	-	-	7,443	-	-	7,443
Net gain not recognised in the income statements	-	-	-	-	7,443	-	-	7,443
Amortisation of reserve on consolidation	-	-	-	-	-	(839)	-	(839)
Net profit for the financial year		-	-	-	-	-	6,060	6,060
Balance as at 31 December 2003	337,794	430,437	(1,792)	46,724	11,956	10,897	(454,120)	381,896
Translation gain	_	-	-	-	3,577	-	-	3,577
Net gain not recognised in the income statements	-	-	-	-	3,577	-	-	3,577
Amortisation of reserve on consolidation	-	-	-	-	-	(839)	-	(839)
Net profit for the financial year		-	-	-	-	-	5,485	5,485
Balance as at 31 December 2004	337,794	430,437	(1,792)	46,724	15,533	10,058	(448,635)	390,119

	Share capital RM′000	Share premium RM'000	Capital reserve RM'000	Accumu- lated losses RM'000	Total RM'000
Company					
Balance as at 1 January 2003	337,794	430,437	69	(451,757)	316,543
Net profit for the financial year	-	-	-	91	91
Balance as at 31 December 2003	337,794	430,437	69	(451,666)	316,634
Net profit for the financial year	-	-	-	8,263	8,263
Balance as at 31 December 2004	337,794	430,437	69	(443,403)	324,897

The attached notes form an integral part of the financial statements.

67)

68

Cash Flow Statements

		Gro	oup	Company		
	NOTE	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000	
Cash flows from operating activities						
Profit before tax		3,947	23,269	8,263	91	
Adjustments for:						
Allowance for doubtful debts		13,960	7,006	-	28,676	
Amortisation of goodwill on consolidation						
- subsidiary companies		3,257	4,092	-	-	
- associated companies		60	60	-	-	
Amortisation of reserve on consolidation		(839)	(839)	-	-	
Amortisation of intangible assets		1,163	940	-	-	
Amortisation of purchased goodwill		113	101	-	-	
Bad debts written off		231	37	-	-	
Bad debts and financing recovered		(105)	(99)	-	-	
Depreciation/amortisation		13,691	12,436	108	111	
Deferred income recognised		(2)	(1)	-	-	
Gain on disposal of hotel assets		-	(7,194)	-	-	
Gain on disposal of investment securities		-	(621)	-	(621)	
Gain on disposal of an associated company		-	(3,633)	-	(41,982)	
Gain on disposal of marketable securities		(231)	-	-	-	
Gain on redemption/repurchase of redeemable						
loan stocks and convertible loan stocks		(378)	(4,484)	(378)	(4,484)	
Gross dividend income		(1,784)	(1,964)	(3,521)	(4,167)	
Impairment loss on marketable securities		248	-	-	-	
Interest expenses		23,755	24,417	17,965	18,887	
Interest income		(6,134)	(7,246)	(136)	(460)	
Inventories written off		665	271	-	-	
Loss on disposal of certain shares in a subsidiary						
company		391	-	-	-	
Net loss/(gain) on disposal of property, plant						
and equipment		4,396	3,042	(42)	-	
Other receivables written off		168	-	-	-	
Other payables written back		(190)	-	-	-	
Pension cost of defined benefit plan		36	34	-	-	
Property, plant and equipment written off		637	2,752	-	-	
Share of profit in associated companies		(17,002)	(8,791)	-	-	
Net unrealised loss on foreign exchange		19	25	-	-	
Net realised gain on foreign exchange			(63)		(63)	
Balance carried forward		40,072	43,547	22,259	(4,012)	



		Group		Company	
	NOTE	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000
Balance brought forward		40,072	43,547	22,259	(4,012)
Allowance for doubtful debts no longer required		(419)	(78)	(412)	-
Waiver of interest expenses		(25,922)	-	(25,922)	-
Waiver of debts		(1,708)	-	-	-
Write back of provision for damages		(70)	(77)	-	-
Write back of provision for service charges Write back of provision for diminution in value		-	(189)	-	-
of marketable securities			(750)	-	-
Operating profit/(loss) before working capital				<i>,</i> ,	<i>.</i>
changes		11,953	42,453	(4,075)	(4,012)
Decrease in property development costs		1,374	14,457	-	-
Increase in inventories		(9,528)	(8,054)	-	-
(Increase)/Decrease in receivables		(5,906)	(55,493)	9,091	126,985
Decrease in marketable securities		92	2,264	-	-
Decrease in short term deposits		96	797	-	-
(Decrease)/Increase in payables		(27,007)	(4,441)	13,722	(20,995)
Cash (used in)/generated from operations		(28,926)	(8,017)	18,738	101,978
Retirement benefit paid		(4)	(4)	-	-
Tax paid		(6,370)	(6,053)	-	-
Net cash (used in)/from operating activities		(35,300)	(14,074)	18,738	101,978
Cash flows from investing activities					
Purchase of investment securities		(10,274)	-	-	-
Proceeds from disposal of investment securities Proceeds from disposal of certain shares in a		-	5,077	-	5,080
subsidiary company	45(ii)	6,289	-	-	-
Proceeds from disposal of an associated company		-	-	-	3,035
Additional investment in a subsidiary company		-	-	(305)	-
Acquisition of intellectual properties		(719)	(8,807)	-	-
Dividend received		6,684	9,601	2,534	3,054
Interest received		6,134	7,246	136	460
Balance carried forward		8,114	13,117	2,365	11,629

The attached notes form an integral part of the financial statements.

Cash Flow Statements FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2004 (continued)

		Gro	oup	Company		
	NOTE	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000	
Balance brought forward		8,114	13,117	2,365	11,629	
Proceeds from disposal of property, plant and						
equipment		12,254	1,288	42	-	
Purchase of property, plant and equipment	35	(40,125)	(45,771)	(38)	(25)	
Additional investment in an associated company		(152)	(477)	-	-	
Acquisition of subsidiary companies net of cash	36					
and cash equivalents acquired		(525)	-	-	-	
Repayment from an associated company		12,000	3,000			
Net cash (used in)/from investing activities		(8,434)	(28,843)	2,369	11,604	
Cash flows from financing activities						
Acquisition of treasury shares		(722)	(623)	-	-	
Dividend paid		(593)	(2,781)	-	-	
Drawdown of short term borrowings		24,091	12,106	-	-	
Drawdown of term loan		24,300	22,763	-	-	
Interest paid		(16,165)	(23,812)	(11,378)	(19,383)	
Shares issued and listing expenses paid		(2,697)	-	-	-	
Proceeds from issuance of shares by a subsidiary						
company	45(ii)	23,857	-	-	-	
Redemption/repurchase of redeemable loan				(10,100)	(00.000)	
stocks and convertible loan stocks		(18,409)	(88,352)	(18,409)	(88,352)	
Repayment of hire purchase and lease creditors		(1,350)	(1,509)			
Repayment of short term borrowings		(17,450)	(11,258)	-	-	
Repayment of term loans		(10,423)	(10,934)			
Net cash from/(used in) financing activities		4,439	(104,400)	(29,787)	(107,735)	
Effect of exchange rate changes		(409)	1,237			
Net (decrease)/increase in cash and cash equivalents		(39,704)	(146,080)	(8,680)	5,847	
Cash and cash equivalents at beginning of financial year						
As previously reported		157,582	302,686	9,533	3,686	
Effect of exchange rate changes		938	976	_	_	
As restated		158,520	303,662	9,533	3,686	
Cash and cash equivalents at end of financial year	37	118,816	157,582	853	9,533	

The attached notes form an integral part of the financial statements.

(70

31 DECEMBER 2004

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at Level 3, Wisma ASCAP - QBC, No. 72, Pesiaran Jubli Perak, Seksyen 22, 40000 Shah Alam, Selangor Darul Ehsan.

The financial statements are presented in Ringgit Malaysia.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and providing full corporate and financial support to its subsidiary companies. The principal activities of the subsidiary companies are set out in Note 44. There have been no significant changes in the nature of these activities during the financial year.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors recognises the importance of financial risk management in the overall management of the Group's businesses. A sound risk management system will not only mitigate financial risk but will be able to create opportunities if risk elements are properly managed.

The Group's overall financial risk management objective is to ensure that the Group creates value for its stockholders while minimising potential adverse effects on the performance of the Group. Financial risk management is carried out through risk reviews, internal control systems and adherence to the Group's financial risk management policies, as set out below:

3.1 Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk as a result of the Group's transactions with foreign trade receivables and payables. The Group monitors the movement in foreign currency exchange rates closely to ensure its exposures are minimised.

3.2 Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's borrowings and is managed through the use of fixed and floating rate debts. The Group does not use derivative financial instruments to hedge its risk.

3.3 Credit risk

Credit risk arises when sales are made on deferred credit terms. The Group seeks to invest cash assets safely and profitably. Loss will be recognised if a counter party fails to perform as contracted. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis and perform credit evaluation on customers requiring credit to ensure that the Group is exposed to minimal credit risk.

3.4 Liquidity and cash flow risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to secure the requisite funding at acceptable terms. It is the Group's policy to ensure continuity in serving its cash obligation in the future by way of measures and forecasts of its cash commitments and monitoring and maintaining a level of cash and cash equivalents deemed adequate for the Group's requirements. The Group also aims at maintaining flexibility in funding by keeping committed credit lines available.

31 DECEMBER 2004 (continued)

4. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

During the financial year, the Group has adopted MASB 32 Property development activities which is applicable to the Group for the first time.

The adoption of MASB 32 has no material impact on the net profit or the stockholders' equity of the Group as the existing accounting policy is consistent with the requirements under the new standard. However, comparative figures have been restated as disclosed in Note 48 to comply with the new disclosure requirements.

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Basis of accounting

72

The financial statements of the Group and of the Company have been prepared under the historical cost convention (as modified by the revaluation of certain properties) unless otherwise indicated in the significant accounting policies.

The preparation of financial statements in conformity with applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

5.2 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. The Group adopts the acquisition method of consolidation, as appropriate.

When the acquisition method is adopted, the difference between the purchase consideration and the fair value of the net assets of each subsidiary company at the date of acquisition is treated as goodwill or reserve on consolidation. Except for a quoted subsidiary company, goodwill and reserve on consolidation arising from other subsidiary companies is amortised over 20 years or over the expected useful life, whichever is shorter. Goodwill on consolidation is stated at cost less impairment losses, if any.

All intercompany transactions and balances are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Where necessary, accounting policies for subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

The difference between the proceeds from the disposal of a subsidiary company and the carrying amount of its assets less liabilities, together with any goodwill or reserve on consolidation, as of the date of disposal is recognised in the consolidated income statements as the gain or loss on the disposal of the subsidiary company.

Minority interests are measured on the basis of the minorities' share of the post-acquisition fair values of the identifiable assets and liabilities of the acquiree.

31 DECEMBER 2004 (continued)

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.3 Revenue recognition

Revenue

Revenue of the Company consists of dividend and interest income.

Revenue of the Group includes the following:

- trading sales at invoiced value and services rendered.
- management fees, dividend, interest and rental income.
- membership fees in respect of vacation investment timesharing facilities.
- income earned from hotel and resort operations net of discounts.
- sales value of completed development properties sold and proportionate sales value of development properties to stage of completion.
- billing of card fees, cash advance fees, interest revenue and discount revenue.
- contract revenue from information and telecommunications technology related services.
- bus fare collections

Revenue is recognised upon delivery of products and customer's acceptance, if any, or performance of services, net of sales taxes and discounts.

Dividend income

Dividends from investments in subsidiary companies, associated companies and other investments are recognised when the shareholders' right to receive payment is established.

Development properties and contract work in progress

Revenue from sale of development properties and contract work in progress are recognised based on stage of completion. The stage of completion is based on the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs where the outcome of the project can be reliably estimated. Foreseeable losses, if any, are recognised immediately in the income statement.

Discount and cash advance fees

Revenue from discount and cash advance fees are recognised upon receipt of billings from merchants. Revenue from joining fees is recognised upon issuance of cards to approved members.

Membership fees

Membership fees in respect of vacation investment timesharing facilities are recognised on the basis of 50% in the first year and the balance over the period of 30 years.

Information and telecommunications technology related services

Revenue and profit from contracts are recognised on an individual contract basis using the stage of completion, when the stage of contract completion can be reliably determined, costs to date can be clearly identified, and the total contract revenue to be received and costs to complete can be reliably estimated. The stage of completion is estimated by the management of the subsidiary companies with reference to the stage of completion of the obligations under the service contract with the customer. Where it is probable that a loss will arise from a contract, the excess of total estimated costs over revenue is recognised as an expense immediately.

Revenue from maintenance contracts is recognised on a straight line basis over the period of the respective contract.

Bus fares

Revenue from bus fare is recognised on the collection basis.

31 DECEMBER 2004 (continued)

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.4 Property, plant and equipment

74

The gross carrying amounts of property, plant and equipment are initially measured at cost. Hotel properties which have been subsequently revalued, are stated at valuation. All other property, plant and equipment are stated at cost or valuation, less accumulated depreciation or amortisation and impairment losses, if any.

Hotel properties comprise land and hotel buildings. Hotel properties are revalued at a regular interval of at least once in every five years with additional valuations in the intervening years where market conditions indicate that the carrying values of the revalued land and buildings materially differ from the market values.

The surplus arising from such valuations is credited to the respective companies' shareholders equity as a revaluation reserve and any subsequent deficit is charged against such surplus to the extent of the surplus credited from the previous revaluations. In all other cases, the deficit will be charged to the income statement. Subsequent to the date of valuation, additions to the hotel properties are stated at cost.

Freehold land, hotel properties and construction in progress are not depreciated. Depreciation on buses under refurbishment commences when the buses are ready for their intended use.

It is the Group's practice to maintain the hotel properties in such condition that the residual value is so high that depreciation would be insignificant. The related maintenance expenditure is dealt with in the income statement.

Depreciation on other property, plant and equipment is calculated to write off the cost or valuation of the assets on a straight line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Leasehold land and buildings	Over lease period of 25 to 99 years
Buildings	0.5% - 5%
Plant and machinery	10% - 20%
Motor vehicles	15% - 20%
Furniture, fittings and equipment	2% - 20%
Renovation	10% - 20%
Computer equipment and software	20% - 33.33%
Buses in operation	Over 7 years
Telecommunications and research and development equipment	20%

Crockery, glassware, cutleries, linen and kitchen utensils are capitalised at the minimum level required for normal operations. Replacements are written off to the income statement in the financial year in which they are incurred.

Interest incurred on external borrowings to finance assets under construction is capitalised until the assets are ready for their intended use after which such expense is charged to the income statement.

5.5 Assets acquired under lease and hire purchase agreements

5.5.1 Finance leases and hire purchase

Assets acquired under finance leases and hire purchase arrangements which transfer substantially all the risks and benefits of ownership to the Group are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

Finance charges are allocated to the income statement over the period of the agreements to give a constant periodic rate of charge on the remaining lease and hire purchase liabilities.

5.5.2 Operating leases

Leases other than finance leases are classified as operating leases. Lease payments under operating leases are recognised as an expense in the income statement on a straight line basis over the lease period.

31 DECEMBER 2004 (continued)

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.6 Finance lease and factoring receivables

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the terms of the lease using the net investment method so as to reflect a constant periodic rate of return of the balance outstanding.

Factoring receivables are carried at the factored amount including the interest receivable. Factoring income is recognised on the effective yield basis.

An estimate is made for doubtful debts upon the review of outstanding amounts. Bad debts are written off when identified.

5.7 Investments

- 5.7.1 Subsidiary companies Investment in subsidiary companies which are eliminated on consolidation are stated at cost less impairment losses, if any.
- 5.7.2 Associated companies

An associated company is a company in which the Group and the Company have a long term equity interest of between 20% to 50% and where the Group and the Company are in a position to exercise significant influence over the financial and operating policies of the investee company.

The Company's investment in associated companies is stated at cost less impairment losses, if any.

Investment in associated companies are accounted for in the consolidated financial statements using the equity method of accounting. The Group's interests in associated companies are stated at cost plus adjustments to reflect changes in the Group's share of profits and losses in the associated companies.

Goodwill or reserve on consolidation arising on acquisition represents the difference between the cost of investment and the Group's share of the value of net assets of the associated companies at the date of acquisition.

Goodwill on acquisition is stated at cost less impairment losses, if any. Reserve on consolidation arising on acquisition is not recognised as income.

The Group's share of results and reserves less losses in the associated companies acquired or disposed of is included in the consolidated financial statements from the effective date of acquisition or up to the effective date of disposal.

5.7.3 Investment securities

Investment securities are stated at cost unless in the opinion of the Directors there is a decline other than temporary in the value of such investments. Such decline is recognised as an expense in the period in which the decline is identified.

5.8 Land held for development

Land held for development, stated at cost or valuation less impairment losses, if any, is classified as non-current assets when no development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.

5.9 Property development activities

Property development costs comprise property development cost that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities. They comprise the costs of land under development, construction costs and other related development costs common to the whole project including administrative overheads and borrowing costs.

Property development costs on which development activities have commenced or where it can be demonstrated that the development activities can be completed within the normal operating cycle are classified as current assets.

When the outcome of a development activity can be estimated reliably, property development revenue and expenses are recognised in the income statement by reference to the stage of completion of development activity at the balance sheet date.



31 DECEMBER 2004 (continued)

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.9 Property development activities (continued)

When the outcome of a development activity cannot be reliably estimated, the property development revenue shall be recognised only to the extent of property development costs incurred that is probable to be recoverable and property development costs on the development units sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development activity is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset measured at the lower of cost and net realisable value.

When revenue recognised in the income statement exceeds progress billings to purchasers, the balance is shown as accrued billings under current assets. When progress billings exceed revenue recognised in the income statement, the balance is shown as progress billings under current liabilities.

5.10 Purchased goodwill

76

Goodwill arising on the acquisition of a business which represents the excess of the acquisition cost over the fair value of the underlying net assets acquired is stated at cost and amortised over a period of 20 years on the straight line basis.

5.11 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

5.11.1 Software development expenditure

Software development expenditure relates to development projects carried out in designing and testing of new or improved products and recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development and research expenditure are recognised as an expense when incurred. Development cost previously recognised as an expense is not recognised as an asset in subsequent period.

Development cost that have been capitalised are amortised from the commencement of commercial production of the product to which they relate on a straight line basis over the period of their useful life, not exceeding a period of five years.

5.11.2 Intellectual properties

Expenditure on acquired intellectual property is capitalised and amortised using the straight line method over their estimated useful life, not exceeding a period of five years.

5.12 Contract work-in-progress

Contract work-in-progress is stated at the aggregate of contract costs incurred to date plus profits recognised based on the value of work completed less progress billings and provision for foreseeable losses.

Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as due from customers on contracts, under trade and other receivables. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers on contracts, under trade and other payables.

5.13 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on the first-in, first-out basis. The cost of raw materials comprises the original cost of purchase plus the cost of bringing the inventories to their present location and condition. The cost of work-in-progress and finished goods includes the cost of raw materials, direct labour and a proportion of production overheads. The cost of completed properties comprises the cost of land and the related development expenditure.

Allowance is made where necessary for obsolete, slow moving and defective inventories. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

31 DECEMBER 2004 (continued)

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.14 Receivables

Receivables, other than finance lease receivables, are carried at anticipated realisable value. Known bad debts are written off and specific allowance is made for debts considered to be doubtful of collection.

5.15 Marketable securities

Marketable securities are acquired and held with the intention of resale in the short-term, and are stated at the lower of cost and market value, determined on an aggregate portfolio basis by category of investment. Cost is derived at on the weighted average basis.

5.16 Impairment of assets

The carrying amounts of the Group's and the Company's assets, other than financial assets, inventories, amount due from customers for contract works and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised whenever the recoverable amount is less than the carrying amount of the asset.

The impairment loss is recognised in the income statement immediately except for the impairment on a revalued asset where the impairment loss is recognised directly against the revaluation reserve account to the extent of the surplus credited from the previous revaluation for the same asset with the excess of the impairment loss charged to the income statement.

All reversals of impairment losses are recognised as income immediately in the income statement except for the reversal of an impairment loss on a revalued asset where the reversal of the impairment loss is treated as a revaluation increase and credited to the revaluation reserve account of the same asset.

The impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and subsequent external events have occurred that reverse the effect of the specific event. In respect of other assets, an impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount.

An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

5.17 Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

5.18 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

5.19 Employee benefits

5.19.1 Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the financial year when employees have rendered their services to the Group.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

31 DECEMBER 2004 (continued)

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.19 Employee benefits (continued)

78

5.19.2 Defined contribution plans

The Company and its subsidiary companies incorporated in Malaysia make contributions to a statutory provident fund and foreign subsidiary companies make contributions to their respective countries' statutory pension schemes and recognise the contributions payable:

(a) after deducting contributions already paid as a liability; and

(b) as an expense in the financial year in which the employees render their services.

5.19.3 Defined benefits plans

Certain subsidiary companies operate an unfunded retirement benefits plan for rank and file employees in accordance with an article contained in the collective union agreement. The liabilities in respect of the retirement benefits plan are determined by an actuarial valuation for its defined benefit obligations under the Projected Unit Credit Method. Under this method, the current service cost is calculated as the present value of benefits that will accrue on valuation date (by reference to the number of employees providing the service in that year and projected final salaries). The liabilities will be recognised immediately in the year they are incurred.

5.20 Income tax

Income tax in the financial statements for the financial year comprises current tax expense and deferred tax.

5.20.1 Current tax expense

Current tax expense includes all domestic and foreign taxes which are based on taxable profits. Current tax expense also includes other taxes, which are payable by foreign subsidiary companies or associated companies on distributions to the Group and Company, and real property gains taxes payable on disposal of properties.

5.20.2 Deferred tax

Deferred tax, which includes deferred tax liabilities and assets, is provided for under the liability method at the current tax rate in respect of all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base including unused tax losses and capital allowances.

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of a deferred tax asset is reviewed at each balance sheet date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and the deferred tax liabilities relate to the same taxation authority.

31 DECEMBER 2004 (continued)

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.21 Foreign currency transactions and translations

5.21.1 Transactions and balances in foreign currencies

Transactions in foreign currencies are converted into Ringgit Malaysia at the rates of exchange ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Ringgit Malaysia at the approximate rates of exchange at the balance sheet date.

All gains or losses arising from the settlement of foreign currency transactions and from translating foreign monetary assets and liabilities are taken up in the income statement.

5.21.2 Translation of foreign currency financial statements

For consolidation purpose, the assets and liabilities of foreign entities are translated into Ringgit Malaysia at the rates ruling at the balance sheet date. Income statement items are translated at the average exchange rates for the financial year. The translation differences arising therefrom are taken up and reflected in the exchange fluctuation reserve.

Goodwill arising on the acquisition of a foreign entity and fair value adjustments to the carrying amounts of assets and liabilities acquired are translated at the exchange rate at the date of transaction.

5.21.3 Principal closing rates

The principal closing rates used in the translation of foreign currency amounts are as follows:

	2004	2003
1 Ringgit Malaysia: Singapore Dollar	0.430	0.449
1 Ringgit Malaysia: US Dollar	0.262	0.262
1 Ringgit Malaysia: Australian Dollar	0.334	0.357
1 Ringgit Malaysia: Pound Sterling	0.137	0.148
1 Ringgit Malaysia: Sudanese Dinar	66.667	66.667
1 Ringgit Malaysia: UAE Dirham	-	0.962
1 Ringgit Malaysia: Indonesia Rupiah	2225.100	2216.000
1 Ringgit Malaysia: Hong Kong Dollar	2.045	-
1 Ringgit Malaysia: Thai Baht	10.211	-

5.22 Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, bank overdrafts, deposits and other short-term, highly liquid investments which are readily convertible into cash and which are subject to insignificant risk of changes in value.

5.23 Segment information

Segment information is presented in respect of the Group's business and geographical segments. The primary reporting segment information is in respect of business segments as the Group's risks and returns are affected predominantly by differences in the products it produces, while the secondary information is reported geographically.

A segment with a majority of operating income earned from providing product or services to external clients and whose operating income, results or assets are 10 percent or more of all the segments is reported separately.

Segment results, assets and liabilities include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

31 DECEMBER 2004 (continued)

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.24 Financial instruments

80

- 5.24.1 Financial instruments recognised in the balance sheets
 - (a) Ordinary shares

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost incurred directly attributable to the issuance of shares are accounted for as a deduction from share premium. Otherwise they are charged to the income statement.

Dividends are recognised under shareholders' equity in the period in which they are payable.

Where the Company purchases its equity share capital, the consideration paid, including any attributable transaction costs is deducted from shareholders' equity as treasury shares until they are cancelled. Where such shares are reissued by resale, the difference between the sales consideration and the carrying amount is shown as a movement in equity.

(b) Loan stocks

7% Redeemable Loan Stocks 2000/2005 and Convertible Loan Stocks 2000/2005 are recognised in the financial statements based on the nominal value of the loan stocks.

- (c) Interest bearing borrowings Other interest bearing borrowings are recorded at the amount of proceeds received.
- (d) Other financial instruments The accounting policies for other financial instruments recognised in the balance sheet are disclosed in the individual policy associated with each item.
- 5.24.2 Financial instruments not recognised in the balance sheets There were no financial instruments not recognised in the balance sheets.

5.25 Borrowing costs

Interest relating to a financial instrument, or a component part classified as a financial liability is reported as finance cost in the income statement.

Costs incurred on borrowings to finance the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of the assets until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to the income statement.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

6. REVENUE

	Group		Company	
	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000
Sales of goods	60,610	46,587	-	-
Rendering of services	122,104	123,619	-	-
Interest and financing income	5,046	6,587	136	460
Property development	36,364	39,264	-	-
Rental income	1,143	877	-	-
Gross dividend income	1,773	1,964	3,521	4,167
	227.040	218,898	3,657	4,627

31 DECEMBER 2004 (continued)

7. PROFIT BEFORE TAX

	Group			Company		
	2004 RM′000	2003 RM'000	2004 RM'000	2003 RM′000		
Profit before tax is arrived at:						
After charging:						
Allowance for doubtful debts	13,960	7,006	-	28,676		
Amortisation of goodwill on consolidation						
- subsidiary companies	3,257	4,092	-	-		
- associated companies	60	60	-	-		
Amortisation of intangible assets	1,163	940	-	-		
Amortisation of purchased goodwill	113	101	-	-		
Auditors' remuneration						
- statutory						
- holding company	75	75	75	75		
- subsidiary companies	614	403	-	-		
- under provision in prior year	72	-	-	-		
- non-statutory						
- subsidiary companies	80	-	-	-		
Bad debts written off	231	37	-	-		
Depreciation/amortisation	13,691	12,436	108	111		
Directors' remuneration	-,	,				
- fees	721	643	250	257		
- other emoluments	970	701	314	45		
Impairment loss on marketable securities	248	-	-	-		
Interest expenses	2.0					
- advances from subsidiary companies	-	-	1,795	1,468		
- advances to a subsidiary company	-	-	(2,798)	(2,567)		
- bank overdrafts	74	312	(_), , , , , , , , , , , , , , , , , , ,	(_)007/		
- convertible loan stocks	12,793	12,853	12,793	12,853		
- hire purchase and lease	108	12,000	-	-		
- term loans	4,083	3,844	-	-		
- redeemable loan stocks	5,667	7,133	5,667	7,133		
- others	1,030	155	508	-		
Inventories written off	665	271	-	-		
Lease rental	484	840	-	-		
Loss on disposal of certain shares in a subsidiary	-0-	0+0				
company (Note11(c))	391	_	_	_		
Loss on disposal of property, plant and equipment	4,878	3,339	_	_		
Loss on foreign exchange	+,070	5,559	_	_		
- realised	203	89	195			
- unrealised	203	25	CEI	-		
Other receivables written off		25	-	-		
	168	- 2752	-	-		
Property, plant and equipment written off	637	2,752	-	-		
Rental expenses	207	210				
- equipment	286	318	-	-		
- premises	8,377	9,560	336	329		
- others	165	227	-	-		

81)

31 DECEMBER 2004 (continued)

7. PROFIT BEFORE TAX (continued)

82

2004 RM'000 419 839 105 -	2003 RM'000 78 839 99 3,633	2004 RM'000 412 - -	2003 RM′000 - -
839 105	839 99 3,633	412 - -	-
839 105	839 99 3,633	412 - -	-
105	99 3,633	-	-
	3,633	-	
-	,		-
-	(21	-	41,982
	621	-	621
-	7,194	-	-
378	4,484	378	4,484
482	297	42	-
-	-	796	3,981
-	-	2,722	-
1,709	1,705	-	-
75	259	3	186
231	-	-	-
3,948	5,412	136	460
2,186	1,834	-	-
733	465	-	72
4	-	-	-
190	-	-	-
2,498	1,808	-	-
25,922	-	25,922	-
1,708	-	-	-
70	77	-	-
-	189	-	-
-	750	-	-
	482 1,709 75 231 3,948 2,186 733 4 190 2,498 25,922 1,708	3784,4844822971,7091,70575259231-3,9485,4122,1861,8347334654-190-2,4981,80825,922-1,708-7077-189	$\begin{array}{ccccc} & 7,194 & & - \\ 378 & 4,484 & 378 \\ 482 & 297 & 42 \\ & & & & & \\ 482 & 297 & 42 \\ & & & & & \\ - & & & & & \\ - & & & & &$

The estimated monetary value of other benefits, not included in the above, received by Directors of the Company and its subsidiary companies were RM31,820 (2003: RM20,583) for the Company and RM81,737 (2003: RM50,143) for the Group.

31 DECEMBER 2004 (continued)

8. TAX EXPENSES

	Gro	up	Comp	
	2004 RM′000	2003 RM'000	2004 RM′000	2003 RM′000
Current tax expenses based on the profit for the financial year:				
Malaysian income tax	4,583	4,029	-	-
Foreign income tax	148	1,092		
	4,731	5,121	-	-
Deferred tax (Note 32(a))	(1,453)	(518)		
	3,278	4,603	-	-
Over provision in prior years	(157)	(255)		
	3,121	4,348	-	-
Share of tax expenses in associated companies	5,291	3,398		
	8,412	7,746		

The numerical reconciliation between the average effective tax rate and the applicable tax rate of the Group and of the Company are as follows:

Company
04 2003
28 28
- 16
(28) (44)

Tax savings of the Group and of the Company are as follows:

	Gro	oup	Com	pany
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM′000
Arising from utilisation of previously unrecognised				
tax losses	775	696	-	-

31 DECEMBER 2004 (continued)

9. EARNINGS PER STOCK UNIT

84

(a) Basic earnings per stock unit

The basic earnings per stock unit for the financial year has been calculated based on the consolidated profit after tax and minority interests divided by the weighted average number of stock units in issue during the financial year.

	Gro	up
	2004	2003
Consolidated profit after tax and minority interests (RM'000)	5,485	6,060
Weighted average number of stock units in issue ('000)	337,794	337,794
Basic earnings per stock unit (sen)	1.62	1.79

(b) Diluted earnings per stock unit

The diluted earnings per stock unit for the financial year have not been disclosed as their effects on the basic earnings per stock unit are anti-dilutive.

10. PROPERTY, PLANT AND EQUIPMENT

Group 2004	Balance as at 1.1.2004 RM'000	Additions RM'000	Disposals RM'000	Subsidiary companies acquired RM'000	Written off RM′000		Exchange translation adjustments RM'000	Balance as at 31.12.2004 RM'000
Cost unless otherwise stated								
Freehold land Hotel properties	34,511	1,041	(5,131)	800	-	-	275	31,496
- at valuation	155,800	-	-	-	-	-	-	155,800
- at cost	81,481	696	-	-	-	-	4,350	86,527
Long term leasehold land	1,274	197	-	-	-	-	-	1,471
Buildings	69,329	10,466	(9,435)	700	-	(535)	1,318	71,843
Plant and machinery	10,189	149	(5,240)	-	-	-	270	5,368
Furniture, fittings and equipment	49,117	7,261	(952)	514	(12)	49	636	56,613
Renovation	4,239	2,279	-	212	(816)	-	(7)	5,907
Motor vehicles	9,896	1,490	(909)	353	(248)	-	45	10,627
Buses								
- operation	12,364	792	-	-	-	8,886	-	22,042
- under refurbishment	20,779	5,045	-	-	-	(8,886)	-	16,938
Computer equipment and software	14,902	2,232	(48)	34	-	(83)	12	17,049
Crockeries, glassware, cutleries, linen and								
kitchen utensils	4,866	355	-	-	-	-	4	5,225
Telecommunications and research and								
development equipment	6,029	6,388	(15)	-	-	1,353	170	13,925
Construction in progress	-	2,516	-	-	-	-	-	2,516
	474,776	40,907	(21,730)	2,613	(1,076)	784	7,073	503,347

31 DECEMBER 2004 (continued)

10. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2004	Balance as at 1.1.2004 RM'000	Charge for the financial year RM'000		Subsidiary companies acquired RM'000	Written off RM'000		Exchange translation adjustments RM'000	as at
Accumulated depreciation								
-								
Freehold land	-	-	-	-	-	-	-	-
Hotel properties - at valuation	_	_	_	_	_	_	_	_
- at cost	_	-	-	-	-	_	-	-
Long term leasehold land	331	23	-	-	-	-	-	354
Buildings	7,409	1,577	(36)	36	-	-	14	9,000
Plant and machinery	7,101	299	(3,300)	-	-	-	255	4,355
Furniture, fittings and equipment	32,462	4,293	(831)	336	(12)	-	256	36,504
Renovation	1,583	633	-	84	(357)	-	3	1,946
Motor vehicles	6,064	1,094	(870)	208	(70)	-	14	6,440
Buses								
- operation	1,269	2,655	-	-	-	-	-	3,924
- under refurbishment	- 13,792	۔ 1,391	- (39)	- 4	-	- (25)	- 13	۔ 15,136
Computer equipment and software Crockeries, glassware, cutleries, linen	13,792	1,291	(39)	4	-	(23)	15	13,130
and kitchen utensils	1,985	90	-	-	-	_	-	2,075
Telecommunications and research and	1,505	50						2,075
development equipment	2,900	1,636	(4)	-	-	-	53	4,585
	74.004	12 604	(5.000)		(120)	(2.5)		
	74,896	13,691	(5,080)	668	(439)	(25)	608	84,319
				Disposals	Written off	fication	Exchange translation adjustments	as at 31.12.2003
Group 2003		as at	Additions RM'000	Disposals RM'000			translation	as at
Group 2003 Cost unless otherwise stated		as at 1.1.2003		-	off	fication	translation adjustments	as at 31.12.2003
2003 Cost unless otherwise stated		as at 1.1.2003 RM′000	RM'000	-	off	fication	translation adjustments RM'000	as at 31.12.2003 RM′000
2003 Cost unless otherwise stated Freehold land		as at 1.1.2003		-	off	fication	translation adjustments	as at 31.12.2003
2003 Cost unless otherwise stated Freehold land Hotel properties		as at 1.1.2003 RM'000 3,775	RM'000	-	off	fication	translation adjustments RM'000	as at 31.12.2003 RM'000 34,511
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation		as at 1.1.2003 RM'000 3,775 155,800	RM'000 29,809	-	off	fication	translation adjustments RM'000 927	as at 31.12.2003 RM'000 34,511 155,800
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost		as at 1.1.2003 RM'000 3,775 155,800 76,931	RM'000	-	off	fication	translation adjustments RM'000	as at 31.12.2003 RM'000 34,511 155,800 81,481
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274	RM'000 29,809 - 50 -	-	off	fication RM'000	translation adjustments RM'000 927 - 4,500 -	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201	RM'000 29,809 - 50 - 1,114	RM'000 - - - - -	off	fication	translation adjustments RM'000 927 - 4,500 - 1,722	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298	RM'000 29,809 - 50 - 1,114 211	RM'000 - - - -	off RM'000 - - - - - - - -	fication RM'000 - - 292 -	translation adjustments RM'000 927 - 4,500 - 1,722 3,049	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201	RM'000 29,809 - 50 - 1,114	RM'000 - - - - - - - - - - - - - - - - - -	off	fication RM'000	translation adjustments RM'000 927 - 4,500 - 1,722 3,049	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery Furniture, fittings and equipment		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298 60,420	RM'000 29,809 - 50 - 1,114 211 3,323	RM'000 - - - - (7,369) (66)	off RM'000 - - - - - - - - - - - - - - - - - -	fication RM'000 - - 292 - (86)	translation adjustments RM'000 927 - 4,500 - 1,722 3,049 750	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189 49,117
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery Furniture, fittings and equipment Renovation Motor vehicles Buses		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298 60,420 4,048 6,710	RM'000 29,809 - 50 - 1,114 211 3,323 761 3,412	RM'000 - - - (7,369) (66) -	off RM'000 - - - - - (15,224) (571)	fication RM'000 - - 292 - (86) - - -	translation adjustments RM'000 927 - 4,500 - 1,722 3,049 750 1	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189 49,117 4,239 9,896
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery Furniture, fittings and equipment Renovation Motor vehicles Buses - operation		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298 60,420 4,048 6,710 5,262	RM'000 29,809 - 50 - 1,114 211 3,323 761 3,412 1,421	RM'000 - - - (7,369) (66) -	off RM'000 - - - - - (15,224) (571)	fication RM'000 - - 292 - (86) - - 5,681	translation adjustments RM'000 927 - 4,500 - 1,722 3,049 750 1 78 -	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189 49,117 4,239 9,896 12,364
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery Furniture, fittings and equipment Renovation Motor vehicles Buses - operation - under refurbishment		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298 60,420 4,048 6,710 5,262 20,300	RM'000 29,809 - 50 - 1,114 211 3,323 761 3,412 1,421 6,160	RM'000 - - - (7,369) (66) - (260) - -	off RM'000 - - - (15,224) (571) (44) - -	fication RM'000 - - 292 - (86) - - 5,681 (5,681)	translation adjustments RM'000 927 - 4,500 - 1,722 3,049 750 1 750 1 78 -	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189 49,117 4,239 9,896 12,364 20,779
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery Furniture, fittings and equipment Renovation Motor vehicles Buses - operation - under refurbishment Computer equipment and software		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298 60,420 4,048 6,710 5,262	RM'000 29,809 - 50 - 1,114 211 3,323 761 3,412 1,421	RM'000 - - - (7,369) (66) -	off RM'000 - - - - (15,224) (571) (44)	fication RM'000 - - 292 - (86) - - 5,681	translation adjustments RM'000 927 - 4,500 - 1,722 3,049 750 1 750 1 78 -	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189 49,117 4,239 9,896 12,364
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery Furniture, fittings and equipment Renovation Motor vehicles Buses - operation - under refurbishment		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298 60,420 4,048 6,710 5,262 20,300	RM'000 29,809 - 50 - 1,114 211 3,323 761 3,412 1,421 6,160	RM'000 - - - (7,369) (66) - (260) - -	off RM'000 - - - (15,224) (571) (44) - -	fication RM'000 - - 292 - (86) - - 5,681 (5,681)	translation adjustments RM'000 927 - 4,500 - 1,722 3,049 750 1 750 1 78 -	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189 49,117 4,239 9,896 12,364 20,779
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery Furniture, fittings and equipment Renovation Motor vehicles Buses - operation - under refurbishment Computer equipment and software Crockeries, glassware, cutleries, linen		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298 60,420 4,048 6,710 5,262 20,300 14,441 4,563	RM'000 29,809 - 50 - 1,114 211 3,323 761 3,412 1,421 6,160 540	RM'000 - - - (7,369) (66) - (260) - -	off RM'000 - - - - (15,224) (571) (44) - - - (9)	fication RM'000 - - 292 - (86) - - 5,681 (5,681) (34)	translation adjustments RM'000 927 - 4,500 - 1,722 3,049 750 1 750 1 78 -	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189 49,117 4,239 9,896 12,364 20,779 14,902 4,866
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery Furniture, fittings and equipment Renovation Motor vehicles Buses - operation - under refurbishment Computer equipment and software Crockeries, glassware, cutleries, linen and kitchen utensils Telecommunications and research and development equipment		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298 60,420 4,048 6,710 5,262 20,300 14,441 4,563 6,335	RM'000 29,809 - 50 - 1,114 211 3,323 761 3,412 1,421 6,160 540	RM'000 - - - (7,369) (66) - (260) - -	off RM'000 - - - - (15,224) (571) (44) - - - (9)	fication RM'000 - - 292 - (86) - - 5,681 (5,681) (34) 140 (226)	translation adjustments RM'000 927 - 4,500 - 1,722 3,049 750 1 750 1 750 2 - 2 2	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189 49,117 4,239 9,896 12,364 20,779 14,902
2003 Cost unless otherwise stated Freehold land Hotel properties - at valuation - at cost Long term leasehold land Buildings Plant and machinery Furniture, fittings and equipment Renovation Motor vehicles Buses - operation - under refurbishment Computer equipment and software Crockeries, glassware, cutleries, linen and kitchen utensils Telecommunications and research and		as at 1.1.2003 RM'000 3,775 155,800 76,931 1,274 66,201 14,298 60,420 4,048 6,710 5,262 20,300 14,441 4,563	RM'000 29,809 - 50 - 1,114 211 3,323 761 3,412 1,421 6,160 540 406	RM'000 - - - (7,369) (66) - (260) - - (38) -	off RM'000 - - - - (15,224) (571) (44) - - - (9)	fication RM'000 - - 292 - (86) - - 5,681 (5,681) (34) (34)	translation adjustments RM'000 927 - 4,500 - 1,722 3,049 750 1 750 1 750 2 - 2 2	as at 31.12.2003 RM'000 34,511 155,800 81,481 1,274 69,329 10,189 49,117 4,239 9,896 12,364 20,779 14,902 4,866

85

(86)

Notes To The Financial Statements

31 DECEMBER 2004 (continued)

10. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2003 Accumulated depreciation	Balance as at 1.1.2003 RM'000	Charge for the financial year RM'000		Written off RM′000		Exchange translation adjustments RM'000	as at
Accumulated depreciation							
Freehold land	-	-	-	-	-	-	-
Hotel properties							
- at valuation	-	-	-	-	-	-	-
- at cost	-	-	-	-	-	-	-
Long term leasehold land	312	19	-	-	-	-	331
Buildings	6,112	1,300	-	-	(3)	-	7,409
Plant and machinery	8,332	645	(3,408)	-	-	1,532	7,101
Furniture, fittings and equipment	36,008	5,159	(57)	(9,045)	22	375	32,462
Renovation	1,647	455	-	(519)	-	-	1,583
Motor vehicles Buses	5,275	832	(49)	(44)	-	50	6,064
- operation	310	959	-	-		-	1,269
- under refurbishment	510			_			1,209
Computer equipment and software	12,457	1,371	(25)	(1)	(11)	1	13,792
Crockeries, glassware, cutleries, linen and	12,137	1,071	(23)	(1)	()		13,772
kitchen utensils	1,621	529	-	(147)	(18)	-	1,985
Telecommunications and research and	, -						,
development equipment	2,064	1,167	(163)	-	(175)	7	2,900
Construction in progress	-	-	-	-	-	-	-
	74,138	12,436	(3,702)	(9,756)	(185)	1,965	74,896
			Balance	,	Written off	ŗ	Balance

	Balance as at 1.1.2003 RM'000	Written off during the financial year RM'000	Balance as at 31.12.2003 RM'000
Impairment loss			
Furniture, fittings and equipment	3,583	(3,583)	-

31 DECEMBER 2004 (continued)

10. PROPERTY, PLANT AND EQUIPMENT (continued)

Sost Motor vehicles 195 - (190) 5 Generation 861 29 - 849 1,896 38 (190) 1,744 Balance Charge for Balance as at 1,12004 year Disposal 31,12,2004 Notor vehicles 195 - (190) 5 Sumiture, fittings and equipment 765 23 - 788 Venovation 1,128 108 (190) 1,046 Sumiture, fittings and equipment 765 23 - 788 Venovation 168 85 - 253 1,128 108 (190) 1,046 Balance as at 1,1,2003 Additions 31,12,2003 Company 2003 25 . 195 . 195 Control Particles 195 - 195 . 195 . 195 Control Pareticles 195 -	Company 2004	Balance as at 1.1.2004 RM'000	Additions RM'000	Disposals RM'000	Balance as at 31.12.2004 RM'000
Senovation Senovat	Cost				
Senovation Senovat	Mataryahidas	105	_	(100)	5
Renovation 840 9 - 849 1,896 38 (190) 1,744 Balance as at 1,1,2004 Charge for RM'000 Balance as at the financial RM'000 Balance as at the financial runiture, fittings and equipment 31,12,2004 RM'000 Accumulated depreciation 765 2.3 - (190) 5 Wotor vehicles 'uniture, fittings and equipment 765 2.3 - 788 168 85 - 253 1,128 108 (190) 1.046 Balance as at as at 1,1,2003 Balance as at as at 1,1,2003 Balance as at as at 1,1,2003 Balance as at 1,1,2003 Balance as at 1,1,2003 Balance as at 1,1,2003 Balance as at 1,1,2003 Balance as at 1,1,2003 1,122 Wotor vehicles 'uniture, fittings and equipment tenovation 1,871 2.5 1,896 Balance as at 1,1,2003 Charge for RM'000 Balance as at 1,1,2003 Charge for RM'000 Balance as at 1,1,2003 Charge for RM'000 Accumulated depreciation 1,871 2.5 1,896 Accumulated depreciation 1,95 - 195 Wotor vehicles 'uniture, fittings and equipment 195 - 195 Charge for RM'000 1,122,003 1,122,003 1,122,003 RM'0000				(190)	
Balance as at sat 11.2004 Charge for the financial wear Balance as at the financial RM'000 Balance as at RM'000 Accumulated depreciation 195 - (190) 5 Wotor vehicles 195 - (190) 5 'urniture, fittings and equipment 765 23 - 788 Renovation 168 85 - 253 1,128 108 (190) 1,046 Balance as at 1,12800 RM'000 RM'000 RM'000 Company 2003 Cost 195 - 195 Wotor vehicles 'urniture, fittings and equipment tenovation 195 - 195 Balance as at 1,1,2003 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 Additions 1,871 25 1,896 Motor vehicles 'urniture, fittings and equipment 830 - 1,896 Balance as at 1,1,2003 RM'000 RM'000 RM'000 31,12,2003 RM'000 RM'000 RM'000 RM'000 31,12,2003 RM'000 31,12,2003 RM'000 Accumulated depreciation 195 - 195 RM'000 Wotor vehicles 'urniture, fittings and equipment 738 27 765 RM'000 Additions 195 <t< td=""><td>Renovation</td><td>840</td><td>9</td><td>-</td><td>849</td></t<>	Renovation	840	9	-	849
as at 1.1.2004 RM'000the financial year RM'000as at Disposals RM'000Accumulated depreciationMotor vehicles uniture, fittings and equipment Renovation195 765 168-(190) 788 1685Interno 1128108(190)1,046Balance as at as at as at as at as at as at as at as at as at 1,128Balance as at as at as at as at as at as at as at as at as at balance as at as at		1,896	38	(190)	1,744
Motor vehicles195-(190)5company 2003 Cost1.128108(190)1.046Motor vehicles195-253uniture, fittings and equipment Renovation195-195Balance as at 1.1.20038008M'0008M'000Motor vehicles195-195uniture, fittings and equipment Renovation1,871251,896Motor vehicles1,871251,896Motor vehicles1,871251,896Motor vehicles1,871251,896Motor vehicles1,871251,896Motor vehicles1,871251,896Motor vehicles1,871251,896Motor vehicles195-195enovation1,871251,896Motor vehicles195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation195-195enovation<		as at 1.1.2004	the financial year		as at 31.12.2004
Furniture, fittings and equipment76523-78816885-2531,128108(190)1,046Balance as at 1,12003Company 2003 CostRM'000RM'000Kotor vehicles195-195 836Furniture, fittings and equipment Renovation1,871251,896Balance as at 1,12003RM'000RM'000RM'000RM'000RM'000RM'000RM'000RM'000Company 2003 	Accumulated depreciation				
Renovation16885-2531,128108(190)1,0461,128108(190)1,046Balance as at 1,1,2003Balance as at 	Motor vehicles	195	-	(190)	
International contentInternational contentInternational content1,128108(190)1,0461,128108(190)1,046Balance as at 1,1,2003Balance as at 1,1,2003Balance as at 1,1,2003Balance as at 1,1,2003Company 2003Cost195-195 83625Wotor vehicles umiture, fittings and equipment Renovation1,871251,896Balance as at 1,1,2003Charge for year 31,1,2,2003 RM'000Balance as at 31,1,2,2003 RM'000Balance as at 31,1,2,2003 RM'000Accumulated depreciation195-195 95 944195 944Motor vehicles Furniture, fittings and equipment RM'000195-195 95 944Accumulated depreciation195 84-195 944	Furniture, fittings and equipment			-	
Balance as at as at 1.1.2003Balance as at as at 1.1.2003Balance as at as at 1.1.2003Balance as at as at 1.1.2003Balance as at mM'000Balance mM'000Balance mM'000Votor vehicles Furniture, fittings and equipment Renovation195 836 25 861 840 1.871 25195 861 840 1.871195 25195 861 840Balance as at 1.1.2003 mM'000Charge for main as at 31.12.2003 mean 840Balance as at 1.1.2003 mean mice as at 31.12.2003 mmice as at mmice	Renovation	168	85	-	253
as at 1.1.2003 RM'000as at 1.1.2003 RM'000as at 31.12.2003 RM'0002003 Cost195-Wotor vehicles Furniture, fittings and equipment Renovation195-840-8401,871251,896Balance as at 1.1.2003 RM'000Charge for RM'000Balance as at 31.12.2003 RM'000Accumulated depreciation195-195 11.12.2003 RM'000Wotor vehicles Furniture, fittings and equipment Runovation195-195 11.12.2003 RM'000Accumulated depreciation195-195 11.12.2003 RM'000-Motor vehicles Furniture, fittings and equipment Renovation195-195 15Accumulated depreciation195-195 165195 165Motor vehicles Furniture, fittings and equipment Renovation195-195 165Accumulated depreciation195-195 165Accumulated depreciation195-195 165Accumulated depreciation195-195 165Accumulated depreciation195-195 165Accumulated depreciation195-195 165Accumulated depreciation195-195 165Accumulated depreciation195-195 165Accumulated depreciation195-195 Accumulated depreciation195-195 Accumulated depreciation195 <t< td=""><td></td><td>1,128</td><td>108</td><td>(190)</td><td>1,046</td></t<>		1,128	108	(190)	1,046
Cost 195 - 195 Furniture, fittings and equipment 836 25 861 840 - 840 - 840 1,871 25 1,896 - - 840 - - 840 - - 840 - - 840 - - 840 - - 840 - - 840 - - - 840 - - 840 - - 840 - - 840 - - - 840 - - - 840 - - - - 840 -	Company		as at 1.1.2003		as at 31.12.2003
Furniture, fittings and equipment83625861840-8401,871251,896Balance as at 1.1.2003 yearBalance as at 31.12.2003 RM'000Accumulated depreciationMotor vehicles195-195Furniture, fittings and equipment73827765Renovation8484168	Cost				
Renovation840-8401,871251,896Balance as at 1.1.2003 RM'000Balance as at the financial year RM'000Accumulated depreciationMotor vehicles Furniture, fittings and equipment Renovation195-195 73827Renovation8484168	Motor vehicles		195	-	195
1,871251,896Balance as at 1.1.2003 Wotor vehiclesCharge for the financial as at 31.12.2003 RM'000Balance as at as at 31.12.2003 RM'000Accumulated depreciation195-195 195 73827Furniture, fittings and equipment Renovation73827765 765 84	Furniture, fittings and equipment				
Balance as at the financial the financial as at 1.1.2003 mean RM'000 RM'0	Renovation		840	-	840
as at 1.1.2003 Wotor vehiclesthe financial yearas at 31.12.2003 RM'000Accumulated depreciationMotor vehiclesFurniture, fittings and equipment738277765 Renovation8484			1,871	25	1,896
Motor vehicles195-195Furniture, fittings and equipment73827765Renovation8484168			as at 1.1.2003	the financial year	as at 31.12.2003
Furniture, fittings and equipment73827765Renovation8484168	Accumulated depreciation				
Renovation 84 84 168	Motor vehicles				
	Furniture, fittings and equipment				
1,017 111 1,128	Renovation		84	84	168
			1,017	111	1,128

31 DECEMBER 2004 (continued)

10. PROPERTY, PLANT AND EQUIPMENT (continued)

88

	Gro	oup	Com	pany
Net book value	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000
Freehold land	31,496	34,511	-	-
Hotel properties				
- at valuation	155,800	155,800	-	-
- at cost	86,527	81,481	-	-
Long term leasehold land	1,117	943	-	-
Buildings	62,843	61,920	-	-
Plant and machinery	1,013	3,088	-	-
Furniture, fittings and equipment	20,109	16,655	102	96
Renovation	3,961	2,656	596	672
Motor vehicles	4,187	3,832	-	-
Buses				
- Operation	18,118	11,095	-	-
- Under refurbishment	16,938	20,779	-	-
Computer equipment and software	1,913	1,110	-	-
Crockeries, glassware, cutleries, linen and kitchen				
utensils	3,150	2,881	-	-
Telecommunications and research and development				
equipment	9,340	3,129	-	-
Construction in progress	2,516	-	-	-
	419,028	399,880	698	768

(a) Net book value of property, plant and equipment held under hire purchase arrangement are as follows:

Gre	oup
2004 RM′000	2003 RM′000
23	56
2,175	1,836
721	1,253
2,919	3,145
	2004 RM'000 23 2,175 721

- (b) Hotel properties amounting to RM155.8 million (2003: RM155.8 million) have been pledged to financial institutions as securities for credit facilities granted to the Group and the Company, which had been restructured by way of an issuance of redeemable and convertible loan stocks, both with detachable warrants by the Company as disclosed in Note 29.
- (c) The carrying amounts of certain freehold land, hotel properties and buildings of the Group charged to financial institutions for credit facilities granted to the subsidiary companies are as follows:

	Gre	oup
	2004 RM′000	2003 RM′000
Freehold land	-	4,056
Hotel properties	86,527	81,481
Buildings	1,507	9,117
	88,034	94,654



31 DECEMBER 2004 (continued)

10. PROPERTY, PLANT AND EQUIPMENT (continued)

- (d) The strata title for a hotel property of the Group costing RM29.568 million (2003: RM29.563 million) has yet to be issued by the relevant authorities.
- (e) The hotel properties of the Group were revalued by Directors on 31 December 2000 based on the valuation carried out by an independent firm of professional valuers, using the open market value basis.

Had the revalued assets been carried at cost less accumulated depreciation, the carrying amounts would have been as follows:

2004	Cost RM′000	Accumulated depreciation RM'000	Net book value RM′000
Hotel properties	107,082		107,082
2003			
Hotel properties	106,386		106,386

11. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2004 RM′000	2003 RM′000
Quoted shares - at cost Less: Impairment losses	450,302 (207,570)	450,302 (207,570)
	242,732	242,732
Unquoted shares - at cost Less: Impairment losses	212,775 (35,666)	209,461 (32,657)
	177,109	176,804
	419,841	419,536
Market value of quoted shares	45,779	53,342

(a) The details of the subsidiary companies are set out in Note 44.

(b) Some of the shares of a quoted subsidiary company and an unquoted subsidiary company with the cost of RM435.155 million (2003: RM435.155 million) and RM117.774 million (2003: RM117.774 million) respectively, have been pledged to financial institutions as security for credit facilities granted to the Company and the Group, which had been restructured by way of an issue of redeemable and convertible loan stocks, both with detachable warrants by the Company as disclosed in Note 29.

31 DECEMBER 2004 (continued)

11. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

90

- (c) During the financial year, the Group and the Company completed the acquisition of the following subsidiary companies:
 - (i) On 5 January 2004, the Group had completed the subscription of 784,000 new ordinary shares of RM1.00 each in BTV Productions Sdn. Bhd. ("BTV") representing 70% of the equity interest in BTV for a purchase consideration of RM784,000 pursuant to the Share Subscription Agreement dated 19 November 2003.
 - (ii) On 15 January 2004, Unified Communications Sdn. Bhd. ("UCSB") and Unified Communications Pte. Ltd. ("UCPL") became wholly-owned subsidiary companies of Unified Communications Holdings Limited ("UCH"), a 70%-owned subsidiary company of Worldwide Matrix Sdn. Bhd. ("WMSB"), which in turn is wholly-owned by the Company, upon the completion of the share transfer agreement dated 12 January 2004.

Following the listing of UCH on the Singapore Exchange Securities Trading Limited on 19 February 2004, UCH became a 58.3%-owned subsidiary company of the Company via WMSB. The details of the listing of UCH are disclosed in Note 45(ii).

- (iii) On 23 March 2004, the Group had acquired 100% equity interest in Edenbridge Resources Limited ("ERL") comprising two (2) issued and fully paid-up ordinary shares of USD1.00 each. On 6 April 2004, ERL changed its name to Holiday Villa China Limited ("HVCL"). Subsequent to the increase in HVCL's paid-up share capital to USD100.00 on 10 May 2004, the Group's effective interest in HVCL was reduced to 69.74%.
- (iv) On 17 May 2004, UCPL had subscribed for 90,000 ordinary shares of Thai Baht 10.00 each in the share capital of Unified (Thailand) Ltd. ("UTL"), representing 45% of the total issued and paid-up share capital of UTL for an aggregate consideration of Thai Baht 900,000. UTL has two classes of shares, i.e. 110,000 preference shares of Thai Baht 10.00 each forming 55% of the total issued and paid-up share capital with a voting right of one vote for every ten shares held and 90,000 ordinary shares of Thai Baht 10.00 each forming 45% of the total issued and paid-up share capital with a voting right of one vote for every ten shares held and 90,000 ordinary shares of Thai Baht 10.00 each forming 45% of the total issued and paid-up share capital with a voting right of one vote for every share held. By virtue of UCPL controlling effectively 89% of the voting rights via the ordinary shares held in UTL, UTL is regarded as a subsidiary company of UCPL with an effective interest of 89%.
- (v) HVCL had on 14 June 2004 received the Certificate of Approval for Establishment of Enterprises with Foreign Investment in the People's Republic of China for the establishment of a wholly-owned subsidiary, Changshu Holiday Villa Hotel Management Co. Ltd. in Changshu, People's Republic of China.
- (vi) On 9 July 2004, the Company had completed the acquisition of the remaining 50% equity interest comprising 3,000,000 ordinary shares of RM1.00 each in Diversified Gain Sdn. Bhd. ("DGSB") for a cash consideration of RM300,000. Consequently, DGSB became a wholly-owned subsidiary company of the Company.
- (vii) On 13 December 2004, the Group had acquired the entire equity interest comprising two (2) ordinary shares of SGD1.00 each in SN Services Pte. Ltd. for a total cash consideration of SGD2.00.

Goodwill arising on these acquisitions amounting to RM4.26 million has been accounted for using the acquisition method of accounting.

The effect of these acquisitions on the financial results of the Group during the financial year is as follows:

	RM′000
Revenue	16,843
Operating costs	(15,723)
Profit before tax	1,120
Tax expense	(1)
Profit after tax	1,119
Minority interests	209
Increase in Group's net profit	1,328

31 DECEMBER 2004 (continued)

11. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

The effect of these acquisitions on the financial position of the Group at the end of the financial year is as follows:

	RM′000
Property, plant and equipment	1,080
Investment securities	19
Inventories	451
Trade receivables	1,902
Other receivables, deposits and prepayments	272
Short term deposits	882
Cash and bank balances	3,255
Trade payables	(1,294)
Other payables and accruals	(804)
Bank overdrafts	(1,793)
Borrowings	(141)
Taxation	(51)
Inter-company balances	(5,484)
Minority interests	(24)
Decrease in Group's net assets	(1,730)

(d) During the financial year, a quoted subsidiary company, Advance Synergy Capital Berhad ("ASC"), repurchased a total of 1,170,300 units of its own shares for a total consideration of RM722,000 from the open market. All the shares bought back were retained as treasury shares. Accordingly, the Group's interest in ASC has increased from 51.04% to 51.42% as at the balance sheet date.

(e) As at the balance sheet date, the carrying value of investment in ASC, amounting to RM242.732 million (2003: RM242.732 million) is stated after taking into consideration of the impairment in value as determined in accordance with MASB Standard No. 23, Impairment of Assets.

(f) During the previous financial year, the Group had completed the subscription of 615,000 new ordinary shares of RM1.00 each in Quality Bus & Coach (M) Sdn. Bhd. ("QBC"), representing 51% of the equity interest in QBC pursuant to a Share Subscription Agreement dated 8 May 2003.

Goodwill arising on this acquisition amounting to RM314,000 had been accounted for using the acquisition method of accounting.

The effect of this acquisition on the financial results during the previous financial year was immaterial to the Group.

The effect of this acquisition on the financial position of the Group at the end of the previous financial year was as follows:

	RM'000
Property, plant and equipment	205
Inventories	520
Other receivables, deposits and prepayments	295
Cash and bank balances	246
Trade payables	(229)
Other payables and accruals	(422)
Minority interests	(314)
Increase in Group's net assets	301

(92)

Notes To The Financial Statements

31 DECEMBER 2004 (continued)

12. INVESTMENT IN ASSOCIATED COMPANIES

	Group		Company	
	2004 RM'000	2003 RM′000	2004 RM'000	2003 RM′000
Quoted shares - at cost	12,758	12,758	-	-
Unquoted shares - at cost Less: Impairment loss	27,360	30,217 -	-	3,009 (3,009)
	27,360	30,217		
Group's share of post acquisition retained profits	40,118	42,975	-	-
less losses	25,711	15,950		
	65,829	58,925		
Market value of quoted shares	5,581	9,697		

The Group's investment in associated companies are represented by:

	2004 RM′000	2003 RM′000
Group's share of net assets other than goodwill of associates Goodwill on acquisition	64,792 1,037	57,828 1,097
	65,829	58,925

The details of the associated companies are set out in Note 44.

Pursuant to a joint venture agreement dated 27 October 2003 entered into by UCSB with Ahead Mobile Inc., UCSB had on 19 April 2004 subscribed for 152,000 ordinary shares of RM1.00 each in Ahead Mobile Sdn. Bhd. ("AMSB") for a cash consideration of RM152,000, representing 40% of the enlarged issued and paid-up share capital of AMSB.

During the previous financial year, the Company had disposed of its entire 49% equity interest in ACE Synergy Insurance Berhad ("ACE") to ASC, for a total cash consideration of RM71 million.

13. LAND HELD FOR DEVELOPMENT

	Gr	Group	
	2004 RM′000	2003 RM′000	
Long term leasehold land			
- at valuation	9,296	9,296	
- at cost	327	327	
Development expenditure	4,151	4,151	
	13,774	13,774	

31 DECEMBER 2004 (continued)

13. LAND HELD FOR DEVELOPMENT (continued)

The entire long term leasehold land held for development of the Group have been pledged to financial institutions as security for credit facilities granted to the Company and a subsidiary company, which had been restructured by way of an issuance of redeemable and convertible loan stocks, both with detachable warrants as disclosed in Note 29.

Leasehold land held for development at valuation of the Group were revalued by the Directors on an open market value basis in 1981 and 1983 based on valuations carried out by independent professional firms of valuers and since then, the revaluation has not been updated.

14. INVESTMENT SECURITIES

	Group		Company	
	2004 RM'000	2003 RM′000	2004 RM'000	2003 RM′000
Quoted Securities				
In Malaysia: Shares stated at cost	19	-	-	-
Outside Malaysia: Shares stated at cost Less: Impairment losses	27,558 (23,448)	27,558 (23,448)	-	-
	4,110	4,110		
Unquoted Securities	4,129	4,110		
In Malaysia: Shares stated at cost Less: Impairment losses	67,663 (17,483)	64,789 (17,483)	52,658 (17,483)	52,658 (17,483)
Outside Malaysia:	50,180	47,306	35,175	35,175
Shares stated at cost	14,901	7,502		
	65,081	54,808	35,175	35,175
	69,210	58,918	35,175	35,175
Market value:				
Quoted shares in Malaysia Quoted shares outside Malaysia	5 6,054	- 8,681	-	-

The quoted securities of the Group have been pledged to financial institutions as security for credit facilities granted to the Company, which had been restructured by way of an issuance of redeemable and convertible loan stocks, both with detachable warrants as disclosed in Note 29.

31 DECEMBER 2004 (continued)

15. GOODWILL ON CONSOLIDATION

(94

	Group	
	2004 RM′000	2003 RM′000
Balance as at 1 January	125,904	131,207
Goodwill arising from acquisition of subsidiary companies		
during the financial year	4,260	314
Realisation of goodwill arising from disposal of certain shares		
in a subsidiary company during the financial year	(3,406)	-
Realisation of goodwill arising from dilution of shareholdings		
in a subsidiary company	(8,408)	-
Realisation of goodwill arising from profit guarantee received	(2,452)	(743)
Realisation of goodwill on share buyback	(1,130)	(782)
	114,768	129,996
Less: Amortisation during the financial year	(3,257)	(4,092)
Balance as at 31 December	111,511	125,904
שממווכב מז מנ ז'ו שבכבווושבו		123,904

16. PURCHASED GOODWILL

	Group	
	2004 RM′000	2003 RM′000
Balance as at 1 January Exchange translation adjustment	1,569 98	1,298 372
Less: Amortisation during the financial year	1,667 (113)	1,670 (101)
Balance as at 31 December	1,554	1,569

31 DECEMBER 2004 (continued)

17. INTANGIBLE ASSETS

	Group	
	2004 RM'000	2003 RM′000
Intellectual property		
Balance as at 1 January	7,837	266
Additions during the financial year	-	8,250
Returned to supplier of intellectual property	(3,000)	-
Amortisation during the financial year	(1,050)	(679)
Balance as at 31 December	3,787	7,837
Software development expenditure		
Balance as at 1 January	529	233
Additions during the financial year	719	557
Amortisation during the financial year	(113)	(261)
Balance as at 31 December	1,135	529
	. <u> </u>	
	4,922	8,366

Intellectual property comprises acquisition of the rights and titles to certain intellectual property relating to mobile solutions. During the financial year, a subsidiary of the Group has returned RM3.0 million worth of rights and titles of certain intellectual property that did not meet technical requirements, with a corresponding reduction in outstanding payables to the supplier of intellectual property.

18. DEPOSIT

	Gro	Group	
	2004 RM′000	2003 RM'000	
Deposit for proposed acquisition of 32.9% equity interest in Malpac Holdings Berhad ("Malpac")	<u> </u>	30,000	

On 14 August 1997, ASC entered into a conditional share sale and purchase agreement with the vendors of Malpac to acquire a 32.9% equity interest comprising 24,675,000 ordinary shares of RM1.00 each in Malpac for a cash consideration of RM166,556,250 or RM6.75 per ordinary share. Approvals from the relevant authorities namely the Ministry of Finance, the Securities Commission and the Foreign Investment Committee were obtained on 20 November 1997, 20 December 1997 and 26 December 1997 respectively.

A deposit of RM30 million was paid to the vendors of the shares of Malpac pursuant to the sale and purchase agreement for the said shares.

During the financial year, ASC and the vendors held a number of meetings with a view to settle the matter amicably. As a result of the meetings, all the parties agreed to appoint a mediator to assist in the resolution of this long outstanding matter. Subsequently, on 28 April 2005, ASC announced that ASC and the vendors had reached an amicable agreement to settle the proposed acquisition of the Malpac shares. Under the settlement agreement, the deposit paid by ASC will be retained by the vendors in exchange for 8,037,500 ordinary shares of RM1.00 each (representing approximately 10.716% of Malpac's paid-up share capital) in Malpac. Consequently, the conditional sale and purchase agreement dated 14 August 1997 is deemed performed and completed by the parties and thereafter neither party shall have any further claim against each other. Accordingly, the amount has been reclassified to "Receivables" under current assets in Note 21.

An allowance for doubtful debts of RM9.73 million (2003: Nil) has been made against the deposit at the balance sheet date for the estimated loss arising from this arrangement, based on the Directors of ASC's estimation of the fair value at the balance sheet date of the Malpac shares to be received.

31 DECEMBER 2004 (continued)

19. PROPERTY DEVELOPMENT COSTS

96

	Group	
	2004 RM′000	2003 RM′000
Property development costs at 1 January		
- leasehold land	13,741	9,763
- development costs	76,721	78,048
	90,462	87,811
Cost incurred during the financial year - leasehold land	6 602	7 901
- development costs	6,602 20,174	7,801 21,922
	20,174	21,922
	26,776	29,723
Less: Cost recognised in the income statement		
As at 1 January	67,409	64,088
Recognised during the financial year	28,148	30,300
As at 31 December	(95,557)	(94,388)
Less: Transfer to inventories	(1)	(92)
	(1)	(92)
Property development costs at 31 December	21,680	23,054

Included in the property development costs incurred during the financial year are:

	Gro	oup
	2004 RM′000	2003 RM'000
Interest expenses	-	52
Plant hire expenses	32	6

Certain leasehold land under development have been charged to financial institutions as security for credit facilities granted to a subsidiary company.

20. INVENTORIES

	Group	
	2004 RM′000	2003 RM'000
At cost:		
Completed development properties	10,379	11,538
Raw materials	43	379
Work-in-progress	1,736	847
Finished goods	28,064	21,263
Food and beverages	522	406
Operating supplies	4,393	2,900
	45,137	37,333
At net realisable value:	105	
Finished goods	105	
	45,242	37,333

31 DECEMBER 2004 (continued)

20. INVENTORIES (continued)

Certain inventories of completed development properties of RM6.901 million (2003: RM7.591 million) have been pledged to financial institutions as security for credit facilities granted to the Company, which had been restructured by way of an issuance of redeemable and convertible loan stocks, both with detachable warrants as disclosed in Note 29.

21. RECEIVABLES

	Gro	up	Comp	any
	2004 RM′000	2003 RM′000	2004 RM'000	2003 RM'000
Amounts owing by subsidiary companies Less: Allowance for doubtful debts	-	-	332,343 (125,733)	340,633 (126,145)
	-	-	206,610	214,488
Amounts owing by associated companies	-	12,123	-	54
Trade receivables Less: Allowance for doubtful debts	70,197 (7,911)	80,231 (3,687)	-	-
	62,286	76,544	-	-
Amount due from customers for contract works	6,684	3,539	-	-
Other receivables, deposits and prepayments Deposit for acquisition of Malpac shares (Note 18)	34,605 30,000	31,102	886	1,138 -
Less: Allowance for doubtful debts	64,605 (16,111)	31,102 (6,399)	886 (505)	1,138 (505)
	48,494	24,703	381	633
	117,464	116,909	206,991	215,175

Allowance for doubtful debts on trade receivables relating to subsidiary companies consolidated during the financial year amounted to RM1.366 million (2003: Nil).

- (a) The credit terms offered by the Group in respect of trade receivables range from payment in advance to 90 days from date of invoice.
- (b) Amounts owing by subsidiary companies represent advances and payments made on behalf which are unsecured, interest-free and have no fixed terms of repayment except for balances amounting to RM33.887 million (2003: RM31.089 million) which bear interest at the rate of 9% (2003: 9%) per annum.
- (c) Included in the amounts owing by associated companies in the previous financial year was an Unsecured Subordinated Loan ("USL") of RM12 million provided by a quoted subsidiary company on 2 February 2000, to Southern Investment Bank Berhad ("SIBB") to repay its RM50 million Exchangeable Subordinated Capital Loan granted by Danamodal Nasional Berhad. The USL carried interest at the rate of 7.0% per annum and was repayable by way of 5 equal annual instalments of RM3 million each, commencing 2 February 2003 and each subsequent instalment to be paid on the same day of each succeeding year. The USL had been fully repaid during the financial year. The remaining amounts owed by associated companies were unsecured, bore no interest and had no fixed terms of repayment.



31 DECEMBER 2004 (continued)

21. RECEIVABLES (continued)

(d) Amount due from/(to) customers for contract works

	Group	
	2004 RM′000	2003 RM′000
Aggregate costs incurred and attributable profits recognised		
to date	6,921	4,179
Less: Progress billings	(279)	(640)
	6,642	3,539
Amount due from customers for contract works	6,684	3,539
Amount due to customers for contract works (Note 24)	(42)	
	6,642	3,539

(e) The allowance for doubtful debts is net of bad debts written off as follows:

	Group		Company	
	2004 RM′000	2003 RM′000	2004 RM'000	2003 RM'000
Bad debts written off	971	881		

22. MARKETABLE SECURITIES

	Gr	Group	
	2004 RM′000	2003 RM'000	
Quoted securities:			
Shares in Malaysia	3,000	3,109	
Market value of shares quoted in Malaysia	3,000	3,109	

23. SHORT TERM DEPOSITS

Included in the short term deposits by the Group is an amount of RM3.845 million (2003: RM3.792 million) pledged to licensed banks as security for banking facilities granted to certain subsidiary companies.

31 DECEMBER 2004 (continued)

24. PAYABLES

	Gro	oup	Com	pany
	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000
Trade payables	28,662	31,681	-	-
Amount due to customers for contract works				
(Note 21(d))	42	-	-	-
Other payables and accruals	65,139	104,774	27,829	46,528
Amounts owing to subsidiary companies	-	-	58,635	45,143
Hire purchase and lease creditors portion payable				
not later than one year (Note 31)	520	1,161		-
	94,363	137,616	86,464	91,671

(a) The credit terms available to the Group in respect of trade payables range from 30 to 90 days from date of invoice.

(b) The breakdown of other payables and accruals is as follows:

	Group		Company	
	2004 RM'000	2003 RM′000	2004 RM′000	2003 RM′000
Other payables	16,446	39,271	116	76
Accruals	20,691	18,628	286	291
Accrued interest	27,427	46,161	27,427	46,161
Deposit received	71	167	-	-
Dividend payable	104	147	-	-
Initial franchise and technical service fee	400	400	-	-
	65,139	104,774	27,829	46,528

Included in other payables in 2004 is an amount of RM0.785 million (2003: RM7.485 million) in respect of the acquisition of certain intellectual property relating to mobile data solutions.

Included in other payables in 2003 was an amount of RM17.850 million in respect of the balance of purchase consideration outstanding for the acquisition of certain subsidiary companies.

(c) An amount owing to a quoted subsidiary company of RM45.770 million (2003: RM44.317 million) has no fixed terms of repayment and interest is charged at Southern Finance Berhad's 3 months fixed deposit rate of 3.20% (2003: 3.20%) per annum.

25. BANK OVERDRAFTS

	Gro	oup
	2004 RM′000	2003 RM′000
Bank overdrafts:		
- Secured	773	847
- Unsecured	1,794	444
	2,567	1,291



31 DECEMBER 2004 (continued)

25. BANK OVERDRAFTS (continued)

The bank overdrafts are secured by the following:

- (a) limited guarantee and indemnity from the Company;
- (b) guarantee and indemnity from a subsidiary company;
- (c) fixed charge over the property and a floating charge over the assets of a subsidiary company;
- (d) deed of subordination of related party debt; and
- (e) limited guarantee and indemnity from guarantor.

The bank overdrafts bear interest at the rate of 7.03% (2003: 9.85%) per annum.

26. SHORT TERM BORROWINGS

	Group	
	2004 RM′000	2003 RM'000
Secured:		
Term loans (Note 30)	10,273	3,626
Bankers' acceptance and trust receipts	10,532	927
	20,805	4,553
Unsecured:		
Term loans (Note 30)	12,000	845
Bankers' acceptance and trust receipts	_	2,769
	12,000	3,614
	32,805	8,167

The borrowings of the Group are secured by:

(i) registered charges over a long term leasehold property and a hotel property of certain subsidiary companies;

(ii) registered charges over certain fixed and floating assets of certain subsidiary companies;

(iii) negative covenant over all the present and future assets of a subsidiary company; and

(iv) a floating charge over all the assets and undertaking of a subsidiary company.

Interest rates on the borrowings range from 7.20% to 8.40% (2003: 7.31% to 9.95%) per annum.
31 DECEMBER 2004 (continued)

27. SHARE CAPITAL

	Group & Company			
	2004		2003	
	Number of shares/stock units ′000	RM′000	Number of shares/stock units '000	RM′000
Authorised	800,000	800,000	800,000	800,000
Issued and fully paid-up	337,794	337,794	337,794	337,794

(a) Warrants 2000/2008

As at 31 December 2004, the Company has 168,896,809 outstanding warrants ("Warrants") which were originally issued to the entitled stockholders in conjunction with the restructuring of bank borrowings of the Company. Each Warrant entitles the registered holder to subscribe for one new stock unit of RM1.00 each at the exercise price of RM1.00 per stock unit during the original exercise period which had expired on 28 August 2003.

On 9 July 2003 and 23 July 2003, the stockholders and the warrantholders of the Company had respectively approved the extension of the duration and exercise period of the Warrants by five (5) years from 28 August 2003 up to and including 28 August 2008 ("First Extension") and thereafter an option to extend the duration and the exercise period for a further period of two (2) years expiring on 28 August 2010 ("Further Extension"). Following the First Extension, the Further Extension will be implemented by the Company if the weighted average price of the Company's stock units quoted on the Main Board of Bursa Malaysia Securities Berhad is not more than twenty percent (20%) over the exercise price of RM1.00 per stock unit for any period of thirty (30) consecutive days during the six (6)-month period from 29 November 2007 to 28 May 2008.

The Warrants are constituted by a Deed Poll dated 28 April 2000 and a Supplemental Deed Poll dated 24 July 2003.

As at the end of the current financial year, no exercise of Warrants had taken place.

(b) 7% Convertible Loan Stocks 2000/2005 ("CLS")

The CLS were issued pursuant to the restructuring of bank borrowings undertaken by the Company with its identified financial institutions. The CLS may be converted in proportions of up to 20% and 30% commencing from the end of the third and fourth year respectively from 1 May 2000 and the balance of 50% at end of the fifth year from 1 May 2000.

During the financial year, no conversion of CLS into new stock units had taken place.

Upon exercise of the Warrants and conversion of CLS into new stock units, such stock units shall rank pari passu in all respects with the then existing issued stock units of the Company, except that such new stock units shall not be entitled to any rights, allotment, dividends or other distributions declared or to be declared in respect of the financial period prior to the financial period in which such new stock units are issued or for any interim dividends or distributions that may be declared prior to the date of allotment of such new stock units.

On 1 April 2005, the Company announced that it is in the midst of negotiation with the respective loan stock holders to finalise the terms and conditions for the Company to undertake the proposed early repurchase of RM182.761 million equivalent nominal value of CLS, being the balance of CLS in issue, by 30 April 2005. Upon completion of the repurchase, the said CLS would be cancelled. Additional information on the proposed settlement is disclosed in Note 29.

101

Notes To The Financial Statements

31 DECEMBER 2004 (continued)

28. RESERVES

(102

	Group		Company	
	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000
Share premium	430,437	430,437	430,437	430,437
Capital reserve	(1,792)	(1,792)	69	69
Revaluation reserve	46,724	46,724	-	-
Exchange fluctuation reserve	15,533	11,956	-	-
Reserve on consolidation	10,058	10,897	-	
Total non-distributable reserves	500,960	498,222	430,506	430,506
Accumulated losses	(448,635)	(454,120)	(443,403)	(451,666)
	52,325	44,102	(12,897)	(21,160)

The movements in reserves are shown in the Statements of Changes in Equity.

The revaluation reserve represents surplus on the revaluation of certain hotel properties of the Group.

29. 7% REDEEMABLE AND CONVERTIBLE LOAN STOCKS 2000/2005

	Group & Company	
	2004 RM′000	2003 RM′000
7% redeemable secured loan stocks 7% convertible secured loan stocks	74,979 172,242	93,676 172,242
Total secured loan stocks 7% convertible unsecured loan stocks	247,221 10,519	265,918 10,519
	257,740	276,437

The main features of the 7% Redeemable Loan Stocks 2000/2005 ("RLS") and 7% Convertible Loan Stocks 2000/2005 ("CLS") are as follows:

- (i) The redemption of the RLS will be in proportions of up to 20%, 30% and the balance of 50% at the end of the third, fourth and fifth year respectively from 1 May 2000. The CLS may be converted in proportions of up to 20% and 30% commencing from the end of the third and fourth year respectively from 1 May 2000 and the balance of 50% at the end of the fifth year from 1 May 2000. Both the RLS and CLS bear interest at the rate of 7% per annum to be satisfied to the registered holders as follows:
 - (a) 3% coupon to be satisfied by cash annually in arrears;
 - (b) the remaining 4% coupon in respect of the RLS shall be cumulative up to the date of redemption of the proportion of RLS to be redeemed and will be satisfied by cash at the redemption price of:
 - (i) RM0.95 per RLS for the portion of 20%;
 - (ii) RM0.98 per RLS for the portion of 30%;
 - (iii) RM1.01 per RLS for the balance redeemed; and
 - (c) the remaining 4% coupon in respect of the CLS shall be cumulative up to the date of conversion and will be satisfied by way of conversion into new stock units of RM1.00 each in the Company at the conversion price of RM1.20 per stock unit.
- (ii) The RLS amounting to an equivalent of RM74.979 million nominal value and CLS amounting to an equivalent of RM172.242 million nominal value are secured by:
 - (a) certain shares of a quoted subsidiary company and an unquoted subsidiary company at cost of RM435.155 million (2003: RM435.155 million) and RM117.774 million (2003: RM117.774 million) respectively;

31 DECEMBER 2004 (continued)

29. 7% REDEEMABLE AND CONVERTIBLE LOAN STOCKS 2000/2005 (continued)

- (b) the entire quoted securities of the Group outside Malaysia at cost amounting to the equivalent of RM27.558 million (2003: RM27.558 million);
- (c) certain quoted shares beneficially owned by a Director of the Company; and
- (d) certain properties of the Group.

During the financial year, the Company had redeemed a total of RM18.697 million equivalent nominal value of RLS out of a total of RM93.676 million in issue.

On 1 April 2005, the Company announced that it is in the midst of negotiation with the respective loan stock holders to finalise the terms and conditions for the Company to undertake the proposed early redemption of RM74.979 million equivalent nominal value of RLS, being the balance of RLS in issue, by 30 April 2005. Upon completion of the redemption, the said RLS would be cancelled.

On 25 April 2005, Alangka-Suka Hotels & Resorts Berhad ("ASHRB") a 99.63%-owned subsidiary of the Company had accepted a Transferable Term Loan Facility of up to RM120.0 million for the following purposes:

- (i) to part finance the redemption/repurchase of the outstanding redeemable loan stocks and convertible loan stocks issued by the Company; and
- (ii) to refinance ASHRB's existing term loan of RM11.5 million.

The facility is granted for a period of eight years from the drawdown date at an interest rate of 1.85% over the Base Lending Rate of each respective Lender. The facility shall be secured by inter-alia the local hotel properties of ASHRB and a corporate guarantee from the Company.

30. TERM LOANS

	Gro	Group	
	2004 RM′000	2003 RM'000	
Term loans:			
Secured	66,141	60,191	
Unsecured	12,000	845	
	78,141	61,036	
Repayable as follows: Within the next 12 months included under short term			
borrowings (Note 26)	22,273	4,471	
After next 12 months included under non-current liabilities		[]	
- later than 1 year but not later than 5 years	35,076	21,608	
- later than 5 years	20,792	34,957	
	55,868	56,565	
	78,141	61,036	
		-	

The term loans are secured by:

(i) registered charges over a long term leasehold property and a hotel property of certain subsidiary companies;

(ii) a debenture of RM21.06 million by way of first fixed and floating charges on the assets of a subsidiary company; and

(iii) a third fixed charge on the hotel properties of certain subsidiary companies and certain quoted investment of a subsidiary company.

31 DECEMBER 2004 (continued)

30. TERM LOANS (continued)

(104)

	Gro	oup
	2004 RM′000	2003 RM′000
Term loan I repayable by 144 equal monthly instalments of RM225,000 per month commencing July 2002	17,247	18,574
Term loan II repayable by 40 quarterly instalments of approximately RM560,431 (£83,150) per quarter and a final bullet payment of approximately RM11,208,620 (£1,663,000) with the first instalment commencing December 2002	32,868	32,505
Term loan III repayable by 120 equal monthly instalments of RM2,779 commencing June 2003	204	219
Term loan IV repayable by 59 equal monthly instalments of RM54,976 each and the final instalment of RM782,513 commencing 31 December 1998	-	845
Term loan V repayable by 20 equal quarterly instalments of approximately RM42,000 (AUD15,000) each commencing January 2001, and the final instalment of lump sum payment of approximately RM5,600,000 (AUD2,000,000) payable at maturity or in full on any demand following an event of default	-	4,396
Term loan VI repayable over a period of 10 years in equal quarterly instalments of approximately RM45,745 (£6,219) (2003: RM49,404 (£7,332)) commencing October 1995	122	297
Term loan VII full repayment by 31 December 2005	4,200	4,200
Term loan VIII full repayment by February 2005	12,000	-
Term loan IX repayable by 7 quarterly instalments with the initial 4 instalments of RM400,000 per quarter and the next 3 instalments of RM500,000 per quarter, followed by 12 equal monthly instalments of RM600,000 per month and a final instalment of RM2,000,000 with the first instalment		
commencing September 2004	11,500	
	78,141	61,036
The weighted average effective interest rates are as follows:	Gr	oup
	2004	2003
	%	%
Term loan l	8.40	8.40
Term loan II Term loan III	6.60 7.90	8.40 7.90
Term loan IV		9.95
Term loan V	-	7.31
Term loan VI	8.00	8.00
Term loan VII Term loan VIII	7.20	7.20
Term loan VIII Term loan IX	7.20 7.85	-

31 DECEMBER 2004 (continued)

31. HIRE PURCHASE AND LEASE CREDITORS

	Group	
	2004 RM′000	2003 RM'000
Hire purchase and lease payments:		
- not later than 1 year	648	1,354
- later than 1 year and not later than 5 years	1,295	1,200
- later than 5 years	65	
	2,008	2,554
Lossi Future interest charges		•
Less: Future interest charges	(272)	(311)
Present value of hire purchase and lease liabilities	1,736	2,243
Repayable as follows:		
Current liabilities:		
- not later than one year (Note 24)	520	1,161
		, -
Non-current liabilities		
- later than 1 and not later than 5 years	1,162	1,082
- later than 5 years	54	_
	1,216	1,082
	1,736	2,243

32. DEFERRED TAX ASSETS AND LIABILITIES

(a) The deferred tax assets and liabilities are made up of the following:

	Gro	up
	2004 RM′000	2003 RM′000
Balance as at 1 January	4,876	5,394
Recognised in the income statement (Note 8)		
- current year	(1,453)	(518)
- under provision in prior years	357	-
	(1,096)	(518)
Exchange translation adjustments	(1,0,0,0) (26)	-
Balance as at 31 December	2 754	4 976
Balance as at 31 December	3,754	4,876
Presented after appropriate offsetting:		
Deferred tax assets, net	(1,443)	-
Deferred tax liabilities, net	5,197	4,876
	3,754	4,876



31 DECEMBER 2004 (continued)

32. DEFERRED TAX ASSETS AND LIABILITIES (continued)

(b) The movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

	Group	
	2004 RM′000	2003 RM′000
Deferred tax assets		
Balance as at 1 January	251	16
Recognised in the income statement		
- unutilised capital allowances	1,443	4
- unabsorbed tax losses	-	8
- other deductible temporary differences	(28)	223
	1,415	235
Balance as at 31 December	1,666	251
	Gro	oup
	2004 RM′000	2003 RM′000
Deferred tax liabilities		
Balance as at 1 January	5,127	5,410
Recognised in the income statement		
- excess of capital allowances over corresponding depreciation	328	(167)
- realisation of revaluation surplus	(35)	(116)
	293	(283)
Balance as at 31 December	5,420	5,127

(c) The components of deferred tax assets and liabilities as at the end of the financial year are comprised of the following tax effects:

	Group	
Deferred tax assets	2004 RM'000	2003 RM'000
Unutilised capital allowances Unabsorbed tax losses Other deductible temporary differences	1,447 8 211	4 8 39
	1,666	251
	Gre	oup
Deferred tax liabilities	2004 RM′000	2003 RM′000
Revaluation reserve Excess of capital allowances over corresponding depreciation	4,089 1,331	4,124 1,003
	5,420	5,127

31 DECEMBER 2004 (continued)

32. DEFERRED TAX ASSETS AND LIABILITIES (continued)

(d) The amount of temporary differences for which no deferred tax assets have been recognised in the balance sheet are as follows:

	Gro	Group	
	2004 RM′000	2003 RM′000	
Unabsorbed tax losses	34,583	28,715	
Unutilised capital allowances	4,483	3,809	
Other deductible temporary differences	8,440	6,659	
	47,506	39,183	

Deferred tax assets have not been recognised in respect of these items as it is not probable that taxable profits of certain subsidiary companies will be available against which the deductible temporary differences can be utilised.

33. RETIREMENT BENEFITS

The Group operates unfunded defined retirement benefit plans for certain of its employees.

The amounts recognised in the balance sheet are as follows:

	Group	
	2004 RM′000	2003 RM′000
Present value of unfunded obligations	225	193

The movements during the financial year on the amount recognised in the balance sheet in respect of the retirement benefit plans are as follows:

	Group	
	2004 RM'000	2003 RM′000
Balance as at 1 January	193	163
Provision made in the current financial year	36	34
Paid during the financial year	(4)	(4)
Balance as at 31 December	225	193

The principal actuarial assumptions used were:

	Gro	Group		
	2004 %	2003 %		
Discount rate Expected rate of salary increase	7.0 5.0	7.0 5.0		

34. DEFERRED INCOME

This represents the remaining 50% of the timeshare membership subscription fee received which is to be recognised as income over the validity period of the timeshare membership agreement, i.e. 30 years, from the admission date of the member.

107



31 DECEMBER 2004 (continued)

35. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Gro	Company		
	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM′000
Purchase of property, plant and equipment (Note 10)	40,907	47,406	38	25
Financed by hire purchase and lease arrangements	(782)	(1,635)		
Cash payments on purchase of property, plant and equipment	40,125	45,771	38	25

36. ACQUISITION OF SUBSIDIARY COMPANIES

During the current financial year, the Group acquired DGSB, BTV and UTL as disclosed in Note 11. The fair value of the assets acquired and the liabilities assumed are as follows:

	RM′000
Property, plant and equipment	1,945
Investment securities	19
Inventories	319
Trade receivables	2,532
Other receivables, deposits and prepayment	560
Short term deposits	150
Cash and bank balances	2,554
Trade payables	(3,598)
Other payables and accruals	(807)
Bank overdrafts	(1,904)
Borrowings	(179)
Taxation	(51) (4,308)
Inter-company balances Minority interests	(4,508)
	(517)
Net liabilities acquired	(3,085)
Goodwill on consolidation	4,260
	1 1 7 5
Total cost of acquisition	1,175
Less: Cash and cash equivalents of the subsidiary companies acquired	(650)
Cash flow on acquisition, net of cash acquired	525

31 DECEMBER 2004 (continued)

36. ACQUISITION OF SUBSIDIARY COMPANIES (continued)

During the previous financial year, the Group acquired QBC as disclosed in Note 11. The fair value of the assets acquired and the liabilities assumed were as follows:

	RM′000
Property, plant and equipment	205
Inventories	520
Other receivables, deposits and prepayment	295
Cash and bank balances	246
Trade payables	(229)
Other payables and accruals	(422)
Minority interest	(314)
Net assets acquired	301
Goodwill on consolidation	314
Total cost of acquisition	615
Less: Cash and cash equivalents of the subsidiary companies acquired	(246)
	369
Less: Balance of purchase consideration outstanding as at end of financial year	(369)
Cash flow on acquisition, net of cash acquired	-

37. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements as at the end of the financial year comprise the following balance sheet amounts:

Gro	Company		
2004 RM'000	2003 RM'000	2004 RM'000	2003 RM′000
82,696	119,464	640	9,200
42,532	43,201	213	333
(2,567)	(1,291)		
122,661	161,374	853	9,533
(3,845)	(3,792)	-	-
118,816	157,582	853	9,533
	2004 RM'000 82,696 42,532 (2,567) 122,661 (3,845)	RM'000 RM'000 82,696 119,464 42,532 43,201 (2,567) (1,291) 122,661 161,374 (3,845) (3,792)	2004 RM'000 2003 RM'000 2004 RM'000 82,696 119,464 640 42,532 43,201 213 (2,567) (1,291) - 122,661 161,374 853 (3,845) (3,792) -

38. CONTINGENT LIABILITIES - UNSECURED

	Group		Company	
	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM'000
(a) Guarantees given on behalf of subsidiary companies	-	-	38,406	30,213

(b) The Company has received notice of a legal action taken by a stockholder who is disputing the basis of determining the entitlement to the Bonus Issue carried out by the Company in 1993. Although the final outcome of this matter is currently uncertain, the Directors are of the opinion that the legal suit has no merit and will not succeed.



31 DECEMBER 2004 (continued)

39. LEASE COMMITMENTS

The Group has lease commitments under non-cancellable operating leases, which are payable as follows:

	Gro	oup
	2004 RM′000	2003 RM′000
Not later than one year	1,052	2,772
Later than one year but not later than five years	744	1,074
	1,796	3,846

40. COMMITMENTS

(i) Capital commitments in respect of:

	Group		
	2004 RM′000	2003 RM′000	
Capital expenditure:			
- authorised and contracted for	136,601	136,556	
Analysed as follows: - purchase of property, plant and equipment	45	-	
- proposed acquisition of shares of Malpac	136,556	136,556	
	136,601	136,556	

After the year end, with the settlement of the proposed acquisition of Malpac as detailed in Note 18, ASC's rights and obligations were rescinded.

(ii) A subsidiary company entered into a lease agreement on 31 January 1996 with the Municipality Council of Phnom Penh which stipulated that the subsidiary company has an obligation to construct a new hotel building and carry out renovation and refurbishment works on the existing hotel building. The expected date of completion is within 36 months from 1 October 1999. The amount contracted shall not be less than USD3 million for both buildings. An extension of time has been granted for the subsidiary company to commence the construction of the new hotel building not later than 1 October 2002 and to be completed by 1 October 2004. The refurbishment work on the existing hotel building has since been completed but construction of the new hotel building has not begun as at todate.

The subsidiary company was granted approval from the municipality for a further deferment on the commencement of the construction of the new building to year 2007.

31 DECEMBER 2004 (continued)

41. SEGMENT REPORTING

(i) Business segments

The Group's operations comprise the following business segments:

Investment holding	: Investment income and providing full corporate and financial support to the Group.
Property development	: Development of residential and commercial properties.
Hotels and resorts	: Operate and manage hotels and resorts and other related services.
Information and communications technology	y: Provision of telecommunications products and customised solutions for the telecommunications industry and distribution of third party telecommunications products and components.
Bus transportation services	: Provision of intra-city and feeder bus, express bus and bus maintenance and related services.
Others	: Businesses involving manufacturing, trading, travel and tour agent, licensed money changer and the provision of travel related services and card and payment related services.

(112)

Notes To The Financial Statements

31 DECEMBER 2004 (continued)

41. SEGMENT REPORTING (continued)

(i) **Business segments**

2004	Invest- ment holding RM'000	Property develop- ment RM'000	and	Information and communica- tions technology RM'000	Bus trans- portation	Others RM'000	Elimina- tions RM'000	Total RM′000
2004								
Revenue External Inter-segment	8,722 5,409	36,896 24	71,988 -	40,494 -	13,368 -	55,572 -	- (5,433)	227,040
Total revenue	14,131	36,920	71,988	40,494	13,368	55,572	(5,433)	227,040
<u>Results</u> Segment results Share of profits in associated	(5,230)	6,187	16,638	(15,999)	(11,420)	(2,741)	(490)	(13,055)
companies								17,002
Profit before tax								3,947
Tax expenses								(8,412)
Loss after tax								(4,465)
Minority interests								9,950
Net profit for the financial year								5,485
Other information Segment assets Investment in associated companies	267,492 65,829	80,508	371,582	152,611	47,435	33,025		952,653 65,829
Unallocated corporate assets	03,029	-	-	-	-	-		13,672
Total assets								1,032,154
Segment liabilities Unallocated corporate liabilities	287,383	11,458	76,738	21,467	3,292	44,538		444,876 14,187
Total liabilities								459,063
Capital expenditure Depreciation Non-cash expenses other than	2,921 1,013	403 183	14,669 4,664		9,507 3,564	1,500 1,273		40,907 13,691
depreciation	13,422	183	432	9,429	-	2,566		26,032

31 DECEMBER 2004 (continued)

41. SEGMENT REPORTING (continued)

(i) **Business segments continued)**

	Invest- ment holding	Property develop- ment	and resorts	Information and communica- tions technology	Bus trans- portation services	Others	Elimina- tions	Total
2003	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<mark>Revenue</mark> External Inter-segment	10,430 6,511	39,925 22	59,003 -		4,659 -	30,845 -	- (6,533)	218,898
Total revenue	16,941	39,947	59,003	74,036	4,659	30,845	(6,533)	218,898
<u>Results</u> Segment results	6,504	6,354	8,601	19,044	(8,656)	(6,282)	(11,087)	14,478
Share of profits in associated companies								8,791
Profit before tax								23,269
Tax expenses								(7,746)
Profit after tax								15,523
Minority interests								(9,463)
Net profit for the financial year								6,060
Other information Segment assets Investment in associated companies Unallocated corporate assets	312,033 58,925	87,356	363,257 -	161,817 -	38,630 -	25,827	-	988,920 58,925 11,032
Total assets								1,058,877
Segment liabilities Unallocated corporate liabilities	330,818	16,455	64,541	39,853	471	31,341	-	483,479 14,781
Total liabilities								498,260
Capital expenditure Depreciation Impairment loss on property, plant and equipment written	34,233 1,206	38 171	2,901 6,134		7,581 959	721 1,957	-	47,406 12,436
off Non-cash expenses other than	-	-	3,583	-	-	-	-	3,583
depreciation	1,381	-	8,993	4,667	-	3,613	-	18,654

31 DECEMBER 2004 (continued)

41. SEGMENT REPORTING (continued)

(ii) Geographical segments

(114

In determining the geographical segments of the Group, revenue is based on the geographical locations of customers. Segment assets and capital expenditure are based on the geographical location of the assets. The composition of each geographical segment is as follows:

Malaysia	: Investment income and providing full corporate and financial support to the Group, property development, operate and manage hotels and resorts, travel and tour related services, card and payment related services, provision of project management and support services, provision of telecommunications products, customised solutions for the telecommunications industry and distribution of third party telecommunications products and components, provision of intra-city feeder bus, express bus and bus maintenance and related services.
Singapore	: Provision of telecommunications products and customised solutions for the telecommunications industry, distribution of third party telecommunications products and components, provision of management services and investment holdings.
Africa and Middle Eas	t : Operate and manage hotels and resorts.
Europe	: Operate and manage hotels and resorts.
Australia	: Operate and manage hotels and resorts, manufacturing, and marketing of builder hardware products and trading of home entertainment products.
Others	: Operate and manage hotels and resorts.

	Reve	enue	Segmen	t assets	Capital ex	penditure
	2004 RM′000	2003 RM′000	2004 RM′000	2003 RM'000	2004 RM′000	2003 RM′000
Malaysia	135,028	136,051	707,769	756,598	21,037	43,701
Singapore	23,868	30,500	41,334	34,577	6,417	569
Africa and Middle East	21,273	19,034	44,870	44,881	1,011	1,422
Europe	11,939	10,061	90,794	83,519	901	223
Australia	32,424	21,090	34,978	33,194	10,725	1,203
Others	2,508	2,162	32,908	36,151	816	288
	227,040	218,898	952,653	988,920	40,907	47,406

31 DECEMBER 2004 (continued)

42. FINANCIAL INSTRUMENTS

(a) Foreign currency risk

The net unhedged financial assets and liabilities of the Group and of the Company that are not denominated in their functional currencies are as follows:

Group	Ringgit Malaysia RM'000	US Dollar RM'000	Singapore Dollar RM'000	HK Dollar RM′000	Thai Baht RM'000	Total RM'000
Functional currencies 31 December 2004						
Investment securities						
Australian Dollar		4,110	-	-	-	4,110
Trade receivables						
US Dollar Brunei Dollar	19,172 305	-	11,146 -	1,816 -	316 -	32,450 305
	19,477	-	11,146	1,816	316	32,755
Other receivables						
US Dollar Thai Baht Philippine Peso	306 - 40	-	44 94 -	59 - -	- - -	409 94 40
	346	-	138	59	-	543
Cash and bank balances						
US Dollar Australian Dollar Pound Sterling Singapore Dollar Philippine Peso Others	29 - - 52 -	- 3,955 54 9 - -	2,622	11 - - - 117	289 - - - - - -	2,951 3,955 54 9 52 117
Term loans	81	4,018	2,622	128	289	7,138
Pound Sterling Australian Dollar	-	122 16,200	-	-	-	122 16,200
		16,322	-	-	-	16,322

(116)

Notes To The Financial Statements

31 DECEMBER 2004 (continued)

42. FINANCIAL INSTRUMENTS (continued)

(a) Foreign currency risk (continued)

	Ringgit Malaysia RM'000	US Dollar RM′000	Singapore Dollar RM'000	Total RM′000
Group				
Functional currencies 31 December 2003				
Investment securities				
Australian Dollar		4,110	-	4,110
Trade receivables				
US Dollar Brunei Dollar	21,528 76	-	15,715 -	37,243 76
	21,604	-	15,715	37,319
Other receivables				
US Dollar	306	-	-	306
Cash and bank balances				
Pound Sterling Singapore Dollar Philippine Peso Euro	- - 58 5	15 9 -	- - -	15 9 58 5
	63	24	-	87
Short term deposits				
US Dollar	598	-	-	598
Trade payables				
US Dollar Singapore Dollar	1,360	-	4,489 53	5,849 53
	1,360	-	4,542	5,902
Term loans				
Pound Sterling Australian Dollar	-	296 4,200	-	296 4,200
		4,496	-	4,496
Company			2004	2003

Short term deposits

RM'000 RM'000

31 DECEMBER 2004 (continued)

42. FINANCIAL INSTRUMENTS (continued)

(b) Interest rate risk

The effective interest rates of the financial assets and liabilities of the Group and of the Company are as follows:

	Gro	Group		bany
	2004 %	2003 %	2004 %	2003 %
Financial assets				
Short term deposits	3.2	3.2	2.3	2.4
Financial liabilities				
Bank overdrafts	7.0	9.9	-	-
Hire purchase creditors	7.5	8.7	-	-
Term loans	7.6	8.3	-	-
7% redeemable loan stocks 2000/2005*	7.0	7.0	7.0	7.0
7% convertible loan stocks 2000/2005*	7.0	7.0	7.0	7.0

* The Company has carried out an early redemption of the Company's RLS and repurchase of CLS together with the interest accrued up to the dates of redemption and repurchase on 10 January 2003, 13 February 2003, 3 April 2003, 30 April 2003, 31 October 2003, 30 January 2004 and 30 April 2004. The Ringgit equivalent of the nominal value of RLS redeemed amounted to RM110.895 million out of a total of RM185.874 million in issue and the nominal value of the CLS repurchased amounted to RM0.700 million out of a total of RM183.461 million in issue.

(c) Credit risk

Credit period in respect of trade receivables range from payment in advance to an average of 90 days. Concentration of credit risk in respect of trade receivables are limited due to the Group's large number of customers, who are internationally dispersed. The Group's historical experience in collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk amounts for collection losses is inherent to the Group's trade receivables.

117[°]



31 DECEMBER 2004 (continued)

42. FINANCIAL INSTRUMENTS (continued)

(d) Fair values

The carrying amounts of the financial instruments of the Group and of the Company as at the balance sheet date approximate their fair values except as set out below:

	Gro	oup Con		mpany	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000	
As at 31 December 2004					
Investment securities - quoted shares in Malaysia - quoted shares outside Malaysia - unquoted shares in Malaysia - unquoted shares outside Malaysia Deposit	19 4,110 50,180 14,901 20,270	5 6,054 * * 19,032	- - 35,175 - -	- - * -	
7% redeemable loan stocks 2000/2005 - nominal value - interest accrued	74,979 8,431	-	74,979 8,431	-	
7% convertible loan stocks 2000/2005 - nominal value - interest accrued	83,410 182,761 18,996 201,757	74,340 - - 179,859	83,410 182,761 18,996 201,757	74,340 	
As at 31 December 2003					
- quoted shares outside Malaysia - unquoted shares in Malaysia - unquoted shares outside Malaysia Deposit	4,110 47,306 7,502 30,000	8,681 * * 28,168	- 35,175 - -	- * -	
7% redeemable loan stocks 2000/2005 - nominal value - interest accrued	93,676 15,643	-	93,676 15,643	-	
7% convertible loan stocks 2000/2005 - nominal value - interest accrued	109,319 182,761 30,518	102,436 - -	109,319 182,761 30,518	102,436 - -	
	213,279	200,784	213,279	200,784	

* It is not practical to estimate the fair value of the unquoted investment securities due to the excessive costs involved. The Directors believe that the carrying amount represents the recoverable value.

31 DECEMBER 2004 (continued)

42. FINANCIAL INSTRUMENTS (continued)

(d) Fair values (continued)

The following methods and assumptions are used to determine the fair value of financial instruments:

- (i) The carrying amounts of financial assets and liabilities maturing within 12 months approximate their fair values due to the relatively short term maturity of these financial instruments.
- (ii) The fair values of quoted investments are their quoted market prices at the balance sheet date.
- (iii) The fair values of the financial liabilities are estimated by discounting future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

43. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

The Company has related party relationships with its direct and indirect subsidiary companies and associated companies.

(b) Significant related party transactions and balances

In the normal course of business, the Group undertakes transactions with certain related parties. Set out below are the significant related party transactions for the financial year (in addition to related party disclosures mentioned elsewhere in the financial statements). The related party transactions described below were carried out on terms and conditions not materially different from those obtainable in transactions with unrelated parties.

		Group		Company	
		2004 RM′000	2003 RM′000	2004 RM'000	2003 RM'000
(a) Inco	me				
	Interest receivable from a subsidiary company - iSynergy Sdn. Bhd.			2,798	2,567
(ii) I	Interest receivable from an associated company, SIBB on: - USL - placements	784 10	861 66	-	-
(b) Expe	enses				
	Interest payable to a subsidiary company - ASC			1,795	1,468
(ii) (Corporate advisory fees paid to an associated company, SIBB	33	119	11	97
	Directors' emoluments payable to Directors:				
	- fees	721	643	250	257
	- salaries and bonuses	970	701	314	45
-	- benefit-in-kind	82	50	32	21

Individually significant outstanding balances arising during the financial year from transactions other than normal trade transactions with related parties are as follows:



31 DECEMBER 2004 (continued)

43. SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

(b) Significant related party transactions and balances (continued)

Individually significant outstanding balances arising during the financial year from transactions other than normal trade transactions with related parties are as follows:

	Gro	oup	Comp	bany
	2004 RM'000	2003 RM'000	2004 RM′000	2003 RM′000
Amount owing by a subsidiary company:				
iSynergy Sdn. Bhd.				
- interest receivable	-	-	2,798	2,567
Amount owing to a subsidiary company, ASC				
- interest payable	-	-	1,795	1,468

Warrants 2000/2008 of the Company held by the Directors

The Warrants 2000/2008 of the Company held by the Directors of the Company during the financial year are as follows:

	Number of Warrants 2000/2008				
	Bought during the financial year		Unexercise at end of fin		
	2004	2003	2004	2003	
Dato' Ahmad Sebi Bakar					
- direct interest	-	-	7,510,005	7,510,005	
- indirect interest	-	-	13,727,000	13,727,000	
Datin Masri Khaw Binti Abdullah					
- direct interest	-	-	3,000	3,000	
- indirect interest	-	-	350,000	350,000	
Sng Ngiap Koon					
- indirect interest	-	-	80,000	80,000	

The terms and conditions of the Warrants 2000/2008 are detailed in the Directors' Report.

31 DECEMBER 2004 (continued)

44. SUBSIDIARY AND ASSOCIATED COMPANIES

The subsidiary and associated companies which are incorporated in Malaysia (other than those specified otherwise), are as follows:

Name of company	Principal activities	Grou effective	
Subsidiary companies of the Company		2004	2003
Advance Synergy Capital Berhad	Investment holding	51.42%	51.04%
iSynergy Sdn. Bhd.	Provision of payment related products and services	51%	51%
Alangka-Suka Hotels & Resorts Berhad	Investment holding	99.63%	99.63%
Calmford Incorporated (Incorporated in the British Virgin Islands)	Investment holding	100%	100%
Advance Synergy Properties Sdn. Bhd.	Investment holding	100%	100%
* Advance Synergy Realty Sdn. Bhd.	Property development	100%	100%
* Ausborn Sawmill Sdn. Bhd.	Sawmill and trading of sawn timber	100%	100%
* Bornion Sawmill Sdn. Bhd.	Sawmill and trading of sawn timber	100%	100%
Excellent Arch Sdn. Bhd.	Investment holding	100%	100%
Excellent Display Sdn. Bhd.	Investment holding	100%	100%
Nagapura Management Corporation Sdn. Bhd.	Provision of management services	100%	100%
Sadong Development Sdn. Bhd.	Property development	100%	100%
Synergy Gold Incorporated (Incorporated in the British Virgin Islands)	Investment holding	100%	100%
Synergy Petroleum Incorporated (Incorporated in the British Virgin Islands)	Investment holding	100%	100%
Alam Samudera Corporation Sdn. Bhd.	Inactive	100%	100%
Advance Synergy Timber Sdn. Bhd.	Dormant	100%	100%
Worldwide Matrix Sdn. Bhd.	Investment holding	100%	100%
*P.T. Asbindo Infocitra (Incorporated in the Republic of Indonesia)	Services on design and engineering electronic data processing	51%	51%
Strategic Research & Consultancy Sdn. Bhd.	Provision of research and consultancy services	100%	100%
#Diversified Gain Sdn. Bhd.	Investment holding	100%	50%

(121)

31 DECEMBER 2004 (continued)

44. SUBSIDIARY AND ASSOCIATED COMPANIES (continued)

(122)

Name of company	Principal activities		ıp's interest
Subsidiary companies of the Company Advance Synergy Capital Berhad		2004	2003
* ASC Equities Sdn. Bhd.	Investment trading and venture capital	51.42%	51.04%
* ASC Credit Sdn. Bhd.	Credit and leasing	51.42%	51.04%
* Triton-K Sdn. Bhd.	Management services	51.42%	51.04%
* Triton Khidmat Sdn. Bhd.	Provision of manpower management services	51.42%	51.04%
* Triton Engineering Sdn. Bhd.	Provision of bus maintenance services	51.42%	51.04%
* Triton Commuter Sdn. Bhd.	Provision of intra-city and feeder bus services	51.42%	51.04%
* Triton Express Sdn. Bhd.	Provision of express bus services	51.42%	51.04%
* Triton Feeder Services Sdn. Bhd.	Dormant	51.42%	51.04%
* Triton Terminal Management Sdn. Bhd.	Dormant	51.42%	51.04%
* Triton Excursions Sdn. Bhd.	Dormant	51.42%	51.04%
* Triton Synergy Holdings Sdn. Bhd.	Dormant	51.42%	51.04%
* Triton Express Holdings Sdn. Bhd.	Dormant	51.42%	51.04%
* AESBI Power Systems Sdn. Bhd.	Investment holding	51.42%	51.04%
* Quality Bus & Coach (M) Sdn. Bhd.	Design, building and fabrication of coaches	31.37%	31.13%
* SN Services Pte. Ltd. (Incorporated in Singapore)	Provision of express bus services	51.42%	-
Subsidiary company of Triton Synergy Holdings Sdn. Bhd.			
* Transit Vision Holdings Sdn. Bhd. (formerly known as BTV Productions Sdn. Bhd.)	Production and marketing of electronic audio and visual media	35.99%	-
Associated companies of Advance Synergy Capital Berhad			
* Southern Investment Bank Berhad	Merchant banking business	10.28%	10.21%
* Kumpulan Powernet Berhad	Investment holding	10.28%	10.21%
* ACE Synergy Insurance Berhad	General insurance business	25.20%	25.01%
* Hicom Australia Pty. Ltd. (Incorporated in Australia)	Design, building and fabrication of coaches	25.71%	25.52%

31 DECEMBER 2004 (continued)

44. SUBSIDIARY AND ASSOCIATED COMPANIES (continued)

Name of company Principal activities		Group's effective interest	
Subsidiary companies of the Company Southern Investment Bank Berhad		2004	2003
* Perdana Nominees (Tempatan) Sdn. Bhd.	Nominee services	10.28%	10.21%
* Perdana Nominees (Asing) Sdn. Bhd.	Nominee services	10.28%	10.21%
* Perdana Mutual Fund Berhad	Dormant	10.28%	10.21%
Subsidiary companies of Kumpulan Powernet Berhad			
* Powernet Industries Sdn. Bhd.	Manufacturing of warp-knitted fabrics	10.28%	10.21%
* Powernet Properties Sdn. Bhd.	Property investment	10.28%	10.21%
* Hypergize Link Sdn. Bhd.	Investment holding	10.28%	-
Subsidiary companies of Powernet Industries Sdn. Bhd.			
* Fuwai Manufacturing Sdn. Bhd.	Lamination of fabrics and fibrefill	10.28%	10.21%
* Ladyworld Marketing (M) Sdn. Bhd.	Manufacture of undergarments	-	10.21%
* Powerfit Industries Sdn. Bhd.	Manufacturing of clips, hook and eye fittings, hook and eye tapes and hook and eye tape machines	5.37%	5.33%
* Powernet Trading (M) Sdn. Bhd.	Trading of lingerie materials and accessories	10.28%	10.21%
Subsidiary companies of Ladyworld Marketing (M) Sdn. Bhd.			
* Eramina Sdn. Bhd.	Trading of undergarments	-	10.21%
* Wentai Sdn. Bhd.	Undergarments tailoring contractor	-	5.56%
Associated company of Hypergize Link Sdn. Bhd.			
* Powernet Product (UK) Limited (Incorporated in the United Kingdom)	Trading and marketing of fabrics, hook and eye fittings etc	5.14%	-
Subsidiary companies of iSynergy Sdn. Bhd.			
Cosmocourt.com (Malaysia) Sdn. Bhd.	Marketing of discount cards	51%	51%
Rewardstreet.com (Malaysia) Sdn. Bhd.	Marketing of rebate cards, reward cards and loyalty programmes	51%	51%
Datakey Sdn. Bhd.	Dormant	51%	51%

(123)

31 DECEMBER 2004 (continued)

44. SUBSIDIARY AND ASSOCIATED COMPANIES (continued)

(124)

Name of company	of company Principal activities		Group's effective interest	
Subsidiary companies of Alangka-Suka Hotels & Resorts Berhad		2004	2003	
Asbina Hotel & Property Sdn. Bhd.	Leasehold owner of Monorom Holiday Villa, Phnom Penh	99.63%	99.63%	
Alor Setar Holiday Villa Sdn. Bhd.	Owns and operates Alor Setar Holiday Villa	89.67%	89.67%	
Cherating Holiday Villa Berhad	Owns and operates Cherating Holiday Villa Resort	99.63%	99.63%	
Langkawi Holiday Villa Sdn. Bhd.	Owns and operates Langkawi Holiday Villa Resort	99.63%	99.63%	
Mayor Hotels Berhad	Owns and operates City Villa Kuala Lumpur	99.63%	99.63%	
Grand Hotel Sudan Limited (Incorporated in the British Virgin Islands)	Leasehold owner of Grand Holiday Villa, Khartoum	99.63%	99.63%	
Alangka-Suka International Limited (Incorporated in the British Virgin Islands)	Investment holding	99.63%	99.63%	
Antara Holiday Villas Sdn. Bhd.	Hotel management services	99.63%	99.63%	
Holiday Villas International Limited (Incorporated in the British Virgin Islands)	Hotel management services	99.63%	99.63%	
Holiday Villa Travel & Tours Sdn. Bhd.	Limousine services	99.63%	99.63%	
Holiday Villa Subang Sdn. Bhd.	Dormant	99.63%	99.63%	
* Suntop Corporation Sdn. Bhd.	Dormant	99.63%	99.63%	
Subsidiary company of Asbina Hotel & Property Sdn. Bhd.				
Asbina Hotel & Property (Cambodia) Pte. Ltd. (Incorporated in the Kingdom of Cambodia)	Operates Monorom Holiday Villa, Phnom Penh	99.63%	99.63%	
Subsidiary companies of Alangka-Suka International Limited				
Asbina Shenzhen Limited (Incorporated in the British Virgin Islands)	Dormant	89.67%	89.67%	
* Grand Holiday Villa Khartoum Co. Ltd. (Incorporated in the Republic of Sudan)	Operates Grand Holiday Villa, Khartoum	99.63%	99.63%	
* Interwell International Limited (Incorporated in the British Virgin Islands)	Owns Holiday Villa, London	99.63%	99.63%	
* P.T. Diwangkara Holiday Villa Bali (Incorporated in the Republic of Indonesia)	Operates and manages Diwangkara Holiday Villa Bali	89.67%	89.67%	
* Larkswood Assets Limited (Incorporated in the British Virgin Islands)	Investment holding	99.63%	99.63%	

31 DECEMBER 2004 (continued)

44. SUBSIDIARY AND ASSOCIATED COMPANIES (continued)

Name of company	Principal activities	Grou effective	-
Subsidiary company of Interwell International Limited		2004	2003
* Interwell Management Limited (Incorporated in England and Wales)	Dormant	99.63%	99.63%
Subsidiary companies of Holiday Villas International Limited			
* Holiday Villa (UK) Ltd. (Incorporated in England and Wales)	Operates Holiday Villa, London	99.63%	99.63%
Holiday Villa China Limited (formerly known as Edenbridge Resources Limited) (Incorporated in British Virgin Islands)	Hotel management services	69.74%	-
Subsidiary companies of Larkswood Assets Limited			
* Alangka-Suka Australia Pty. Ltd. (Incorporated in Australia)	Owns Manor House Boutique Hotel, Australia	99.63%	99.63%
* Holiday Villa Australia Pty. Ltd. (Incorporated in Australia)	Hotel management services	99.63%	99.63%
Subsidiary company of Holiday Villa China Limited (formerly known as Edenbridge Resources Limited)			
* Changshu Holiday Villa Hotel Management Co., Ltd.	Hotel management services	69.74%	-
Subsidiary companies of Calmford Incorporated			
* Advansa Pty. Ltd. (formerly known as Jarrett Synergy Pty. Ltd.) (Incorporated in Australia)	Manufacturing and marketing of builder hardware products	100%	100%
* Home Cinema Studio Pty. Ltd. (formerly known as Synergy Lifestyle Concepts Pty. Ltd.) (Incorporated in Australia)	Retailer of home entertainment products	100%	100%
Subsidiary company of Advance Synergy Properties Sdn. Bhd.			
Synergy Realty Incorporated (Incorporated in the British Virgin Islands)	Investment holding	100%	100%

(125)

31 DECEMBER 2004 (continued)

44. SUBSIDIARY AND ASSOCIATED COMPANIES (continued)

(126)

Name of company	Principal activities	Group's effective interest	
Subsidiary company of Synergy Realty Incorporated		2004	2003
* Synergy Investments Australia Pty. Ltd. (Incorporated in Australia)	Inactive	100%	100%
Subsidiary company of Excellent Arch Sdn. Bhd.			
Advance Synergy Furniture Sdn. Bhd.	In liquidation	100%	100%
Subsidiary companies of Excellent Display Sdn. Bhd.			
Super Leisure Sdn. Bhd.	Operation and management of restaurants	100%	100%
Visage Synergy Sdn. Bhd.	Dormant	100%	100%
Subsidiary companies of Nagapura Management Corporation Sdn. Bhd.			
Xgo Technik Sdn. Bhd.	Provision of information technology products and related services	100%	100%
Syarikat Fit and Weld Engineering (M) Sdn. Bhd.	In liquidation	70%	70%
Acrylic Synergy Sdn. Bhd.	Inactive	81%	81%
Subsidiary company of Sadong Development Sdn. Bhd.			
Hotel Golden Dragon Sdn. Bhd.	Property development	95%	95%
Subsidiary company of Hotel Golden Dragon Sdn. Bhd.			
Simpang Tiga Realty Sdn. Bhd.	Property development	95%	95%
Subsidiary company of Worldwide Matrix Sdn. Bhd.			
* Unified Communications Holdings Limited (Incorporated in Singapore)	Investment holding and provide management services	58.30%	-
Subsidiary companies of Unified Communications Holdings Limited			
* Unified Communications Sdn. Bhd.	Research and development, software engineering, system integration, project management and maintenance and support services for telecommunications industry	58.30%	70%
* Unified Communications Pte. Ltd. (Incorporated in Singapore)	Distribution of telecommunications products, design and development of telecommunications solutions, project management and maintenance and support services for telecommunications industry	58.30%	70%

31 DECEMBER 2004 (continued)

44. SUBSIDIARY AND ASSOCIATED COMPANIES (continued)

Name of company	Principal activities	Grou	
Subsidiary company of Unified Communications Sdn. Bhd.		2004	2003
* AttrixTech Sdn. Bhd.	Distribution of telecommunications products	58.30%	70%
Subsidiary companies of Unified Communications Pte. Ltd.			
* Attrix Technology Pte. Ltd. (Incorporated in Singapore)	Distribution of telecommunicationsproducts	58.30%	70%
* Unified Communications Limited (Incorporated in Hong Kong)	Distribution of telecommunications products, design and development of telecommunications solutions, project management and maintenance and support services for telecommunications industry	29.73%	35.70%
* Unified (Thailand) Ltd. (Incorporated in Thailand)	Distribution of telecommunications products, design and development of telecommunications solutions, project management and maintenance and support services for telecommunications industry	51.89%	-
Associated company of Unified Communications Sdn. Bhd.			
Ahead Mobile Sdn. Bhd.	Software engineering, system integration, project management, and maintenance and support services for the telecommunications industry	23.32%	-
Subsidiary company of Diversified Gain Sdn. Bhd.			
# Orient Escape Travel Sdn. Bhd. (formerly known as Inter-Pacific Travel & Tours Sdn. Bhd.)	Travel and tour agent and licensed money changer	100%	50%
Subsidiary companies of Orient Escape Travel Sdn. Bhd. (formerly known as Inter-Pacific Travel & Tour Sdn. Bhd.)			
# Columbus Travel & Tours Sdn. Bhd.	Travel and tour agent	100%	50%
# Motorsports Adventure Sdn. Bhd.	Event management, sports tourism and adventure travel	100%	50%
# Marketing and Event Management Integrated Sdn. Bhd.	Inactive	100%	50%
# Orient Escape Travel (Penang) Sdn. Bhd. (formerly known as Inter-Pacific Travel & Tours (Penang) Sdn. Bhd.)	Inactive	100%	50%

(127)

31 DECEMBER 2004 (continued)

44. SUBSIDIARY AND ASSOCIATED COMPANIES (continued)

Name of company	Principal activities		Group's effective interest	
Subsidiary companies of Orient Escape Travel Sdn. Bhd. (formerly known as Inter-Pacific Travel & Tour Sdn. Bhd.) (continued)		2004	2003	
# Orient Escape Travel (Sabah) Sdn. Bhd. (formerly known as Inter-Pacific Travel & Tours (Sabah) Sdn. Bhd.)	Inactive	100%	50%	

* Companies not audited by BDO Binder

Associated companies of the Group in the previous financial year

45. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Group

128

(i) On 19 November 2003, ASC had announced that its wholly-owned subsidiary, Triton Synergy Holdings Sdn. Bhd. had entered into a Share Subscription Agreement with Mr Yue Sau Hung and Mr Ng Weng Choong to subscribe for 784,000 new ordinary shares in BTV for a cash consideration of RM784,000 representing 70% of the enlarged issued and paid-up share capital of BTV ("Proposed Subscription").

With the fulfillment of the terms and conditions in the Share Subscription Agreement, the Proposed Subscription was completed on 5 January 2004.

(ii) On 8 May 2003, the Company had announced that it proposed to list its 70%-owned subsidiaries, (held through WMSB, a wholly-owned subsidiary company of the Company), namely UCSB and UCPL through UCH.

The prospectus setting out the invitation to the public to subscribe for and/or purchase the 73,500,000 ordinary shares of SGD0.08 each at an issue/offer price of SGD0.28 each was registered with the Monetary Authority of Singapore on 10 February 2004.

Accordingly, UCH shares were admitted to the Official List of the SGX and trading commenced on 19 February 2004 with an opening price of SGD0.505 representing a premium of 80.36% over its initial public offer price of SGD0.28 and reached a high of SGD0.585 before closing at SGD0.560. Following the completion of the listing, which included an offer for sale of 10,777,991 UCH shares by WMSB, UCH became a 58.3% - owned subsidiary company of the Company via WMSB.

(iii) On 21 December 2004, ASC announced that Bursa Malaysia Securities Berhad ("Bursa Securities") had, via its letter dated 21 December 2004, noted that ASC has achieved an adequate level of operations pursuant to Practice Note 10/2001 of the Listing Requirements of Bursa Securities ("PN 10") and no longer trigger any of the criteria under Paragraph 2.0 of PN 10.

Following the regularisation of its level of operations, ASC had via its letter dated 24 December 2004 sought the approval of Bursa Securities for a change in the classification from "Finance" sector to "Trading/Services" sector pursuant to Paragraph 8.03 and Practice Note 7/2001 of the Listing Requirements of Bursa Securities. The shares of ASC were reclassified by Bursa Securities from "Finance" sector to "Trading/Services" sector with effect from 9.00 am, Monday, 17 January 2005.

Company

On 9 December 2003, the Company had announced that it had entered into an agreement with Berjaya Group Berhad ("BGB") for the acquisition of the remaining 50% equity interest comprising 3,000,000 ordinary shares of RM1.00 each in DGSB from BGB for a cash consideration of RM300,000. Upon completion of the acquisition on 9 July 2004, DGSB became a wholly-owned subsidiary company of the Company.

31 DECEMBER 2004 (continued)

46. SIGNIFICANT EVENT SUBSEQUENT TO THE BALANCE SHEET DATE

Company

On 1 April 2005, the Company announced that it is in the midst of negotiation with the respective loan stock holders to finalise the terms and conditions for the Company to undertake the proposed early redemption of RM74.979 million equivalent nominal value of RLS and the repurchase of RM182.761 million equivalent nominal value of CLS, being the balance of the respective loan stocks in issue, by 30 April 2005 ("Proposed Settlement"). With the Proposed Settlement, the aforesaid RLS and CLS would be cancelled. Additional information on the proposed settlement is disclosed in Note 29.

47. NUMBER OF EMPLOYEES AND STAFF COSTS

	Group		Company	
	2004	2003	2004	2003
Number of employees, including Executive				
Directors at the end of the financial year	1,711	1,432	35	31

The total expenses recognised in the income statements are as follows:

	Gro	Group		pany
	2004 RM′000	2003 RM'000	2004 RM′000	2003 RM′000
Salaries and wages	41,625	36,886	1,933	1,986
Defined contribution plan	3,766	3,411	230	226
Other employee benefits	2,848	2,325	24	22
	48,239	42,622	2,187	2,234

48. COMPARATIVE FIGURES

The following comparative figures have been reclassified in compliance with the disclosure requirements of MASB 32:

	As			
Group	previously reported RM'000	Reclassi- fication RM'000	As restated RM'000	
Property development costs	28,401	(5,347)	23,054	
Accrued progress billings	-	7,439	7,439	
Progress billings		(2,092)	(2,092)	

"Property development costs" was previously named as "development properties and expenditure".

49. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Board of Directors on 28 April 2005.

129



Statistics on Stockholdings as at 3 May 2005 / Statistik Pemegangan Stok pada 3 Mei 2005

AUTHORISED SHARE CAPITAL	:	RM800,000,000 divided into 800,000,000 ordinary shares of RM1.00 each.
MODAL SAHAM DIBENARKAN	:	RM800,000,000 dibahagikan kepada 800,000,000 saham biasa RM1.00 setiap unit.

ISSUED AND FULLY PAID-UP CAPITAL

MODAL DITERBITKAN DAN DIBAYAR PENUH

VOTING RIGHT

HAK MENGUNDI

- : RM337,793,619 divided into 337,793,619 ordinary shares and converted into stock units of RM1.00 each.
- : RM337,793,619 dibahagikan kepada 337,793,619 saham biasa dan ditukarkan kepada unit stok pada RM1.00 setiap unit.
- : 1 vote per stock unit
- : 1 undi untuk seunit stok

ANALYSIS OF STOCKHOLDINGS

ANALISA PEMEGANGAN STOK

Size of stockholdings	No. of stockholders	% of stockholders	No. of stock units	% of issued stock capital
Saiz pemegangan stok	Bilangan pemegang stok	pemegang stok	Bilangan unit stok	% modal stok diterbitkan
Less than 100 stock units	213	0.70	4,600	-
100 - 1,000 stock units	8,066	26.68	7,626,106	2.26
1,001 - 10,000 stock units	18,268	60.42	76,785,114	22.73
10,001 - 100,000 stock units	3,451	11.41	91,374,919	27.05
100,001 - less than 5% of issued stock units	238	0.79	162,002,880	47.96
5% and above of issued stock units	-	-	-	-
	30,236	100.00	337,793,619	100.00

LIST OF TOP 30 STOCKHOLDERS

SENARAI 30 PEMEGANG-PEMEGANG STOK TERBANYAK

No. Bil	Name Nama	Number of stock units Bilangan unit stok	Percentage Peratusan
1.	SJ Sec Nominees (Tempatan) Sdn Bhd Suasana Dinamik Sdn Bhd	15,912,099	4.71
2	SJ Sec Nominees (Tempatan) Sdn Bhd Bright Existence Sdn Bhd	11,539,010	3.41
3.	Bumiputra-Commerce Nominees (Tempatan) Sdn Bhd Pledged securities account for Malpac Management Sdn Bhd	10,314,782	3.05
4.	Dato' Ahmad Sebi Bakar	9,873,500	2.92
5.	Tan Pak Nang	6,320,000	1.87
6.	PM Nominees (Tempatan) Sdn Bhd Malpac Management Sdn Bhd for Eighth Review (M) Sdn Bhd	5,899,397	1.74
7.	Tan Boon Kang	5,589,000	1.65
8.	PM Nominees (Tempatan) Sdn Bhd Malpac Management Sdn Bhd	5,000,000	1.48
9.	SJ Sec Nominees (Tempatan) Sdn Bhd Pledged securities account for Chan Sai Kim	4,146,900	1.22
10.	Zulkifli Bin Hussain	4,101,000	1.21
11.	Shoptra Jaya (M) Sdn Bhd	4,050,000	1.19
12.	Lim Hong Liang	3,874,050	1.14

LIST OF TOP 30 STOCKHOLDERS (continued) SENARAI 30 PEMEGANG-PEMEGANG STOK TERBANYAK (sambungan)

No. Bil	Name Nama	Number of stock units Bilangan unit stok	Percentage Peratusan
13.	ASH Holdings Sdn Bhd	3,100,000	0.91
14.	Growthfolio Sdn Bhd	2,751,800	0.81
15.	PM Nominees (Tempatan) Sdn Bhd Malpac Management Sdn Bhd for Hii Tiong Kuoh	2,320,000	0.68
16.	Tan Kim Wah	2,072.000	0.61
17.	Perbadanan Kemajuan Negeri Kedah	2,013,090	0.59
18	HDM Nominees (Tempatan) Sdn Bhd EON Finance Berhad for Lim Hong Liang	2,000,000	0.59
19.	HSBC Nominees (Tempatan) Sdn Bhd Pledged securities account for Lim Hong Liang	2,000,000	0.59
20.	PM Nominees (Tempatan) Sdn Bhd Malpac Management Sdn Bhd for Gedong Bakti Sdn Bhd	1,567,003	0.46
21.	Tay Teck Ho	1,405,200	0.41
22.	Neoh Choo Ee & Company, Sdn Berhad	1,280,000	0.37
23.	Mayban Nominees (Tempatan) Sdn Bhd Pledged securities account for Malpac Management Sdn Bhd	1,090,191	0.32
24.	EB Nominees (Tempatan) Sendirian Berhad Pledged securities account for SJ Securities Sdn Bhd	1,081,000	0.32
25.	Lim Seng Chee	1,060,500	0.31
26.	Saw Chee Meng	1,000,000	0.29
27.	Chua Kee Say	1,000,000	0.29
28.	Masri Khaw Binti Abdullah	1,000,000	0.29
29.	ENG Nominees (Tempatan) Sdn Bhd Pledged securities account for Lew Mee Choon	930,000	0.27
30.	HSBC Nominees (Asing) Sdn Bhd	806,000	0.23
	Coutts Bk Von Emst SG for Quek Leng Chye	115,096,522	33.93

SUBSTANTIAL STOCKHOLDER / PEMEGANG STOK UTAMA

Name of substantial stockholder		No. of stock units held		sued stock capital
Nama pemegang stok utama		Bilangan unit stok dipegang		tok yang diterbitkan
	Direct	Indirect	Direct	Indirect
	Secara	Secara Tidak	Secara	Secara Tidak
	Langsung	Langsung	Langsung	Langsung
Dato' Ahmad Sebi Bakar	15,203,509	27,451,109	4.50	8.13

(131)



Statistics on Warrantholdings as at 3 May 2005 / 2005 Statistik Pemegangan Waran pada 3 Mei 2005

NO. OF WARRANTS 2000/2008 (WARRANTS") IN ISSUE

JUMLAH WARAN 2000/2008 ("WARAN") YANG DITERBITKAN

VOTING RIGHT

- : 168,896,809
- : 168,896,809
 - : 1 vote per Warrant in respect of Warrantholders' Meeting.
 - : 1 undi untuk setiap Waran di mesyuarat Pemegang Waran.

ANALYSIS OF WARRANTHOLDINGS

ANALISA PEMEGANGAN WARAN

Size of warrantholdings	No. of warrantholders	% of warrantholders	No. of warrants	% of warrantholdings
Saiz pemegangan waran	Bilangan pemegang waran	% pemegang waran	Bilangan unit waran	% pemegangan waran
Less than 100 warrants	12	0.10	449	-
100 - 1,000 warrants	4,339	34.57	4,122,358	2.44
1,001 - 10,000 warrants	6,773	53.96	27,440,359	16.25
10,001 - 100,000 warrants	1,293	10.30	37,245,827	22.05
100,001 - less than 5% of the warrants in issue	133	1.06	91,087,816	53.93
5% and above of the warrants in issue	1	0.01	9,000,000	5.33
	12,551	100.00	168,896,809	100.00

LIST OF TOP 30 WARRANTHOLDERS

SENARAI 30 PEMEGANG-PEMEGANG WARAN TERBANYAK

No. Bil	Name Nama	Number of warrants Bilangan unit waran	Percentage Peratusan
1.	Tan Pak Nang	9,000,000	5.32
2	SJ Sec Nominees (Tempatan) Sdn Bhd Suasana Dinamik Sdn Bhd	7,957,000	4.71
3.	PM Nominees (Tempatan) Sdn Bhd Malpac Management Sdn Bhd for Eighth Review (M) Sdn Bhd	7,738,000	4.58
4.	SJ Sec Nominees (Tempatan) Sdn Bhd Bright Existence Sdn Bhd	5,770,000	3.41
5.	Zulkifli Bin Hussain	4,934,000	2.92
6.	Dato' Ahmad Sebi Bakar	4,845,000	2.86
7.	Shoptra Jaya (M) Sdn Bdh	4,004,000	2.37
8.	HDM Nominees (Tempatan) Sdn Bhd Pledged securities account for Siew Lip Sung	2,987,800	1.76
9.	PM Nominess (Tempatan) Sdn Bhd Malpac Management Sdn Bhd for Dato' Ahmad Sebi Bakar	2,665,005	1.57
10.	Choo Keng Kit	2,500,900	1.48
11.	RHB Nominees (Tempatan) Sdn Bhd Pledged securities account for Paramsothy A/L Murugasu	2,391,800	1.41
12.	Lim Hong Liang	2,283,719	1.35

LIST OF TOP 30 WARRANTHOLDERS (continued) SENARAI 30 PEMEGANG-PEMEGANG WARAN TERBANYAK (sambungan)

No. Bil	Name Nama	Number of warrants Bilangan unit waran	Percentage Peratusan
13.	Shoptra Jaya (M) Sdn Bhd	2,000,000	1.18
14.	Tay Teck Ho	1,975,000	1.16
15.	Ong Chong Tek	1,649,100	0.97
16.	Mahmood Bin Abu Bakar	1,505,100	0.89
17.	Ng Chee Sim	1,408,000	0.83
18	Loi Kien Loon	1,404,600	0.83
19.	Young Pey Feei	1,376,000	0.81
20.	Chan Kim Gek	1,221,000	0.72
21.	SJ Sec Nominees (Tempatan) Sdn Bhd Pledged securities account for Cheng Eng Moi @ Ching Eng Moi	1,171,000	0.69
22.	JB Nominees (Tempatan) Sdn Bhd Pledged securities account for Yeo Ban Hun	1,165,000	0.68
23.	Chan Sai Kim	1,141,000	0.67
24.	Muhammad Fariz Bin Zulkifli	1,000,000	0.59
25.	SJ Securities Sdn Bhd	991,000	0.58
26.	Syed Mohd Tahir Bin Syed Azman	900,000	0.53
27.	A. A. Assets Nominees (Tempatan) Sdn Bhd Pledged securities account for Chan Chai Kok	827,000	0.48
28.	Mayban Nominees (Tempatan) Sdn Bhd Pledged securities account for Lay Man Wan @ Lai Mun Wan	800,500	0.47
29.	SJ Sec Nominees (Tempatan) Sdn Bhd Pledged securities account for Chan Sai Kim	708,000	0.41
30.	Khong Peck Fah	604,880	0.35
		78,924,404	46.58

Statement on Directors' Interests in the Company and related corporations as at 3 May 2005 / Penyata Kepentingan Para dalam Syarikat dan syarikat berkaitan pada 3 Mei 2005

(134)

	Stock units of RM1.00 each Unit-unit stok bernilai RM1.00 setiap unit		
Direct Interest in the Company Kepentingan Langsung dalam Syarikat	Number Bilangan	Percentage Peratusan	
Dato' Ahmad Sebi Bakar	15,203,509	4.50	
Datin Masri Khaw Binti Abdullah	1,000,000	0.30	
Indirect Interest in the Company Kepentingan Tidak Langsung dalam Syarikat			
Dato' Ahmad Sebi Bakar	27,451,109	8.13	
Datin Masri Khaw Binti Abdullah	3,100,000	0.92	
Sng Ngiap Koon	500,000	0.15	

	Warrants 2000/2008 Waran 2000/2008		
Direct Interest in the Company Kepentingan Langsung dalam Syarikat	Number Bilangan	Number Bilangan	
Dato' Ahmad Sebi Bakar	7,510,005	4.45	
Datin Masri Khaw Binti Abdullah	3,000	0.002	
Indirect Interest in the Company Kepentingan Tidak Langsung dalam Syarikat			
Dato' Ahmad Sebi Bakar	13,727,000	8.13	
Datin Masri Khaw Binti Abdullah	350,000	0.21	
Sng Ngiap Koon	80,000	0.05	



The properties of the Group as at 31st December 2004 are as follows :-

Hartanah Kumpulan pada 31hb Desember 2004 adalah seperti berikut:-

Location Lokasi	Description Keterangan	Land Area Keluasan	Approx. age of building (Years) Anggaran Usia Bangunan (Tahun)	Tenure Pegangan	Net Book Value (RM '000) Nilai Buku Bersih	Date of last Revaluation / Acquistion Tarikh Penilaian / Pembelian Akhir
CL 135193725 Daerah Keningau Ulu Patikang Sabah	Land with timber shed and staff quarters <i>Tanah dengan bangsal balak dan tempat tinggal</i> kakitangan	10.25 acres / <i>ekar</i>	22 1/2	Leasehold expiring in 2055 Pegangan pajak tamat pada 2055	57	1977
CL 135326055 Daerah Keningau Ulu Patikang Sabah	Land with sawmill, timber shed, office building, quarters and generator set room Tanah dengan kilang papan, bangsal balak, bangunan pejabat, tempat tinggal kakitangan dan bilik set janakuasa	9.22 acres / ekar	22 1/2	Leasehold expiring in 2058 Pegangan pajak tamat pada 2058	156	1980
Geran No. NT 11362, NT 11363, NT 11364, NT 11365 dan NT 023150843 Daerah Papar Kampung Lanas Sabah	Vacant land <i>Tanah kosong</i>	61 acres <i>/ ekar</i>	-	Freehold Tempoh kekal	186	30.04.1979
Geran No. NT 9320 Daerah Papar Kampung Kimanis Sabah	Vacant land Tanah kosong	11.73 acres / <i>ekar</i>	-	Freehold Tempoh kekal	53	30.04.1979
Geran No. CL 025282571 Daerah Papar Kampung Kimanis Sabah	Vacant land Tanah kosong	19.61 acres / ekar	-	Leasehold land expiring in 2062 Pegangan pajak tamat pada 2062	63	30.08.1979
Geran No. CL 0135326046 Daerah Keningau Ulu Patikang Sabah	Land with sawmill, timber shed, office building, quarters and generator set room Tanah dengan kilang papan, bangsal balak, bangunan pejabat, tempat tinggal kakitangan dan bilik set janakuasa	75.70 acres / <i>ekar</i>	14	Leasehold expiring in 2052 Pegangan pajak tamat pada 2052	1,135	22.11.1989



List of Properties

The properties of the Group as at 31st December 2004 are as follows :-

Hartanah Kumpulan pada 31hb Desember 2004 adalah seperti berikut:-

Location Lokasi	Description Keterangan	Land Area Keluasan	Approx. age of building (Years) Anggaran Usia Bangunan (Tahun)	Tenure Pegangan	Net Book Value (RM '000) Nilai Buku Bersih	Date of last Revaluation / Acquistion Tarikh Penilaian / Pembelian Akhir
Unit No. 103 & 302 Block B Jalan SS 12/1 47500 Subang Jaya Selangor	2 units condominium 2 unit kondominium	370 sq. m. / <i>m.p.s.</i>	9	Leasehold property expiring in 2089 Pegangan pajak tamat pada 2089	555	07.08.1996
GM1126 Lot 1301, GM424 Lot 1302, GM857 Lot 1303, GM405 Lot 1305, HS(M) 1096 PT 1300 & HS(M) 1082 PT 1303 Mukim Sungai Karang Cherating Pahang Darul Makmur	Land with hotel building, recreational facilities, restaurants and apartment block Tanah dengan bangunan hotel, kemudahan rekreasi, restoran dan blok apartmen	15 acres / ekar	11 1/2 - 17	Freehold <i>Tempoh kekal</i>	36,455	31.12.2000
CT 1320 Lot No. 2735 Mukim Kuala Kuantan Cherating Pahang Darul Makmur	Vacant land Tanah kosong	16 acres / <i>ekar</i>	-	Freehold Tempoh kekal	179	07.09.1993
Lot 1901, 1902, 1698, 1699 & PT 344 Mukim Kedawang Kedah Darul Aman	Land with hotel building, recreational facilities and restaurants Tanah dengan bangunan hotel, kemudahan rekreasi dan restoran	13.20 acres / ekar	12	Freehold Tempoh kekal	71,704	31.12.2000
Lot 1093 Mukim Semiling Daerah Kuala Muda Kedah Darul Aman	Vacant land Tanah kosong	20 acres / ekar	-	Freehold Tempoh kekal	228	24.11.1991
Geran 85, Lot 2034 69, Jalan Haji Hussein 50300 Kuala Lumpur	18 storey hotel building Bangunan hotel 18 tingkat	<i>3,214</i> sq. m. / <i>m.p.s</i> .	29	Freehold Tempoh kekal	49,700	31.12.2000
H.S. (D) 1100 / 1985 Geran 7040, Lot 162 Bandar Alor Setar Daerah Kota Setar Kedah Darul Aman	21 storey hotel building Bangunan hotel 21 tingkat	<i>6,882</i> sq. m. / <i>m.p.s</i> .	9	Leasehold expiring on 2093 Pegangan pajak tamat pada 2093	29,568	26.06.1995



The properties of the Group as at 31st December 2004 are as follows :-

Hartanah Kumpulan pada 31hb Desember 2004 adalah seperti berikut:-

Location Lokasi	Description Keterangan	Land Area Keluasan	Approx. age of building (Years) Anggaran Usia Bangunan (Tahun)	Tenure Pegangan	Net Book Value (RM '000) Nilai Buku Bersih	Date of last Revaluation / Acquistion Tarikh Penilaian / Pembelian Akhir
35-39 Leinster Garden London W2 3AR United Kingdom	Hotel building Bangunan hotel	990 sq. m. / <i>m.p.s</i> .	154	Freehold Tempoh kekal	54,900	22.06.1999
89, Monivong Blvd. Sangkat Monorom Khan 7 Makara Phnom Penh Cambodia	Hotel building Bangunan hotel	750 sq. m. / <i>m.p.s</i> .	5	Leasehold expiring in 2066 Pegangan pajak tamat pada 2066	18,317	31.01.1996
Nile Avenue Khartoum Sudan	Land with hotel building, recreational facilities and restaurants Tanah dengan bangunan hotel dan kemudahan rekreasi	30,550 sq. m. / <i>m.p.s</i> .	>92	Leasehold expiring in 2039 Pegangan pajak tamat pada 2039	31,418	04.09.1996
Unit 5A 225, Jalan Ampang 50450 Kuala Lumpur	Service apartment Apartmen	1,080 sq. m. / <i>m.p.s</i> .	2	Freehold Tempoh kekal	346	03.07.2001
Mukim of Pantai Timor Daerah Kota Tinggi Johor Darul Takzim	Vacant land Tanah kosong	19,028 acres / <i>ekar</i>	-	Leasehold expiring in 2063 Pegangan pajak tamat pada 2063	194	28.08.2003
No. BM02 & BG02 225, Jalan Ampang 50450 Kuala Lumpur	Shoplot with restaurant and pub Kedai dengan restoran dan pub	1,240 sq. ft	1	Freehold Tempoh kekal	1,011	31.05.2004
9, Evesham House Hereford Road London W2 4PD United Kingdom	Apartment Apartmen	120 sq. m. / <i>m.p.s.</i>	14	Freehold Tempoh kekal	1,009	23.06.1995
86, Flinders Street Darlinghurst Sydney NSW 2010	Hotel building Bangunan hotel	771 sq. m. / <i>m.p.s</i> .	>145	Freehold Tempoh kekal	9,762	23.10.2003
72, Persiaran Jubli Perak Seksyen 22 40000 Shah Alam Selangor Darul Ehsan	Industrial land and buildings Tapak perindustrian dan bangunan	61,492 sq. m. / <i>m.p.s</i> .	11	Freehold Tempoh kekal	30,787	03.06.2003

(137)

ADVANCE SYNERGY BERHAD (Company No.: 1225-D)

Proxy Form / Borang Proksi

I/We Saya/Kami	
	(full name in block letters / nama penuh dengan huruf besar)
NRIC/Company No. No. K/P / Syarikat	or CDS Account No. atau No. Akaun CDS
of dari	(for nominee companies only / untuk syarikat-syarikat nomini saho
	(full address / <i>alamat penuh</i>)
being a stockholder/stockholders of ADV. sebagai Ahli/Ahli-ahli ADVANCE SYNERG	ICE SYNERGY BERHAD, hereby appoint BERHAD dengan ini melantik
	No. K/P NRIC No
(full name in block letters / nama penul	engan huruf besar)
of	

dari

(full address / alamat penuh)

or failing him/her, 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 at Classics Ballroom 1, Level 3, Holiday Villa Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 28 June 2005 at 2.30 p.m. and at any adjournment thereof and thereat to vote as indicated below:-

atau jika beliau tidak dapat hadir, PENGERUSI MESYUARAT sebagai proksi saya/kami untuk mengundi bagi pihak saya/kami pada Mesyuarat Agung Tahunan Syarikat yang akan diadakan di Classics Ballroom 1, Paras 3, Holiday Villa Subang, 9, Jalan SS 12/1, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan pada hari Selasa, 28 Jun 2005 jam 2.30 petang dan pada sebarang penangguhannya, dan untuk mengundi seperti yang dinyatakan di bawah:-

Please indicate with (<) how you wish to cast your vote. If neither "FOR" nor "AGAINST" is indicated, the proxy will vote or abstain from voting at his/her discretion.

Sila tanda dengan (<) sebagaimana anda ingin undi anda diundi. Jika tidak dinyatakan sama ada untuk mengundi "MENYOKONG" atau " MENENTANG", proksi akan mengundi atau berkecuali daripada mengundi mengikut budi bicaranya.

No. BIL.	RESOLUTION RESOLUSI	FOR MENYOKONG	AGAINST MENENTANG
1.	The adoption of the Financial Statements for the financial year ended 31 December 2004 and the Directors' and Auditors' reports thereon. Meluluskan Penyata Kewangan bagi tahun kewangan berakhir 31 Disember 2004 dan laporan Para Pengarah dan juruaudit.		
2.	To approve the payment of Directors' fees. Untuk meluluskan pembayaran fi Para Pengarah.		
3.	The re-election of Directors:- Perlantikan semula Para Pengarah :- Aznan Bin Haji Ismail		
4.	Datin Masri Khaw Binti Abdullah		
5.	The re-appointment of Messrs BDO Binder as auditors of the Company and authorisation for the Directors to fix their remuneration. Perlantikan semula Tetuan BDO Binder sebagai juruaudit dan memberi kuasa kepada Para Pengarah untuk menetapkan imbuhan mereka.		
6.	Authorisation for Directors to allot and issue new shares pursuant to Section 132D of the Companies Act, 1965 and upon allotment to convert the same into new stock units in the Company. Pemberian kuasa kepada Para Pengarah untuk memperumpuk dan menerbitkan faham-faham baru selaras dengan Seksyen 132D Akta Syarikat, 1965 dan lanjutan dari perumpukan saham-saham tersebut untuk menukarnya ke unit-unit stok baru Syarikat.		

Dated this Bertarikh **day of** —— haribulan ——

— 2005

Number of stock units held	
Bilangan unit stok dipegang	

Nota:-

- (1) A member of the Company entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
- (2) A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories Act), 1991 may appoint one (1) proxy in respect of each securities account it holds with stock units of the Company standing to the credit of the said securities account.
- (3) The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney duly authorised and in the case of a corporation, the instrument appointing a proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
- (4) The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 3, Wisma ASCAP-OBC, No. 72, Pesiaran Jubli Perak, Seksyen 22, 40000 Shah Alam, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof.
- (1) Seorang ahli Syarikat yang layak untuk menghadiri dan mengundi dalam mesyuarat agung berhak untuk melantik seorang proksi untuk menghadiri dan mengundi bagi pihak dirinya. Seorang proksi tidak semestinya seorang ahli Syarikat.

Signature / Tandatangan

- (2) Seorang ahli Syarikat yang merupakan nomini yang diberi kuasa seperti yang dimaksudkan di bawah Akta Sekuriti Industri (Depositori Pusat), 1991, berhak melantik seorang proksi bagi setiap akaun sekuriti yang memegang unit-unit stok Syarikat yang dikreditkan ke akaun sekuriti tersebut.
- (3) Instrumen pelantikan proksi bagi individu hendaklah ditandatangani oleh pelantik atau peguamnya yang telah diberi kuasa dan bagi syarikat, instrumen pelantikan proksi mestilah disempurnakan dengan meterai syarikat atau ditandatangani oleh seorang pegawai atau peguam yang telah diberi kuasa.
- (4) Instrumen pelantikan proksi mesti dihantar ke Pejabat Berdaftar Syarikat di Paras 3, Wisma ASCAP-QBC, No. 72, Pesiaran Jubli Perak, Seksyen 22, 40000 Shah Alam, Selangor Darul Ehsan tidak lewat daripada 48 jam sebelum masa yang ditetapkan untuk mengadakan mesyuarat atau sebarang penangguhannya.

Fold here / Lipat di sini

SETEM **STAMP**

THE SECRETARY / SETIAUSAHA

ADVANCE SYNERGY BERHAD LEVEL 3, WISMA ASCAP - QBC, NO. 72, PESIARAN JUBLI PERAK, SEKSYEN 22, 40000 SHAH ALAM, SELANGOR.

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OUR VISION

To be premier global corporation.

OUR MISSION

To attain success as a socially responsible global corporation which excel in every undertaking.

OUR STRATEGY

We seek synergistic partnerships and alliances to achieve our mission.

WE ENSURE

- Entrepreneurship excellence in all our pursuits.
- Sustainable growth through identification and satisfaction of customers' needs.
- Productive partnerships with business associates, suppliers, employees and governments.
- Fairness in all business dealings with partners, customers and suppliers.

OUR VALUES

• To Our Stockholders

We ensure a fair return so that our stockholders will value their investment.

• To Our Customers

We value our customers by providing them with high quality products and services at competitive prices.

To Our Employees

We care for our people by creating a conducive work environment, nurturing them to their fullest potential and recognising their contribution.

• To Our Community

We honour our social obligations and contribute to the economic and social wellbeing of every community in which we operate.

Misi dan Wawasan Korporat

WAWASAN KITA

Untuk menjadi syarikat global yang utama.

MISI KITA

Untuk mencapai kejayaan sebagai sebuah syarikat global yang mempunyai tanggungjawab sosial dan yang cemerlang dalam setiap usaha.

STRATEGI KITA

Kita mencari rakan kongsi dan sekutu yang sinergistik untuk mencapai misi kita.

KITA PASTIKAN

- Kecemerlangan keusahawanan dalam semua usaha kita.
- Pertumbuhan berlanjutan dengan mengenalpasti dan mengisi keperluan pengguna.
- Perkongsian yang produktif dengan rakan perniagaan, pembekal, pekerja dan kerajaan.
- Adil dalam semua urusan perniagaan dengan rakan kongsi, pelanggan dan pembekal.

NILAI-NILAI KITA

 Kepada Pemegang Stok
Kita mempastikan pulangan yang wajar supaya pemegang stok menghargai pelaburan mereka.

• Kepada Pelanggan

Kita menghargai pelanggan kita dengan membekalkan mereka produk dan perkhidmatan yang berkualiti tinggi pada harga yang berdayasaing.

Kepada Pekerja

Kita mengambil berat tentang pekerja kita dengan mewujudkan persekitaran kerja yang selesa, membimbing mereka untuk mencapai potensi mereka yang sepenuhnya dan mengiktiraf sumbangan mereka.

Kepada Masyarakat

Kita memenuhi tanggungjawab sosial kita dan menyumbang kepada kesejahteraan ekonomi dan sosial di setiap masyarakat tempat kita beroperasi.





advance synergy berhad (Company No / No. Syarikat: 1225-D)

Level 3, Wisma ASCAP - QBC, No. 72, Pesiaran Jubli Perak, Seksyen 22, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia.