

GROWING
OUR FUTURE
展 望 前 景

ANNUAL REPORT
常 年 报 告 2001



PROVISIONS SUPPLIERS CORPORATION LIMITED

普 威 联 营 有 限 公 司



FOCUSED STRATEGY

The artist has many brushes from which to choose. Only one creates the desired effect. A clear vision of the finished picture allows the painter to choose the right brush. In business, we have many opportunities. Only a few create our vision. Each decisive action we take moves us nearer to our goal to be the best in each of our business segments.

用材施策

画家作画可选择很多种画笔，但只有一种能表现所需要的效果。所以，画家要选择正确的画笔，就必须对最终作品做出一个清晰的想象。在我们的业务中，我们拥有很多商机，但只有少数能实现我们预想的目的。我们应保证所采取的每一决定性行动都能最好地实现各部门的目标。



STATEMENT FROM THE CHAIRMAN

主席致辞



On behalf of the Board of Directors, I am delighted to report to you on the performance of the PSC Group for financial year ended 31 December 2001.

我很荣幸地代表董事局向您报告普威集团截至2001年12月31日止的财政年度表现。

集团财政表现

集团取得一亿六千一百六十万元的收益。2000年财政年度则为一亿七千三百六十万元。税前的净利报九百七十万新元。2000年财政年度为一千四百四十万元。分派股东们的税后净利是六百三十万元。2000年财政年度为九百九十万元。

GROUP FINANCIAL RESULTS

The Group generated a revenue of \$161.6 million (FY2000: \$173.6 million) and posted net profit before taxation of \$9.7 million (FY2000: \$14.4 million). Net profit after taxation attributable to shareholders was \$6.3 million (FY2000: \$9.9 million).

BUSINESS AND FINANCIAL REVIEW

As widely anticipated at the beginning of year 2001, the economic performance of Singapore and regional economies pale in comparison to the achievement in the year 2000. The Group's operations were not spared from this downturn. Group revenue decreased by 6.9% from \$173.6 million to \$161.6 million while the group profit before taxation retreated by 32.6% from \$14.4 million to \$9.7 million. The decline was mainly due to a lower contribution from the healthcare operation and the share of profits from associated companies. However, despite the gloom in year 2001, some subsidiaries bucked the trend and grew. This is very encouraging, as there are still growth opportunities amidst the adverse business environment.

CONSUMER AND INDUSTRIAL

The downturn dampened consumers' confidence and curbed spending. The general sentiment among consumers was one of cautious spending with purchases limited to essentials and items which were valued for money. As a counteractive measure to encourage demand, the retail sector was very active in engaging promotions to push sales.

业务与财务回顾

正如2001年初的众多预测，新加坡和区域经济体的表现较2000年大为逊色。集团的业务也因此受到了衰退的影响。集团的收益自一亿七千三百六十万元下降到一亿六千一百六十万元，跌了百分之六点九。而集团的税前利润则自一千四百四十万元滑落到九百七十万元，降了百分之三十二点六。下滑的原因主要是由于联号公司的保健营运及利润分享均减低了。尽管2001年备受阴暗笼罩，一些子公司却能在逆势中取得增长。这十分振奋人心，因在恶劣的商务环境中，仍有增长的机会。

消费与制造业

衰退削弱了消费者的信心，从而节约花费。消费者的一般情绪是谨慎花费，只添购物有所值的必需品。为了扭转此趋势，刺激需求，零售界极力进行促销，以提升营业额。

The group has a substantial portion of revenue contributed by the consumer and industrial segment, which consists mostly of companies engaged in the manufacture and distribution of consumer products in Singapore, Malaysia and associated companies in China. Despite a very competitive market situation, this segment managed to maintain its revenue for year 2001. Revenue edged up, albeit at a negligible 0.2%, from \$140.3 million to \$140.6 million. Revenue generated by Singapore companies fell due to stiff competition, but was offset by higher revenue from Malaysian companies. During the year, our Malaysian subsidiary launched two new products successfully. After the addition of new plant and equipment to the paper-converting factory in Malaysia, the production volume expanded and we managed to turn in higher revenue.

The economic outlook for year 2002, though now projected to be optimistic, is still fragile. Moreover, any recovery is expected to be slow. Such outlook has a direct bearing on consumers market and going forward, we continue to expect strong competition among retailers in vying for consumers spending. The Group hopes to increase its sales of high margin products to improve the contribution from this segment to the Group's profit.

LEISURE AND RECREATION

The active and main contributor to this business segment is our resort and golf country club in Malaysia, which the Group owns a 50% stake. When the economy is teetering on the brink of a recession, owning a club membership seems to be a luxurious want to some, yet a good buying opportunity for others. We remain sensitive to market demand in such times, and despite relentless efforts expended in promotional offers, revenue and profit of the club fell and a lower profit was recorded compared to previous year.

The Group has been informed that this associate is proceeding with its plan to list on the main board of the Kuala Lumpur Stock Exchange. As the Group has committed to divest a certain percentage of its shareholding to third party investors as part of the listing process, it is expected that the Group shall cease to account for its share of profits of this associate through equity accounting in future.

HEALTHCARE

Revenue decreased from \$18.9 million to \$5.8 million, with revenue being recognised, based on the percentage of completion method. In the previous year, a major portion of work related to a hospital project was performed and by the end of the year 2000, it was near completion stage. In contrast, the new project commenced construction only in the later part of 2001 and was about 21% completed at the end of the year. As the work is in progress, the Group foresees a higher revenue contribution from this project for year 2002.

集团有相当可观的收益是来自消费与制造业部分。公司主要在新加坡、马来西亚及中国的联号公司从事制造和分销消费品。尽管市场竞争十分剧烈，这个部分仍能在2001年里，保持其收益。收益微升了百分之零点二，自一亿四千零三十万元攀升到一亿四千零六十万元。由于剧烈的竞争，新加坡公司的收益下滑，此缺口，幸有马来西亚子公司收益之增长而抵销。马来西亚的子公司在今年里推介两种新产品，表现优越。在马来西亚的纸巾加工厂，因扩充场地和配备后，生产量有所扩展，而收益也随之增加。

虽然2002年的经济概况看似乐观，但仍然很脆弱。更何况各商界所预计的复苏都将是缓慢的。这样的前景对消费者市场有直接的影响，为争取消费者花费，我们预计零售商之间将继续进行激烈的竞争。集团希望增加利润较高的产品的销量来改善此部分对集团利润的贡献。

娱乐与消闲

集团在马来西亚的渡假和高尔夫球乡村俱乐部拥有百分之五十的股份，这是消闲业部分收益的主要来源。当经济在萧条的边缘中摇晃，拥有俱乐部会籍似乎是件奢侈之事，然而，对其他的人来说则可能是购买的良机。为此，我们保持对市场需求的敏感度；尽管对促销的不遗余力，与去年相比，俱乐部的收益和利润仍有下降，集团的利润也相对地退低。

集团获知，此联号公司正按计划争取在吉隆坡股票交易所挂牌。由于集团已经承诺，作为上市的程序，要将某一部分的股票售卖给第三方投资者，预料过后，集团将停止计算此联号公司带给集团的利润。

医药与保健

由于工程项目是以完成的比率来计算，工程收入从一千八百九十万元下降至五百八十万元。在上一年，主要的工程是兴建综合医院，到去年底已接近完工。而新的工程在2001年的下半年才动工，到年底时只完成约21%。因为此项工作的进行，集团预计这将在2002带来更多收入。

Our associated company in Australia, which operated a hospital at Mandurah, Western Australia, has been providing the Group with a steady stream of income and it remains unscathed by the economic slowdown in Australia. The management of the hospital constantly reviews the operations to provide for new healthcare services in order to meet the demand of the patients. The associate is expected to maintain its contribution to the Group in the year ahead.

We remain committed to the healthcare business and will harness existing resources to expand this segment, as the demand for quality healthcare services in the region is on the rise.

HOTEL

The hotel business in Adelaide, Australia, posted a higher revenue of \$15.1 million. Strong management and proactive marketing and sales efforts were the essence of this improved results. During the year, the global slowdown impacted directly tourism, and the hotel industry experienced a year of intense competition. This led to room rates falling by a significant margin. The unfortunate September 11 event further aggravated the situation as international travel was affected negatively. In the face of such turbulent conditions, the hotel management sought to increase occupancy level by focusing on increasing new corporate accounts.

In the year ahead, the Group is optimistic that the hotel sector will improve and continue to post positive results for the Group.

IN CONCLUSION

We look forward to strategising and seeking new opportunities that will create growth for the Group, putting the difficult operating conditions of 2001 behind us. Despite the soft outlook for economy for the year ahead, we shall not relent but remain steadfast to pit our stake against the odds to aim for a fruitful and rewarding year.

APPRECIATION

We thank our staff for their remarkable perseverance displayed through their hard work, our shareholders for standing with us, and of course, our customers, suppliers and bankers for their valuable support.

Tan Ling San

Executive Chairman

我们澳洲的联号公司在西澳洲的曼都拉经营一家医院，该公司一直为集团贡献稳定的收入，而并未受澳洲经济放缓的影响。该医院的管理层一直来都在检讨他们的运作，以提供病人需要的新的保健服务。预计在未来的几年中，该联号公司将继续为集团作出贡献。

由于本区域对高质量保健服务的需求正不断增强，我们将继续致力于保健产业，并利用现有的资源拓展这一领域的业务。

酒店

在澳洲阿德莱德的酒店业务取得了一千五百一十万元的较高收入。这一成绩应归功于强有力的管理以及在市场营销方面作出的具有前瞻性的努力。全球经济放缓对旅游业造成直接打击，酒店业经历了一年的激烈竞争，导致了酒店的客房价格明显下降。九一一事件更进一步打击了旅游业，使得酒店业的境况雪上加霜。在如此动荡的局势下，酒店的管理部门通过增加新的商业客户的办法努力提高客房率。

展望未来几年，集团对酒店业保持乐观，酒店也将继续得到改善并继续为集团作出积极贡献。

总结

集团将继续策划并积极寻找能为集团带来收入增长的新机遇，摆脱2001年的经营困境。尽管展望今年的经济仍趋疲软，但我们将以坚定信心，不断努力，争取获得丰硕的成果。

致谢

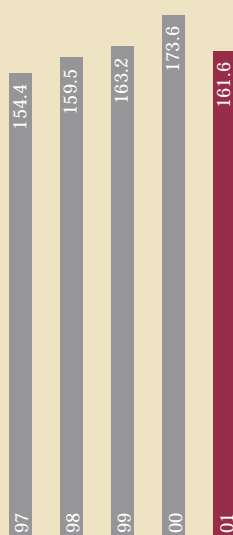
感谢集团的员工们坚定不移的努力工作；感谢各位股东对集团的支持；感谢广大消费者、供应商以及银行的大力支持。谢谢！

陈能山

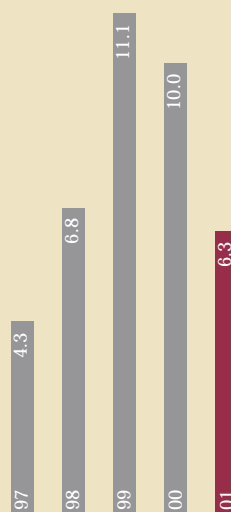
执行董事主席

GROUP PERFORMANCE CHART

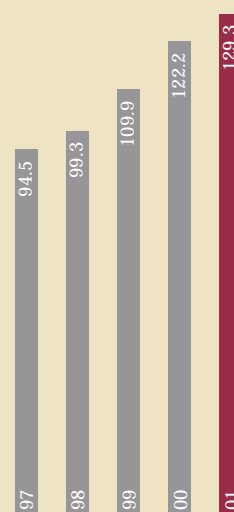
Turnover
\$ million



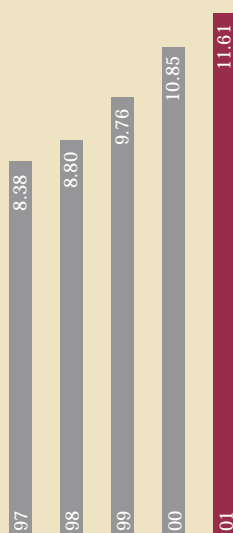
Profit after Taxation and
Minority Interest
\$ million



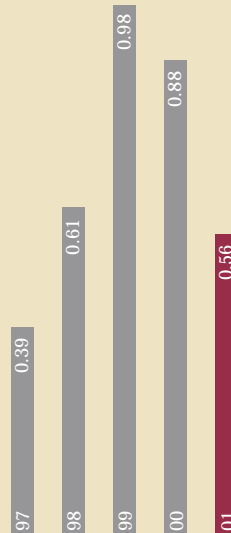
Share Capital and
Reserves
\$ million



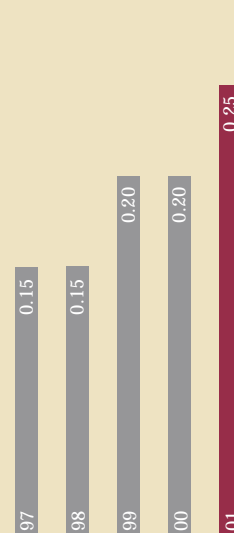
Net Tangible Assets Per Share
of \$0.05 each
cents



Basic Earnings Per Share
of \$0.05 each
cents



Gross Dividends Per Share
of \$0.05 each
cents



Note: For comparative purposes, the figures for FY2000 have been amended to comply with the new/revised Singapore Statements of Accounting Standard which the Group adopted in FY2001. No adjustment has been made for FY1997 to FY1999.

BOARD OF DIRECTORS



Mr Tao Yeoh Chi
Director

Mr S Chandra Das
Director

Mr Chee Teck Kwong
Director

Mr Foo Der Rong
Executive Director

Mr Chew Tuan Gee
Executive Director

Mr Chong Kar Kee
Managing Director

Mr Tan Ling San
Executive Chairman

CORPORATE DATA

BOARD OF DIRECTORS

Tan Ling San *Executive Chairman*
 Chong Kar Kee *Managing Director*
 Foo Der Rong *Executive Director*
 Chew Tuan Gee *Executive Director*
 Chee Teck Kwong *Director*
 Tao Yeoh Chi *Director*
 S Chandra Das *Director*
 Gerry Lee Kian Hup *Director (Alternate to S Chandra Das)*

COMPANY SECRETARY

Cheong Soo Kiong

REGISTERED OFFICE

348 Jalan Boon Lay
 Singapore 619529
 Telephone: 6268-4822

SHARE REGISTRARS

M&C Services Private Limited
 138 Robinson Road
 #17-00 The Corporate Office
 Singapore 068906

AUDITORS

KPMG
 Certified Public Accountants
 (Partner in charge — Eng Chin Chin)
 16 Raffles Quay
 #22-00 Hong Leong Building
 Singapore 048581

BANKERS

United Overseas Bank Limited
 Development Bank of Singapore Limited
 Standard Chartered Bank
 The Hong Kong and
 Shanghai Banking Corporation Limited

CORPORATE STRUCTURE

PROVISIONS SUPPLIERS CORPORATION LIMITED

HEALTHCARE

HSI Group *(Singapore)*
 Health Solutions *(Australia)*
 Health Solutions *(Western Australia)*
 Health Solutions *(Malaysia)*
 Health Solutions *(Southeast Asia)*

MANUFACTURING

Econfood Manufacturing *(Malaysia)*
 Fresh Fruit Juices Manufacturing *(Malaysia)*
 Fortune Food Manufacturing *(Singapore)*
 Longkou Luzhibei Preserved Fruit *(China)*
 Tips Industry *(Malaysia)*
 Topseller Chemical *(China)*

RETAIL AND DISTRIBUTION

Econ Minimart Services *(Singapore)*
 Fortune Food Marketing *(Singapore)*
 Socma Trading *(Malaysia)*
 Topseller *(Singapore)*
 Tipex Trading *(Singapore)*
 Tips Trading *(Singapore)*
 Topseller *(Singapore)*

LEISURE AND PROPERTY

Flobina *(Malaysia)*
 Freshpoint *(Malaysia)*
 Harbin Cartel International Club *(China)*
 Harbin Central Building Estate Development *(China)*
 Playford Hotel *(Australia)*
 PSC Resort *(Singapore)*
 Pulau Springs Resort *(Malaysia)*
 Sanya Fu Dao Tourism *(China)*
 Topseller Developments *(Singapore)*

MANUFACTURING

PSC's ability to harness opportunities and identify changing tastes and preferences has always been crucial to our commercial success, in particular product development in the fast moving consumer market.



The manufacture of food and non-food household items, principally tofu, soya drink, kitchen towels and detergents, remains one of our core activities. We aim to remain a major player through wholly owned and joint venture manufacturing operations of the highest quality, both at home and overseas.

PSC pioneered the sale of Singapore's first branded rice, 'Royal Umbrella Fragrant Rice', at a time when others were selling theirs in bulk sacks and we continue to have an aggressive branded product approach to differentiate our offerings. After many years of product development and expansion of product lines PSC is now the manufacturer and owner of many well known trademarks and brand names for both food and non-food items. Today, product brands under our own trademark as well as exclusive agency rights include 'Sobe' soya milk drink, 'Beautex' paper products, 'Fortune' tofu and noodles, 'Golden Circle Corn Oil', 'Golden Peony Fragrant Rice', 'Harmuni Fragrant Rice', 'Harmuni' coconut cream, sugar and vegetable oil, 'SunnyFresh' 3 in 1 detergent and 'Tips' canned and preserved foods.

In 2001 we introduced a number of new products. Under our 'Fortune' label we launched a new lower cost, variant of soya bean milk and a seafood tofu to meet the growing demands of health conscious consumers for a wider choice of foods. We continue to explore new product opportunities in this growth area for foodstuffs.

INNOVATION

Building on the work of preceding masters, a painter further develops the art form by creating new strokes and techniques. Such innovation enriches the art and enhances the enjoyment for viewers. Over the years, we've researched and developed many successful trademarks and new products to meet customer needs. Innovation requires venturing into new areas. But as we pursue these areas, we're aligning our capabilities with the needs of our customers.





巧思创新

在前辈大师作品之基础上，画家通过开创新的画风和绘画技术来发展绘画的艺术形式。这样的创新丰富了艺术的形式，同时也给观赏者带来更大的艺术享受。在过去的几年，我们开发了许多种成功的新品牌和新产品，以满足广大消费者的需要。要创新就需要探索新的领域。但通过开发新领域，我们就能发展经营能力，满足广大顾客的需求。

制造业

PSC把握机遇、分析消费者变化的品位和偏好的能力，尤其是为快速变动的消费市场开发新的产品，一直是我们取得商业成功的关键。



生产食品和非食品的家庭用品，主要如豆腐、豆奶、厨房纸巾和洗洁剂等，一直是我们的核心业务之一。我们通过全资和合资生产的形式生产高品质的上述产品，致力于成为本地和海外的主要生产商。

在其他商家只销售散装袋装米的时候，PSC率先推出了新加坡第一个品牌大米“皇族安培哪香米”，后来，我们继续推出了一系列的品牌产品。经过多年的产品开发和生产扩展，PSC生产和拥有许多食品和非食品的著名商标和品牌。现在，我们拥有的商标以及取得独家代理权的产品包括：“Sobe”豆浆饮品，“Beautex”纸品，“鸿运”豆腐和面条，“金圈蜀米油”，“金牡丹香米”，“Harmuni香米”，“Harmuni”椰浆、糖、植物油，“Sunny Fresh”三合一洗洁剂，“Tips”罐头和腌制食品。

在2001年我们推出了一系列的新产品。为了迎合关注健康的消费者对更多健康食品的需求，集团以“鸿运”品牌推出了一种低成本、不同的豆奶饮品和海鲜豆腐。在这个不断增长的食品行业，我们将继续把握开发新产品的机遇。

RETAILING AND DISTRIBUTION

PSC has developed a successful distribution service both for our own products and for international brands under exclusive agencies and distribution rights through our main Singapore centre and a wholly owned subsidiary in Malaysia.



Adjoining our Singapore manufacturing facility, our warehouse, one of the largest in Singapore with a storage area of 120,000 sq ft, provides a total service capability from one source to our retail and distribution customers. Because we are engaged in both manufacturing and distribution we are able to offer the quality of product, service and delivery benefits of a seamless supply chain in addition to the cost savings of being able to manufacture and stock in high volumes.

Prompt service to customers is essential in consumer product distribution and PSC meets this stringent standard through fully integrated logistics and computerised systems which enhance the speed, efficiency and cost effectiveness of processing an order from placement to delivery. We currently serve a wide customer network of some 1700 restaurants, supermarkets, retailers, hotels and wholesalers in Singapore.

PSC's Econ Minimart franchise, launched in 1982, is now Singapore's largest and leading retail franchise chain with nearly 160 franchisees island-wide. New minimarts are chosen for their convenient locations within populous estates and their commitment to PSC's high standards of quality of service.

The background of the page features a close-up, slightly blurred image of a hand holding a brush, painting a vibrant blue line onto a light-colored surface. The hand is positioned on the right side, with the brush tip touching the surface. The overall aesthetic is artistic and minimalist, with a warm, golden-yellow vertical band on the left side that frames the text.

EFFICIENCY

Chinese brush painting reduces a form to its simplest expression. Only significant elements are put on paper. There are no wasted motions. The picture emerges from simple but effective brushstrokes. At PSC, we seek simplicity by focusing on how to deliver products and services more efficiently. Our investments in technology for an integrated computerised system for our warehousing and distribution enable us to simplify our processes and improve the cost effectiveness of our operations. The result is greater customer satisfaction and higher shareholder returns.



流畅运作

中国水墨画是一种最简练的绘画艺术表达形式。它不浪费笔墨，只在纸上画出物体最鲜明的要素，其画作形式简单，但却具有很强的表。在普威，我们是通过探索如何更有效地为顾客提供产品和服务，来达到这种简练的风格。我们加入技术投资，开发仓储和配售的一体化电脑系统，以实现营运中简化手续、降低成本之目的。其成效是：更好的顾客满意度和更高的股东回报。

零售与配售

通过集团在新加坡中心和全资马来西亚子公司，PSC发展了一套成功的配售服务系统，配售公司本身的产品，并通过独家代理和分销权配售某些国际品牌的产品。



除了在新加坡的生产设施，我们还拥有新加坡最大的仓库，储存面积达120000平方英尺，它具有提供从货源到零售及配售客户的全套服务能力。正是因为我们既从事生产，又从事配售，所以我们能为客户提供优质的产品和服务；我们能进行大批量的生产和储存，而且没有中间批发商，因而降低了产品的成本，这使我们的顾客大大受益。

在消费产品配售中，及时的客户服务非常重要。PSC一体化的后勤运作和电脑化系统正是满足这一服务标准的保障，它能提高在订单下达到产品发送的过程运作的速度和效率，并能节省成本。目前，PSC为新加坡多达1700多家的餐馆、超市、零售商、酒店、以及批发商提供服务。

成立于1982年的PSC “Econ Minimart” 特许经销是新加坡最大的零售特许经销连锁网，在全岛拥有近160间的特许经销商店。在人口稠密的方便地段，公司将选择新的Minimart加入特许经销网，为顾客们提供PSC高质量、高水准的服务。

LEISURE AND PROPERTY

We entered the leisure business in 1993 with a 50% stake in the Pulai Springs Resort in Johor, Malaysia and our property interests now also include the 5-star Radisson Playford Hotel in Adelaide, Australia.



The Pulai Springs complex has won widespread acclaim for its elegant clubhouse, comprehensive facilities and two championship golf courses and the arrival of the David Leadbetter Golf Academy in 2002 is yet another major attraction. The DLGA golf learning schools, of which there are only 17 in the world, are the undisputed best in the world having produced such notable players as Nick Faldo, Nick Price, Pak Se Ri and Ernie Els.

Financially the operations of the Resort remain healthy and we were approved for listing on the main board of KLSE in April 2001. In 2002 we plan to launch several property developments within the resort compound – a niche bungalow development of 20 lots adjoining the Melana golf course and 300 service apartments with their own swimming pool and tropical garden.

The Radisson Playford Hotel and Suites, Adelaide, a joint venture with the Sparr Group, won three major awards in 2001: the best luxury hotel in South Australia, the best performing Radisson in Australia and the best performing hotel in Adelaide. The 182-room 'boutique' hotel has been specially designed to appeal to the modern corporate traveller with a high quality of service and product and we capitalised on the recognition to achieve massive growth in market share in 2001.

In the latter half of 2001 a growth in local room supply, which fuelled pressure to lower room rates, the events of 11 September and the loss of Ansett Airlines reduced demand for accommodation across Australia. While we have strong acceptance to commit to contracts from our corporate supporters, competition at all levels will be strong in 2002. We are however cautiously optimistic of recent signs of an improving global economy and a pick-up in travel. In addition, with our strong relationship base of loyal guests, both at local and interstate levels, we will continue to outperform our competitors in market share terms.

Enduring Values

The values of Chinese brush painting are centuries old. They create a sense of purpose and discipline for the painter. For nearly three decades, PSC has adhered to a set of values to guide us. They include being responsible to the communities in which we operate, respecting the environment and developing our employees. They mean operating to the highest ethical standards. These values are especially meaningful for our leisure resort and hotel business where we give nothing but the very best hospitality to our guests. As we look ahead, we'll continue to steer a course guided by these enduring values.





坚守原则

中国水墨画所秉持的价值观已持续数个世纪之久，它为画家们开创了写意的风格。普威在将近30年中，也一直秉持一套自身的价值观，它包括：对经营范围内所在的社区负责；爱护环境；培养员工。即以最高的道德水准经营业务。这些价值观对于我们的休闲度假及酒店部门尤其重要，在那里，我们致力于向宾客们提供最佳的服务。展望未来，我们将始终如一地坚持这些价值观。

休闲与产业

在1993年集团进军休闲产业，当时公司买下了马来西亚新山蒲莱泉乡村俱乐部50%的股份，现在公司所拥有的产业包括在澳洲阿德莱德的五星级Radisson Playford酒店。



蒲莱泉乡村俱乐部因为其优雅的俱乐部会所、多功能的综合设施而广受赞誉，所开展的两个具备国际水准的高尔夫球场以及2002年启动的David Leadbetter 高尔夫球专业指导中心早已有口皆碑。DLGA是全球最好的高尔夫学院之一，它在全球只开了17家学校，其中培养出了像Nick Faldo、Nick Price、Pak Se Ri 以及Ernie Els等世界级一流的球员。

从财务上看，俱乐部保持着良好的营运状态，并已在2001年4月获准在吉隆坡股市挂牌上市。2002年集团计划在俱乐部内启动几个产业发展项目：毗邻Melana高尔夫球场的20个单位的独立式洋房，以及拥有300个单位拥有游泳池和热带花园的服务公寓。

公司和Sparr 集团合资的澳洲阿德莱德Radisson Playford酒店，在2001年获得了三项大奖：南澳最佳豪华酒店、澳洲Radisson业绩最佳酒店、以及阿德莱德最佳业绩酒店。拥有182间客房的这家“典雅堂皇”式的酒店，是为那些品质要求高的商务旅客专门设计的。我们在市场形象方面注入不少投资，由此在2001年的市场占有率中取得显著增长。

在2001年下半年，当地酒店客房的供应量出现增长，这带来了降低客房价格的压力，九一一事件和安捷航空公司的亏损都使全澳洲的客房需求出现下降的趋势。虽然我们拥有签约的公司客户的继续大力支持，酒店依然会在2002年面对各个层面的激烈竞争。然而我们对最近环球经济的改善和旅游业的复苏持谨慎乐观的态度。另外，仰赖我们跟当地以及国际客户间的良好关系，我们将继续能在市场占有率上打败对手。

HEALTHCARE

Health Solutions, a healthcare group, provides healthcare consultancy services and secures hospital turnkey projects and management services in Malaysia, Australia and the Philippines and is currently exploring opportunities in several other countries.



In 2001 Health Solutions began developing a district level primary 76-bed hospital in Setiu Terengganu, Malaysia. Due to the start up phase of this project and processing of progress payments, 2001 was not a profitable year. However, the hospital is scheduled for completion in the first quarter of 2003 and as it moves towards completion we expect to make up the losses incurred in 2001 with some surplus in 2002.

Extensive efforts were made in business development in 2001 and, following the completion of the Slim River District Hospital in Malaysia in 2000, we are pursuing a number of opportunities for turnkey government hospital projects. After a year of operations in the Philippines we saw minor growth in 2001 and are expecting to benefit from the increased potential in that market in 2002 through the Government's efforts in improving healthcare.

Health Solutions W.A. (Western Australia) has managed the Peel Health Campus, a 130-bed hospital south of Perth, Western Australia since 1997. The company employs 330 people and has contracts with more than 70 medical practitioners. In January 2002 we tendered for a new day surgery centre announced by the State Government.

Despite the tightening of the health budget by the Western Australia State Government, 2002 should see the Peel Health Campus services to the community expand and the company is pursuing new opportunities and acquisitions to grow in its chosen field of expertise. 2002 will be a phase of growth.

FORESIGHT

Water-colouring is an exacting art. It relies on foresight and the ability to execute quickly. PSC is applying the same approach in our business. Success in a global market requires one to identify opportunities and then act quickly. Our diversification into healthcare, a growth industry, - exemplifies our approach to taking advantage of opportunities critical to our long-term success.





远见卓识

水彩画是一门严格、精准的艺术，它需要深谋远虑，并要求下笔迅速。普威在经营中也遵循同样的策略。要在国际市场上取得成功，就必须能洞察商机并迅速采取行动。集团的多样化经营之一——涉足不断成长保健业，正是公司为寻求长期成功发展，把握重要商机的成功例子。

医药保健

公司的医药保健集团 – Health Solutions，在马来西亚、澳洲和菲律宾提供医药保健咨询服务，并为医院项目提供兴建综合医院工程和管理服务，目前它正在其他国家寻求发展机遇。



在2001年，Health Solutions在马来西亚的Setiu Terengganu开始发展一个拥有76个床位的地区医院。因为这个项目的开工以及要支付项目进展所需的费用，Health Solutions在2001年没有取得盈利。该医院计划在2003年第一季竣工，随着逐渐接近竣工，我们预计在2002年能取得一些盈利，并能弥补2001年的亏损。

在2001年，为了发展业务，公司进行了广泛的努力，随着2000年公司建造的马来西亚Slim River地段医院的竣工，我们寻求获得更多的兴建综合医院工程项目。公司在菲律宾经营一年以后，在2001年业务取得微小增长。由于菲律宾政府正实施改善国内的医药服务，公司预计将能在2002年增长的市场中获益。

Health Solutions W.A(西澳)从1997年开始管理珀斯南部拥有130个床位的Peel Health Campus医院。该医院雇佣了330名员工，并合约聘请了70多位从业医生。在2002年我们竞投了州政府所发的日间手术中心的招标。

虽然西澳州政府紧缩了医疗开支，Peel Health Campus医院将在2002年扩展它社区服务，该公司也正在寻求其他新机遇以及并购的可能，以期拓展医院提供的专业医疗服务范围。2002年该公司将取得增长。

CORPORATE GOVERNANCE

Provisions Suppliers Corporation Limited (the “Company”) is committed to a high standard of corporate governance in order to protect the interests of its shareholders. The Board of Directors fully supports the Best Practices Guide on corporate governance as recommended by the Singapore Exchange Securities Trading Limited (“SGX-ST”) and has put in place various self-regulatory and monitoring mechanisms to ensure that effective corporate governance is practised.

The following statement outlines the main corporate governance practices of the Group (comprising the Company and its subsidiaries) that were in place during the financial year.

BOARD OF DIRECTORS

The Board of Directors consists of members who have a diversity of experience and expertise. The Board comprises eight members, four of whom are non-executive directors. The non-executive directors are S Chandra Das, Gerry Lee Kian Hup (Alternate director to S Chandra Das), Chee Teck Kwong and Tao Yeoh Chi. The executive directors are Tan Ling San, Chong Kar Kee @ Chong Ah Kau, Foo Der Rong and Chew Tuan Gee. The Board meets on a regular basis. For the year ended 31 December 2001, it met four times.

The Board supervises the management of the business and affairs of the Group and the Company. Apart from its statutory duties, the Board reviews and approves the Group’s strategic plans, key operational initiatives, major investments and funding decisions, annual business plans, reviews the financial performance of the Group and the Company and evaluates the performance and compensation of senior management personnel. Certain functions have been delegated by the Board to the various Board Committees to facilitate effective management of the Group and the Company.

AUDIT COMMITTEE

The Audit Committee comprises three members, two of whom are independent. The members of the Audit Committee at the date of this report are:-

Chee Teck Kwong	(Chairman), Non-executive director
Tao Yeoh Chi	Non-executive director
Tan Ling San	Executive director

The Audit Committee meets periodically and for the year ended 31 December 2001, it met four times. The financial statements, accounting policies and system of internal accounting controls are the responsibility of the Board of Directors acting through the Audit Committee. The functions of the Audit Committee include reviewing the scope of work of the internal and external auditors and the assistance given by the Company to the auditors, and the receiving and considering of the reports of the internal and external auditors including their evaluation of the system of internal controls. The Audit Committee also considered the announcement of half year and annual results prior to their release by the Company. The consolidated financial statements of the Group and the financial statements of the Company were reviewed by the Audit Committee prior to their submission to the Board of Directors for adoption. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit fees.

In addition, the Audit Committee has, in accordance with Chapter 9A of the SGX-ST Listing Manual, reviewed the requirements for approval and disclosure of interested person transactions, reviewed the internal procedures set up by the Company to identify and report and where necessary, seek approval for interested person transactions and reviewed interested person transactions.

The Audit Committee has recommended to the Board of Directors that the auditors, KPMG, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

CORPORATE GOVERNANCE

EXECUTIVE COMMITTEE

The Executive Committee (the “Exco”) is chaired by Tan Ling San. Its members are executive directors, Tan Ling San, Chong Kar Kee @ Chong Ah Kau, Foo Der Rong and Chew Tuan Gee. The Exco has been delegated with all the powers of the Board to conduct and supervise the business of the Group and the Company. It reviews and approves major investments recommended by Management, the appointment of top executives of the Group, approves the naming of representatives to the board of subsidiaries and associated companies, and where required, reviews, evaluates and presents transactions proposed to be entered into in the course of the business of the Group with “interested persons” as defined in Chapter 9A of the Listing Manual with its recommendations to the Audit Committee and/or the Board for approval.

COMPENSATION COMMITTEE

The Compensation Committee comprises three non-executive directors. They are Tao Yeoh Chi (Chairman), Chee Teck Kwong and S Chandra Das. The role of the Committee is to review and make recommendations to the Board on the Company’s framework of executive remunerations, covering directors and senior executives of the Group and the Company, and to determine and approve on behalf of the Board, specific packages and conditions of employment for executive directors. The Committee also determines the terms of any compensation package in the event of early termination of contract of any executive directors and recommends to the Board the content of the Board’s annual report to shareholders on directors’ remuneration and the need for shareholders’ approval of the policy set out in the Board’s remuneration report at the Annual General Meeting of the Company.

NOMINATION COMMITTEE

The Nomination Committee comprises three non-executive directors. They are Tao Yeoh Chi (Chairman), Chee Teck Kwong and S Chandra Das. The primary function of the Committee is to identify candidates and review all nominations for appointment of:

- members of the Board of Directors and alternate directors including their re-appointments;
- members of the Executive Committee;
- members of the Compensation Committee; and
- members of the Audit Committee.

SECURITIES TRANSACTIONS

Following the introduction of the Best Practices Guide by the SGX-ST, the Company has issued a policy on the restrictions of Share Dealing to key employees and to employees of the Group and the Company who may be in possession of sensitive information. In accordance with the Best Practices guidelines, the Company notifies the affected persons that they are prohibited from trading in the Company’s shares one month prior to the announcement of the Company’s half year and full year results. In addition, they are required to observe the insider trading laws under the Securities Industry Act at all times even when dealing in the Company’s shares within the permitted periods.

DIRECTORS' REPORT

DIRECTORS' REPORT

On behalf of all the directors of the Company, we are pleased to submit this annual report to the members together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2001.

DIRECTORS

The directors in office at the date of this report are as follows:-

Tan Ling San
 Chong Kar Kee @ Chong Ah Kau
 Foo Der Rong
 Chew Tuan Gee
 Chee Teck Kwong
 Tao Yeoh Chi
 S Chandra Das
 Gerry Lee Kian Hup (Alternate director to S Chandra Das)

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year have been those relating to the supply of provisions and household consumer products. The Company also provides management services to the Econ Minimart chain of stores. The principal activities of the subsidiaries are set out in Note 4 to the financial statements.

There have been no significant changes in the activities of the Group or of the Company during the financial year.

ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

During the financial year, a subsidiary, Health Solutions Oncology Sdn. Bhd. was deregistered from the Registrar of Companies in Malaysia.

There were no acquisitions or disposal of any other subsidiaries during the financial year.

FINANCIAL RESULTS

The results of the Group and of the Company for the financial year are as follows:-

	GROUP \$	COMPANY \$
Profit after taxation	6,450,521	2,343,052
Minority interests	(181,852)	-
Profit attributed to members of the Company	6,268,669	2,343,052
Accumulated profits brought forward, as previously reported	42,091,160	15,122,771
Prior year adjustment by an associate	(594,942)	-
Effect of adopting accounting standard:		
- SAS 10 (dividend proposed in 2000 and declared in 2001)	1,699,896	1,699,896
Accumulated profits brought forward, as restated	43,196,114	16,822,667
Shares in the Company repurchased and cancelled	(1,195,448)	(1,195,448)
Profits available for appropriation	48,269,335	17,970,271
Appropriations:		
Final dividend paid of 0.20 cents per share less tax at 24.5%	(1,699,896)	(1,699,896)
Accumulated profits carried forward	\$46,569,439	\$16,270,375

TRANSFERS TO AND FROM RESERVES OR PROVISIONS

The following material transfers to or from reserves were made during the financial year:-

	GROUP \$	COMPANY \$
CAPITAL REDEMPTION RESERVE:		
Shares in the Company repurchased and cancelled	610,950	610,950
CURRENCY TRANSLATION RESERVE		
Exchange differences on translation of financial statements of foreign subsidiaries and associates	3,765,929	-

Material movements in provisions (including allowance, impairment, depreciation and amortisation) are as set out in the accompanying financial statements.

DIRECTORS' REPORT

ISSUES OF SHARES AND DEBENTURES

During the financial year, the Company and its subsidiaries did not issue any shares or debentures.

SHARE BUY-BACKS

During the financial year, under a mandate given by shareholders at the Annual General Meeting ("AGM") held on 16 May 2001 which allows the Company to re-purchase up to 10% of its then issued share capital during the period up to its next AGM, the Company re-purchased 12,219,000 ordinary shares by way of market acquisition.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year in shares or debentures in the Company are as follows:-

	HOLDINGS IN THE NAME OF THE DIRECTOR, SPOUSE OR INFANT CHILDREN	
	AT BEGINNING OF THE YEAR	AT END OF THE YEAR
SHARES OF \$0.05 EACH FULLY PAID		
Tan Ling San	7,375,875	7,375,875
Chong Kar Kee @ Chong Ah Kau	10,314,750	10,314,750
Foo Der Rong	1,419,500	1,419,500
Chew Tuan Gee	2,966,170	2,966,170
	OTHER HOLDINGS IN WHICH THE DIRECTOR IS DEEMED TO HAVE AN INTEREST	
	AT BEGINNING OF THE YEAR	AT END OF THE YEAR
SHARES OF \$0.05 EACH FULLY PAID		
S Chandra Das	637,500	637,500

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares or debentures of the Company or of related corporations either at the beginning or at the end of the financial year.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2002.

DIVIDENDS

Since the end of the last financial year, the Company has paid a net final dividend of \$1,699,896 in respect of the previous year as proposed in the directors' report of that year. No interim dividend has been paid during the year and the directors now recommend the payment of a net final dividend of \$2,101,807 in respect of the financial year under review.

BAD AND DOUBTFUL DEBTS

Before the profit and loss account and the balance sheet of the Company were made out, the directors took reasonable steps to ascertain what action had been taken in relation to writing off bad debts and providing for doubtful debts of the Company. The directors have satisfied themselves that all known bad debts have been written off and that adequate provision has been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render any amounts written off for bad debts or provided for doubtful debts in the Group inadequate to any substantial extent.

CURRENT ASSETS

Before the profit and loss account and the balance sheet of the Company were made out, the directors took reasonable steps to ascertain that current assets of the Company which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values and that adequate provision has been made for the diminution in value of such current assets.

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report which would render the values attributable to current assets in the Group misleading.

DIRECTORS' REPORT

CHARGES AND CONTINGENT LIABILITIES

Since the end of the financial year:-

- (i) no charge on the assets of the Group or of the Company has arisen which secures the liabilities of any other person; and
- (ii) no contingent liability of the Group or of the Company has arisen.

ABILITY TO MEET OBLIGATIONS

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

OTHER CIRCUMSTANCES AFFECTING THE FINANCIAL STATEMENTS

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

UNUSUAL ITEMS

In the opinion of the directors, no item, transaction or event of a material and unusual nature has substantially affected the results of the operations of the Group or of the Company during the financial year.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

DIRECTORS' INTERESTS IN CONTRACTS

Since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

SHARE OPTIONS

During the financial year, there were:-

- (a) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries;
- (b) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under option.

AUDITORS

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

On behalf of the Board of Directors

TAN LING SAN
Director

CHONG KAR KEE @ CHONG AH KAU
Director

Singapore
18 April 2002

STATEMENT BY DIRECTORS

We, Tan Ling San and Chong Kar Kee @ Chong Ah Kau, being directors of Provisions Suppliers Corporation Limited, do hereby state that in our opinion:-

- (a) the financial statements set out on pages 32 to 69 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2001 and of the results of the business and the changes in equity of the Group and of the Company and cash flows of the Group for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has authorised these financial statements for issue on the date of this statement.

On behalf of the Board of Directors

TAN LING SAN
Director

CHONG KAR KEE @ CHONG AH KAU
Director

Singapore
18 April 2002

REPORT OF THE AUDITORS

TO THE MEMBERS OF PROVISIONS SUPPLIERS CORPORATION LIMITED

We have audited the consolidated financial statements of the Group and the financial statements of the Company for the year ended 31 December 2001 as set out on pages 32 to 69. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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 are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Statements of Accounting Standard and 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 2001 and of the results and changes in equity of the Group and of the Company and of the cash flows of the Group for the year ended on that date; and
 - (ii) the other matters required by Section 201 of the Act to be dealt with in the financial statements;
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and auditors' reports of all the subsidiaries of which we have not acted as auditors, being financial statements that have been included in the consolidated financial statements of the Group. The names of these subsidiaries are stated in note 4 to the financial statements.

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

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification, and in respect of the subsidiaries incorporated in Singapore, did not include any comment made under Section 207(3) of the Act.

KPMG
Certified Public Accountants

Singapore
 18 April 2002

BALANCE SHEETS

AS AT 31 DECEMBER 2001

	NOTE	GROUP		COMPANY	
		2001	2000	2001	2000
		\$	\$	\$	\$
NON-CURRENT ASSETS					
Property, plant and equipment	3	59,863,113	62,235,596	9,478,973	10,119,546
Investments in subsidiaries	4	-	-	23,205,184	23,205,184
Interests in associates	5	44,758,795	39,521,093	-	-
Financial assets	6(a)	12,994,620	3,994,620	12,994,620	3,994,620
Trademarks	7	-	25,321	-	-
		117,616,528	105,776,630	45,678,777	37,319,350
CURRENT ASSETS					
Inventories	8	16,911,800	18,330,826	10,457,417	11,146,099
Trade and other receivables	10	39,162,084	50,985,153	57,462,143	67,306,080
Financial assets	6(b)	190,084	235,634	190,084	235,634
Cash and cash equivalents	15	22,491,262	20,162,743	17,325,079	15,500,127
		78,755,230	89,714,356	85,434,723	94,187,940
Less:					
CURRENT LIABILITIES					
Trade and other payables	16	29,990,730	34,005,752	26,788,992	25,717,014
Current portion of					
- interest-bearing bank loans and borrowings	17	29,248,183	8,092,986	89,812	391,587
- obligations under finance leases	18	275,049	363,127	75,919	96,217
Provision for taxation		3,341,512	3,893,650	2,043,857	2,461,060
		62,855,474	46,355,515	28,998,580	28,665,878
NET CURRENT ASSETS		15,899,756	43,358,841	56,436,143	65,522,062
Less:					
NON-CURRENT LIABILITIES					
Interest-bearing bank loans and borrowings	17	162,762	23,122,543	-	-
Obligations under finance leases	18	396,493	285,999	31,633	104,633
Deferred taxation		443,769	504,960	168,800	270,000
		1,003,024	23,913,502	200,433	374,633
		132,513,260	125,221,969	101,914,487	102,466,779
MINORITY INTERESTS		(3,210,472)	(3,058,435)	-	-
NET ASSETS		\$129,302,788	\$122,163,534	\$101,914,487	\$102,466,779
CAPITAL AND RESERVES					
Share capital	19	55,676,994	56,287,944	55,676,994	56,287,944
Reserves	20	73,625,794	65,875,590	46,237,493	46,178,835
		\$129,302,788	\$122,163,534	\$101,914,487	\$102,466,779

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

PROFIT AND LOSS ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2001

	NOTE	GROUP 2001 \$	2000 \$	COMPANY 2001 \$	2000 \$
REVENUE	21	161,577,072	173,651,054	86,421,190	93,982,594
Other operating income	22(a)	3,458,354	3,196,875	10,897,430	10,854,235
		165,035,426	176,847,929	97,318,620	104,836,829
Less:					
Changes in inventories of finished goods and contract work-in-progress		1,203,902	(1,387,794)	688,682	(1,227,948)
Raw materials and consumables		109,696,153	113,902,411	80,029,101	88,311,290
Project development cost		4,689,733	15,119,495	-	-
Staff costs	22(b)	17,685,116	16,558,250	5,786,451	5,541,774
Advertisement		6,335,130	5,171,442	3,308,520	2,887,670
Depreciation of property, plant and equipment	3	4,020,040	3,727,562	816,259	849,503
Impairment loss on:					
- property, plant and equipment	3	487,200	-	-	-
- investments in subsidiaries	4	-	-	-	500,000
Amortisation of trademark	7	25,321	18,531	-	-
Other operating expenses	22(c)	12,724,503	12,909,571	3,514,220	3,755,658
Total operating expenses		156,867,098	166,019,468	94,143,233	100,617,947
PROFIT FROM OPERATIONS		8,168,328	10,828,461	3,175,387	4,218,882
Finance costs	22(e)	(2,229,157)	(2,506,070)	(8,135)	(10,689)
Share of profit of associates		3,729,911	6,134,963	-	-
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION		9,669,082	14,457,354	3,167,252	4,208,193
Taxation	23	(3,218,561)	(4,554,847)	(824,200)	(1,712,909)
PROFIT FROM ORDINARY ACTIVITIES AFTER TAXATION		6,450,521	9,902,507	2,343,052	2,495,284
Minority interests		(181,852)	59,407	-	-
NET PROFIT FOR THE YEAR		\$ 6,268,669	\$ 9,961,914	\$ 2,343,052	\$ 2,495,284
BASIC EARNINGS PER SHARE	24	0.56 CENTS	0.88 CENTS		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2001

	NOTE	SHARE CAPITAL \$	SHARE PREMIUM \$	OTHER CAPITAL RESERVES \$	CURRENCY TRANSLATION RESERVE \$	ACCUMULATED PROFITS \$	TOTAL \$
GROUP							
At 1 January 2000, as previously reported		56,287,944	29,706,655	124,106	(9,418,814)	33,234,200	109,934,091
Effect of adopting SAS 10	25(b)	-	-	-	-	1,677,381	1,677,381
At 1 January 2000, as restated		56,287,944	29,706,655	124,106	(9,418,814)	34,911,581	111,611,472
Exchange differences on translation of financial statements of							
- subsidiaries		-	-	-	(382,053)	-	(382,053)
- associates		-	-	-	2,649,582	-	2,649,582
Net profit for the year		-	-	-	-	9,961,914	9,961,914
Dividend	26	-	-	-	-	(1,677,381)	(1,677,381)
At 31 December 2000, as restated		\$ 56,287,944	\$ 29,706,655	\$ 124,106	\$ (7,151,285)	\$ 43,196,114	\$ 122,163,534
At 1 January 2001, as previously reported		56,287,944	29,706,655	124,106	(7,151,285)	42,091,160	121,058,580
Prior year adjustment by an associate	27	-	-	-	-	(594,942)	(594,942)
Effect of adopting SAS 10	25(b)	-	-	-	-	1,699,896	1,699,896
At 1 January 2001, as restated		56,287,944	29,706,655	124,106	(7,151,285)	43,196,114	122,163,534
Exchange differences on translation of financial statements of							
- subsidiaries		-	-	-	940,149	-	940,149
- associates		-	-	-	2,825,780	-	2,825,780
Net profit for the year		-	-	-	-	6,268,669	6,268,669
Shares in the Company repurchased and cancelled		(610,950)	-	610,950	-	(1,195,448)	(1,195,448)
Dividend	26	-	-	-	-	(1,699,896)	(1,699,896)
At 31 December 2001		\$ 55,676,994	\$ 29,706,655	\$ 735,056	\$ (3,385,356)	\$ 46,569,439	\$ 129,302,788

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2001

	NOTE	SHARE CAPITAL \$	SHARE PREMIUM \$	OTHER CAPITAL RESERVES \$	CURRENCY TRANSLATION RESERVE \$	ACCUMULATED PROFITS \$	TOTAL \$
COMPANY							
At 1 January 2000, as previously reported		56,287,944	29,356,168	-	-	14,327,383	99,971,495
Effect of adopting SAS 10	25(b)	-	-	-	-	1,677,381	1,677,381
At 1 January 2000, as restated		56,287,944	29,356,168	-	-	16,004,764	101,648,876
Net profit for the year		-	-	-	-	2,495,284	2,495,284
Dividend	26	-	-	-	-	(1,677,381)	(1,677,381)
At 31 December 2000, as restated		\$56,287,944	\$29,356,168	\$ -	\$ -	\$16,822,667	\$102,466,779
At 1 January 2001, as previously reported		56,287,944	29,356,168	-	-	15,122,771	100,766,883
Effect of adopting SAS 10	25(b)	-	-	-	-	1,699,896	1,699,896
At 1 January 2001, as restated		56,287,944	29,356,168	-	-	16,822,667	102,466,779
Net profit for the year		-	-	-	-	2,343,052	2,343,052
Shares in the Company repurchased and cancelled		(610,950)	-	610,950	-	(1,195,448)	(1,195,448)
Dividend	26	-	-	-	-	(1,699,896)	(1,699,896)
At 31 December 2001		\$55,676,994	\$29,356,168	\$ 610,950	\$ -	\$16,270,375	\$101,914,487

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2001

	2001 \$	GROUP 2000 \$
OPERATING ACTIVITIES		
Profit from ordinary activities before taxation	9,669,082	14,457,354
Adjustments for:		
Depreciation of property, plant and equipment	4,020,040	3,727,562
Share of profit of associates	(3,729,911)	(6,134,963)
Amortisation of trademarks	25,321	18,531
Pre-operating expenses	-	2,148
(Gain)/loss on disposal of property, plant and equipment	(70,222)	85,824
Property, plant and equipment written off	613	2,025
Impairment losses on property, plant and equipment and financial assets	533,200	150,000
Interest expense	2,229,157	2,506,070
Interest income	(1,012,022)	(821,240)
Dividend income	(6,553)	(3,287)
Operating profit before working capital changes	11,658,705	13,990,024
Changes in working capital:		
Inventories	1,588,228	(3,089,101)
Trade and other receivables	12,255,179	(713,162)
Trade and other payables	(4,344,487)	1,181,756
Cash generated from operations	21,157,625	11,369,517
Interest paid	(2,229,157)	(2,506,070)
Interest received	910,993	741,880
Income tax paid	(2,407,144)	(1,682,207)
CASH FLOWS FROM OPERATING ACTIVITIES	17,432,317	7,923,120
INVESTING ACTIVITIES		
Purchase of financial assets	(9,000,450)	(3,077,520)
Dividend income received	6,553	3,287
Purchase of property, plant and equipment	(1,773,486)	(1,360,240)
Proceeds from sale of property, plant and equipment	616,484	321,061
Pre-operating expenses	-	(2,148)
Shares repurchased and cancelled	(1,195,448)	-
Contribution to share capital of an associate	(120,000)	-
CASH FLOWS FROM INVESTING ACTIVITIES	(11,466,347)	(4,115,560)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2001

	NOTE	2001 \$	GROUP 2000 \$
FINANCING ACTIVITIES			
Finance lease payables		(227,272)	(634,510)
Proceeds from bank loans		141,024	220,040
Repayment of bank loans		(829,482)	(787,920)
Dividend paid		(1,699,896)	(1,677,381)
CASH FLOWS FROM FINANCING ACTIVITIES		(2,615,626)	(2,879,771)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		3,350,344	927,789
Cash and cash equivalents at beginning of the year		17,168,379	16,237,344
Effect of exchange rate changes on balances held in foreign currencies		(37,862)	3,246
Cash and cash equivalents at end of the year	15	\$20,480,861	\$17,168,379

During the year, the Group acquired property, plant and equipment with an aggregate cost of \$2,021,075 (2000: \$1,653,083), of which \$247,589 (2000: \$292,843) was acquired by means of finance leases. Cash payments of \$1,773,486 (2000: \$1,360,240) were made to purchase property, plant and equipment.

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Directors on 18 April 2002.

1. DOMICILE AND ACTIVITIES

Provisions Suppliers Corporation Limited (the “Company”) is incorporated in the Republic of Singapore with its registered office at 348 Jalan Boon Lay, Singapore 619529.

The principal activities of the Company are those relating to the supply of provisions and household consumer products. The Company also provides management services to the Econ Minimart chain of stores. The principal activities of the subsidiaries are set out in note 4 to the financial statements.

The consolidated financial statements for the year ended 31 December 2001 relate to the Company and its subsidiaries (referred to as the “Group”) and the Group’s interests in associates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Singapore Statements of Accounting Standard (“SAS”) (including Interpretations of Statements of Accounting Standard) issued by the Institute of Certified Public Accountants of Singapore and the applicable requirements of the Singapore Companies Act, Chapter 50.

(B) BASIS OF PREPARATION

The financial statements, which are expressed in Singapore dollars, are prepared on the historical cost basis except that certain property, plant and equipment are stated at valuation and certain investments in securities are stated at fair value.

In 2001, the Group and the Company have changed their accounting policies as a result of adopting nine new or revised accounting standards which have become effective for the financial statements for 2001. The benchmark treatment given in SAS 8 (revised 2000) – *Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies* of applying the changes retrospectively by adjusting the opening balance of the accumulated profits of the prior and current year has been adopted, unless such treatment is prohibited or modified by the specific transitional provisions set out in the respective standards being adopted. Details of the effects of adopting the standards are given in note 25.

(C) BASIS OF CONSOLIDATION

(i) Subsidiaries

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company 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 commences until the date that control ceases.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(C) BASIS OF CONSOLIDATION (CONT'D)

(ii) *Associates*

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

The consolidated financial statements include the Group's share of the total recognised gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

(iii) *Transactions Eliminated on Consolidation*

All significant intra-group transactions, balances and unrealised gains are eliminated on consolidation. Unrealised gains resulting from transactions with associates are eliminated to the extent of the Group's interest in the enterprise. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iv) *Disposals*

On disposal of a subsidiary or an associate, any attributable amount of purchased goodwill not previously amortised through the profit and loss account or which has previously been dealt with as a movement in Group reserves is included in the calculation of the profit or loss on disposal.

(D) SUBSIDIARIES

Investments in subsidiaries in the Company's balance sheet are stated at cost less impairment losses.

(E) ASSOCIATES

In the Company's balance sheet, investments in associates are stated at cost less impairment losses.

The results of the associates are included in the Company's profit and loss account to the extent of dividends received and receivable, providing the Company's right to receive the dividend is established before the balance sheet date.

(F) FOREIGN CURRENCIES

(i) *Translation of Foreign Currencies*

Monetary assets and liabilities in foreign currencies, except for foreign currency assets and liabilities hedged by foreign exchange contracts, are translated into Singapore dollars at rates of exchange approximate to those ruling at the balance sheet date. Foreign currency assets and liabilities hedged by forward exchange contracts are translated into Singapore dollars at the contracted forward exchange rates. Transactions in foreign currencies are translated at rates ruling on transaction dates. Except for situations described below, translation differences are included in the profit and loss account:

- Where foreign currency loans provide an effective hedge against the net investment in foreign subsidiaries and associates, exchange differences arising on the loans are recognised directly in equity until disposal of the investments.
- Where monetary items in substance form part of the Group's net investment in the foreign subsidiaries and associates, exchange differences arising on such monetary items are recognised directly in equity until disposal of the investments.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(F) FOREIGN CURRENCIES (CONT'D)

(ii) *Financial Statements of Foreign Operations*

The Group's foreign operations are not considered an integral part of the Company's operations. Accordingly, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into Singapore dollars at the rates of exchange ruling at the balance sheet date. The results of foreign operations are translated at the average exchange rates for the year. Exchange differences arising on translation are recognised directly in equity.

(G) PROPERTY, PLANT AND EQUIPMENT

(i) *Owned Assets*

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for the leasehold building which is stated at its revalued amount. The revalued amount is the fair value determined on the basis of existing use at the date of revaluation less any subsequent accumulated depreciation. The Group does not have any formal policy with regard to the frequency for the revaluation of property, plant and equipment.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) *Revaluation Surplus*

Any increase on revaluation is credited to revaluation surplus unless it offsets a previous decrease in value recognised in the profit and loss account. A decrease in value is recognised in the profit and loss account where it exceeds the increase previously recognised in the revaluation surplus.

(iii) *Subsequent Expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

(iv) *Disposal*

Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the profit and loss account on the date of retirement or disposal.

For property, plant and equipment carried at revalued amounts, any related revaluation surplus is transferred from the revaluation reserve to accumulated profits.

(v) *Leased Assets*

Leases in terms of which the Group assumes substantially all risks and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at an amount equal to the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalised leased assets are depreciated over the shorter of the economic useful life of the asset and the lease term.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(G) PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(vi) Depreciation

No depreciation is provided on freehold land. Leasehold buildings are depreciated on the straight-line basis over the respective remaining periods of the leases from the dates of acquisition which range between 16 years and 38 years. Leasehold improvements are depreciated on the straight-line basis over the remaining lease periods. Other property, plant and equipment are depreciated on the straight line basis to write off their costs over their estimated useful lives as follows:-

Freehold buildings	-	50 years
Renovations	-	3 to 10 years
Furniture, fittings and office equipment	-	6 to 10 years
Warehouse equipment	-	6 to 10 years
Motor vehicles	-	4 to 10 years
Plant and machinery	-	6 to 10 years
Computers	-	3 to 5 years

(H) FINANCIAL ASSETS

Debt securities held for the long-term are stated at cost less allowance for diminution in value which, in the opinion of the directors, are other than temporary.

Equity securities held for the short-term are stated at market value, on a portfolio basis. Any increases or decreases in carrying amount are included in the profit and loss account.

Profits or losses on disposal of financial assets are determined as the difference between the net disposal proceeds and the carrying amount of the financial assets and are accounted for in the profit and loss account as they arise.

(I) INTANGIBLES

(i) Trademarks

Trademarks are amortised over a period of between three and ten years.

(ii) Goodwill and Negative Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired. Goodwill is stated at cost less accumulated amortisation and impairment losses. Goodwill is amortised from the date of initial recognition over its estimated useful life of not more than 20 years.

Negative goodwill arising on acquisition represents the excess of the fair value of the identifiable net assets acquired over the cost of acquisition.

To the extent that negative goodwill relates to an expectation of future losses and expenses that are identified in the plan of acquisition and can be measured reliably, but which have not yet been recognised, it is recognised in the profit and loss account when the future losses and expenses are recognised. Any remaining negative goodwill, but not exceeding the fair values of the non-monetary assets acquired, is recognised in the profit and loss account over the weighted average useful life of those assets that are depreciable or amortisable. Negative goodwill in excess of the fair values of the non-monetary assets acquired is recognised immediately in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(J) DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments such as forward foreign exchange contracts to hedge its exposure to foreign exchange arising from its operational and financing activities. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments used for hedging purposes are accounted for on an equivalent basis to the underlying assets, liabilities or net positions. Any profit or loss arising is recognised on the same basis as that arising from the related assets, liabilities or positions.

(K) INVENTORIES

(i) *Trading Goods*

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

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any allowance for write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any allowance for write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(ii) *Contract Work-In-Progress*

Contract work-in-progress at the balance sheet date are recorded at the net amount of costs incurred plus attributable profits and after deducting progress billings.

Contract costs comprise costs that relate directly to the contracts, attributable to the contract activity in general and can be allocated to the specific contract, and other costs chargeable to the customer within the terms of the contract. Losses on contracts are recognised in the financial statements as soon as the loss is foreseen. Such losses recognised include both the loss for the stage of completion reached on the contracts and the loss for future works on the contracts.

(L) TRADE AND OTHER RECEIVABLES

Trade and other receivables are stated at cost less allowance for doubtful receivables.

(M) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(N) IMPAIRMENT

The carrying amounts of the Group's assets, other than inventories, 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.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. An impairment loss in respect of leasehold building carried at revalued amount is recognised in the same way as a revaluation decrease. All other impairment losses are recognised in the profit and loss account.

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only 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. A reversal of an impairment loss in respect of leasehold building carried at revalued amount is recognised in the same way as a revaluation increase. All other reversals of impairment are recognised in the profit and loss account.

An 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 the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

(O) TRADE AND OTHER PAYABLES

Trade and other payables are stated at cost.

(P) INTEREST-BEARING BANK LOANS AND BORROWINGS

Interest-bearing bank loans and borrowings are recognised at cost.

(Q) DEFINED CONTRIBUTION PLANS

Contributions to defined contribution pension plans are recognised as an expense in the profit and loss account as incurred.

(R) PROVISIONS

A provision is recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(S) DEFERRED TAXATION

Deferred taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to crystallise in the foreseeable future.

Deferred tax benefits are recognised in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realisable in the near future.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(T) SHARE CAPITAL

(i) *Repurchase of Share Capital*

When share capital recognised as equity is repurchased, the issued share capital is reduced by the par value of the shares repurchased and transferred to a capital redemption reserve. The costs associated with the repurchase, comprising the purchase consideration plus costs incidental to the acquisition are set off against accumulated profits.

(ii) *Dividends*

Dividends on ordinary shares are recognised as a liability in the period in which they are declared.

(U) REVENUE RECOGNITION

(i) *Sale of Goods*

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue excludes goods and services or other sales taxes and is after deduction of any trade discounts. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(ii) *Contracts*

Revenue from construction contracts is recognised on the percentage of completion method measured by reference to the percentage of actual costs incurred to date against budgeted costs.

(iii) *Revenue from Hotel Operations*

Revenue arising from hotel operations is recognised when the relevant services are rendered.

(iv) *Interest Income, Dividend Income, Fee Income, Claims and Rebates and Rental Income*

Interest income from bank deposits is accrued on a time-apportioned basis on the principal outstanding and at the rate applicable.

Dividend income is recognised when the right to receive payment is established.

Fee income, claims and rebates and rental income are recognised on an accrual basis.

(V) OPERATING LEASES

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in the profit and loss account on a straight line basis over the term of the lease. Lease incentives received are recognised in the profit and loss account as an integral part of the total lease payments made. Contingent rentals are charged to the profit and loss account in the accounting period in which they are incurred.

(W) FINANCE COSTS

Interest expense and similar charges are expensed in the profit and loss account in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to prepare for its intended use or sale.

The interest component of finance lease payments is recognised in the profit and loss account using the effective interest rate method.

(X) SEGMENT REPORTING

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

3. PROPERTY, PLANT AND EQUIPMENT

GROUP	VALUATION		COST									
	LEASEHOLD BUILDING	LEASEHOLD BUILDINGS	FREEHOLD LAND	FREEHOLD BUILDINGS	LEASEHOLD IMPROVEMENTS	RENOVATIONS	FURNITURE, AND OFFICE EQUIPMENT	WAREHOUSE EQUIPMENT	MOTOR VEHICLES	PLANT AND MACHINERY	COMPUTERS	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
VALUATION/COST												
At 1 January 2001	8,500,000	6,026,294	6,994,920	33,984,147	3,063,141	1,848,092	2,104,301	1,887,372	6,054,956	11,953,111	1,642,402	84,058,736
Additions	-	-	-	111,933	-	235,628	351,240	16,834	755,024	252,299	298,117	2,021,075
Disposals	-	-	-	(278,922)	-	(173,195)	(129,373)	(187,316)	(645,593)	(849,010)	(39,209)	(2,302,618)
Written off	-	-	-	-	-	-	(12,492)	-	(26,652)	-	(31,982)	(71,126)
Transfers	-	-	-	-	-	(110,808)	110,808	-	-	-	-	-
Translation differences on consolidation	-	365,019	495,327	(181,573)	-	25,732	65,698	-	37,723	66,015	13,528	887,469
At 31 December 2001	\$ 8,500,000	\$ 6,391,313	\$ 7,490,247	\$ 33,635,585	\$ 3,063,141	\$ 1,825,449	\$ 2,490,182	\$ 1,716,890	\$ 6,175,458	\$ 11,422,415	\$ 1,882,856	\$ 84,593,536
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES												
At 1 January 2001	2,460,526	2,461,752	-	1,691,835	848,658	1,448,315	1,393,036	1,270,509	3,203,965	6,304,442	750,102	21,823,140
Depreciation for the year	223,684	609,157	-	616,960	83,873	81,479	219,031	149,372	651,673	1,059,384	325,427	4,020,040
Impairment loss	-	-	487,200	-	-	-	-	-	-	-	-	487,200
Disposals	-	-	-	(20,454)	-	(173,195)	(113,345)	(185,315)	(455,032)	(777,451)	(31,564)	(1,756,356)
Written off	-	-	-	-	-	-	(11,889)	-	(26,652)	-	(31,972)	(70,513)
Transfers	-	-	-	-	-	(33,416)	33,416	-	-	-	-	-
Translation differences on consolidation	-	89,344	-	16,430	-	4,858	33,519	-	10,857	66,405	5,499	226,912
At 31 December 2001	\$ 2,684,210	\$ 3,160,253	\$ 487,200	\$ 2,304,771	\$ 932,531	\$ 1,328,041	\$ 1,543,768	\$ 1,234,566	\$ 3,384,811	\$ 6,652,780	\$ 1,017,492	\$ 24,730,423
DEPRECIATION CHARGE FOR 2000	\$ 223,684	\$ 102,612	\$ -	\$ 624,456	\$ 82,788	\$ 136,706	\$ 232,044	\$ 194,189	\$ 624,802	\$ 1,236,037	\$ 270,244	\$ 3,727,562
CARRYING AMOUNT												
31 December 2001	\$ 5,815,790	\$ 3,231,060	\$ 7,003,047	\$ 31,330,814	\$ 2,130,610	\$ 497,408	\$ 946,414	\$ 482,324	\$ 2,790,647	\$ 4,769,635	\$ 865,364	\$ 59,863,113
31 December 2000	\$ 6,039,474	\$ 3,564,542	\$ 6,994,920	\$ 32,292,312	\$ 2,214,483	\$ 399,777	\$ 721,265	\$ 616,863	\$ 2,850,991	\$ 5,648,669	\$ 892,300	\$ 62,235,596

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

3. PROPERTY, PLANT AND EQUIPMENT (CONTD)

COMPANY	VALUATION		COST							TOTAL
	LEASEHOLD BUILDING	LEASEHOLD IMPROVEMENTS	RENOVATIONS	FURNITURE, FITTINGS AND OFFICE EQUIPMENT	WAREHOUSE EQUIPMENT	MOTOR VEHICLES	PLANT AND MACHINERY	COMPUTERS		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
VALUATION/COST										
At 1 January 2001	8,500,000	3,063,141	1,108,075	912,257	552,849	1,974,652	510,604	1,135,772	17,757,350	
Additions	-	-	-	22,858	16,834	69,154	40,000	49,383	198,229	
Disposals	-	-	-	(26,300)	-	(157,149)	(33,000)	-	(216,449)	
At 31 December 2001	\$ 8,500,000	\$ 3,063,141	\$ 1,108,075	\$ 908,815	\$ 569,683	\$ 1,886,657	\$ 517,604	\$ 1,185,155	\$17,739,130	
ACCUMULATED DEPRECIATION										
At 1 January 2001	2,460,526	848,658	1,081,694	741,857	479,414	1,170,244	376,022	479,389	7,637,804	
Depreciation for the year	223,684	83,873	15,400	49,168	17,893	201,630	41,224	183,387	816,259	
Disposals	-	-	-	(26,300)	-	(136,806)	(30,800)	-	(193,906)	
At 31 December 2001	\$ 2,684,210	\$ 932,531	\$ 1,097,094	\$ 764,725	\$ 497,307	\$ 1,235,068	\$ 386,446	\$ 662,776	\$ 8,260,157	
DEPRECIATION CHARGE FOR 2000	\$ 223,684	\$ 82,788	\$ 15,809	\$ 55,301	\$ 53,585	\$ 207,235	\$ 50,637	\$ 160,464	\$ 849,503	
CARRYING AMOUNT										
31 December 2001	\$ 5,815,790	\$ 2,130,610	\$ 10,981	\$ 144,090	\$ 72,376	\$ 651,589	\$ 131,158	\$ 522,379	\$ 9,478,973	
31 December 2000	\$ 6,039,474	\$ 2,214,483	\$ 26,381	\$ 170,400	\$ 73,435	\$ 804,408	\$ 134,582	\$ 656,383	\$10,119,546	

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) The leasehold building stated at directors' valuation is based on an independent professional valuation carried out on an open market value basis in 1990.

Had the leasehold building been stated at cost, the net book value in the Group and in the Company would have been \$5,681,977 (2000: \$5,900,514).

- (b) Included in the net book value of property, plant and equipment of the Group and of the Company are assets with net book value of \$1,002,126 (2000: \$2,036,886) and \$256,725 (2000: \$426,257), respectively, which are acquired under finance leases.

4. INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2001	2000
	\$	\$
Unquoted shares, at cost	24,705,184	24,705,184
Less:		
Impairment losses		
At 1 January	1,500,000	1,000,000
Impairment loss made during the year	-	500,000
At 31 December	1,500,000	1,500,000
	\$23,205,184	\$23,205,184

Details of the subsidiaries are as follows:-

NAME OF SUBSIDIARY	PRINCIPAL ACTIVITIES	PLACE OF INCORPORATION/ BUSINESS	EFFECTIVE EQUITY HELD BY THE GROUP		COST OF INVESTMENT	
			2001 %	2000 %	2001 \$	2000 \$
Topseller Pte Ltd and its subsidiary:-	Supply of agency products to supermarkets, hotels, institutions and provision shops	Singapore	100	100	1,000,000	1,000,000
A.T. Chemical Pte Ltd	Marketing and distribution of chemical products	Singapore	100	100		
Econ Minimart Services Pte Ltd	Dormant	Singapore	100	100	2	2
Tipex Trading Pte Ltd and its subsidiaries:-	Supply of provisions and household products	Singapore	74	74	370,000	370,000
Tips Trading Pte Ltd	Supply of shelving	Singapore	74	74		
Balance carried forward					1,370,002	1,370,002

NOTES TO THE FINANCIAL STATEMENTS

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4. INVESTMENTS IN SUBSIDIARIES (CONT'D)

NAME OF SUBSIDIARY	PRINCIPAL ACTIVITIES	PLACE OF INCORPORATION/ BUSINESS	EFFECTIVE EQUITY HELD BY THE GROUP		COST OF INVESTMENT	
			2001 %	2000 %	2001 \$	2000 \$
		Balance brought forward			1,370,002	1,370,002
# Tipex Investment Pte Ltd	Dormant	Singapore	74	74		
* Tips Industry (M) Sdn. Bhd.	Packing of paper products	Malaysia	74	74		
* Beautex Marketing (M) Sdn. Bhd.	Sale of paper products and household consumer products	Malaysia	74	74		
# A & P Marketing Pte Ltd	Dormant	Singapore	100	100	1,003	1,003
* Socma Trading (M) Sdn. Bhd. and its subsidiaries:-	Marketing and sale of household consumer products	Malaysia	100	100	4,334,177	4,334,177
* Econfood Manufacturing (M) Sdn. Bhd.	Manufacture of edible oils and jelly products	Malaysia	100	100		
* Fresh Fruit Juice Manufacturing (M) Sdn. Bhd.	Manufacture of fruit juice drinks	Malaysia	100	100		
PSC Investment Pte Ltd and its subsidiaries:-	Investment holding	Singapore	100	100	2,000,000	2,000,000
# Fortune Bright Investment Pte Ltd and its subsidiary:-	Investment holding	Singapore	51	51		
# Fortune Bakery Singapore (Pte) Ltd	Investment holding	Singapore	51	51		
Mountain Investment Pte Ltd and its subsidiary:-	Investment holding	Singapore	100	100		
# Harbin Cartel International Club Co Ltd	Entertainment and hotel operator	People's Republic of China	60	60		
		Balance carried forward			7,705,182	7,705,182

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

4. INVESTMENTS IN SUBSIDIARIES (CONT'D)

NAME OF SUBSIDIARY	PRINCIPAL ACTIVITIES	PLACE OF INCORPORATION/ BUSINESS	EFFECTIVE EQUITY HELD BY THE GROUP		COST OF INVESTMENT	
			2001 %	2000 %	2001 \$	2000 \$
			Balance brought forward		7,705,182	7,705,182
Fortune Food Manufacturing Pte Ltd and its subsidiary:-	Manufacture of soya bean products	Singapore	100	100	6,000,000	6,000,000
Fortune Food Marketing Pte Ltd	Sale of soya bean products	Singapore	100	100		
PSC Resort Pte Ltd	Marketing agent of golf memberships	Singapore	100	100	1,000,000	1,000,000
Topseller Develop- ment Pte Ltd and its subsidiary:-	Investment holding	Singapore	100	100	2	2
* Flobina Sdn. Bhd.	Property	Malaysia development	100	100		
PSC International Pte Ltd and its subsidiaries:-	Investment holding	Singapore	100	100	10,000,000	10,000,000
* Playford Hotel Pty Ltd	Hotel	Australia	70	70		
HSI Group Pte Ltd and its subsidiaries:-	Investment holding	Singapore	95	95		
# Health Solutions (Malaysia) Sdn. Bhd. and its subsidiaries:-	Provision of health care consultancy and hospital management services	Malaysia	95	95		
# Health Solutions Service Sdn. Bhd.	Dormant	Malaysia	67	67		
## Health Solutions Oncology Sdn. Bhd.	Formulation, implementation of and operations of government cervical programme	Malaysia	-	76		
					\$24,705,184	\$24,705,184

* Audited by other member firms of KPMG International.

Audited by other firms of Certified Public Accountants.

Deregistered during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

5. INTERESTS IN ASSOCIATES

	NOTE	GROUP	
		2001 \$	2000 \$
Unquoted shares, at cost		14,464,011	14,344,011
Share premium	20	350,487	350,487
Share of post-acquisition retained earnings		29,495,218	27,203,296
Currency translation reserve		449,079	(2,376,701)
		\$44,758,795	\$39,521,093

Details of the associates are as follows:-

NAME OF ASSOCIATE	PRINCIPAL ACTIVITIES	PLACE OF INCORPORATION/ BUSINESS	EFFECTIVE EQUITY HELD BY THE GROUP	
			2001 %	2000 %
Health Solutions (Australia) Pty Ltd and its subsidiaries:-	) Provision of health) care consultancy and) hospital management) services	Australia	46.5	46.5
Health Solutions (WA) Pty Ltd	)	Australia	33.7	33.7
Health Solutions Pty Ltd	)	Australia	27.9	27.9
Health Solutions (NSW) Pty Ltd	)	Australia	41.9	41.9
Health Solutions (S.E. Asia) Sdn. Bhd.	Provision of health care consultancy and hospital management services	Malaysia	28.5	28.5
Andaria Sdn. Bhd.	Dormant	Malaysia	28.5	28.5
Pulai Springs Resort Berhad	Developer, proprietor and operator of a golf and country club and other recreational facilities	Malaysia	50	50
Pancagala Resouces Sdn. Bhd.	Developer, proprietor and operator of a golf and country club and other recreational facilities	Malaysia	50	50
Freshpoint Sdn. Bhd.	Dormant	Malaysia	29	29
Harbin Puwei Real Estate Development Co Ltd	Development of property in China	People's Republic of China	40	40
Longkou Luzhibei Preserved Fruit Company Limited	Manufacture and distribution of preserved fruits	People's Republic of China	40	40
Sanya Fu Dao Tourism Co Ltd	Operation of a hotel in China	People's Republic of China	40	40
Topseller Chemical (China) Company Limited	Supply of washing powder and detergents	People's Republic of China	40	40
Provisions (Asia) Trading Pte Ltd	Export and import of food products	Singapore	40	40

Except for Provisions (Asia) Trading Pte Ltd, all of the above associates are audited by other firms of Certified Public Accountants.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

6. FINANCIAL ASSETS

		GROUP AND COMPANY	
		2001	2000
		\$	\$
(A)	NON-CURRENT FINANCIAL ASSETS		
	Quoted debt securities	\$12,994,620	\$3,994,620
	<i>Market Value</i>		
	Quoted debt securities	\$12,725,000	\$ 4,098,000
(B)	CURRENT FINANCIAL ASSETS		
	Quoted equity securities	386,084	385,634
	Less:		
	Impairment losses:		
	At 1 January	150,000	-
	Impairment loss made during the year	46,000	150,000
	At 31 December	196,000	150,000
		\$ 190,084	\$ 235,634
	<i>Market Value</i>		
	Quoted equity securities	\$ 190,852	\$ 253,003

7. TRADEMARKS

		GROUP	
		2001	2000
		\$	\$
	At cost	363,050	363,050
	Less:		
	Accumulated amortisation:		
	At 1 January	337,729	319,198
	Amortisation during the year	25,321	18,531
	At 31 December	363,050	337,729
		\$ -	\$ 25,321

8. INVENTORIES

	NOTE	GROUP		COMPANY	
		2001	2000	2001	2000
		\$	\$	\$	\$
Raw materials		1,269,337	1,661,783	-	-
Finished goods		14,588,651	15,649,871	10,479,927	11,168,609
Packing materials		57,208	41,977	-	-
Balance carried forward		15,915,196	17,353,631	10,479,927	11,168,609

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

8. INVENTORIES (CONT'D)

	NOTE	2001 \$	GROUP 2000 \$	2001 \$	COMPANY 2000 \$
Balance brought forward		15,915,196	17,353,631	10,479,927	11,168,609
Less:					
Allowance for finished goods:					
At 1 January		222,436	202,012	22,510	22,510
Allowance made during the year		69,009	86,429	-	-
Allowance used during the year		(91,002)	(68,825)	-	-
Translation difference		4,867	2,820	-	-
At 31 December		205,310	222,436	22,510	22,510
		15,709,886	17,131,195	10,457,417	11,146,099
Contract work-in-progress	9	1,201,914	1,199,631	-	-
		\$16,911,800	\$18,330,826	\$10,457,417	\$11,146,099

9. CONTRACT WORK-IN-PROGRESS

		2001 \$	GROUP 2000 \$
Project costs		23,331,864	17,485,219
Add : Attributable profit		5,493,635	4,061,169
		28,825,499	21,546,388
Less : Progress billings		27,623,585	20,346,757
		\$ 1,201,914	\$ 1,199,631

10. TRADE AND OTHER RECEIVABLES

	NOTE	2001 \$	GROUP 2000 \$	2001 \$	COMPANY 2000 \$
Trade receivables	11	27,069,038	30,448,038	11,216,462	14,233,457
Deposits, prepayments and other receivables	12	2,254,008	2,451,249	485,321	1,329,678
Amounts due from:					
- subsidiaries	13	-	-	43,797,547	46,965,526
- associates (non-trade)	14	9,835,183	18,085,866	1,958,958	4,777,419
- related corporation (non-trade)		3,855	-	3,855	-
		\$39,162,084	\$50,985,153	\$57,462,143	\$67,306,080

The non-trade amount due from a related corporation is unsecured, interest-free and has no fixed term of repayment.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

11. TRADE RECEIVABLES

	GROUP		COMPANY	
	2001	2000	2001	2000
	\$	\$	\$	\$
Trade receivables	29,381,959	33,021,843	11,621,422	14,606,892
Less:				
Allowance for doubtful receivables:				
At 1 January	2,573,805	2,365,662	373,435	298,290
Allowance made during the year	60,907	249,983	31,525	75,145
Allowance used during the year	(365,108)	(63,154)	-	-
Translation difference	43,317	21,314	-	-
At 31 December	2,312,921	2,573,805	404,960	373,435
	\$27,069,038	\$30,448,038	\$11,216,462	\$14,233,457

12. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2001	2000	2001	2000
	\$	\$	\$	\$
Deposits	297,033	144,865	8,857	5,170
Prepayments	440,922	493,911	38,266	72,084
Non-trade receivables	969,294	1,366,600	247,923	1,059,612
Club memberships	418,948	90,000	90,000	90,000
Interest receivables	104,315	111,826	100,275	102,812
Recoverables	-	117,950	-	-
Amount due from minority shareholder of a subsidiary	23,496	126,097	-	-
	\$ 2,254,008	\$ 2,451,249	\$ 485,321	\$ 1,329,678

13. AMOUNTS DUE FROM SUBSIDIARIES

	COMPANY	
	2001	2000
	\$	\$
Loans:		
- interest-bearing	-	1,449,177
- interest-free	4,461,677	4,187,677
Current accounts:		
- trade	15,126,729	14,833,279
- non-trade	26,609,141	28,895,393
	46,197,547	49,365,526
Less:		
Allowance for doubtful receivables	2,400,000	2,400,000
	\$43,797,547	\$46,965,526

The non-trade amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment .

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

14. AMOUNTS DUE FROM/(TO) ASSOCIATES

The amounts due from/(to) associates are unsecured, interest-free and have no fixed terms of repayment, except for an interest-bearing loan from a subsidiary to an associate of \$265,579 (2000: \$796,668) which bears interest at 6.138% per annum.

15. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2001	2000	2001	2000
	\$	\$	\$	\$
Cash at bank and in hand	2,757,398	2,242,142	193,239	238,390
Fixed deposits	19,733,864	17,920,601	17,131,840	15,261,737
	22,491,262	20,162,743	17,325,079	15,500,127
Bank overdrafts	(2,010,401)	(2,994,364)	(89,812)	(391,587)
Cash and cash equivalents in the statement of consolidated cash flows	\$20,480,861	\$17,168,379	\$17,235,267	\$15,108,540

Included in fixed deposits is \$855,000 (2000: \$150,000) relating to securities deposits from customers of the Company.

16. TRADE AND OTHER PAYABLES

		GROUP		COMPANY	
	NOTE	2001	2000	2001	2000
		\$	\$	\$	\$
Trade payables and accruals		24,154,131	26,557,502	14,475,153	14,828,761
Amounts due to					
- subsidiaries (mainly trade)		-	-	11,058,057	9,735,419
- associates (non-trade)	14	1,640,493	2,262,630	13,092	242,618
Bill payables		252,233	625,366	252,233	625,366
Other payables		3,943,873	4,560,254	990,457	284,850
		\$29,990,730	\$34,005,752	\$26,788,992	\$25,717,014

17. INTEREST-BEARING BANK LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group and the Company's interest-bearing loans and borrowings. For more information about the Group and the Company's exposure to interest rate and currency risk, refer to note 31.

	GROUP		COMPANY	
	2001	2000	2001	2000
	\$	\$	\$	\$
NON-CURRENT LIABILITIES				
Secured bank loans	\$ 162,762	\$23,122,543	-	-
CURRENT LIABILITIES				
Current portion of:				
Secured bank loans	22,671,145	832,475	-	-
Unsecured bank loans	6,577,038	7,260,511	89,812	391,587
	\$29,248,183	\$ 8,092,986	\$ 89,812	\$ 391,587

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

17. INTEREST-BEARING BANK LOANS AND BORROWINGS (CONT'D)

TERMS AND DEBT REPAYMENT SCHEDULE

NOTE	2001			2000		
	TOTAL	WITHIN 1 YEAR	AFTER 1 YEAR BUT WITHIN 5 YEARS	TOTAL	WITHIN 1 YEAR	AFTER 1 YEAR BUT WITHIN 5 YEARS
	\$	\$	\$	\$	\$	\$
GROUP						
SECURED						
Long-term loans						
- Loan A	22,593,105	22,593,105	-	23,661,535	767,920	22,893,615
- Loan B	240,802	78,040	162,762	378,002	149,074	228,928
	22,833,907	22,671,145	162,762	24,039,537	916,994	23,122,543
UNSECURED						
Short-term loans	1,634,130	1,634,130	-	1,967,202	1,967,202	-
Bank overdrafts	2,010,401	2,010,401	-	2,994,364	2,994,364	-
Trust receipts	2,932,507	2,932,507	-	2,214,426	2,214,426	-
	6,577,038	6,577,038	-	7,175,992	7,175,992	-
	\$29,410,945	\$29,248,183	\$ 162,762	\$31,215,529	\$ 8,092,986	\$23,122,543
COMPANY						
UNSECURED						
Bank overdrafts	15 \$ 89,812	\$ 89,812	\$ -	\$ 391,587	\$ 391,587	\$ -

SECURED

The secured long-term loans comprise:-

Loan A - Term loan of A\$23,850,000, equivalent to \$22,593,105, (2000: A\$24,650,000, equivalent to \$23,661,535), which is secured by a first legal mortgage over the freehold land and building owned by a subsidiary with a carrying value of \$28,274,521 as at 31 December 2001 (2000: \$29,254,900), a fixed and floating charge over the subsidiary's present and future assets and a guarantee from the Company. The term loan bears interest at 8.1% per annum. The loan is repayable by annual instalments of A\$400,000 in April 2000, followed by annual instalment of A\$800,000 thereafter. The balance of the outstanding term loan shall be repaid in full on the fifth anniversary of the loan draw-down date unless advised by the bank that it has been extended for a further term.

Loan B - Term loan of RM494,257, equivalent to \$240,802, (2000: RM828,589, equivalent to \$378,002) which is secured by fixed charges on a subsidiary's freehold land and building with a carrying value of \$1,200,977 as at 31 December 2001 (2000: \$1,143,797). The term loan bears interest at 1.75% above the bank's base lending rate and is repayable in 60 monthly instalments commencing November 1999.

UNSECURED

The unsecured short-term loans comprise:-

- Bank term loan of \$600,000 (2000: \$1,000,000) which bears interest at rates ranging from 3.4% to 4.2% (2000: 4.3% to 4.5%) per annum. The loan is repayable by 17 April 2002.
- Bank term loan of RMB4,632,900 equivalent to \$1,034,130 (2000: RMB4,632,900 equivalent to \$967,202) which bears fixed interest rate of 6.7% (2000: 6.7%) per annum. The loan is repayable by 31 December 2001.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

18. OBLIGATIONS UNDER FINANCE LEASES

As at 31 December 2001, the Group and the Company had obligations under finance leases that are repayable as follows:-

	2001			2000		
	PAYMENTS	INTEREST	PRINCIPAL	PAYMENTS	INTEREST	PRINCIPAL
	\$	\$	\$	\$	\$	\$
GROUP						
Within 1 year	301,487	26,438	275,049	400,689	37,562	363,127
After 1 year but within 5 years	457,399	72,866	384,533	317,539	44,919	272,620
After 5 years	14,189	2,229	11,960	16,331	2,952	13,379
	773,075	101,533	671,542	734,559	85,433	649,126
Amount due within 1 year	(301,487)	(26,438)	(275,049)	(400,689)	(37,562)	(363,127)
	\$ 471,588	\$ 75,095	\$ 396,493	\$ 333,870	\$ 47,871	\$ 285,999
COMPANY						
Within 1 year	81,864	5,945	75,919	101,311	5,094	96,217
After 1 year but within 5 years	34,110	2,477	31,633	115,974	11,341	104,633
	115,974	8,422	107,552	217,285	16,435	200,850
Amount due within 1 year	(81,864)	(5,945)	(75,919)	(101,311)	(5,094)	(96,217)
	\$ 34,110	\$ 2,477	\$ 31,633	\$ 115,974	\$ 11,341	\$ 104,633

19. SHARE CAPITAL – THE COMPANY

	2001		2000	
	NO. OF SHARES	\$	NO. OF SHARES	\$
<i>Authorised:-</i>				
Ordinary shares of \$0.05 each	2,000,000,000	\$100,000,000	2,000,000,000	\$100,000,000
<i>Issued and fully paid:-</i>				
At 1 January	1,125,758,875	56,287,944	1,125,758,875	56,287,944
Shares repurchased and cancelled	(12,219,000)	(610,950)	-	-
At 31 December	1,113,539,875	\$55,676,994	1,125,758,875	\$56,287,944

Under the share buy-back mandate approved by shareholders, the Company repurchased 12,219,000 (2000: Nil) ordinary shares of \$0.05 each during the financial year at an average price of \$0.098 per share, amounting to a total cost, including brokerage, of \$1,195,448. The repurchase transactions were financed by internally generated funds.

NOTES TO THE FINANCIAL STATEMENTS

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20. RESERVES

	GROUP		COMPANY	
	2001	2000	2001	2000
	\$	\$	\$	\$
Capital reserves				
- Share premium	29,356,168	29,356,168	29,356,168	29,356,168
- Share premium arising from issue of ordinary shares by an associate	350,487	350,487	-	-
- Goodwill on consolidation arising from acquisition of subsidiaries	(375,894)	(375,894)	-	-
- Reserve arising from a bonus shares issued by a subsidiary	500,000	500,000	-	-
- Capital redemption reserve	610,950	-	610,950	-
	30,441,711	29,830,761	29,967,118	29,356,168
Currency translation reserve	(3,385,356)	(7,151,285)	-	-
Accumulated profits	46,569,439	43,196,114	16,270,375	16,822,667
	\$73,625,794	\$65,875,590	\$46,237,493	\$46,178,835

The application of the share premium account is governed by sections 69 – 69F of the Companies Act, Chapter 50.

The capital reserve comprises share premium, goodwill on consolidation arising from acquisition of subsidiaries, reserve arising from bonus shares issued by a subsidiary and capital redemption reserve arising from share buy-backs.

The currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations that are not integral to the operation of the Company.

21. REVENUE

	GROUP		COMPANY	
	2001	2000	2001	2000
	\$	\$	\$	\$
Sale of goods	140,640,992	140,291,094	86,421,190	93,982,594
Revenue from hotel operations	15,089,849	14,365,570	-	-
Revenue from construction contracts	5,846,231	18,994,390	-	-
	\$161,577,072	\$173,651,054	\$86,421,190	\$93,982,594

22. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION

	GROUP		COMPANY	
NOTE	2001	2000	2001	2000
	\$	\$	\$	\$
(A) OTHER OPERATING INCOME				
Dividend income (gross):				
- subsidiaries	-	-	-	44,400
- quoted equity investments	6,553	3,287	6,553	3,287
Interest income:				
- fixed deposits	597,406	583,924	565,027	490,571
- subsidiaries	-	-	122,232	76,376
- others	414,616	237,316	282,981	192,110
Exchange (loss)/gain	(305,159)	37,382	(25,292)	29,847
Balance carried forward	713,416	861,909	951,501	836,591

NOTES TO THE FINANCIAL STATEMENTS

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22. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION (CONT'D)

NOTE	GROUP		COMPANY	
	2001 \$	2000 \$	2001 \$	2000 \$
(A) OTHER OPERATING INCOME (CONT'D)				
Balance brought forward	713,416	861,909	951,501	836,591
Gain /(loss) on disposal of property, plant and equipment	70,222	(85,824)	10,123	(91,630)
Rental income	786,381	744,391	1,194,018	1,307,093
Management fee	226,953	260,206	3,402,273	3,350,892
Fees received from associate:				
- administrative fees	146,160	78,715	-	-
- management fees	163,699	132,206	-	-
Transport and delivery fee income	-	-	4,297,608	4,232,704
Claims and rebates	978,785	931,785	1,041,907	1,218,585
Others	372,738	273,487	-	-
	\$ 3,458,354	\$ 3,196,875	\$10,897,430	\$10,854,235
(B) STAFF COSTS				
Wages and salaries	16,585,198	15,621,548	5,332,129	5,201,509
Contribution to defined contribution plans	1,099,918	936,702	454,322	340,265
	\$17,685,116	\$16,558,250	\$ 5,786,451	\$ 5,541,774
Number of employees as at 31 December	721	675	96	94
(C) OTHER OPERATING EXPENSES				
Auditors' remuneration:				
- auditors of the Company				
• current year	128,800	124,088	65,000	55,000
• under/(over)provision in respect of prior years	525	(2,800)	4,325	-
- other auditors	36,724	33,122	-	-
Non-audit fees paid to auditors of the Company	12,250	12,250	4,000	4,000
Balance carried forward	178,299	166,660	73,325	59,000

NOTES TO THE FINANCIAL STATEMENTS

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22. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION (CONT'D)

	NOTE	GROUP		COMPANY	
		2001	2000	2001	2000
		\$	\$	\$	\$
(C) OTHER OPERATING EXPENSES (CONT'D)					
Balance brought forward		178,299	166,660	73,325	59,000
Bad debts written off:					
- trade		28,004	-	-	-
- non-trade		-	34,755	-	-
Directors' fees:					
- directors of the Company		277,975	278,686	140,000	140,000
Inventories written off		72,430	47,418	-	-
Pre-operating expenses		-	2,148	-	-
Property, plant and equipment written off		613	2,025	-	-
Allowance made for:					
- impairment losses on quoted equity investments	6	46,000	150,000	46,000	150,000
- inventories	8	69,009	86,429	-	-
- doubtful receivables (trade)	11	60,907	249,983	31,525	75,145
Operating lease expenses		1,173,325	1,139,195	930,545	873,103
Bad debts recovered (trade)		(15,586)	(979)	-	(489)
Transport and delivery charges		737,851	767,876	734,195	767,618
Others		10,095,676	9,985,375	1,558,630	1,691,281
		\$12,724,503	\$12,909,571	\$ 3,514,220	\$ 3,755,658
(D) DIRECTORS' REMUNERATION					
Directors' remuneration is recognised as follows:-					
Staff cost:					
- directors of the Company		2,931,764	2,860,938	2,729,114	2,587,814
- other directors		340,456	348,070	-	-
		\$ 3,272,220	\$ 3,209,008	\$ 2,729,114	\$ 2,587,814
(E) FINANCE COSTS					
Interest paid and payable to:					
- banks		2,190,536	2,426,601	122	2,684
- others		38,621	79,469	8,013	8,005
		\$ 2,229,157	\$ 2,506,070	\$ 8,135	\$ 10,689

NOTES TO THE FINANCIAL STATEMENTS

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23. TAXATION

	GROUP		COMPANY	
	2001	2000	2001	2000
	\$	\$	\$	\$
Based on results for the year:				
- Current tax	2,039,370	2,840,712	912,800	1,422,000
- Deferred tax	9,616	5,931	-	-
	2,048,986	2,846,643	912,800	1,422,000
Share of tax of associates	1,437,989	1,506,215	-	-
Under/(over) provision in respect of prior years				
- Current tax	5,337	249,400	12,600	290,909
- Deferred tax	(101,200)	(16,016)	(101,200)	-
	(95,863)	233,384	(88,600)	290,909
	3,391,112	4,586,242	824,200	1,712,909
Less:				
Utilisation of deferred tax benefit previously not recognised	172,551	31,395	-	-
	\$ 3,218,561	\$ 4,554,847	\$ 824,200	\$ 1,712,909

GROUP

The tax charge for the Group is higher than that arrived at by applying the statutory tax rate to the profit for the year primarily because:-

- (a) certain expenses incurred are not deductible for tax purposes; and
- (b) losses incurred by certain group companies cannot be offset against profits made by other group companies.

COMPANY

The tax charge for the Company is higher than that derived at by applying the statutory tax rate of 24.5% (2000: 25.5%) to the profit before tax mainly due to certain expenses which are not deductible for tax purposes, and partially off-set by the effects of the introduction by the Minister of Finance of a new corporate tax exemption scheme which grants exemption of certain chargeable income to Singapore tax.

24. EARNINGS PER SHARE (THE GROUP)

The basic earnings per share is calculated based on the weighted average number of shares outstanding during the year of 1,122,712,445 (2000:1,125,758,875) and profit after taxation and minority interests of \$6,268,669 (2000: \$9,961,914).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

25. CHANGES IN ACCOUNTING POLICIES

(A) ADOPTION OF NEW/REVISED ACCOUNTING STANDARDS AND THEIR EFFECTS

In 2001, the Group and the Company adopted nine new/revised standards as follows:-

SAS 8 (revised 2000) – Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies

The adoption of SAS 8 has resulted in presentation changes in the comparatives but has not given rise to any adjustments to the accumulated profits brought forward of the prior and current year.

SAS 10 (REVISED 2000) - EVENTS AFTER THE BALANCE SHEET DATE

The adoption of SAS 10 has resulted in the Group and the Company reversing the liability for proposed final dividends. The new accounting policy is to recognise proposed final dividends only after they have been formally declared payable by shareholders (refer to note 26). The change has been applied retrospectively by adjusting the opening balances of accumulated profits at 1 January 2000 and 2001; comparatives have been restated.

SAS 22 (REVISED 2000) - BUSINESS COMBINATIONS

On adoption of SAS 22, the Group has changed the accounting policy on the treatment of goodwill and negative goodwill arising on acquisition of business (refer to note 2(l)). The Group has adopted the transitional provision of not restating goodwill (negative goodwill) that has previously been written off against revenue reserves, with the view of including the attributable goodwill (negative goodwill) in the determination of profit or loss when the businesses are disposed of or discontinued. The result of adopting this choice of transitional provision is that the adoption of SAS 22 has no effect on the comparatives or the opening balances of accumulated profits.

OTHER STANDARDS

The adoption of SAS 17 (2000) – *Employee Benefits*, SAS 31 (2000) – *Provisions, Contingent Liabilities and Contingent Assets*, SAS 32 (2000) – *Financial Instruments: Disclosure and Presentation*, SAS 34 (2000) – *Intangible Assets*, SAS 35 (2000) – *Discontinuing Operations* and SAS 36 (2000) – *Impairment of Assets*, have not given rise to any adjustments to the accumulated profits brought forward of the prior and current year or to changes in comparatives.

(B) EFFECTS OF CHANGES IN ACCOUNTING POLICIES

The changes in accounting policies, to the extent that they are applied retrospectively, have the following impact (net of tax):-

EFFECT OF CHANGES IN ACCOUNTING POLICY ON ACCUMULATED PROFITS:

	NOTE	GROUP		COMPANY	
		2001	2000	2001	2000
		\$	\$	\$	\$
Opening accumulated profits, as previously reported		42,091,160	33,234,200	15,122,771	14,327,383
Effect of adopting SAS 10 - dividend	26	1,699,896	1,677,381	1,699,896	1,677,381
Opening accumulated profits, as restated		\$43,791,056	\$34,911,581	\$16,822,667	\$16,004,764

NOTES TO THE FINANCIAL STATEMENTS

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26. DIVIDEND

	GROUP AND COMPANY	
	2001	2000
	\$	\$
As previously reported:		
- Final dividend proposed of 0.20 cents per share less tax at 24.5% in respect of year 2000	-	1,699,896
Effect of adopting SAS 10:		
- Reversal of final dividend proposed of 0.20 cents per share less tax at 24.5% in respect of year 2000	-	(1,699,896)
- Final dividend paid of 0.20 cents per share less tax at 25.5% in respect of year 1999	-	1,677,381
	-	(22,515)
Final dividend paid of 0.20 cents per share less tax at 24.5% in respect of year 2000	1,699,896	-
	\$1,699,896	\$1,677,381

After the balance sheet date, the Directors proposed the following dividend. This dividend has not been provided for.

	2001	2000
	\$	\$
Final dividend proposed of 0.25 cents (2000: 0.20 cents) per share less tax at 24.5% (2000: 24.5%)	2,101,807	1,699,896

27. PRIOR YEAR ADJUSTMENT BY AN ASSOCIATE

The prior year adjustment by an associate, Pulau Springs Resort Berhad, relates to a change in accounting policy in respect of the recognition of licence fee income and adjustment made to licence fee income recognised in the previous year.

Licence fee in respect of memberships sold on or after 1 January 2000 is now recognised as income on an accrual basis in the year the sale occurred. A provision for refund of licence fee in respect of memberships sold on or after 1 January 2000 is made in the financial statements based on directors' estimate, taking into account, inter alia, the historical trend of cancellations and the amount of refunds.

In the prior year, licence fee was recognised as income over five years on a receipt basis.

Arising from the above change in accounting policy and from the adjustment made to licence fee income recognised in the previous year, the accumulated profits brought forward of the associate was reduced by RM2,442,290 (\$1,189,884). Accordingly, the Group's share of the associate's net post-acquisition profit for 2000 was reduced by \$594,942, with the Group's share of profit of associates for 2000 reduced by \$826,362 and the Group's share of tax of associates for 2000 reduced by \$231,420. The comparative figures have been adjusted accordingly for the effect of the change.

NOTES TO THE FINANCIAL STATEMENTS

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28. CONTINGENT LIABILITIES - UNSECURED (THE COMPANY)

(A) CORPORATE GUARANTEES

As at 31 December 2001, the Company has issued unsecured guarantees to banks in respect of credit facilities granted to its subsidiaries amounting to \$42,014,211 (2000: \$40,254,028) and to its associates amounting to \$20,949,600 (2000: \$24,178,600).

(B) CONTINUING FINANCIAL SUPPORT

The Company has given formal undertakings, which are unsecured, to provide financial support to certain of its subsidiaries. As at 31 December 2001, the deficits in shareholders' funds of these subsidiaries amounted to \$9,926,216 (2000: \$9,761,673).

29. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

During the financial year, there were the following significant transactions carried out by the Group and the Company with related corporations in the normal course of business on terms agreed with the parties:-

	GROUP		COMPANY	
	2001	2000	2001	2000
	\$	\$	\$	\$
ASSOCIATES				
Management fee	235,243	290,452	8,290	72,000
Rental and conservancy charges	44,217	72,300	44,217	-
Interest received	148,727	93,208	103,521	60,000
Purchases	534,786	653,807	-	-

During the financial year, the Group entered into the following significant transactions with firms which are owned by certain directors of the substantial shareholder:-

	COMPANY	
	2001	2000
	\$	\$
Sales	701,943	503,830
Purchases	515,715	509,893

30. LEASE COMMITMENTS

As at 31 December 2001, the Group and the Company have commitments for future minimum lease payments in respect of non-cancellable operating lease commitments as follows:-

	GROUP		COMPANY	
	2001	2000	2001	2000
	\$	\$	\$	\$
Payable:-				
Within 1 year	825,732	1,079,153	809,058	1,063,005
After 1 year but within 5 years	5,360,915	5,389,344	5,333,323	5,346,739
After 5 years	27,966,816	29,298,570	27,966,816	29,298,570
	\$34,153,463	\$35,767,067	\$34,109,197	\$35,708,314

Included in the commitments for future minimum lease payments is the leasehold building owned by the Company built on land subject to a 60-year lease commencing from 1 May 1967. The annual land rent payable under the lease agreement, which is subject to review every five years, is \$795,642 (2000: \$1,049,589).

NOTES TO THE FINANCIAL STATEMENTS

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31. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Exposure to credit, foreign currency and interest rate risk arises in the normal course of the Group and the Company's business. The management of these risks is discussed below:

(A) CREDIT RISK

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Cash is placed with financial institutions with good credit rating.

At the balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheets.

(B) FOREIGN CURRENCY RISK

The Company is not exposed to significant foreign currency risk as the majority of the Company's transactions, assets and liabilities are denominated in Singapore dollars.

The Group incurs foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than Singapore dollars. The currencies giving rise to this risk are primarily Australian dollars, Malaysian Ringgit and Renminbi.

There is no formal hedging policy with respect to foreign exchange exposure. Exposure to currency risk is monitored on an ongoing basis and the Group endeavours to keep the net exposure at an acceptable level. Where necessary, the Group may buy or sell foreign currencies at spot rates to address short-term imbalances.

(C) INTEREST RATE RISK

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's debt obligations.

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's investment portfolio, which includes debt securities with active secondary or resale markets to ensure portfolio liquidity, and debt obligations.

The Group adopts a policy of constantly monitoring movements in interest rates. Presently, it does not use derivative financial instruments to hedge its interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS

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31. FINANCIAL INSTRUMENTS (CONT'D)

(D) EFFECTIVE INTEREST RATES AND REPRICING ANALYSIS

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they reprice or mature, whichever is earlier.

GROUP	EFFECTIVE INTEREST RATE %	TOTAL \$	WITHIN 1 YEAR \$	1 TO 5 YEARS \$	AFTER 5 YEARS \$
FINANCIAL ASSETS					
Quoted debt securities	3.21 - 5.01	12,994,620	-	7,994,620	5,000,000
Loan to an associate	6.14	265,579	265,579	-	-
Cash and cash equivalents	0.63 - 5.50	22,491,262	22,491,262	-	-
		\$35,751,461	\$ 22,756,841	\$ 7,994,620	\$ 5,000,000
FINANCIAL LIABILITIES					
Secured bank loans:					
- A\$ fixed rate loan	8.10	22,593,105	22,593,105	-	-
- RM floating rate loan	8.15 - 8.55	240,802	78,040	162,762	-
Unsecured bank loans	3.40 - 6.70	1,634,130	1,634,130	-	-
Trust receipts	6.14 - 8.05	2,932,507	2,932,507	-	-
Finance lease liabilities	2.60 - 6.00	671,542	275,049	384,533	11,960
Bank overdrafts	5.00 - 8.20	2,010,401	2,010,401	-	-
		\$30,082,487	\$29,523,232	\$ 547,295	\$ 11,960
COMPANY					
FINANCIAL ASSETS					
Quoted debt securities	3.21 - 5.01	12,994,620	-	7,994,620	5,000,000
Cash and cash equivalents	0.63 - 3.00	17,325,079	17,325,079	-	-
		\$30,319,699	\$17,515,163	\$ 7,994,620	\$ 5,000,000
FINANCIAL LIABILITIES					
Bank overdrafts	5.50 - 6.00	89,812	89,812	-	-
Finance lease liabilities	2.60	107,552	75,919	31,633	-
		\$ 197,364	\$ 165,731	\$ 31,633	\$ -

NOTES TO THE FINANCIAL STATEMENTS

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31. FINANCIAL INSTRUMENTS (CONT'D)

(E) FAIR VALUES

The fair value of the Group's financial assets and liabilities, other than for balances with related parties, are similar to their carrying amounts except for the following:

	----- 2001 -----		----- 2000 -----	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
	\$	\$	\$	\$
GROUP AND COMPANY				
FINANCIAL ASSETS				
Quoted debt securities	12,994,620	12,725,000	3,994,620	4,098,000
Quoted equity securities	190,084	190,852	235,634	253,003
	<u>\$13,184,704</u>	<u>\$12,915,852</u>	<u>\$ 4,230,254</u>	<u>\$ 4,351,003</u>

The fair value of balances with related parties has not been computed as the timing of the expected cash flows of these balances cannot be reasonably determined.

Financial Assets Carried in Excess of Fair Value

Debt securities held for the long-term are carried in excess of their net fair value as at 31 December 2001. The decline in net fair value is a result of an increase in market interest rates. The debt securities have not been written down to the net fair value because management intends to hold them to maturity and thereby expects to recover the full carrying amount of the securities.

32. SEGMENT INFORMATION (THE GROUP)

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise income-earnings assets and revenue, borrowings and expenses and corporate assets and expenses.

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.

NOTES TO THE FINANCIAL STATEMENTS

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32. SEGMENT INFORMATION (THE GROUP) (CONT'D)

BUSINESS SEGMENTS

The Group comprises the following main business segments:

Consumer and industrial products	:	Supply of provisions and household consumer products, supply of shelving, manufacture and sale of soya bean products.
Leisure and recreational	:	Operation of a club and entertainment facility.
Healthcare	:	Provision of health care consultancy and hospital management services.
Property development	:	Development of commercial buildings.
Hotel	:	Operation of a hotel comprising accomodation and related services and food, beverage and banqueting operations.

GEOGRAPHICAL SEGMENTS

The Group's business is managed in four principal geographical areas, namely, Singapore, Malaysia, China and Australia.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

(A) BUSINESS SEGMENTS

	CONSUMER AND INDUSTRIAL PRODUCTS	LEISURE AND RECREATIONAL	HEALTHCARE	PROPERTY DEVELOPMENT	HOTEL	CONSOLIDATED
	\$	\$	\$	\$	\$	\$
REVENUE AND EXPENSES						
2001						
Total revenue	\$140,640,992	\$ -	\$ 5,846,231	\$ -	\$ 15,089,849	\$161,577,072
Segment results	\$ 7,558,042	\$ (63,166)	\$ (808,363)	\$ (461,498)	\$ 1,699,779	7,924,794
Unallocated results						243,534
Profit from operations						8,168,328
Finance costs						(2,229,157)
Share of profit of associates	(465,021)	3,305,221	1,847,723	(729,854)	(228,158)	3,729,911
Taxation						(3,218,561)
Minority interest						(181,852)
Net profit for the year						\$ 6,268,669
2000						
Total revenue	\$140,291,094	\$ -	\$ 18,994,390	\$ -	\$ 14,365,570	\$173,651,054
Segment results	\$ 6,849,941	\$ (154,150)	\$ 2,557,566	\$ 20,970	\$ 1,508,737	10,783,064
Unallocated results						45,397
Profit from operations						10,828,461
Finance costs						(2,506,070)
Share of profit of associates	(5,043)	4,162,564	1,993,384	(6,313)	(9,629)	6,134,963
Taxation						(4,554,847)
Minority interest						59,407
Net profit for the year						\$ 9,961,914

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

32. SEGMENT INFORMATION (THE GROUP) (CONT'D)

(A) BUSINESS SEGMENTS (CONT'D)

	CONSUMER AND INDUSTRIAL PRODUCTS	LEISURE AND RECREATIONAL	HEALTHCARE	PROPERTY DEVELOPMENT	HOTEL	CONSOLIDATED
	\$	\$	\$	\$	\$	\$
ASSETS AND LIABILITIES						
2001						
Segment assets	84,109,767	4,900,369	8,695,014	7,162,091	33,561,018	138,428,259
Interests in associates	290,518	32,767,427	4,100,226	3,901,890	3,698,734	44,758,795
	<u>\$84,400,285</u>	<u>\$37,667,796</u>	<u>\$12,795,240</u>	<u>\$11,063,981</u>	<u>\$37,259,752</u>	<u>183,187,054</u>
Unallocated assets						13,184,704
Total assets						<u>\$196,371,758</u>
Segment liabilities	\$23,118,057	\$ 1,708,131	\$ 1,938,893	\$ 1,527,666	\$ 1,697,984	29,990,731
Unallocated liabilities						33,867,767
Total liabilities						<u>\$ 63,858,498</u>
ASSETS AND LIABILITIES						
2000						
Segment assets	91,099,249	5,251,093	12,983,992	7,157,425	35,247,880	151,739,639
Interests in associates	595,524	28,362,192	2,423,432	3,679,515	4,460,430	39,521,093
	<u>\$91,694,773</u>	<u>\$33,613,285</u>	<u>\$15,407,424</u>	<u>\$10,836,940</u>	<u>\$39,708,310</u>	<u>191,260,732</u>
Unallocated assets						4,230,254
Total assets						<u>\$195,490,986</u>
Segment liabilities	\$23,211,146	\$ 2,067,674	\$ 5,641,621	\$ 1,527,719	\$ 1,557,589	34,005,749
Unallocated liabilities						36,263,268
Total liabilities						<u>\$ 70,269,017</u>
NON-CASH EXPENSES						
2001						
Amortisation	25,321	-	-	-	-	25,321
Depreciation of and impairment loss on property, plant and equipment	2,240,300	619,298	123,356	487,200	1,037,086	4,507,240
	<u>\$ 2,265,621</u>	<u>\$ 619,298</u>	<u>\$ 123,356</u>	<u>\$ 487,200</u>	<u>\$ 1,037,086</u>	<u>\$ 4,532,651</u>
2000						
Amortisation	18,531	-	-	-	-	18,531
Depreciation of property, plant and equipment	2,387,244	112,752	58,674	-	1,168,892	3,727,562
	<u>\$ 2,405,775</u>	<u>\$ 112,752</u>	<u>\$ 58,674</u>	<u>\$ -</u>	<u>\$ 1,168,892</u>	<u>\$ 3,746,093</u>
CAPITAL EXPENDITURE						
2001						
Capital expenditure	\$ 1,483,890	\$ -	\$ 394,527	\$ -	\$ 142,658	\$ 2,021,075
2000						
Capital expenditure	\$ 1,132,837	\$ -	\$ 294,887	\$ -	\$ 225,359	\$ 1,653,083

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2001

32. SEGMENT INFORMATION (THE GROUP) (CONT'D)

(B) GEOGRAPHICAL SEGMENTS

	SINGAPORE \$	MALAYSIA \$	CHINA \$	AUSTRALIA \$	CONSOLIDATED \$
2001					
Total revenue	\$ 122,568,114	\$ 23,919,109	\$ -	\$ 15,089,849	\$ 161,577,072
Segment assets	\$ 86,357,432	\$ 61,215,911	\$ 11,137,171	\$ 37,661,244	\$ 196,371,758
Capital expenditure	\$ 809,523	\$ 1,068,894	\$ -	\$ 142,658	\$ 2,021,075
2000					
Total revenue	\$ 127,172,667	\$ 32,112,817	\$ -	\$ 14,365,570	\$ 173,651,054
Segment assets	\$ 86,954,676	\$ 58,550,774	\$ 12,314,224	\$ 37,671,312	\$ 195,490,986
Capital expenditure	\$ 1,191,058	\$ 236,666	\$ -	\$ 225,359	\$ 1,653,083

33. SUBSEQUENT EVENT

An associate, Pulau Spings Resort Berhad, is proceeding with its plan to list on the main board of the Kuala Lumpur Stock Exchange. The Group has committed to divest a certain percentage of its shareholdings to third party investors as part of the listing process.

34. COMPARATIVE FIGURES

Comparatives in the financial statements have been changed from the previous year due to the adoption of the requirements of the new and revised accounting standards stated in note 25 and the prior year adjustment stated in Note 27.

ADDITIONAL INFORMATION

31 DECEMBER 2001

1. DIRECTORS' REMUNERATION

Company's directors receiving remuneration from the Group:-

REMUNERATION BAND:	NO. OF DIRECTORS	
	2001	2000
\$500,000 and above	4	4
\$250,000 to \$499,999	0	0
Below \$250,000	3	3
	7	7

2. PROPERTIES HELD BY THE GROUP

Description of properties held by the Group is as follows:-

LOCATION	DESCRIPTION	TENURE
348 Jalan Boon Lay, Singapore 619529	Two-storey warehouse with annexed office block used by the Group both for its operations and for rental income	60-year lease
348 Jalan Boon Lay, Singapore 619529	Single-storey factory used by a subsidiary for its operations	60-year lease
7 Tong Jiang Street Daoli District, Harbin, China	Hotel with club and restaurant facilities	15-year lease
116-120 North Terrace Adelaide South Australia	A 182 suite hotel constructed with a ground floor, 7 upper floors and a basement	Freehold
Lot MLO 1101, Kampong Bukit Kulai, Johor, Malaysia	Factory used by a subsidiary for its operations	Freehold
Lot 2537, Parit Abdul Rahman Benut, 82200 Pontian, Johor, Malaysia	Factories used by subsidiaries for their operations	Freehold

ADDITIONAL INFORMATION

31 DECEMBER 2001

2. PROPERTIES HELD BY THE GROUP (CONT'D)

LOCATION	DESCRIPTION	TENURE
Lot MLO 1102 and 1103, Mukim of Sedenak, Kulai, Malaysia	Vacant land	Freehold
Lot 249, GPP 4841 Town Area XXI District of Melaka Tengah, Melaka, Malaysia	Vacant land	Freehold
GM 9382 Lot 2185 GM 9383 Lot 2186 Kuala Kuantan, Malaysia	Vacant land	Freehold
Wilayah Pengembangan Sekupang Patam, Batam, Indonesia	Vacant land	30-year lease

资产负债表

截至二零零一年十二月三十一日止
普威联营有限公司及其附属公司

	附注	集团 2001 \$	集团 2000 \$	公司 2001 \$	公司 2000 \$
非流动资产					
房屋及机器设备	3	59,863,113	62,235,596	9,478,973	10,119,546
投资子公司	4	-	-	23,205,184	23,205,184
投资联号公司	5	44,758,795	39,521,093	-	-
财务资产	6(a)	12,994,620	3,994,620	12,994,620	3,994,620
商标权	7	-	25,321	-	-
		117,616,528	105,776,630	45,678,777	37,319,350
流动资产					
存货	8	16,911,800	18,330,826	10,457,417	11,146,099
应收账款和其它应收款	10	39,162,084	50,985,153	57,462,143	67,306,080
财务资产	6(b)	190,084	235,634	190,084	235,634
现金和现金等同物	15	22,491,262	20,162,743	17,325,079	15,500,127
		78,755,230	89,714,356	85,434,723	94,187,940
减:					
流动负债					
应付账款和其它应收款 在十二个月内到期	16	29,990,730	34,005,752	26,788,992	25,717,014
- 银行贷款和其它借款	17	29,248,183	8,092,986	89,812	391,587
- 分期付款	18	275,049	363,127	75,919	96,217
应付税款		3,341,512	3,893,650	2,043,857	2,461,060
		62,855,474	46,355,515	28,998,580	28,665,878
净流动资产		15,899,756	43,358,841	56,436,143	65,522,062
非流动负债					
银行贷款和其它借款	17	162,762	23,122,543	-	-
分期付款	18	396,493	285,999	31,633	104,633
递延税项		443,769	504,960	168,800	270,000
		1,003,024	23,913,502	200,433	374,633
少数股东权益		132,513,260	125,221,969	101,914,487	102,466,779
		(3,210,472)	(3,058,435)	-	-
净资产		129,302,788	\$122,163,534	\$101,914,487	\$102,466,779
资本和基金					
资本	19	55,676,994	56,287,944	55,676,994	56,287,944
基金	20	73,625,794	65,875,590	46,237,493	46,178,835
		\$129,302,788	\$122,163,534	\$101,914,487	\$102,466,779

损益表

截至二零零一年十二月三十一日止
普威联营有限公司及其附属公司

	附注	2001 \$	集团 2000 \$	2001 \$	公司 2000 \$
收入	21	161,577,072	173,651,054	86,421,190	93,982,594
其它收入	22(a)	3,458,354	3,196,875	10,897,430	10,854,235
		165,035,426	176,847,929	97,318,620	104,836,829
减:					
期初存货和期末存货之差		1,203,902	(1,387,794)	688,682	(1,227,948)
本期耗用原材料和低值易耗品		109,696,153	113,902,411	80,029,101	88,311,290
项目开发费用		4,689,733	15,119,495	-	-
人工	22(b)	17,685,116	16,558,250	5,786,451	5,541,774
广告费用		6,335,130	5,171,442	3,308,520	2,887,670
折旧	3	4,020,040	3,727,562	816,259	849,503
减值损失:					
- 房屋及机器设备	3	487,200	-	-	-
- 投资子公司	4	-	-	-	500,000
摊消费用	7	25,321	18,531	-	-
其它经营费用	22(c)	12,724,503	12,909,571	3,514,220	3,755,658
经营费用总计		156,867,098	166,019,468	94,143,233	100,617,947
经营利润		8,168,328	10,828,461	3,175,387	4,218,882
融资成本	22(e)	(2,229,157)	(2,506,070)	(8,135)	(10,689)
联号公司利润		3,729,911	6,134,963	-	-
经常性业务获得的税前利润		9,669,082	14,457,354	3,167,252	4,208,193
所得税	23	(3,218,561)	(4,554,847)	(824,200)	(1,712,909)
从经常性业务获得的税后利润		6,450,521	9,902,507	2,343,052	2,495,284
少数股东利润		(181,852)	59,407	-	-
本期净利		\$6,268,669	\$9,961,914	\$2,343,052	\$2,495,284
每股收益	24	0.56 分	0.88 分		

SHAREHOLDING STATISTICS

AS AT 27 MARCH 2002

Authorised Share Capital : S\$100,000,000
 Issued and Fully Paid Capital : S\$55,676,994
 Class of Shares : Ordinary Shares of S\$0.05 each with equal voting rights

SUBSTANTIAL SHAREHOLDER as at 27 March 2002

SUBSTANTIAL SHAREHOLDER	NUMBER OF SHARES HELD	%
PSC Holdings (1988) Limited	413,602,790	37.14

DIRECTORS' SHAREHOLDING as at 21 January 2002

DIRECTOR	HOLDINGS IN THE NAME OF DIRECTORS OR IN WHICH DIRECTORS HAVE A DIRECT INTEREST	HOLDINGS IN WHICH THE DIRECTOR IS DEEMED TO HAVE AN INTEREST
Tan Ling San	7,375,875	—
Chong Kar Kee	10,314,750	—
Foo Der Rong	1,419,500	—
Chew Tuan Gee	2,966,170	—
S Chandra Das	—	637,500

SHAREHOLDING STATISTICS

AS AT 27 MARCH 2002

ANALYSIS OF SHAREHOLDINGS as at 27 March 2002

RANGE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 1,000	91	1.14	74,325	0.01
1,001 - 10,000	2,828	35.47	21,318,070	1.91
10,001 - 1,000,000	5,008	62.80	300,961,915	27.03
1,000,001 and above	47	0.59	791,185,565	71.05
	7,974	100.00	1,113,539,875	100.00

MAJOR SHAREHOLDERS LIST - TOP 20 as at 27 March 2002

NO.	NAME OF SHAREHOLDER	NO. OF SHARES HELD	%
1.	PSC Holdings (1988) Limited	313,602,790	28.16
2.	DBS Nominees Pte Ltd	173,154,950	15.55
3.	United Overseas Bank Nominees Pte Ltd	78,468,375	7.05
4.	ABN AMRO Nominees Singapore Pte Ltd	39,340,500	3.53
5.	Oversea-Chinese Bank Nominees Pte Ltd	34,609,250	3.11
6.	NTUC Fairprice Co-operative Ltd	25,000,000	2.25
7.	Overseas Union Bank Nominees Pte Ltd	24,179,500	2.17
8.	Hock Tong Bee Pte Ltd	10,751,750	0.97
9.	Maybank Nominees (S) Pte Ltd	5,944,000	0.53
10.	OCBC Securities Private Ltd	5,161,000	0.46
11.	Citibank Nominees Singapore Pte Ltd	4,286,000	0.39
12.	Phillip Securities Pte Ltd	4,285,500	0.39
13.	Wong Poh Ta	3,607,000	0.32
14.	Eyu Chin Wat @ Yeo An Hai or Lim Siew Lian	3,562,000	0.32
15.	Teo Piak Lim	3,380,000	0.30
16.	Tan Koon Poh	3,349,750	0.30
17.	Singapore Nominees Pte Ltd	3,244,000	0.29
18.	HL Bank Nominees (S) Pte Ltd	2,997,000	0.27
19.	Lim & Tan Securities Pte Ltd	2,933,035	0.26
20.	Sim Siong Kang	2,796,000	0.25
		744,652,400	66.87

NOTICE OF ANNUAL GENERAL MEETING

PROVISIONS SUPPLIERS CORPORATION LIMITED
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the Twenty-Eighth Annual General Meeting of Provisions Suppliers Corporation Limited will be held at 348 Jalan Boon Lay Singapore 619529 on Saturday, 11 May 2002 at 11:00 a.m. for the following purposes :-

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Accounts for the year ended 31 December 2001 and the Reports of the Directors and Auditors. [Resolution 1]
2. To declare a First and Final Dividend of 5% less 24.5% income tax for the year ended 31 December 2001. [Resolution 2]
3. To re-elect the following Directors retiring in accordance with the Company's Articles of Association :-
 - (a) Mr Foo Der Rong [Resolution 3(a)]
 - (b) Mr S Chandra Das [Resolution 3(b)]
4. To re-appoint KPMG as Auditors and to authorise the Directors to fix their remuneration. [Resolution 4]

AS SPECIAL BUSINESS

5. To approve the payment of Directors' Fees of S\$190,000/- for the year ended 31 December 2001 (2000 : S\$190,000/-). [Resolution 5]
6. To consider and, if thought fit, to pass the following resolution with or without amendments as ordinary resolution :-

“That pursuant to Section 161 of the Companies Act, Cap. 50 (the “Act”) and the listing rules of The Singapore Exchange Securities Trading Limited, authority be and is hereby given to the directors of the Company to issue ordinary shares in the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the directors may in their absolute discretion deem fit provided that the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed fifty per cent (50%) of the issued share capital of the Company for the time being, of which the aggregate number of ordinary shares to be issued other than on a pro-rata basis to shareholders of the Company does not exceed 20% of the issued share capital of the Company for the time being, and, unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

[Resolution 6]

And to transact any other business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

CHEONG SOO KIONG
Secretary

23 April 2002
Singapore

NOTICE OF ANNUAL GENERAL MEETING

PROVISIONS SUPPLIERS CORPORATION LIMITED
(Incorporated in the Republic of Singapore)

NOTES :-

- 1) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead.
- 2) A proxy need not be a member of the Company.
- 3) The instrument appointing a proxy shall, in the case of an individual, be signed by the appointor or his attorney, and in case of a corporation shall be either under its common seal or signed by its attorney or an officer on behalf of the corporation.
- 4) The instrument appointing a proxy, must be deposited at the registered office of the Company at 348 Jalan Boon Lay, Singapore 619529, not less than forty-eight (48) hours before the time appointed for holding the Meeting.

EXPLANATORY NOTES

- 1) Resolution 6, if passed, is to authorise the Directors to issue ordinary shares in the capital of the Company up to an amount not exceeding in total fifty percent (50%) of the issued ordinary share capital of the Company for the time being.

股东常年大会通告

普威联营有限公司及其附属公司

本公司第二十八届股东常年大会将于二零零二年五月十一日，星期六，上午十一时正，于新加坡邮区六一九五二九，惹兰文礼三四八号举行，主要议程如下：

普通事项

- | | | |
|---|---|-----------|
| 一 | 接纳截至二零零一年十二月卅一日止会计年度董事及财务报告。 | (议决案一) |
| 二 | 宣布派发截至二零零一年十二月卅一日止会计年度之年终股息 5% (扣所得税24.5%)。 | (议决案二) |
| 三 | 根据公司章程,重选下列董事: | |
| | (甲) 符德荣先生 | (议决案三[甲]) |
| | (乙) S Chandra Das 先生 | (议决案三[乙]) |
| 四 | 委任 KPMG 会计师为审计师, 并授权董事会决定其酬劳金。 | (议决案四) |

特别项目

- | | | |
|---|--|--------|
| 五 | 批准截至二零零一年十二月卅一日止会计年度之董事酬劳金 \$190,000 (二零零零年 - \$190,000) | (议决案五) |
| 六 | 考虑及如适当, 通过下列普通议决案: | |
| | 根据公司法第五十章, 第一六一节及新加坡证券交易所的上市规则, 授权董事会议在其认为适当的情况下于任何时间, 按照其条件及目的, 裁决向合适人士发出公司股份之权力。依着议决案, 所发出股份之总额不得超过公司现有已发股本总额的百分之五十, 其中若非按比例向公司股东发出股份, 则将发出股份总额不得超过公司现有已发股本总额的百分之二十。此授权, 除非公司在股东大会上撤销或修改, 应持续有效至下届股东常年大会或依法律要求召开之下届股东常年大会(以较早者为准)截止。 | |
| | | (议决案六) |

股东常年大会之其他事务

承董事部令

秘书: 章士强 谨启

二零零二年四月廿三日

附注:

1. 每一名有权参加上述大会及有权投票之股东, 有权委派一名代表出席。
2. 股东代表无须为本公司股东。
3. 代表委任书, 均须股东或合法授权人亲笔签署, 如果股东为有限公司, 则代表委任书须盖上公司印章或由公司合法授权人亲笔签署。
4. 代表委任书必须于股东大会召开前四十八小时送本公司注册办事处, 新加坡邮区六一九五二九, 惹兰文礼三四八号, 方为有效。

将进行特别事项之注解

1. 上述第六点之普通议决案。如通过, 将授权公司董事, 裁决发出公司股份之权力, 所发出股份之总额不得超过公司现有已发股本总额的百分之五十。

(所有译文以英文为准)

PROXY FORM – ANNUAL GENRAL MEETING

PROVISIONS SUPPLIERS CORPORATION LIMITED
(Incorporated in the Republic of Singapore)

I/We _____
of _____
being a member/members of PROVISIONS SUPPLIERS CORPORATION LIMITED
hereby appoint

IMPORTANT:

1. For investors who have used their CPF monies to buy Provisions Suppliers Corporation Limited shares, this Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

Name	Address	NRIC/ PassportNumber	Proportion of Shareholdings (%)
and/or (delete as appropriate)			

as my/our proxy/proxies to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Twenty-Eighth Annual General Meeting of PROVISIONS SUPPLIERS CORPORATION LIMITED to be held at 348, Jalan Boon Lay, Singapore 619529 on Saturday, 11 May 2002 at 11:00 a.m. and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the Ordinary Resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting.)

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
	ORDINARY BUSINESS :		
1.	Adoption of Reports and Accounts		
2.	Declaration of First and Final Dividend		
3.	Re-election of Directors :		
	(a) Mr Foo Der Rong		
	(b) Mr S Chandra Das		
4.	Re-appointment of Auditors		
	SPECIAL BUSINESS :		
5.	Approval of Directors' Fees		
6.	Approval under Section 161 of Companies Act, Cap. 50		

Dated this _____ day of _____ 2002.

Total Number of Shares Held :

Signature(s) of member(s) or Common Seal

IMPORTANT :- PLEASE READ NOTES OVERLEAF

PROXY FORM – ANNUAL GENRAL MEETING

PROVISIONS SUPPLIERS CORPORATION LIMITED
(Incorporated in the Republic of Singapore)

NOTES :-

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies, whether a member or not, to attend and vote instead of him.
3. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 348 Jalan Boon Lay, Singapore 619529, not less than forty-eight (48) hours before the time appointed for the Twenty-Eighth Annual General Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
6. A corporation which is a member may authorise by a resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Twenty-Eighth Annual General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

GENERAL:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Twenty-Eighth Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.