

158.9

“our cash flows and transactions

...The Group achieved a profit after

taxation of RM158.9 million in the review

period, as compared with the RM152.1

million recorded in the preceding financial

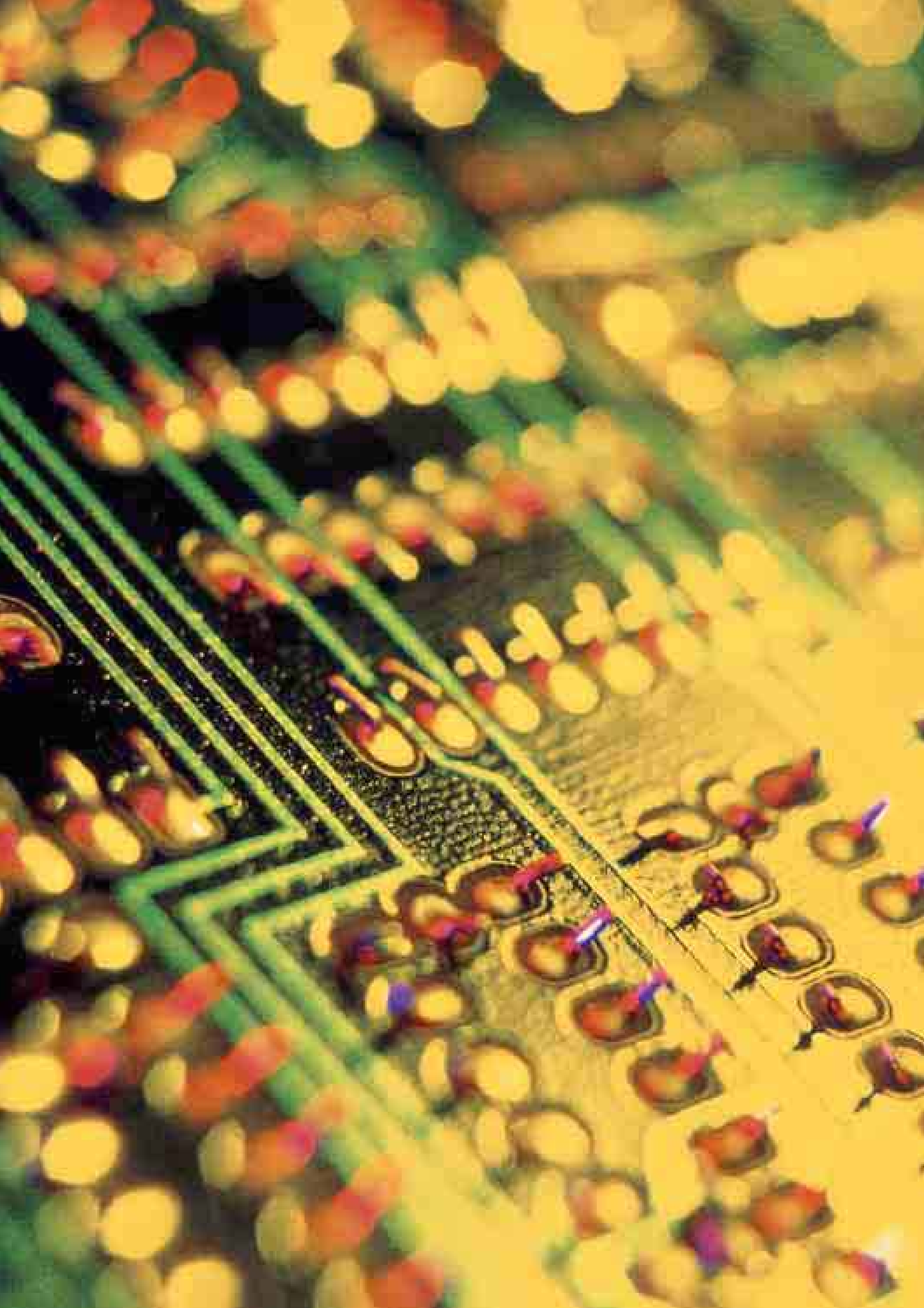
year ended April 30, 2001, as restated.

...earnings per share improved to

21.2 sen, while there was an increase

in revenue to RM747.0 million over the

eight-month period.”



Directors' report for the eight months period ended 31 December 2001

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the eight months period ended 31 December 2001.

Principal activities

The Company is principally engaged in investment holding, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial period.

Change in accounting year end

During the financial period, the Company and its subsidiaries changed their financial year end from 30 April to 31 December.

Results

	Group RM'000	Company RM'000
Net profit/(loss) for the period	<u>158,921</u>	<u>(426)</u>

Reserves and provisions

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

Dividends

No dividend was paid during the period and the Directors do not recommend any dividend to be paid for the period under review.

Directors of the Company

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

Tan Sri Dato' Seri Tan Chee Yioun
 Arve Johansen
 Tun Dato'Seri Dr. Lim Chong Eu
 Bjorn Magnus Kopperud (*appointed on 27.2.2002; ceased as Alternate Director on 27.2.2002 to Arve Johansen and Morten Karlsen Sorby*)
 Sigve Brekke
 Ole Bjorn Sjulstad (*appointed on 4.10.2001*)
 Dato'Ab. Halim Bin Mohyiddin (*appointed on 23.11.2001*)
 Chan Kien Sing (*Alternate Director to Tan Sri Dato'Seri Tan Chee Yioun; retired as Director on 4.10.2001*)
 Gunnar Johan Bertelsen (*Alternate Director to Sigve Brekke; appointed as Alternate Director on 27.2.2002 to Ole Bjorn Sjulstad*)
 Morten Karlsen Sorby (*appointed as Alternate Director on 19.3.2002 to Arve Johansen and Bjorn Magnus Kopperud; resigned as Director on 27.2.2002*)
 Tan Sri Datuk Abdul Rahim Bin Haji Din (*resigned on 4.10.2001*)
 Datuk Paduka Dr Saleha binti Mohamed Ali (*retired on 4.10.2001*)
 Robin Tan Yeong Ching (*resigned on 4.10.2001*)
 Dato' Ismail Bin Osman (*resigned on 4.10.2001*)

Directors' report for the eight months period ended 31 December 2001

Directors' interests

According to the Register of Directors' Shareholdings, the interests of Directors in office at the end of the financial period in the shares and debentures of the Company and its related corporations are as follows:

The Company	Number of Ordinary Shares of RM1.00 each			Balance at 31.12.2001
	Balance at 1.5.2001	Acquired	Disposed	
Direct interests				
Tan Sri Dato' Seri Tan Chee Yioun	89,853,644	13,995,302	(39,136,598)	64,712,348
Indirect interests				
Tan Sri Dato' Seri Tan Chee Yioun	157,567,319	-	(68,629,932)	88,937,387

Ultimate Holding Company Telenor ASA	Number of Ordinary Shares of NOK6 each			Balance at 31.12.2001
	Balance at * 14.9.2001/ Date of appointment	Acquired	Disposed	
Direct interests				
Arve Johansen	23,890	390	-	24,280
Ole Bjorn Sjulstad	750	75	-	825
Bjorn Magnus Kopperud	1,870	390	-	2,260
Morten Karlsen Sorby	1,870	390	-	2,260

* Telenor ASA became the ultimate holding company of DiGi.Com Berhad on 14 September 2001.

By virtue of his interests in the shares of the Company shown above, Tan Sri Dato' Seri Tan Chee Yioun is deemed to be interested in the shares of the subsidiaries (as set out in Note 5 to the financial statements) to the extent the Company has an interest.

None of the other Directors holding office at 31 December 2001 had any interest in the shares and debentures of the Company and its related corporations during the period.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

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

Directors' report for the eight months period ended 31 December 2001

Issue of shares

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

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the period under review.

Other statutory information

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

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) all current assets have been stated at the lower of cost and net realisable value.

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

- i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the financial statements of the Group and of the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

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

In the opinion of the Directors, except for the effects of change in accounting policies as disclosed in Notes 1(k) and (o) and the recognition of deferred tax benefits as disclosed in Note 16, the results of the operations of the Group and of the Company for the financial period ended 31 December 2001 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial period and the date of this report.

Directors' report for the eight months period ended 31 December 2001

Auditors

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

Signed in accordance with a resolution of the Directors:

Sigve Brekke

Director

Ole Bjorn Sjulstad

Director

Date: 29 March 2002

Statement by Directors pursuant to Section 169 (15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 103 to 123, are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2001 and of the results of their operations and cash flows for the period ended on that date.

Signed in accordance with a resolution of the Directors:

Sigve Brekke

Director

Ole Bjorn Sjulstad

Director

Date: 29 March 2002

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

I, **Ho Meng**, the officer primarily responsible for the financial management of DiGi.Com Berhad, do solemnly and sincerely declare that the financial statements set out on pages 103 to 123, are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur on 29 March 2002.

Ho Meng

Before me:

Commissioner for Oaths

Teong Kian Meng

Licence No. W147

Kuala Lumpur

Report of the auditors to the members of DiGi.Com Berhad

We have audited the financial statements set out on pages 103 to 123. The preparation of the financial statements is the responsibility of the Company's Directors. Our responsibility is to express an opinion on the financial statements based on our audit.

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

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - i) the state of affairs of the Group and of the Company at 31 December 2001 and the results of their operations and cash flows for the period ended on that date; and
 - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company;
- and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the said Act.

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

The audit reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Act.

KPMG

Firm Number: AF 0758
Chartered Accountants

Seow Yoo Lin

Partner
Approval Number: 1497/2/03(J)

Kuala Lumpur
Date: 29 March 2002

Balance sheets at 31 December 2001

	Note	Group		Company	
		31.12.2001 RM'000	30.4.2001 RM'000	31.12.2001 RM'000	30.4.2001 RM'000
Property, plant and equipment	2	1,978,049	1,701,180	-	-
Intangible asset	3	50,904	-	-	-
Deferred expenditure	4	818	868	-	-
Investments in subsidiaries	5	-	-	526,501	526,501
Amount due from a subsidiary	6	-	-	574,925	575,374
		<u>2,029,771</u>	<u>1,702,048</u>	<u>1,101,426</u>	<u>1,101,875</u>
Current assets					
Deferred tax asset	7	37,000	-	-	-
Inventories	8	14,037	17,176	-	-
Trade and other receivables	9	171,890	146,566	-	2
Cash and cash equivalents	10	157,663	211,473	-	-
		<u>380,590</u>	<u>375,215</u>	<u>-</u>	<u>2</u>
Current liabilities					
Trade and other payables	11	425,260	528,533	256	281
Borrowings	13	90,354	-	-	-
		<u>515,614</u>	<u>528,533</u>	<u>256</u>	<u>281</u>
Net current liabilities		<u>(135,024)</u>	<u>(153,318)</u>	<u>(256)</u>	<u>(279)</u>
		<u>1,894,747</u>	<u>1,548,730</u>	<u>1,101,170</u>	<u>1,101,596</u>
Financed by :					
Capital and reserves					
Share capital	14	750,000	750,000	750,000	750,000
Reserves		466,745	307,824	351,170	351,596
Shareholders' funds		<u>1,216,745</u>	<u>1,057,824</u>	<u>1,101,170</u>	<u>1,101,596</u>
Long term liabilities					
Borrowings	13	678,002	490,906	-	-
		<u>1,894,747</u>	<u>1,548,730</u>	<u>1,101,170</u>	<u>1,101,596</u>

The notes set out on pages 108 to 123 form an integral part of, and, should be read in conjunction with, these financial statements.

Income statements for the eight months period ended 31 December 2001

	Note	Group		Company	
		8 months ended 31.12.2001 RM'000	Year ended 30.4.2001 RM'000	8 months ended 31.12.2001 RM'000	Year ended 30.4.2001 RM'000
Revenue		747,042	887,004	-	-
Other operating income		3,285	4,301	-	-
Staff costs		(48,758)	(63,808)	-	-
Depreciation expense	2	(94,241)	(109,970)	-	-
Amortisation of intangible asset	3	(2,299)	-	-	-
Amortisation of deferred expenditure	4	(50)	(243)	-	-
Operating expenses		(447,692)	(531,428)	(426)	(284)
Operating profit/(loss)	15	157,287	185,856	(426)	(284)
Interest expense		(41,983)	(38,562)	-	-
Interest income		6,617	4,851	-	-
Profit/(Loss) before taxation		121,921	152,145	(426)	(284)
Taxation	16	37,000	-	-	-
Net profit/(loss) for the period/year		158,921	152,145	(426)	(284)
Earnings per ordinary share (sen)	17	21.2	20.3		

The notes set out on pages 108 to 123 form an integral part of, and, should be read in conjunction with, these financial statements.

Statements of changes in equity for the eight months period ended 31 December 2001

Group	Share capital RM'000	<i>Non- Distributable</i> Share premium RM'000	<i>Distributable</i> Retained Profits/ (Accumulated losses) RM'000	Total RM'000
At 1 May 2000	750,000	352,651	(144,879)	957,772
Changes in accounting policy				
Revenue recognition (Note 1(k))	-	-	(13,946)	(13,946)
Deferred expenditure (Note 1(o))	-	-	(38,147)	(38,147)
Restated balance	750,000	352,651	(196,972)	905,679
Net profit for the year (as restated)	-	-	152,145	152,145
At 30 April 2001/1 May 2001	750,000	352,651	(44,827)	1,057,824
Net profit for the period	-	-	158,921	158,921
At 31 December 2001	750,000	352,651	114,094	1,216,745
	Note 14			
Company				
At 1 May 2000	750,000	352,651	(771)	1,101,880
Net loss for the year	-	-	(284)	(284)
At 30 April 2001/1 May 2001	750,000	352,651	(1,055)	1,101,596
Net loss for the period	-	-	(426)	(426)
At 31 December 2001	750,000	352,651	(1,481)	1,101,170
	Note 14			

The notes set out on pages 108 to 123 form an integral part of, and, should be read in conjunction with, these financial statements.

Cash flow statements for the eight months period ended 31 December 2001

	8 months ended 31.12.2001 RM'000	Year ended 30.4.2001 RM'000	8 months ended 31.12.2001 RM'000	Year ended 30.4.2001 RM'000
Cash flows from operating activities				
Profit/(Loss) before taxation	121,921	152,145	(426)	(284)
Adjustments for:				
Depreciation	94,241	109,970	-	-
Amortisation of intangible asset	2,299	-	-	-
Amortisation of deferred expenditure	50	243	-	-
Interest expense	41,983	38,562	-	-
Interest income	(6,617)	(4,851)	-	-
Loss/(Gain) on disposal of property, plant and equipment	448	(267)	-	-
Unrealised foreign exchange (gain)/loss	(17)	151	-	-
Property, plant and equipment written off	5,087	505	-	-
Operating profit/(loss) before working capital changes	259,395	296,458	(426)	(284)
Changes in working capital:				
Inventories	3,139	(10,546)	-	-
Trade and other receivables	(25,331)	(14,710)	-	-
Trade and other payables	(108,190)	97,166	(25)	(128)
Cash generated from/(used in) operations	129,013	368,368	(451)	(412)
Interest paid	(36,288)	(33,407)	-	-
Payment for technical services fee	(53,203)	-	-	-
Net cash generated by/(used in) operating activities	39,522	334,961	(451)	(412)
Cash flows from investing activities				
Purchase of property, plant and equipment	(393,674)	(507,470)	-	-
Amount due from a subsidiary	-	-	451	393
Interest income received	6,641	4,795	-	-
Proceeds from disposal of property, plant and equipment	17,029	285	-	-
Net cash (used in)/generated from investing activities	(370,004)	(502,390)	451	393

Cash flow statements for the eight months period ended 31 December 2001

	Group		Company	
	8 months ended 31.12.2001 RM'000	Year ended 30.4.2001 RM'000	8 months ended 31.12.2001 RM'000	Year ended 30.4.2001 RM'000
Cash flows from financing activities				
Proceeds from bank borrowings	302,150	490,906	-	-
Repayment of bank borrowings	(24,700)	(286,058)	-	-
Repayment of hire purchase and lease obligations	(778)	(1,840)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash generated by financing activities	276,672	203,008	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(53,810)	35,579	-	(19)
Cash and cash equivalents at beginning of period/year	211,473	175,894	-	19
	<hr/>	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at end of period/year (Note 10)	157,663	211,473	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

The notes set out on pages 108 to 123 form an integral part of, and, should be read in conjunction with, these financial statements.

Notes to the financial statements 31 December 2001

1. Summary of significant accounting policies

The following accounting policies are adopted by the Group and the Company and are consistent with those adopted in previous years except for the changes in accounting policies described in Note 1(k) and Note 1(o).

(a) Basis of accounting

The financial statements of the Group and of the Company are prepared in compliance with applicable approved accounting standards in Malaysia.

(b) Basis of consolidation

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

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

Intragroup transactions and balances and the resulting unrealised profits are eliminated on consolidation. Unrealised losses resulting from intragroup transactions are also eliminated unless cost cannot be recovered.

(c) Investments in subsidiaries

Investments in subsidiaries are held for long term and are stated at cost. Such investments are only written down when the Directors are of the opinion that there is a diminution in their values which is other than temporary.

(d) Property, plant and equipment

Property, plant and equipment, except for freehold land and capital work-in-progress, are stated at cost less accumulated depreciation. Freehold land and capital work-in-progress are stated at cost.

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the assets' recoverable amounts are estimated. An impairment loss, if any, is recognised whenever the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. In determining the recoverable amount of property, plant and equipment, expected future cash flows are not discounted to their present values. The impairment loss, if any, is charged to the income statement. Any subsequent increase in recoverable amount is reduced by the amount that would have been recognised as depreciation had the write-down or write-off not occurred. Such subsequent increase in recoverable amount is recognised in the income statement.

Interest incurred in connection with financing the construction and installation of property, plant and equipment is capitalised until the assets are ready for their intended use.

Notes to the financial statements 31 December 2001

(e) Depreciation

Freehold land and capital work-in-progress are not depreciated. All other assets are depreciated on a straight-line basis over their estimated useful lives except for leasehold land and buildings which are amortised over their remaining leasehold period.

The principal annual rates used are as follows:

Leasehold land and buildings	30 to 99 years
Freehold buildings	2.0%
Motor vehicles	20.0%
Computer systems	12.5%
Furniture and fittings	10.0%
Telecommunications network	5.0% to 6.6%

(f) Inventories

Inventories are stated at the lower of cost and net realisable value and are determined on a weighted average basis. The costs of trading merchandise comprises purchase costs and other incidental costs incurred in bringing these merchandise to their present condition and location.

(g) Cash and cash equivalents

Cash and cash equivalents consists of cash in hand, balances and deposits with licensed banks and other financial institutions. For the purpose of the cash flow statements, cash and cash equivalents are presented net of bank overdrafts, if any.

(h) Capitalisation of loan syndication costs

Costs specifically incurred to obtain new funding for the purpose of retiring existing loans and finance further network expansion are deferred to the extent that these are recoverable out of future revenue.

The costs incurred are amortised over the tenor of the new loans and any unamortised portion will be written off proportionately as and when there is a prepayment of the outstanding loans.

(i) Taxation

The tax expense in the income statement, if any, represents taxation at current tax rates based on profit earned during the period.

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

Notes to the financial statements 31 December 2001

(j) Foreign currency

Transactions in foreign currencies are translated into Ringgit Malaysia at rates approximating those ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at balance sheet date are translated into Ringgit Malaysia at the foreign exchange rates ruling at that date. Foreign exchange differences arising from translation are recognised in the income statement.

The closing rates used in the translation of foreign currency monetary assets and liabilities are as follows:

	31.12.2001	30.4.2001
1 US Dollar	RM3.80	RM3.80
1 Swiss Franc	RM2.27	RM2.20
1 Special Drawing Rights	RM4.77	RM4.81
1 Euro Dollar	RM3.36	-
1 Norwegian Kroner	RM0.42	-

(k) Revenue

Net revenue include all sales of goods and services, net of rebates and discounts. Revenue are recognised when goods are delivered or services are rendered.

During the period, the Group changed its accounting policy with respect to the revenue recognition for prepaid cards to conform to that of its ultimate holding company, Telenor ASA. The revenue for prepaid cards are now recognised based on usage basis instead of at point of sale. This change in accounting policy has been accounted for retrospectively by restating the comparative figures. The effect of the change is a decrease in revenue for the period ended 31 December 2001 of RM1.3 million (year ended 30.4.2001: RM20.8 million) and a decrease in operating expense of RM0.5 million (year ended 30.4.2001: RM2.9 million). The opening accumulated losses as at 1 May 2000 have been increased by RM13.9 million which is the adjustment relating to periods prior to and for the year ended 30 April 2000.

(l) Interest income

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

(m) Interest expense

All interest and other costs incurred in connection with borrowings are expensed as incurred except for those as mentioned in Notes 1(d) and (h).

(n) Intangible asset

During the financial period, the Group capitalised RM53.2 million being fee paid for the provision of technology and transfer of technical know-how pursuant to a technical services agreement signed between the Company and Telenor Mobile Communications AS, a wholly owned subsidiary of Telenor ASA, its ultimate holding company.

The fee paid is amortised on a straight line basis over the remaining period of the telecommunications license of fifteen years.

Notes to the financial statements 31 December 2001

(o) Deferred expenditure

Deferred expenditure comprises preliminary expenses, pre-operating expenses and other material items of expenditure which are deferred to the extent that they are recoverable out of future revenue.

Preliminary and pre-operating expenses have been fully written off in the previous financial year.

Other material items of deferred expenditure comprises marketing and product development expenses and license fees. Marketing and product development expenses are amortised over a period of not more than two years from the date incurred while license fees are amortised over the period of the licenses.

During the period, the Group changed its accounting policy with respect to the marketing and product development expenses to conform to that of its ultimate holding company, Telenor ASA. The marketing and product development expenses are now expensed in the income statement as and when incurred. In the previous year, it was capitalised and amortised over a period of not more than two years from the date incurred. This change in accounting policy has been accounted for retrospectively by restating the comparative figures. The effect of the change is a decrease in operating expenses of RM12.2 million for the period ended 31 December 2001 (year ended 30 April 2001: increased by RM19.9 million). The opening accumulated losses as at 1 May 2000 have been increased by RM38.1 million which is the adjustment relating to periods prior to and for the year ended 30 April 2000.

(p) Hire purchase obligations

Property, plant and equipment acquired under hire purchase agreements are capitalised at their purchase costs and depreciated over their estimated useful lives in accordance to the rates set out in Note 1(e). The total amount repayable under the hire purchase agreement is included under hire purchase creditors. The interest charges are allocated to the income statement over the period of the agreement using the straight line method.

(q) Trade receivables

Bad debts are written off in the period/year in which they are identified. Allowances are made for doubtful debts based on a review of all outstanding balances at the period/year end.

Notes to the financial statements 31 December 2001**2. Property, plant and equipment**

Group	Balance at 1.5.2001 RM'000	Additions RM'000	Transfers RM'000	Written off/ Disposals RM'000	Balance at 31.12.2001 RM'000
Cost					
Freehold land and buildings	2,332	-	13,776	-	16,108
Leasehold land and buildings					
- long term	9,605	-	-	-	9,605
- short term	14,312	-	-	-	14,312
Motor vehicles	12,763	2,311	-	(71)	15,003
Computer systems	108,421	-	25,808	(1,204)	133,025
Furniture and fittings	24,497	-	1,606	(241)	25,862
Telecommunications network	1,880,931	8,231	262,794	(28,880)	2,123,076
Capital work-in-progress	39,942	383,132	(303,984)	-	119,090
	2,092,803	393,674	-	(30,396)	2,456,081

Accumulated depreciation	Balance at 1.5.2001 RM'000	Charge for the period RM'000	Written off/ Disposals RM'000	Balance at 31.12.2001 RM'000
Freehold land and buildings	210	31	-	241
Leasehold land and buildings				
- long term	367	68	-	435
- short term	1,644	198	-	1,842
Motor vehicles	9,263	1,041	(71)	10,233
Computer systems	31,350	9,225	(878)	39,697
Furniture and fittings	9,037	1,659	(110)	10,586
Telecommunications network	339,752	82,019	(6,773)	414,998
	391,623	94,241	(7,832)	478,032

Notes to the financial statements

31 December 2001

2. Property, plant and equipment (continued)

	Net book value		Depreciation charge	
	31.12.2001 RM'000	30.4.2001 RM'000	8 months ended 31.12.2001 RM'000	Year ended 30.4.2001 RM'000
Freehold land and buildings	15,867	2,122	31	47
Leasehold land and buildings				
- long term	9,170	9,238	68	80
- short term	12,470	12,668	198	282
Motor vehicles	4,770	3,500	1,041	1,475
Computer systems	93,328	77,071	9,225	11,754
Furniture and fittings	15,276	15,460	1,659	2,185
Telecommunications network	1,708,078	1,541,179	82,019	94,147
Capital work-in-progress	119,090	39,942	-	-
	1,978,049	1,701,180	94,241	109,970

Long term leasehold land and buildings comprise leasehold interests with an unexpired term in excess of 50 years.

All the assets of a subsidiary have been charged to financial and other institutions for credit facilities.

As at 31 December 2001, the Group has assets acquired under hire purchase arrangements with net book values amounting to Nil (30.4.2001: RM5.6 million).

No interest was capitalised during the financial period and the previous financial year in respect of the property, plant and equipment of the Group.

3. Intangible asset

	Group	
	31.12.2001 RM'000	30.4.2001 RM'000
Balance as at 1 May 2001/2000	-	-
Amount capitalised during the period/year	53,203	-
	53,203	-
Less: Amount amortised during the period/year	(2,299)	-
	50,904	-

Notes to the financial statements 31 December 2001

4. Deferred expenditure

	Group	
	31.12.2001 RM'000	30.4.2001 RM'000
Preliminary and pre-operating expenses		
Balance as at 1 May 2001/2000	-	168
Less: Amount written off during the period/year	-	(168)
	<hr/>	<hr/>
Balance as at 31 December/30 April	-	-
	<hr/>	<hr/>
Other deferred expenditure		
Balance as at 1 May 2001/2000 (as previously stated)	58,961	39,090
Write-off on change in accounting policy	(58,093)	(38,147)
	<hr/>	<hr/>
Restated opening balance	868	943
Less: Amount amortised during the period/year	(50)	(75)
	<hr/>	<hr/>
Balance as at 31 December/30 April	818	868
	<hr/> <hr/>	<hr/> <hr/>

5. Investments in subsidiaries

	Company	
	31.12.2001 RM'000	30.4.2001 RM'000
Unquoted shares, at cost	526,501	526,501
	<hr/> <hr/>	<hr/> <hr/>

Details of the subsidiary companies, which are incorporated in Malaysia, are as follows:

Name of Company	Principal activity	Effective ownership interest	
		31.12.2001 %	30.4.2001 %
DiGi Telecommunications Sdn. Bhd.	Establishment, maintenance and provision of telecommunications and related services	100	100
Subsidiaries of DiGi Telecommunications Sdn. Bhd.			
DiGi Services Sdn. Bhd.	Property holding and other related services	100	100
Djuice.Com Sdn. Bhd.	Dormant	100	100

Notes to the financial statements 31 December 2001

6. Amount due from a subsidiary company

	Company	
	31.12.2001 RM'000	30.4.2001 RM'000
Amount due from a subsidiary company	574,925	575,374

The amount due is non-trade, unsecured, interest free and not repayable within the next twelve months. In addition, the amount due has been subordinated to the secured lenders of the subsidiary company.

7. Deferred tax asset

	Group	
	31.12.2001 RM'000	30.4.2001 RM'000
At 1 May 2001/2000	-	-
Transfer to income statement (Note 16)	37,000	-
At 31 December/30 April 2001	37,000	-

8. Inventories

	Group	
	31.12.2001 RM'000	30.4.2001 RM'000
Trading merchandise, at cost	14,037	17,176

9. Trade and other receivables

	Group		Company	
	RM'000	RM'000	RM'000	RM'000
Trade receivables	123,968	117,569	-	-
Less: Allowance for doubtful debts	(20,927)	(22,942)	-	-
	103,041	94,627	-	-
Other receivables, deposits and prepayments	68,849	51,939	-	2
	171,890	146,566	-	2

During the financial period, the Group had written off approximately RM21.969 million (30.4.2001: RM26.410 million) of trade receivables balance against the allowance for doubtful debts balance brought forward.

Notes to the financial statements 31 December 2001

10. Cash and cash equivalents

	Group	
	31.12.2001 RM'000	30.4.2001 RM'000
Deposits are placed with:		
Licensed bank	15,663	-
Other financial institutions	136,803	199,330
Cash and bank balances	5,197	12,143
	157,663	211,473
	157,663	211,473

11. Trade and other payables

	Group		Company	
	31.12.2001 RM'000	30.4.2001 RM'000	31.12.2001 RM'000	30.4.2001 RM'000
Trade payables	60,681	64,632	-	-
Other payables and accrued expenses	299,560	399,412	256	281
Deferred revenue	65,019	63,711	-	-
Hire purchase creditors (see Note 12)	-	778	-	-
	425,260	528,533	256	281
	425,260	528,533	256	281

Included in other payables and accrued expenses of the Group is an amount of RM60.9 million (30.4.2001: RM207.8 million) relating to a creditor for equipment purchases which bears interest between 8.5% to 8.9% (30.4.2001: 6.0% to 8.9%) per annum.

12. Hire purchase creditors

	Group	
	31.12.2001 RM'000	30.4.2001 RM'000
Gross obligations	-	937
Less: Interest in suspense	-	(159)
	-	778
Repayable within twelve months (Note 11)	-	778

Notes to the financial statements 31 December 2001

13. Borrowings

	Group	
	31.12.2001	30.4.2001
	RM'000	RM'000
Current:		
Syndicated term loan - secured	40,954	-
Term loan - secured	49,400	-
	<hr/>	<hr/>
	90,354	-
	<hr/> <hr/>	<hr/> <hr/>
Non-current:		
Syndicated term loan - secured	505,102	490,906
Term loan - secured	172,900	-
	<hr/>	<hr/>
	678,002	490,906
	<hr/> <hr/>	<hr/> <hr/>

The syndicated term loan outstanding is part of a syndicated term loan facility of up to RM551.21 million secured in the previous financial year to refinance existing borrowings and to finance capital expenditure.

The syndicated term loan is repayable in eight half yearly unequal instalments over a period of four years commencing 31 October 2002 and bears interest at 2% per annum above the banks' base lending rate.

The syndicated term loan is secured by:

- i) A fixed and floating charge over all the assets of a subsidiary company;
- ii) Corporate guarantee issued by the Company;
- iii) Pledgement of all the shares of a subsidiary held by the Company; and
- iv) Negative pledge over all the assets of a subsidiary company.

A term loan facility of USD65 million (approximately RM247 million) was obtained during the period by a subsidiary to finance capital expenditure. The loan is subject to interest at the rate of 1.25% above London Inter Bank Offer Rate ("LIBOR") per annum and repayable in 10 half yearly instalments of USD6.5 million (approximately RM24.7 million) which commenced on 31 July 2001.

Notes to the financial statements 31 December 2001

13. Borrowings (continued)

The new term loan obtained is secured parri passu with the syndicated term loan.

The borrowings of the Group are repayable as follows:

	Total RM'000	Current RM'000	1 to 2 years RM'000	2 to 5 years RM'000
Syndicated term loan	546,056	40,954	122,862	382,240
Term loan	222,300	49,400	49,400	123,500
	<u>768,356</u>	<u>90,354</u>	<u>172,262</u>	<u>505,740</u>

14. Share capital

	Group and Company	
	31.12.2001 RM'000	30.4.2001 RM'000
Ordinary shares of RM1 each		
Authorised	1,000,000	1,000,000
Issued and fully paid	750,000	750,000

Notes to the financial statements

31 December 2001

15. Operating profit/(loss)

	Group		Company	
	8 months ended 31.12.2001 RM'000	Year ended 30.4.2001 RM'000	8 months ended 31.12.2001 RM'000	Year ended 30.4.2001 RM'000
Operating profit/(loss) is arrived at after charging:				
Auditors' remuneration	79	78	11	11
Directors' remuneration				
- Fees	9	20	9	20
- Emoluments	152	222	12	-
Depreciation	94,241	109,970	-	-
Rental of land and buildings	20,257	24,583	-	-
Allowance for doubtful debts	19,954	15,813	-	-
Amortisation of intangible asset	2,299	-	-	-
Amortisation of deferred expenditure	50	243	-	-
Unrealised loss on foreign exchange	-	151	-	-
Loss on disposal of property, plant and equipment	448	-	-	-
Property, plant and equipment written off	5,087	505	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
and crediting:				
Gain on disposal of property, plant and equipment	-	267	-	-
Unrealised gain on foreign exchange	17	-	-	-
Bad debts recovered	1,120	1,302	-	-
Realised gain on foreign exchange	1,084	2,009	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The number of employees of the Group and of the Company at the end of the period was 1,490 (30.4.2001: 1,403) and Nil (30.4.2001: Nil) respectively.

Notes to the financial statements

31 December 2001

16. Taxation

There is no tax charge for the Group in the current period and previous year due to the tax savings of approximately RM55 million (year ended 30 April 2001: RM86 million) arising from utilisation of unabsorbed capital allowances by its subsidiary.

The RM37 million credit balance represents the net deferred tax benefit recognised by its subsidiary for the period.

Subject to the agreement by Inland Revenue Board, the details of deferred tax benefits calculated under the liability method are as follows:

	Group	
	31.12.2001	30.4.2001
	RM'000	RM'000
Unutilised tax losses	287,000	287,000
Unabsorbed capital allowances	897,000	728,000
Other timing differences	(1,052,000)	(847,000)
	<u>132,000</u>	<u>168,000</u>
Deferred tax benefit recognised at 28% (Note 7)	<u>37,000</u>	<u>-</u>

17. Earnings per ordinary share – Group

The calculation of earnings per share is based on the Group's net profit attributable to ordinary shareholders of RM158.9 million (As restated for year ended 30.4.2001: RM152.1 million) and the weighted average number of ordinary shares outstanding during the period of 750.0 million (Year ended 30.4.2001: 750.0 million).

18. Holding company

During the period, Telenor ASA, a company incorporated in Norway and listed on the Oslo Stock Exchange, Norway and NASDAQ, United States of America, became the ultimate holding company.

Notes to the financial statements

31 December 2001

19. Segmental information

The financial information by activity and geographical segment is not presented as the Group's activities are principally in the provision of telecommunications services and are conducted in Malaysia.

20. Contingent liabilities - unsecured

	Group	
	31.12.2001 RM'000	30.4.2001 RM'000
Guarantees given by the subsidiary company to a financial institution for housing loans granted to its employees	157	215
	<u>157</u>	<u>215</u>

21. Commitments

	Group	
	31.12.2001 RM'000	30.4.2001 RM'000
Capital expenditure commitments:		
Authorised and contracted for	278,000	200,000
	<u>278,000</u>	<u>200,000</u>
Authorised but not contracted for	487,000	312,000
	<u>487,000</u>	<u>312,000</u>

22. Change in accounting year end

The Company and its subsidiaries changed its accounting year end from 30 April to 31 December to be co-terminous with its ultimate holding company. The comparatives for the Income Statements, Statements of Changes in Equity and Cash Flow Statements as well as the comparatives in the notes to the financial statements relating to the Income Statements for the previous twelve months ended 30 April 2001 are hence not comparable to that for the current eight months ended 31 December 2001.

Notes to the financial statements

31 December 2001

23. Related parties

Controlling related party relationships are as follows:

- i) The ultimate holding company as disclosed in Note 18.
- ii) Its subsidiaries as disclosed in Note 5.

Significant transactions and balances with other related parties of the Group during the period are as follows:

	Transactions for the period / year		Balance due from / (to) at	
	8 months ended	Year ended	31.12.2001	30.4.2001
	31.12.2001 RM'000	30.4.2001 RM'000	31.12.2001 RM'000	30.4.2001 RM'000
<i>With the intermediate holding company</i>				
<i>- Telenor Mobile Communications AS</i>				
Technical services fee and know-how	53,203	-	-	-
Personnel services rendered	3,517	3,549	(7,623)	(3,833)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>With a fellow subsidiary company</i>				
<i>- Telenor Global Services AS</i>				
Provision of interconnection services on international traffic	5,378	9,767	1,191	840
Cost of interconnection services on international traffic	320	1,230	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>With companies in which a Director of the Company, Tan Sri Dato' Seri Tan Chee Yioun has an interest</i>				
Cosway (M) Sdn Bhd				
Sales of reload coupons	3,204	4,902	854	801
Berjaya General Insurance Bhd.				
Insurance premiums	1,429	1,313	(91)	(10)
Berjaya Registration Services Sdn. Bhd.				
Printing and mailing services	2,035	2,147	(439)	(506)
Hyumal Motor Sdn. Bhd.				
Purchase of motor vehicles	1,383	1,208	-	-
Berjaya Land Development Sdn. Bhd.				
Purchase of land	13,371	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The transactions have been entered into in the normal course of business and have been established under the terms that are no less favourable than those arranged with independent third parties.

Notes to the financial statements

31 December 2001

24. Comparative figures

The following comparatives have been restated to reflect the changes in accounting policies as explained in Notes 1 (k) and 1 (o).

	As restated RM'000	Group As previously stated RM'000
Balance sheet		
Deferred expenditure	868	58,961
Trade and other payables	528,533	496,693
Reserves	307,824	397,757
Income statement		
Revenue	887,004	907,803
Amortisation of deferred expenditure	(243)	(57,211)
Operating expenses	(531,428)	(457,419)
Profit before taxation	152,145	189,985
Statement of changes in equity		
Net profit for the year	152,145	189,985
Cash flow statement		
Profit before taxation	152,145	189,985
Amortisation of deferred expenditure	243	57,211
Trade and other payables	97,166	79,272
Deferred expenditure paid	-	(76,914)
Notes to the financial statements		
Note 4 : Deferred expenditure		
Amount capitalised during the year	-	76,914
Amount amortised during the year	(75)	(57,043)
Note 11 : Trade and other payables		
Other payables and accrued expenses	399,412	431,283
Deferred revenue	63,711	-
Note 15 : Operating profit		
Amortisation of deferred expenditure	243	57,211
Note 16 : Taxation		
Unutilised tax losses	287,000	255,000

List of properties as at 31 December 2001

No	Location	Tenure	Description/Existing use
1	H.S. (D) No 92086 & 92087, P.T. No 9 & No 10 Pekan Seremban Jaya, Daerah Seremban, Negeri Sembilan	Freehold	Land with a building/ Telecommunications centre
2	Unit No 202-4-11, Sri Bandar Besi Jalan Sungai Besi, Sungai Besi, Kuala Lumpur	Freehold	Apartment/Housing base transceiver equipment
3	Unit No C16-2, Indera Subang UEP Jalan UEP 6/2L, UEP Subang Jaya, Petaling Jaya	Freehold	Apartment/Housing base transceiver equipment
4	No 1-16.2, 16th Floor, Union Height Taman Yan, Jalan Klang Lama, Kuala Lumpur	Freehold	Apartment/Housing base transceiver equipment
5	3rd Floor, Unit Pt 4888/4786 C, Block TC-14 Taman Sri Gombak, Jalan Batu Caves, Selangor	Freehold	Apartment/Housing base transceiver equipment
6	4572, 7th Floor, Sri Jelatek Condominiums Section 10, Wangsa Maju, Kuala Lumpur	Freehold	Apartment/Housing base transceiver equipment
7	32, PLO 151 Jalan Angkasa Mas Utama Kawasan Perindustrian Tebrau II, 81100 Johor Bahru	30 years lease (expiring in 2023)	Land with a building/ Telecommunications Centre
8	HS (D) 77, No P.T. PTBM/A/081, Mukim 1, Kawasan Perusahaan Perai, District Seberang Perai Tengah, Pulau Pinang	Leasehold 60 years (expiring in 2033)	Land with a building/ Telecommunications Centre
9	Lot 36, Sedco Light Industrial Estate Jalan Kolombong, Kota Kinabalu, Sabah	Leasehold 60 years (expiring in 2034)	Land with a building/ Telecommunications Centre
10	Lot 1220, Section 66, Kuching Town Land District	Leasehold 60 years (expiring in 2036)	Land with a building/ Telecommunications Centre
11	No 112, Semambu Industrial Estate Kuantan, Pahang	Leasehold 66 years (expiring in 2041)	Land with a building/ Telecommunications Centre
12	Unit 16-12-1, 12th Floor, Cloud View Tower Taman Supreme, Cheras, Kuala Lumpur	Leasehold 99 years (expiring in 2076)	Apartment/Housing base transceiver equipment
13	Unit No M803, 8th Floor Sunrise Park, Ampang, Kuala Lumpur	Leasehold 99 years (expiring in 2088)	Apartment/Housing base transceiver equipment
14	Part of Lot PT11702, HS(D) 10654 Mukim 1, District of Bentong, Pahang	Leasehold 99 years (expiring in 2091)	Land with a building/ Earth Station Complex
15	Plot D-38, Taman Industri Prima Kota Fasa 1 Sector 3, Bandar Indera Mahkota, Kuantan, Pahang	Leasehold 99 years (expiring in 2097)	Land with Fixed Line switch and base transceiver station
16	Ptd 1490, Mukim of Jemaluang District of Mersing, Johor Darul Takzim	Leasehold 99 years (expiring in 2098)	Land with trunk station
17	PN 89926, Lot 191363, Mukim Hulu Kinta Daerah Kinta, Negeri Perak	Leasehold 90 years (expiring in 2081)	Land with a building/ Telecommunications Centre
18	Lot No 54, Jalan 6/2, Kawasan Perindustrian Seri Kembangan 43000 Seri Kembangan	Leasehold 99 years (pending issuance of land title)	Land with a building/ Telecommunications Centre
19	Lot 2728 Miri Concession Land District Lopeng, Miri	Leasehold 60 years (expiring on 2027)	Land with a building/ Telecommunications Centre
20	HS(D) 54842, PT No 152 Mukim of Damansara, District of Petaling Jaya, Selangor	Freehold	Land

Notes: The Group does not adopt a revaluation policy on landed properties.
N/A denotes "Not Applicable"

Date of acquisition	Area	Age of building (years)	Net book value as at 31.12.2001 RM'000
29.12.1997	22,529 sq ft	4	846
26.01.1995	802 sq ft	6	117
04.02.1995	2,429 sq ft	8	624
25.01.1995	1,249 sq ft	7	234
29.03.1995	1,319 sq ft	6	88
07.02.1995	1,115 sq ft	6	182
12.05.1995	1.58 acres	7	1,427
23.03.1995	1 acre	27	2,230
12.06.1995	0.938 acre	21	2,366
15.08.1995	4,124 sq ft	6	2,088
07.07.1995	4 acres	19	2,406
08.02.1995	1,400 sq ft	13	201
22.03.1995	1,100 sq ft	10	104
07.08.1996	7.5 acres	7	6,163
14.11.1997	25,521 sq ft	4	413
17.08.1999	40,000 sq ft	2	120
15.07.1999	5,942 sq ft	2	222
23.05.2000	18,050 sq ft	12	1,947
29.09.2000	4,937 sq ft	N/A	1,187
19.07.2001	284,485 sq ft	N/A	13,776

Statistics on shareholdings as at 12 March 2002

Analysis of shareholdings

Size of shareholdings	No. of shareholders	Percentage	No. of shares	Percentage
Less than 1,000	473	13.11%	160,782	0.02%
1,000-10,000	2,722	75.46%	6,127,687	0.82%
10,001-100,000	244	6.77%	8,900,325	1.19%
100,001-37,499,999	165	4.58%	277,311,576	36.97%
*Above 37,500,000	3	0.08%	457,499,630	61.00%
Total	3,607	100.00%	750,000,000	100.00%

Notes: There is only one class of shares in the paid-up capital of the Company. Each share entitles the holder to one vote.
*denotes 5% and above of the issued capital.

Thirty largest shareholders

No	Name	No. of shares	%
1	CITICORP NOMINEES (ASING) SDN BHD Telenor Asia Pte Ltd	247,000,000	32.93
2	CITICORP NOMINEES (ASING) SDN BHD Telenor Asia Pte Ltd (DiGi)	105,499,630	14.07
3	CITICORP NOMINEES (ASING) SDN BHD Telenor Asia Pte Ltd (DiGi/Moratorium)	105,000,000	14.00
4	SCOTIA NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account For Berjaya VTCY Sdn Bhd	28,132,271	3.75
5	ARAB-MALAYSIAN NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Berjaya VTCY Sdn Bhd (BK 7/729-3)	24,609,274	3.28
6	CIMSEC NOMINEES (TEMPATAN) SDN BHD Danaharta Urus Sdn Bhd for Tan Sri Dato' Seri Tan Chee Yioun	20,411,014	2.72
7	AMSEC NOMINEES (TEMPATAN) SDN BHD Arab-Malaysian Finance Berhad for Tan Sri Dato' Seri Tan Chee Yioun	19,811,043	2.64
8	INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD Prime Credit Leasing Sdn Bhd for Alam Nusantara Sdn Bhd	18,551,523	2.47
9	PAB NOMINEE (TEMPATAN) SDN BHD Pledged Securities Account for Tan Sri Dato' Seri Tan Chee Yioun	11,902,168	1.59
10	CIMSEC NOMINEES (TEMPATAN) SDN BHD Danaharta Urus Sdn Bhd for Berjaya VTCY Sdn Bhd (VTCY)	11,288,811	1.51
11	SCOTIA NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Tan Sri Dato' Seri Tan Chee Yioun	10,079,966	1.34
12	EMPLOYEES PROVIDENT FUND BOARD	9,901,020	1.32
13	SJ SEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Tengku Rethwan bin Tengku Mansor (CBSB)	7,623,898	1.02

Statistics on shareholdings as at 12 March 2002

14	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD Great Eastern Life Assurance (Malaysia) Berhad (MLF)	7,026,594	0.94
15	PENKALEN NOMINEES (TEMPATAN) SDN BHD Malpac Securities Sdn Bhd for Dato'Ahmad Sebi bin Bakar	5,091,371	0.68
16	INTER-PACIFIC SECURITIES SDN BHD IVT (9C55)	4,592,288	0.61
17	DATO' AHMAD SEBI BIN BAKAR	4,040,213	0.54
18	BERJAYA GENERAL INSURANCE BERHAD	4,012,044	0.53
19	AMSEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Berjaya VTCY Sdn Bhd	3,569,820	0.48
20	BUMIPUTRA-COMMERCE NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Malpac Securities Sdn Bhd (3349 SBAN)	3,380,481	0.45
21	INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD Prime Credit Leasing Sdn Bhd for Dato'Ahmad Sebi bin Bakar	2,539,983	0.34
22	AMSEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Tan Sri Dato' Seri Tan Chee Yioun	2,352,244	0.31
23	MAYBAN NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Datuk Tengku Adnan bin Tengku Mansor (414570223205)	2,271,618	0.30
24	CIMSEC NOMINEES (TEMPATAN) SDN BHD Danaharta Managers Sdn Bhd for Datuk Tengku Adnan bin Tengku Mansor (Sun Media Corp)	2,257,763	0.30
25	INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD Inter-Pacific Capital Sdn Bhd (A/C 83)	2,205,036	0.29
26	BUMIPUTRA-COMMERCE TRUSTEE BERHAD RHB Mudharabah Fund	2,120,000	0.28
27	ENG SECURITIES SDN BHD IVTA01	2,108,423	0.28
28	KAMARUDIN BIN JAFFAR	2,000,000	0.27
29	INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD Prime Credit Leasing Sdn Bhd for Ahmad Fizal bin Othman	1,924,229	0.26
30	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Tan Sri Dato' Seri Tan Chee Yioun (1731010)	1,693,322	0.23
		672,996,047	89.73

Statistics on shareholdings as at 12 March 2002

Substantial shareholders as per register of substantial shareholders

No	Name	Number of Shares held			
		Direct interest	%	Deemed interest	%
1	Berjaya VTCY Sdn Bhd	71,827,825	9.58	-	-
2	Tan Sri Dato' Seri Tan Chee Yioun	64,712,348	8.63	86,937,387 (a)	11.59
3	Telenor Asia Pte Ltd	457,499,630	61.00	-	-
4	Telenor Mobile Communications AS	-	-	457,499,630 (b)	61.00
5	Telenor Communications AS	-	-	457,499,630 (c)	61.00
6	Telenor ASA	-	-	457,499,630 (d)	61.00

Notes: (a) Deemed interested by virtue of his interest in Berjaya VTCYSdn Bhd and deemed interests in Inter-Pacific Securities Sdn Bhd, Eng Securities Sdn Bhd, Inter-Pacific Capital Sdn Bhd, Berjaya General Insurance Berhad, Prime Credit Leasing Sdn Bhd, Indah Corporation Berhad and Immediate Capital Sdn Bhd.

(b) Deemed interested by virtue of its 100% interest in Telenor Asia Pte Ltd.

(c) Deemed interested by virtue of its 100% interest in Telenor Mobile Communications AS.

(d) Deemed interested by virtue of its 100% interest in Telenor Communications AS.

Statement of directors' shareholdings as at 12 March 2002

The Company	Number of Ordinary Shares of RM1.00 each			
	Direct interest	%	Deemed interest	%
Tan Sri Dato' Seri Tan Chee Yioun	64,712,348	8.63	86,937,387 (a)	11.59

Ultimate Holding Company	Number of Ordinary Shares of NOK6 each			
	Direct interest	%	Deemed interest	%
Telenor ASA				
Arve Johansen	24,280	0.0013	-	-
Ole Bjorn Sjulstad	825	-	-	-
Bjorn Magnus Kopperud	2,260	-	-	-
Morten Karlsen Sorby	2,260	-	-	-

	Number of Options over Ordinary Shares of NOK6 each			
	Direct interest	%	Deemed interest	%
Arve Johansen	100,000	0.0056	-	-
Morten Karlsen Sorby	70,000	0.0039	-	-

Note: (a) By virtue of his interests in the shares of the Company, Tan Sri Dato'Seri Tan Chee Yioun is deemed to be interested in the shares of the subsidiaries (as set out in Note 5 to the financial statements) to the extent the Company has an interest.

Save as disclosed, none of the Directors of the Company has any interests in the shares and debentures of the Company or its related corporations as at 12 March 2002.

Notice of annual general meeting

NOTICE IS HEREBY GIVEN THAT the Fifth Annual General Meeting of DiGi.Com Berhad will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Thursday, 9 May 2002 at 9.30 a.m. for the following purposes:-

Agenda

- | | | |
|---|--|--|
| 1 | To receive and adopt the audited financial statements of the Company for the period ended 31 December 2001 and the Directors' and Auditors' Reports thereon. | Ordinary Resolution 1 |
| 2 | To approve the payment of Directors' Fees amounting to RM9,300.00 | Ordinary Resolution 2 |
| 3 | To re-elect the following Directors:
a. Arve Johansen
b. Ole Bjorn Sjulstad
c. Dato' Ab. Halim Bin Mohyiddin
d. Bjorn Magnus Kopperud | Ordinary Resolution 3
Ordinary Resolution 4
Ordinary Resolution 5
Ordinary Resolution 6 |
| 4 | To re-appoint Tun Dato' Seri Dr Lim Chong Eu as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company pursuant to Section 129(6) of the Companies Act, 1965. | Ordinary Resolution 7 |
| 5 | To re-appoint Messrs KPMG as Auditors and to authorise the Directors to fix their remuneration. | Ordinary Resolution 8 |
| 6 | As special business:
To consider and, if thought fit, pass the following Ordinary Resolution:

"That, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." | Ordinary Resolution 9 |

By Order of the Board

Su Swee Hong
Secretary

Kuala Lumpur
17 April 2002

Notes:**A. Appointment of proxy:**

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. The proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the Company's Registered Office not less than 48 hours before the time set for the meeting or at any adjournment thereof.

B. Ordinary resolutions 3, 4, 5, 6 and 7:

The particulars of Directors who stand for re-election are as follows:-

- a. Arve Johansen *(please refer to Profiles of Directors on Page 11 of the Annual Report).*
- b. Ole Bjorn Sjulstad *(please refer to Profiles of Directors on Page 13 of the Annual Report).*
- c. Dato' Ab. Halim Bin Mohyiddin *(please refer to Profiles of Directors on Page 14 of the Annual Report).*
- d. Bjorn Magnus Kopperud *(please refer to Profiles of Directors on Page 12 of the Annual Report).*
- e. Tun Dato' Seri Dr Lim Chong Eu *(please refer to Profiles of Directors on Page 12 of the Annual Report).*

C. Special business

Ordinary Resolution 9 is proposed pursuant to Section 132D of the Companies Act, 1965 and if passed will give the Directors of the Company, from the date of the above general meeting, authority to issue and allot shares from the unissued share capital of the Company for such purposes as the Directors may deem fit and in the interest of the Company. This authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

Form of proxy

DiGi.Com Berhad

(Company No. 425190-X)
(Incorporated in Malaysia)

I/We _____
(Name in full)

I.C. or Company No. _____ CDS Account No. _____

of _____
(Address)

being a member/members of DiGi.COM BERHAD hereby appoint:

_____ I.C. No. _____
(Name in full) (New and Old I.C. Nos.)

of _____

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Fifth Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Thursday, 9 May 2002 at 9.30 a.m. or any adjournment thereof.

This proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

	For	Against
Ordinary Resolution 1		
Ordinary Resolution 2		
Ordinary Resolution 3		
Ordinary Resolution 4		
Ordinary Resolution 5		
Ordinary Resolution 6		
Ordinary Resolution 7		
Ordinary Resolution 8		
Ordinary Resolution 9		

No. of shares

Signature of Shareholder(s)

Signed this _____ day of _____, 2002

Notes: A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. The proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the Company's Registered Office not less than 48 hours before the time set for the meeting or at any adjournment thereof.

If appointor is a corporation, this Form of Proxy must be executed under its common seal or under the hand of its attorney.

Fold this flap for sealing

Affix stamp

The Secretary

DiGi.Com Berhad

11th Floor, Menara Berjaya

KL Plaza

179, Jalan Bukit Bintang

55100 Kuala Lumpur

2nd fold here

1st fold here



Corporate directory

List of operating offices

Head office

Lot 30, Jalan Delima 1/3
Subang Hi -Tech Industrial Park
40000 Shah Alam, Selangor
Tel: 03-5721 1800
Fax: 03-5721 1857

Central operating offices

Lot 5, Jalan U1/15
Hicom Glenmarie Industrial Park
40150 Shah Alam, Selangor
Tel: 03-5721 1800
Fax: 03-5721 1857

Lots 7 & 8, Jalan Delima 1/1
Subang Hi -Tech Industrial Park
40000 Shah Alam, Selangor
Tel: 03-5721 1800
Fax: 03-5721 1857

Lot 28, Jalan Delima 1/3
Subang Hi -Tech Industrial Park
40000 Shah Alam, Selangor
Tel: 03-5721 1800
Fax: 03-5721 1857

Regional operating offices

Northern Region

62, 1st Floor,
Jalan Mayang Pasir 1
Off Jalan Mahsuri
11950 Bayan Baru,
Pulau Pinang
Tel: 04-641 2800
Fax: 04-641 3800

Southern Region

8, Jalan Molek 1/12
Taman Molek
81100 Johor Bahru, Johor
Tel: 07-351 1800
Fax: 07-352 8016

Eastern Region

3, Jalan Tun Ismail
25000 Kuantan, Pahang
Tel: 09-508 0071
Fax: 09-508 0070

Sabah Region

Lot 36, SEDCO
Light Industrial Estate
Jalan Kolombong,
88450 Inanam
Kota Kinabalu, Sabah
Tel: 088-431 800
Fax: 088-430 016

Sarawak Region

Lot 2087, Block 10,
Bangunan Kueh Boon Teck
Jalan Tun Ahmad Zaidi Aduce
93150 Kuching, Sarawak
Tel: 082-421 800
Fax: 082-427 597

DiGi centres

Selangor

USJ
Subang Taipan, 19 & 21
Jalan USJ 10/1A, Subang Jaya
47610 Petaling Jaya, Selangor

SS2
24, Jalan SS2/66
47300 Petaling Jaya, Selangor

Selayang Baru

57, Jalan 2/3A,
Pasar Borong Selayang
Off Jalan Ipoh
68100 Batu Caves, Selangor

Klang

90, Batu 1-1/2, Jalan Meru
41050 Klang, Selangor

Kuala Lumpur

Pandan Indah
M5A/13, Jalan Pandan Indah 4/1
Taman Pandan Indah
55100 Kuala Lumpur

Jalan Sultan Ismail

Lot 3, Level 1,
Menara Shahzan Insas
30, Jalan Sultan Ismail
50250 Kuala Lumpur

KLPiazza

Lot S26-30, 2nd Floor,
KLPiazza
179, Jalan Bukit Bintang
55100 Kuala Lumpur

Pahang

Kuantan
3, Jalan Tun Ismail
25000 Kuantan, Pahang

Penang

Pulau Tikus
368-1-02, Jalan Burmah
10350 Pulau Tikus
Pulau Pinang

Seberang Jaya

8, Ground Floor, Jalan Todak Dua
Pusat Bandar,
Bandar Seberang Jaya
13700 Prai, Pulau Pinang

Bukit Jambul

6B-C-D, Jalan Tun Dr Awang
Bukit Jambul Shop House
11900 Pulau Pinang

Melaka

Melaka
523, Taman Melaka Raya
75000 Melaka

Johor

Johor Bahru
8, Jalan Molek 1/12
Taman Molek
81100 Johor Bahru, Johor

Jalan Tun Abdul Razak

64, Ground Floor
Jalan Tun Abdul Razak Susur 1
80000 Johor Bahru, Johor

Batu Pahat

18, Jalan Kundang
Taman Bukit Pasir
83100 Batu Pahat, Johor

Perak

Ipoh
40, Medan Istana
Bandar Ipoh Raya
30000 Ipoh, Perak

Negeri Sembilan

Seremban
301, Taman AST
70200 Seremban
Negeri Sembilan

Sabah

Kota Kinabalu
Lot 5/G3, Ground & 1st Floors
Api-Api Centre
88000 Kota Kinabalu, Sabah

Sarawak

Kuching
Lot 2087, Block 10
Bangunan Kueh Boon Teck
Jalan Tun Ahmad Zaidi Aduce
93150 Kuching, Sarawak

Miri

Lot 938, Ground & 1st Floors
Jalan Asmara, 98000 Miri,
Sarawak

Sibu

13, Ground & 1st Floors
Lorong Kampung Datu 3
96000 Sibu, Sarawak

24-hour DiGi customer service line: 016-221 1800

DiGi.Com Berhad (425190-X)
Lot 30, Jalan Delima 1/3,
Subang Hi-Tech Industrial Park
40000 Shah Alam, Selangor

Mailing Address:
P. O. Box 7551
40718 Shah Alam, Selangor
Tel: 03-5721 1800
Fax: 03-5721 1857
www.digi.com.my

Lot 30 Jalan Delima 1/3
Subang Hi-Tech Industrial Park
40000 Shah Alam
Selangor Darul Ehsan
Malaysia

Mailing Address
P.O. Box 7551
40718 Shah Alam
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