



**GLOMAC BERHAD**  
(110532-M)



**ANNUAL  
REPORT  
2002**



# CONTENTS

		2	Notice Of Annual General Meeting
		3	Statement Accompanying Notice Of Annual General Meeting
4	Corporate Information		
5	Group Structure		
6	Board Of Directors		
8	Chairman's Statement		
12	Corporate Governance Statement		
16	Audit Committee Report		
		19	Statement Of Internal Control
		20	Financial Highlights
		21	Financial Statements
		54	List Of Properties
		56	Analysis Of Shareholdings
			Proxy Form

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 18th Annual General Meeting of Glomac Berhad will be held at Kelana Seafood Centre Restaurant, Lot 1122, SS7, Jalan Perbandaran, Kelana Jaya, 47301 Petaling Jaya on Thursday, 10 October 2002 at 10.00 a.m., for the following purposes:

### AGENDA

#### AS ORDINARY BUSINESS:

- |   |                     |
|---|---------------------|
| 1. To receive and adopt the Report of the Directors and the Audited Financial Statements for the financial year ended 30 April 2002 together with the Report of the Auditors thereon. | <b>RESOLUTION 1</b> |
| 2. To approve the payment of a Second and Final Dividend of 5% less 28% Income Tax for the financial year ended 30 April 2002.  | <b>RESOLUTION 2</b> |
| 3. To approve the payment of directors' fees of RM66,000.00 for the financial year ended 30 April 2002.   | <b>RESOLUTION 3</b> |
| 4. To re-elect the following Directors, who retire pursuant to Article 84 of the Company's Articles of Association and being eligible, offer themselves for re-election:              |                     |
| (i) En Fateh Iskandar bin Dato' Mohamed Mansor  | <b>RESOLUTION 4</b> |
| (ii) En Ikhwan Salim bin Dato' Hj Sujak   | <b>RESOLUTION 5</b> |
| 5. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration.  | <b>RESOLUTION 6</b> |

#### AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolution: **RESOLUTION 7**

#### 6. Ordinary Resolution – Authority to Issue Shares

THAT pursuant to Section 132D of the Companies Act, 1965, and subject to the approval from other relevant authorities, the Directors be and are hereby empowered 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 ten (10) per cent of the total issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Kuala Lumpur Stock Exchange and that such authority shall continue to be in force until the conclusion of the next AGM of the Company.

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

### BY ORDER OF THE BOARD

**HO TOOI KOK**  
**SIEW SUET WEI**  
Company Secretaries

Petaling Jaya  
18 September 2002

#### Notes

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 12th Floor, Wisma Glomac 3, Kompleks Kelana Centre Point, Jalan SS7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly appointed or if such appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly appointed under a power of attorney.

#### Explanatory notes on Special Business

1. Ordinary Resolution 7 – Authority to issue shares  
The proposed resolution is to empower the Directors to issue up to a maximum of 10% of the issued and paid up share capital of the Company as at the date of this Annual General Meeting for such purposes as the Directors consider would be in the best interest of the Company. This authority unless revoked or varied by the Company at a general meeting will expire at the conclusion of the next annual general meeting.

# STATEMENT ACCOMPANYING

## NOTICE OF ANNUAL GENERAL MEETING PURSUANT TO PARAGRAPH 8.28(2) OF THE LISTING REQUIREMENTS OF THE KUALA LUMPUR STOCK EXCHANGE

### 1. Directors standing for re-election

The following directors are standing for re-election at the 18th Annual General Meeting:

- En Fateh Iskandar bin Dato' Mohamed Mansor
- En Ikhwan Salim bin Dato' Hj Sujak

The details of the above Directors are set out in Pages 6 and 7 of this Annual Report.

### 2. Attendance of Directors at Board meetings

Five (5) Board of Directors' Meetings were held during the financial year ended 30 April 2002. Details of attendance of the Directors are set out on Page 12 of this Annual Report.

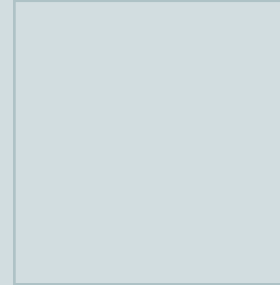
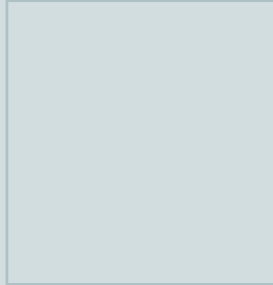
### 3. Place, Date and Time of 18th Annual General Meeting

Venue : Kelana Seafood Centre Restaurant  
Lot 1122, Jalan Perbandaran, Kelana Jaya,  
47301 Petaling Jaya, Selangor Darul Ehsan

Date : 10 October 2002

Time : 10.00 a.m.

## CORPORATE INFORMATION



### BOARD OF DIRECTORS

**Dato' Mohamed Mansor bin Fateh Din**  
Group Executive Chairman

**Datuk Richard Fong Loong Tuck**  
Group Executive Vice-Chairman

**En Fateh Iskandar bin Dato' Mohamed Mansor**  
Group Executive Director

**En Ikhwan Salim bin Dato' Hj Sujak**  
Independent Non-Executive Director

**Mr Chong Kok Keong**  
Independent Non-Executive Director

### AUDIT COMMITTEE

**En Ikhwan Salim bin Dato' Hj Sujak**  
Chairman

**Mr Chong Kok Keong**  
Member

**En Fateh Iskandar bin Dato' Mohamed Mansor**  
Member

### COMPANY SECRETARIES

**Mr Ho Tooi Kok** (MIA No. 4784)

**Ms Siew Suet Wei** (MAICSA No. 7011254)

### AUDITORS

**Ernst & Young** (AF 0039)  
4th Floor,  
Kompleks Antarabangsa,  
Jalan Sultan Ismail,  
50250 Kuala Lumpur

### REGISTERED OFFICE

12th Floor, Wisma Glomac 3,  
Kompleks Kelana Centre Point,  
Jalan SS 7/19, Kelana Jaya,  
47301 Petaling Jaya,  
Selangor Darul Ehsan  
Tel : 03-7803 6160  
Fax : 03-7803 7437

### SHARE REGISTRAR

Panama Resources Sdn Bhd  
23, Jalan Sri Hartamas 7,  
Sri Hartamas,  
50480 Kuala Lumpur  
Tel : 03-6201 1120  
Fax : 03-6201 3121

### STOCK EXCHANGE LISTING

Main Board, Kuala Lumpur Stock Exchange

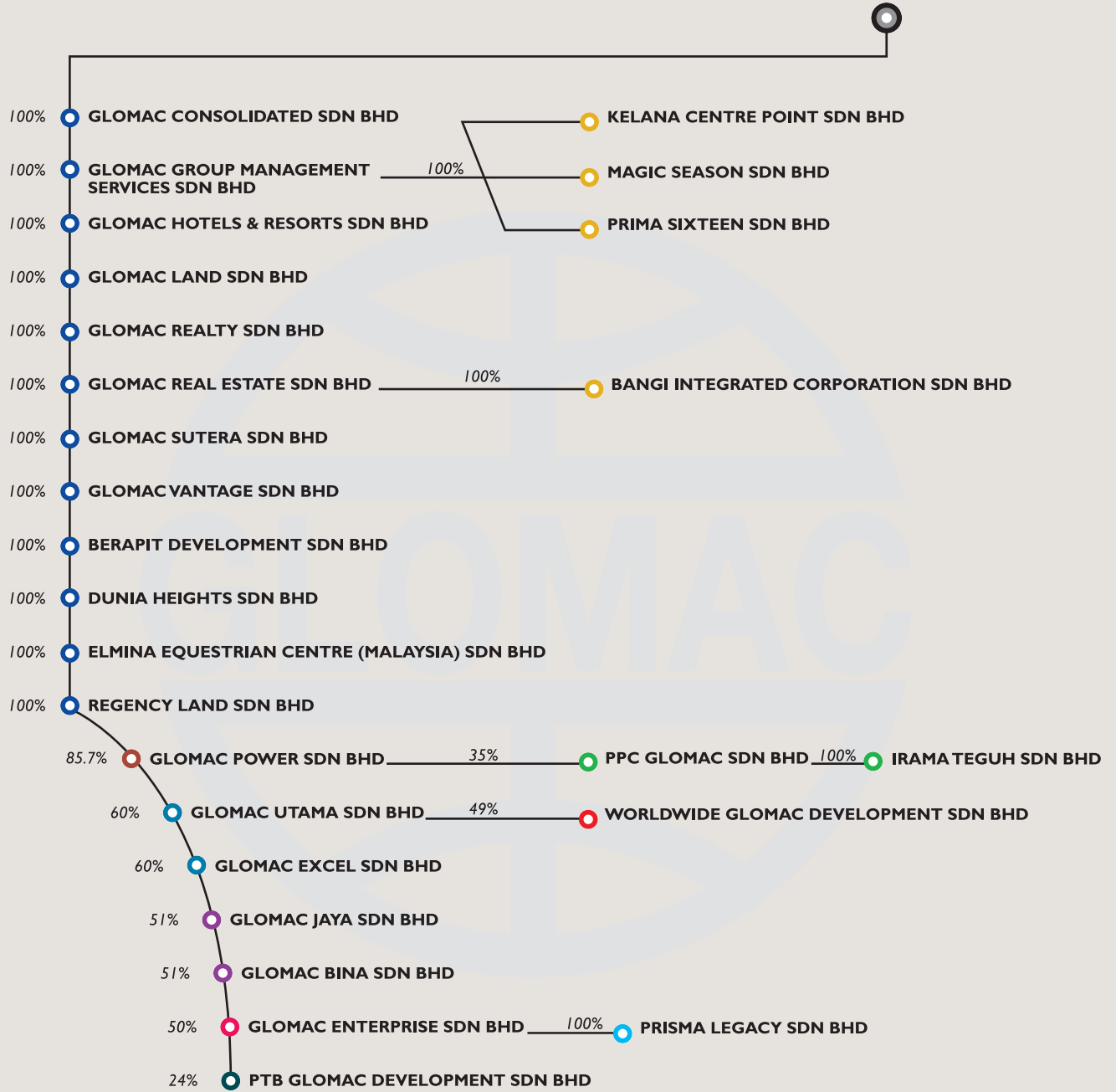
### PRINCIPAL BANKERS

AmBank Group  
Southern Bank Berhad  
Utama Merchant Bank Berhad

# GROUP STRUCTURE



**GLOMAC BERHAD**  
(110532-M)

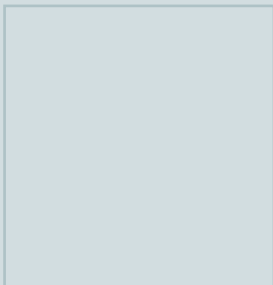
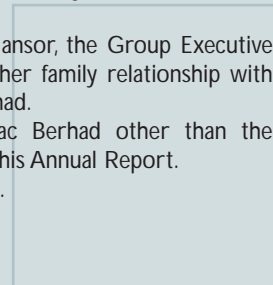
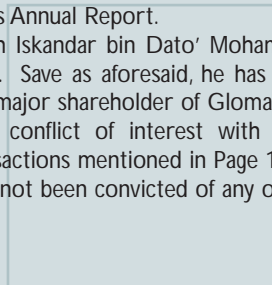
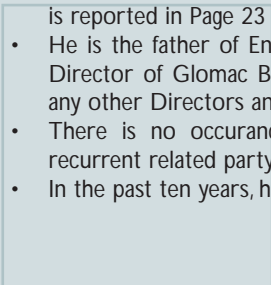
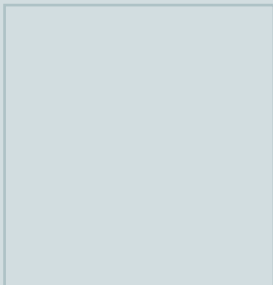


## BOARD OF DIRECTORS



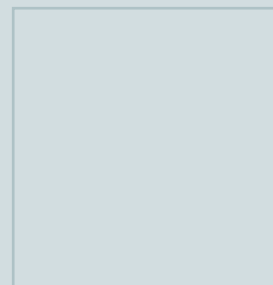
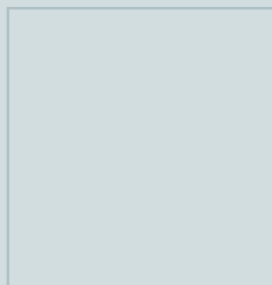
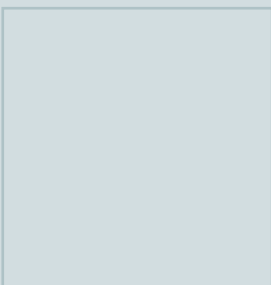
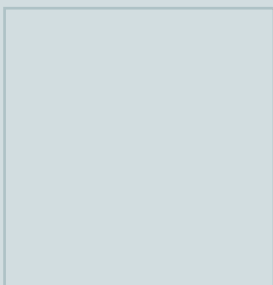
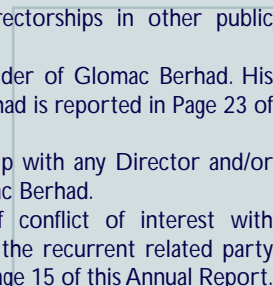
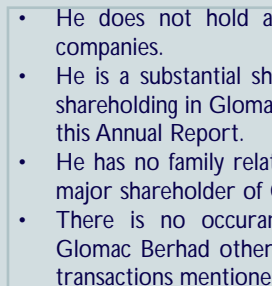
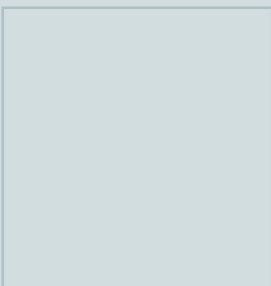
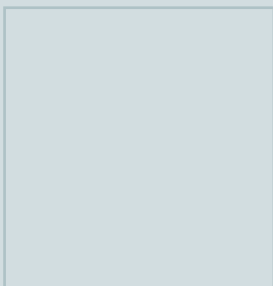
**Dato' Mohamed Mansor bin Fateh Din**  
(62 years of age – Malaysian)

- Group Executive Chairman and Non-Independent.
- Appointed as Director of Glomac Sdn Bhd on 1 April 1986.
- He was employed with Utusan Malaysia Sdn Bhd as Personnel Director before he founded Glomac Sdn Bhd with Datuk Richard Fong in 1988. He was the Honorary Secretary of the Malay Chamber of Commerce and Industry, Selangor from 1987 to 1995 and was awarded the Selangor Entrepreneur of the Year 1995 by the Dewan Perniagaan Melayu Malaysia Negeri Selangor.
- He does not hold any directorships in other public companies.
- He is a substantial shareholder of Glomac Berhad. His shareholding in Glomac Berhad is reported in Page 23 of this Annual Report.
- He is the father of En Fateh Iskandar bin Dato' Mohamed Mansor, the Group Executive Director of Glomac Berhad. Save as aforesaid, he has no other family relationship with any other Directors and/or major shareholder of Glomac Berhad.
- There is no occurrence of conflict of interest with Glomac Berhad other than the recurrent related party transactions mentioned in Page 15 of this Annual Report.
- In the past ten years, he has not been convicted of any offence.



**Datuk Richard Fong Loong Tuck**  
(51 years of age – Malaysian)

- Group Executive Vice-Chairman and Non-Independent.
- Appointed as Director of Glomac Sdn Bhd on 4 April 1988.
- Graduated with a Bachelor of Science (Hons) in Civil Engineering from University of London, UK.
- Began his career in Mudajaya Construction Sdn Bhd as Project Engineer and Manager between 1975 to 1986 and IJM Corporation Berhad between 1986 and 1988. He is the co-founder of Glomac Sdn Bhd.
- He does not hold any directorships in other public companies.
- He is a substantial shareholder of Glomac Berhad. His shareholding in Glomac Berhad is reported in Page 23 of this Annual Report.
- He has no family relationship with any Director and/or major shareholder of Glomac Berhad.
- There is no occurrence of conflict of interest with Glomac Berhad other than the recurrent related party transactions mentioned in Page 15 of this Annual Report.
- In the past ten years, he has not been convicted of any offence.





**En Fateh Iskandar bin Dato' Mohamed Mansor**  
(34 years of age – Malaysian)

- Group Executive Director and Non-Independent.
- Appointed as Director of Glomac Berhad on 5 February 1997.
- Member of Audit Committee of Glomac Berhad.
- He is a graduate of University of Queensland, Australia with a LLB (Hons.).
- He began his career in Glomac Sdn Bhd as General Manager (Business Development) in 1992 and was promoted to Group General Manager in 1994. He assumed his current position as Executive Director in 1997. En Iskandar is now a National Council Member Malaysia and also the Selangor Branch Secretary of Real Estate and Housing Development Authority (REHDA).

- He does not hold any directorships in other public companies.
- His shareholding in Glomac Berhad is reported in Page 23 of this Annual Report.
- He is the son of Dato' Mohamed Mansor bin Fateh Din, the Group Executive Chairman of Glomac Berhad. Save as aforesaid, he has no other family relationship with any other Directors and/or major shareholder of Glomac Berhad.
- There is no occurrence of conflict of interest with Glomac Berhad other than the recurrent related party transactions mentioned in Page 15 of this Annual Report.
- In the past ten years, he has not been convicted of any offence.

**En Ikhwan Salim bin Dato' Hj Sujak**  
(46 years of age – Malaysian)

- Non-Executive Director and Independent.
- Appointed as Director of Glomac Berhad on 9 February 2000.
- Chairman of the Audit Committee of Glomac Berhad.
- He graduated with a Bachelor of Economics/Accounting from Queen's University, Belfast, UK.
- He began his career as Auditor with Coopers & Lybrand, UK. Upon his return to Malaysia in 1979, he joined Nestle (M) Sdn Bhd as Finance Executive. In 1980, he was briefly employed by Kumpulan Low Keng Huat Sdn Bhd as Group Financial Planning Manager. Since 1982, he became the Managing Director of Jaya Holdings Sdn Bhd, an investment holding company.
- He is also a director of Malaysia Steel Works (M) Berhad.
- His shareholding in Glomac Berhad is reported in Page 23 of this Annual Report.
- He has no family relationship with any other Directors and/or major shareholder of Glomac Berhad.



- There has been no occurrence of conflict of interest with Glomac Berhad.
- In the past ten years, he has not been convicted of any offence.



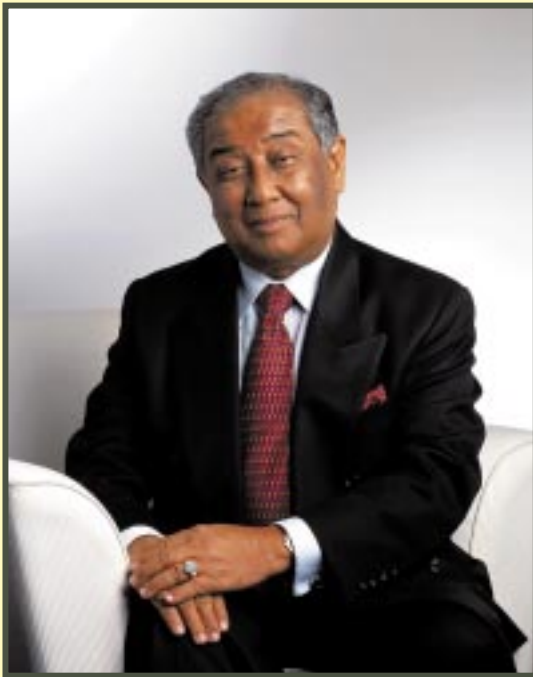
**Mr Chong Kok Keong**  
(53 years of age – Malaysian)

- Non-Executive Director and Independent.
- Appointed as Director of Glomac Berhad on 21 September 2000.
- Member of the Audit Committee of Glomac Berhad.
- He graduated with a Bachelor of Engineering (Hons) from Universiti Malaya.

- He began his career with Malayawata Steel Bhd as a trainee engineer and later joined Tractors Malaysia Berhad in 1974. In 1979, he was seconded to Kubota Agricultural Machinery Sdn Bhd to set up the production and local assembly plant. He was then appointed Manager in Charge of Engines Division of Tractors Malaysia Bhd. He was one of the founders of Pilecon Engineering Berhad where he set up the Plant Division and was part of the team which invented and patented the 'Triple Piling System'. He was the Managing Director of Pilecon from 1992 to 1999.
- He is also a director in Sunway Construction Berhad.
- His shareholding in Glomac Berhad is reported in Page 23 of this Annual Report.
- He has no family relationship with any other Directors and/or major shareholder of Glomac Berhad.
- There has been no occurrence of conflict of interest with Glomac Berhad.
- In the past ten years, he has not been convicted of any offence.

## CHAIRMAN'S STATEMENT

On behalf of the Board, I am pleased to present the Annual Report and Financial Statements of Glomac Berhad and the Group for the financial year ended 30 April 2002.



### OPERATING BACKGROUND

The Group continued to operate under an uncertain economic environment for the better part of the year under review. The domestic economy, which registered positive expansion in the first two quarters of 2001 after growing 8.3% in 2000, slipped back into negative growth in the second half of the calendar year. A weak external sector contributed to the slowdown in the domestic economy, which achieved positive growth of only 0.4% for 2001. The volatility of the domestic stockmarket, particularly in the aftermath of the September 11 attacks in the US, also contributed to consumers adopting a more cautious stance in their spending habits.

Economic activities however staged a recovery in the first quarter of 2002, and the country returned to a positive growth of 1.1%. Other factors, including the sustained low interest rate regime and competitive mortgage rates for property purchases, continued to work in favour of new property launches. Pro-active measures introduced by the government, such as the waiver of stamp duties on new property purchases between January to June 2002, helped sustain interest in the property market and encourage new transactions.

Confidence in the economy was also lifted by the upgrade of the country's investment grade ratings outlook from "Stable" to "Positive" by international rating agencies S & P and Moodys, in early-March and April 2002, respectively. Against this backdrop, launches of residential properties across the country rebounded by a robust 31.7% in the first quarter of 2002, in comparison with the number of units launched in the final quarter of 2001.

### FINANCIAL RESULTS

For the financial year ended April 2002, Glomac's turnover for the period increased by 55.8 percent, with pre-tax profit and net profit increasing by 10.8 percent and 7.9 percent respectively. Glomac chalked up a net profit of RM19.1m and an earnings per share ("EPS") of 12.7sen, compared to a net profit of RM17.7m or an EPS of 12.1sen in the same period for the previous year.

Property development continues to be the mainstay of the Group's earnings, accounting for more than three quarters of Glomac's earnings before taxation and minority interests. Pre-tax earnings from development activities rose a healthy 24.9% from a year ago, underpinned by progress billings of property sales of Sri Saujana at Kota Tinggi, Johor, and Saujana Utama and Saujana Utama II in Selangor.

## REVIEW OF OPERATIONS

### Property Development

During the year under review, the Group remained focused on property development in key locations in both Selangor as well as Johor. In keeping with a realistic approach to our development activities, we continued with our focus on the lower-end and mid-range segment of the landed residential market. Competitive pressures, particularly in the crowded Johor property market, remain a feature of our business. Nonetheless, Glomac continues to differentiate its developments through innovative designs, timely completion, quality finishing and most importantly, a fair and consistent pricing policy.

*Saujana Utama*, Glomac's 200-acre mixed residential development located in Sungai Buloh, Selangor, launched in early 1998, is now at the tail-end of its development cycle. Thus far, 1,304 units have been handed over. Another 1,106 units are in various stages of completion, with a residual 65 units still available for sale.

Building on the success of *Saujana Utama*, we launched *Saujana Utama II* in August 2001. Located adjacent to *Saujana Utama*, this is a 64-acre mixed residential development, comprising 1,185 units of houses and apartments. So far, 385 units with a total gross development value of RM60m have been launched. 359 units have been sold to date, representing a commendable take-up rate of more than 90%.

In Johor, our *Sri Saujana* development at Kota Tinggi continues to enjoy encouraging response despite softer market conditions and the spillover effects of the recession in neighboring Singapore. Again, we firmly believe that our philosophy of delivering quality homes at affordable prices has helped position Glomac as a successful player in the competitive Johor market. To date, we have launched 1,618 units at *Sri Saujana*, and completed and delivered a total of 637 units to our valued house buyers. Another 937 units are in various stages of completion.

### Property Investment

Rental incomes from the Group's portfolio of investment properties in the Kelana Jaya area of Petaling Jaya continue to provide a steady and recurrent source of earnings and cashflow for the Group. Our properties, which are well located and serviced by an excellent network of roads and telecommunications infrastructure, continue to enjoy occupancy rates in excess of 95%, on the average. While rental yields remain largely unchanged from a year ago, capped by the oversupply of commercial space in the Klang Valley, maintenance expenditure will remain low in the foreseeable future as the Group's investment properties are still relatively new.

### Construction

Our Group's construction division, though a relatively new player in the industry, has met with reasonable success since the decision was made in the previous financial year to venture into external jobs, to provide the Group with an additional source of income. Glomac Bina Sdn. Bhd. has secured some RM63m worth of building jobs over the course of 2001 to 2002, and is actively on the lookout for more jobs. Your Board recognizes that the construction market in Malaysia remains highly competitive at the present moment, and will thus continue to be selective in our pursuit of contracts without being overly aggressive on pricing.

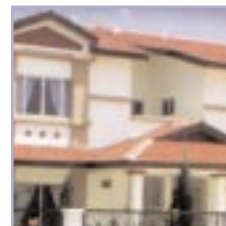
Endora, Phase 4E, Saujana Utama  
- Completed



Contessa, Phase 3, Saujana Utama II  
- Under Construction



Emilia, Phase 5, Saujana Utama  
- Completed



Primary and Secondary Schools at Saujana Utama - Under Construction



## DIVIDENDS

Glomac has declared a final dividend of 5 sen per share less tax of 28 percent. Together with an earlier interim dividend of 2.5 sen per share less tax of 28 percent, the total gross dividend for the period is 7.5 sen per share.

## CORPORATE GOVERNANCE

Your Board recognizes the importance of high standards of corporate governance, and will continuously endeavour to improve on good corporate governance practices with the aim of safeguarding and enhancing shareholders' investment and value.

A landmark to welcome you to Sri Saujana



Your Board would like to reiterate its commitment to the best practices in corporate governance recommended by the Malaysian Code on Corporate Governance. The Board is pleased to inform its shareholders that Glomac is already operating in accordance with the best practices guidelines.

In addition, Glomac has introduced a programme whereby executive Directors and senior management engage in regular dialogues with financial analysts and investment managers to provide comprehensive updates on matters pertaining to the Group's past and future performance, within the bounds imposed by the KLSE Listing Requirements, to aid the investment community in making informed decisions.



Sri Saujana's beautiful and lush landscapes

Phase 3B, Sri Saujana - Completed



## PROSPECTS

The country's economy saw stronger growth in the second quarter of 2002, with gross domestic product (GDP) rising 3.8% on the back of sustained strength in domestic demand and a recovery in exports. The economy is projected to expand by 3.5% for the year, and the strong second quarter recovery has prompted Bank Negara Malaysia to indicate that it may raise its forecast if domestic and external demand continue to strengthen. The anticipated recovery is translating into strengthening consumer confidence. This, together with the continued low interest rate regime, is expected to contribute to an improvement in general market conditions in the coming year.

Following a careful and exhaustive study of the demand trends of the residential market in Klang Valley, your Board made a decision to return to the high-end segment of the market with the launch of *Aman Suria Damansara*, an exclusive up-market gated community development in Petaling Jaya, Selangor, located in the vicinity of Bandar Utama and Tropicana. In catering to the demands of more sophisticated house purchasers, this low-density development incorporates features such as security and a gated perimeter, centrally located clubhouse, concealed infrastructure and lush landscaping.

The decision proved successful, and reflects well on your company's resources, flexibility and expertise in identifying and capitalizing on new trends and opportunities in the marketplace. Located on 53 acres of freehold land, this development is expected to generate sales of RM400m over a four-year period. *Aman Suria Damansara* has chalked up sales of RM170m since its launch in July 2002.

With the overwhelming response to *Aman Suria Damansara* and progress billings from earlier sales of *Sri Saujana*, and *Saujana Utama* and *Saujana Utama II*, your Board is confident of Glomac improving on its financial performance for the financial year ending April 2003.

Your Board acknowledges that the tougher Immigration Act enforced since 1 August 2002 has resulted in labour shortages afflicting several industries, with the construction trade one of the hardest hit. As a result, the pace of construction at some of the Group's ongoing developments has slowed considerably. Glomac is buffered somewhat against this development for the near term because the construction timetable for these projects is comfortably ahead of schedule. But, a prolonged delay in the progress of construction, lasting beyond three to four months from now, may result in the need to tone down our growth expectations for the year.

Meanwhile, the Group has already embarked on positive initiatives to address the problem, including applying for fresh permits for foreign workers via its own construction arm, rather than relying on sub-contractors to meet its labour requirements. In addition, following appeals from representatives of the sector, the Cabinet Committee on Foreign Workers recently decided that contractors, which were barred from employing Indonesian workers since February 2002, can now recruit them with immediate effect. It is thus envisaged that the labour situation will normalise within the next few months.



**LANDBANK STRATEGY**

The Group's existing landbank can comfortably sustain development activities at the current pace for another six to seven years. While your Board recognizes the need to replenish its land stock, our preference lies firmly with smaller parcels of land of 200 acres and below, which would support a shorter project turnaround time, hence speeding up cash flow generation for your Company, and minimizing holding costs and risks. Holding land is capital intensive, and your Board is wary of placing too much emphasis or dependence on a single but sizeable tract of land. While that may sustain a project for many years, it also means concentrated risks. In Malaysia, land remains plentiful, and your company is constantly looking at and evaluating land that is for sale in various locations.

Double Storey Terrace House, Aman Suria Damansara



Aman Suria Damansara's Entrance



Type A2 Bungalow, Aman Suria Damansara



**ACKNOWLEDGEMENT**

My sincere appreciation and thanks goes to my fellow Directors on the Board for their support and commitment.

On behalf of the Board of Directors, I also wish to extend our sincere appreciation and gratitude to the management and staff of the Group for their continued support and loyalty, whose individual and team efforts have all contributed to the success of the Group.



Finally, we wish to thank all our shareholders, valued customers, business partners, financiers and regulatory authorities for their continuous and consistent support and confidence in the Group.

**DATO' MOHAMED MANSOR BIN FATEH DIN**

Group Executive Chairman

6 September 2002

## CORPORATE GOVERNANCE STATEMENT

### The Code

In March 2000, the Finance Committee on Corporate Governance issued the Malaysian Code on Corporate Governance ("Code"). The Code sets out principles and best practices on structures and processes that companies may use in their operations towards achieving the optimal governance framework.

### BOARD OF DIRECTORS

#### Composition and Balance

The Board, led by an Executive Chairman, is made up of five (5) members, comprising three (3) Executive Directors and two (2) Independent Non-Executive Directors. The Board's composition represents a mix of knowledge, skills and expertise relevant to the activities of the Group.

The profiles of the Directors are provided on pages 6 and 7 of this Annual Report.

Generally the Executive Directors are responsible for making and implementing operational and corporate decisions. All the Executive Directors, led by the Executive Chairman, have many years of experience in the Group's core business and they practice "hands-on" style of management.

The role of the Independent Non-Executive Directors is particularly important as they provide unbiased and independent views, advice and judgment to take into account the interests of not only the Group, but also of shareholders, employees and customers. They also play key supporting roles, contributing the knowledge and experience towards the formulation of policies and in the decision making process. Where a potential conflict of interest may arise, it is mandatory practice for the director concerned to declare his interest and abstain from the decision making process.

The Board meets on a scheduled basis, at least four (4) times a year. Additional meetings will be convened as and when required. During the financial year ended 30 April 2002, five (5) Board Meetings were held. The following is the record of attendance of the Board Members:

Directors	Total meetings attended
i. Dato' Mohamed Mansor bin Fateh Din	5/5
ii. Datuk Fong Loong Tuck	5/5
iii. Fateh Iskandar bin Dato' Mohamed Mansor	5/5
iv. Ikhwan Salim bin Dato' Hj Sujak	5/5
v. Chong Kok Keong	5/5

#### Supply of Information

All Directors are provided with reports and other relevant information on a timely periodical manner, covering various aspects of the Group's operations and performance. The Board has unrestricted access to all staff for any information pertaining to the Group's affairs. In addition, the Board has access to the advice and services of the Company Secretary and may seek independent advice should the need arise.

#### Board Committee

The Board is assisted by an Audit Committee, whose role and function is as set out in the ensuing pages. The establishment of two other committees, namely the Nomination Committee and Remuneration Committee are not specifically formed as this responsibility falls on the current Board of Directors.

#### Re-election

In accordance with the Company's Articles of Association, all Directors will retire at regular intervals by rotation once at least every three (3) years and they shall be eligible for re-election. An election of directors takes place every year.

## DIRECTORS' REMUNERATION

The details of the remuneration of the Directors of the Company comprising remuneration received from the Company and subsidiary companies during the financial year under review are as follows:

- Aggregate remuneration of the Directors categorized into appropriate components:

	Executive Directors (RM)	Non-Executive Directors (RM)	Total (RM)
Salaries	1,260,000	-	1,260,000
Fees	-	46,625	46,625
Benefits-in-kind	90,750	-	90,750
Statutory contributions	151,200	-	151,200
	1,501,950	46,625	1,548,575

- Number of Directors who served during the financial year whose remuneration falls into the following bands:

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
Below RM50,000	-	2
RM400,000 to RM450,000	2	-
RM600,000 to RM650,000	1	-

## INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

The Group recognizes the importance of establishing a direct line of communication with shareholders and investors through timely dissemination of information on the Group's performance and major developments via appropriate channels of communication. The Company holds discussion with analyst and institutional shareholders regularly.

The following are the channels of communication of the Company to its shareholders, analysts and public:

- the distribution of annual reports and circulars to shareholders;
- timely quarterly results announcements and various disclosures and announcements made to the Kuala Lumpur Stock Exchange;
- press releases where appropriate;
- the Company also responds on an ad hoc basis to requests for discussion with institutional shareholders and analysts both on one to one and group basis.
- the Company has embarked into establishing a website for shareholders and the public to access corporate information and events organized by the Group.

The Chairman and the Board encourage shareholders to attend and participate in the AGM held annually. The shareholders are given the opportunity to seek clarification on any matters pertaining to the business and financial performance of the Company.

## ACCOUNTABILITY AND AUDIT

### Financial Reporting

In addition to providing financial report on an annual basis, the Company also presents the Group's financial results on a quarterly basis via public announcements. The Audit Committee assists the Board to ensure accuracy and adequacy of all relevant information for disclosure.

### Internal Control

The Group's Internal Control Statement is set out on Page 19.

### Relationship with Auditors

The Board through the establishment of an Audit Committee maintains a formal and transparent arrangement with the Company's auditors.

The Company's Audit Committee Report and the terms of reference are set out on Page 16.

## ADDITIONAL COMPLIANCE INFORMATION

### Share buybacks

The Board of Directors of the Company proposes to seek shareholders' approval for the purchase of its own shares of up to ten (10) per centum of the issued and paid-up share capital of the Company at the forthcoming Annual General Meeting to be held on 10 October 2002. Details of the proposal are set out in the Circular to shareholders dated 18 September 2002 which is despatched together with the Company's 2002 Annual Report.

### Options, warrants or convertible securities

The Board of Directors of the Company proposes to seek shareholders' approval to implement an Employees' Share Option scheme for the employees and Executive Directors of the Company and its subsidiaries at the forthcoming Annual General Meeting to be held on 10 October 2002. Details of the proposal are set out in the Circular to shareholders dated 18 September 2002 which is despatched together with the Company's 2002 Annual Report.

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

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

### Imposition of sanctions/penalties

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

### Non-audit fees

There were no non-audit fees paid to external auditors for the financial year except for the review of the Internal Control Statement.

### Profit estimate, forecast or projection

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

### Profit guarantee

No profit guarantee was given by the Company in respect of the financial year.

### Material contracts

Other than the following, there were no material contracts by the Company and its subsidiaries involving Directors' and major shareholders' interests:

- (i) Joint Venture Agreement dated 27 June 2002 entered into by Glomac Berhad with KJ Leisure Sdn Bhd ("KJLSB") to carry out all duties that are required of KJLSB in a proposed mixed development project on a 8.36 acre freehold land in Kelana Jaya. The proposed development will be undertaken by Kelana Property Development Sdn Bhd (formerly known as Kelana Food Paradise Sdn Bhd) of which KJLSB is one of the shareholders. Dato' Mohamed Mansor bin Fateh Din and Datuk Fong Loong Tuck are Directors and/or Major Shareholders\* of Glomac Berhad and KJLSB respectively.

### Recurrent related party transactions

Details including the aggregate value of the recurrent related party transactions of a revenue or trading nature conducted pursuant to the shareholders' mandate obtained at the Extraordinary General Meeting of the Company held on 31 January 2002 (Shareholders' Mandate), are set out below. The Company intends to seek the approval of the shareholders for the said Shareholders' Mandate at the Extraordinary General Meeting of the Company to be held on 10 October 2002. Details of the proposed Shareholders' Mandate are set out in the Circular to shareholders dated 18 September 2002 which is despatched together with the Company's 2002 Annual Report.

Dato' Mohamed Mansor bin Fateh Din ("MM"), Datuk Fong Loong Tuck ("FLT") and En Fateh Iskandar bin Dato' Mohamed Mansor ("FI") being Major Shareholders\* and/or persons connected to them shall abstain from voting in respect of their direct and indirect shareholdings on the Shareholders' Mandate by virtue of their interests.

\* Major Shareholder is defined as a person who has interest or interests in one or more voting shares in a company and the nominal amount of those shares, or the aggregate of the nominal amounts of those shares, is not less than 5% of the aggregate of the nominal amounts in all voting shares in the company.

Nature of Transactions	Names of Related Parties	Relationship of Related Parties with Glomac Group	Interested Directors or Major Shareholders involved in the Transactions	Aggregate value of Transactions from 31 Jan 2002 to 30 April 2002 (RM)
Construction works	Glomac Bina Sdn Bhd ("GBSB")	GBSB is a 51% subsidiary of Glomac Berhad.	<ul style="list-style-type: none"> <li>• MM, FLT and FI are Common Directors in Glomac Berhad and GBSB</li> <li>• MM is a Major Shareholder of Glomac Berhad and GBSB</li> <li>• FLT is a Major Shareholder of Glomac Berhad</li> <li>• FI is a person connected to Director and Major Shareholder</li> </ul>	17,204,641.00

### Revaluation of landed properties

The revaluation policy of the Group in relation to its investment properties is set out on Page 35 of Note 2(f) of the Notes to the Financial Statements of this Annual Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors is responsible for the preparation of the financial statements for each financial year which give a true and fair view of the state of affairs of the Company and its result and cash flow for the financial year ended.

The Board of Directors has ensured that the financial statements have been prepared in accordance with applicable accounting standards in Malaysia, the requirements of the Companies Act, 1965 and KLSE. In preparing the financial statements, the Board of Directors has ascertained that accounting policies and reasonable prudent judgment and estimates have been consistently applied.

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

This Statement is made in accordance with a resolution of the Board of Directors dated 6 September 2002.

# AUDIT COMMITTEE REPORT

## (A) MEMBERS AND MEETINGS

CHAIRMAN	:	IKHWAN SALIM BIN DATO' HJ SUJAK*
MEMBERS	:	CHONG KOK KEONG*
		FATEH ISKANDAR BIN DATO' MOHAMED MANSOR

\* *Independent Non-Executive Directors*

During the year ended 30 April 2002, the Committee held a total of five (5) meetings. The details of attendance of members are as follows:

Members	Total meetings attended
i. Ikhwan Salim bin Dato' Hj Sujak	5/5
ii. Chong Kok Keong	5/5
iii. Fateh Iskandar bin Dato' Mohamed Mansor	5/5

## (B) TERMS OF REFERENCE

### (1) Composition of Audit Committee

The Committee shall be appointed by the Directors from among its members and shall compose of not fewer than three (3) members of whom a majority shall not be:

- executive directors of the Company or any related corporation;
- a spouse, parent, brother, sister, son or adopted son or daughter or adopted daughter of an executive director of the Company or any related corporation;
- any person having a relationship which, in the opinion of the Directors, would interfere with the exercise of independent judgement in carrying out the functions of an audit committee.

The Committee shall elect a Chairman from among its members who is not an executive director or employee of the Company or any related corporation.

In the event that a member of an audit committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum of three (3) members.

### (2) Meetings

The Committee shall meet at least four (4) times a year.

The Chairman shall convene a meeting of the Committee if requested to do so by any member, the management or the internal or external auditors to consider any matter within the scope and responsibilities of the Committee.

### (3) Attendance of Meetings

The Group General Manager and/or Head of Finance will normally be invited to attend all meetings of the Committee. The external auditors will be invited to attend when appropriate. However, the Committee may invite any person to be in attendance to assist it in its deliberation.

### (4) Secretary to Audit Committee and Minutes

The Company Secretary shall be the secretary of the Committee and as a reporting procedure, the minutes shall be circulated to all members of the Board.

**(5) Quorum**

The quorum for any meeting shall be two (2) members of which the majority must be independent directors.

**(6) Authority**

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee for the purpose of discharging its functions and responsibilities.

The Committee is also authorised to obtain legal or other independent professional advice and to ensure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

**(7) Duties and Responsibilities**

The duties and responsibilities of the Committee shall be:

- i) To review the Company's and the Group's Quarterly and Annual financial statements before submission to the Board.

The review shall focus on:

- any changes in accounting policies and practices
- major judgmental areas
- significant audit adjustments from the external auditors
- the going concern assumption
- compliance with accounting standards
- compliance with stock exchange and legal requirements

- ii) To review with the external auditors their audit plan, scope and nature of audit for the Company and the Group.
- iii) To assess the adequacy and effectiveness the systems of internal control and accounting control procedures of the Company and the Group by reviewing the external auditors' management letters and management response.
- iv) To hear from the external auditors problems and reservations arising from their interim and final audits.
- v) To review the internal audit plan, consider the major findings of internal audit, fraud investigations and actions and steps taken by management in response to audit findings.
- vi) To review any related party transactions that may arise within the Company or the Group.
- vii) To consider the appointment of the external auditors, the terms of reference of their appointment and any question of resignation or dismissal.
- viii) To undertake such other responsibilities as may be agreed to by the Committee and the Board.
- ix) To report to the Board its activities, significant results and findings.

**(C) ACTIVITIES**

During the financial year under review, the Committee has discharged its function effectively by:

- Reviewing with the external auditors on:
  - the scope of work and audit plan of the Company and of the Group for the financial year ended 30 April 2002;
  - significant issues and concerns arising from the audit.
- Reviewing the audited financial statements for financial year ended 30 April 2002.

- Reviewing the unaudited quarterly financial results announcements of the Group prior to the Board of Directors' approval with particular focus on:
  - compliance with accounting standards and regulatory requirements; and
  - the Group's accounting policies and practices.
- Reviewing Related Party Transactions entered into by the Company and the Group.
- Reviewing the Internal Audit Reports and accessing the Internal Auditor's findings and the management's responses there to and thereafter, making the necessary recommendations or changes to the Board of Directors.

#### **(D) INTERNAL AUDIT**

The Board has outsourced its internal audit function to a professional services firm, which assists the Audit Committee in fulfilling its duties and responsibilities. The internal auditors' role is to provide independent and objective reports on the organisation's management, records, and controls to the Board. The internal audits include evaluation of the processes by which significant risks are identified, assessed and managed. Such audits will also ensure that instituted controls are appropriate, effectively applied and with a view to achieving acceptable risk exposures that are consistent with the Group's risk management policy.

## STATEMENT OF INTERNAL CONTROL

### INTRODUCTION

Pursuant to paragraph 15.27(b) of the Kuala Lumpur Stock Exchange ("KLSE") Listing Requirements, the Board of Directors of Glomac Berhad is pleased to provide the following statement on the state of internal control of the Group, which has been prepared in accordance with the "Statement on Internal Control – Guidance for Directors of Public Listed Companies" issued by the Institute of Internal Auditors Malaysia and adopted by the KLSE.

### INTERNAL CONTROL

The Board acknowledges that it is responsible for maintaining a sound system of internal control, which provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines.

Key elements of the Group's system of internal control are as follows:

- The Group has a team of employees who are well conversant with their roles, responsibilities and authority levels in the organisation;
- The Group has a defined organisational structure with clear lines of accountability, documented delegation of authority that sets out the decisions that need to be taken and the appropriate authority levels of Management including matters that require Board approval;
- There is a frequent periodical monitoring and review of financial results and forecasts for all departments within the Group, including monitoring and reporting thereon. The Group's management team communicates regularly to monitor performance and redress any deviations from business plan; and
- Regular internal audit on the Group by an independent professional services firm which reports directly to the Audit Committee to provide reasonable assurance to the Board that the system of internal control of the Group is operating effectively;

The Group has carried out risk assessment and identified the principal risks faced by the Group and the Group is continuously implementing risk treatment plans to address the risks. The Group's operations involve the acceptance and management of a wide range of risks. The nature of these risks means that events may occur which could give rise to unanticipated or unavoidable losses. The Group's system of internal controls is designed to provide reasonable but not absolute assurance against the risks of material errors, fraud or losses from occurring. It is possible that internal control may be circumvented or overridden. Furthermore, because of changing circumstances and conditions, the effectiveness of an internal control system may vary over time. The rationale of the system of internal controls is to enable the Group to achieve its corporate objectives within an acceptable risk profile and cannot be expected to eliminate all risks.

The Board is of the view that there is no significant breakdown or weaknesses in the system of internal control of the Group that may result in material losses incurred by the Group for the financial year ended 30 April 2002. The Group continues to take the necessary measures to strengthen its internal controls structure and the risks management framework. Currently, the Group is pursuing the ISO certification with a view inter alia to further enhance its current system of internal control.

## FINANCIAL HIGHLIGHTS

<b>RESULTS</b> <small>FOR THE YEAR ENDED 30 APRIL</small>	2002 RM'000	2001 RM'000	2000 RM'000	1999 RM'000	1998 RM'000
Revenue	171,405	110,014	115,956	120,840	165,270
Profit Before Tax	27,619	24,878	18,480	28,918	25,523
Taxation	(8,279)	(7,346)	(4,320)	(3,430)	(9,641)
Profit Before Minority Interest	19,340	17,532	14,160	25,488	15,882
Minority Interest	(264)	147	(1,037)	(3,804)	(11,536)
Profit After Tax and Minority Interest	19,076	17,679	13,123	21,684	4,346
<b>ASSETS AND SHAREHOLDERS' FUNDS</b>					
Total Assets Employed	463,666	403,510	396,682	401,822	337,680
Paid-up Share Capital	150,000	150,000	117,129	20,000	20,000
Shareholders' Funds	236,284	225,518	179,927	131,352	82,538
Return On Shareholders' Funds	8.1%	7.8%	7.3%	16.5%	5.3%
Return On Total Assets	4.1%	4.4%	3.3%	5.4%	1.3%
<b>SHARE INFORMATION</b>					
Earnings Per Share (Sen)	12.72	12.10	15.96	28.53	5.71
Net Tangible Assets Per Share (RM)	1.58	1.50	1.53	1.72	1.07
Gross Dividend (Sen)	7.50	7.50	-	92.37	-

Note: The earnings per share and net tangible assets per share for 1998 to 1999 have been adjusted for the 56,000,000 bonus shares issued in 2000.

# FINANCIAL STATEMENTS

22 Directors' Report

26 Statement by Directors

26 Statutory Declaration

27 Auditors' Report

28 Income Statements

29 Balance Sheets

31 Consolidated Statement of Changes  
in Equity

31 Statement of Changes in Equity

32 Consolidated Cash Flow Statements

34 Notes to the Financial Statements

## DIRECTOR'S REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Company and of the Group for the year ended 30 April 2002.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are property development and investment holding.

The principal activities of the subsidiary and associated companies are disclosed in Note 35 to the financial statements.

There have been no significant changes in the nature of these activities during the year.

### FINANCIAL RESULTS

	<u>GROUP RM</u>	<u>COMPANY RM</u>
Profit for the year	19,075,787	6,189,855

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

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

### DIVIDEND

During the year, the following dividends were paid by the Company:

- (i) A second and final dividend of RM0.025 per share, less income tax of 28%, amounting to RM2,700,000 in respect of the previous financial year; and
- (ii) An interim dividend of RM0.025 per share, less income tax of 28%, amounting to RM2,700,000 in respect of the financial year under review.

The Directors recommend a second and final dividend of RM0.05 per share, less income tax of 28%, amounting to RM5,400,000 in respect of the financial year under review, subject to the approval of members at the forthcoming Annual General Meeting of the Company.

### DIRECTORS

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

Dato' Mohamed Mansor bin Fateh Din  
 Datuk Fong Loong Tuck  
 Fateh Iskandar bin Dato' Mohamed Mansor  
 Ikhwan Salim bin Dato' Haji Sujak  
 Chong Kok Keong

## DIRECTOR'S REPORT

### DIRECTORS (Cont'd)

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

The following Directors who held office at the end of the financial year had, according to the register required to be kept under Section 134 of the Companies Act, 1965, an interest in shares of the Company and its related corporations, as stated below:

	Number of Ordinary Shares of RM1each			
	As at 1.5.2001	During the year Bought	Sold	As at 30.4.2002
<b>Glomac Berhad</b>				
Direct interest:				
Dato' Mohamed Mansor bin Fateh Din	7,000	4,329,406	935,000	3,401,406
Datuk Fong Loong Tuck	9,000	2,399,152	715,000	1,693,152
Fateh Iskandar bin Dato' Mohamed Mansor	8,000	-	-	8,000
Ikhwan Salim bin Dato' Haji Sujak	8,000	-	-	8,000
Chong Kok Keong	60,000	-	-	60,000
Indirect interest:				
Dato' Mohamed Mansor bin Fateh Din	66,966,370	2,079,000	13,634,406	55,410,964
Datuk Fong Loong Tuck	52,907,992	2,001,000	9,844,152	45,064,840
<b>Glomac Jaya Sdn Bhd</b>				
Dato' Mohamed Mansor bin Fateh Din	1	-	-	1
Datuk Fong Loong Tuck	1	-	-	1
<b>Glomac Bina Sdn Bhd</b>				
Dato' Mohamed Mansor bin Fateh Din	390,000	-	-	390,000

By virtue of the above directors' interest in shares of the Company, they are deemed to have an interest in shares of all the subsidiary companies of the Company to the extent that the Company has an interest.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in Note 5 to the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest other than as disclosed in Note 33 to the financial statements.

## DIRECTOR'S REPORT

### OTHER STATUTORY INFORMATION

- (a) Before the income statement and balance sheet of the Company and of the Group were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that no known bad debts and that no provision for doubtful debts was necessary; and
  - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or to make a provision for doubtful debts; or
  - (ii) the values attributed to current assets in the financial statements of the Company and of the Group misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company and of the Group misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company and of the Group which would render any amount stated in the financial statements and consolidated financial statements misleading.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Company or of the Group which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability in respect of the Company or of the Group which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company or of the Group to meet its obligations as and when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Company or of the Group for the financial year in which this report is made.

## DIRECTOR'S REPORT

### AUDITORS

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

On behalf of the Board,

DATO' MOHAMED MANSOR BIN FATEH DIN	)	
	)	
	)	
	)	DIRECTORS
	)	
DATUK FONG LOONG TUCK	)	

Petaling Jaya, Malaysia  
18 July 2002

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

We, DATO' MOHAMED MANSOR BIN FATEH DIN and DATUK FONG LOONG TUCK, being two of the Directors of GLOMAC BERHAD, do hereby state that in the opinion of the Directors, the financial statements set out on pages 28 to 53 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of:

- (i) the financial position of the Company and of the Group at 30 April 2002 and of the results of the business of the Company and of the Group for the year ended on that date; and
- (ii) the cash flows of the Company and of the Group for the year ended 30 April 2002.

On behalf of the Board,

<b>DATO' MOHAMED MANSOR BIN FATEH DIN</b>	)	
	)	
	)	
	)	<b>DIRECTORS</b>
	)	
	)	
<b>DATUK FONG LOONG TUCK</b>	)	

Petaling Jaya, Malaysia  
18 July 2002

**STATUTORY DECLARATION** *PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965*

I, DATO' MOHAMED MANSOR BIN FATEH DIN, being the Director primarily responsible for the financial management of GLOMAC BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 28 to 53 are in my opinion correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed  
**DATO' MOHAMED MANSOR BIN FATEH DIN**  
at Petaling Jaya in Selangor Darul Ehsan  
on 18 July 2002

**DATO' MOHAMED MANSOR BIN FATEH DIN**

Before me,

**M. KHANDIMADDI**  
No. B106

**Commissioner for Oaths**  
Petaling Jaya

## AUDITORS' REPORT TO THE MEMBERS OF GLOMAC BERHAD

We have audited the financial statements set out on pages 28 to 53. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance 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 adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been properly drawn up in accordance with 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 financial position of the Company and of the Group as at 30 April 2002 and of the results and the cash flows of the Company and of the Group for the year then ended; and
  - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements and consolidated financial statements.
- (b) the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and the Auditors' Reports of the subsidiaries for which we have not acted as auditors, as indicated in Note 35 to the financial statements, being financial statements which are included in the consolidated financial statements.

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

**ERNST & YOUNG AF: 0039**

Chartered Accountants

**Dato' Nordin Bin Baharuddin 837/03/04 (J)**

Partner

Kuala Lumpur, Malaysia

18 July 2002

**INCOME STATEMENTS** FOR THE YEAR ENDED 30 APRIL 2002

	Note	GROUP		COMPANY	
		2002 RM	2001 RM	2002 RM	2001 RM
Revenue	3	171,405,262	110,014,174	13,100,000	9,900,000
Cost of sales	4	(131,442,773)	(73,532,807)	(195,644)	-
Gross profit		39,962,489	36,481,367	12,904,356	9,900,000
Other income		2,610,610	1,849,567	2,332,218	3,916,513
Administration expenses		(11,552,447)	(9,331,404)	(2,073,780)	(1,624,131)
Other operating expenses		(1,196,683)	(3,284,681)	(1,434,242)	(707,979)
Operating profit	5	29,823,969	25,714,849	11,728,552	11,484,403
Finance cost	6	(4,455,455)	(4,551,956)	(1,884,697)	(1,114,604)
Share of associates' results	7	2,250,170	3,715,097	-	-
Profit before taxation		27,618,684	24,877,990	9,843,855	10,369,799
Taxation	8	(8,279,309)	(7,346,334)	(3,654,000)	(2,819,976)
Profit after taxation		19,339,375	17,531,656	6,189,855	7,549,823
Minority interest		(263,588)	146,902	-	-
Profit for the year		19,075,787	17,678,558	6,189,855	7,549,823
Basic earnings per share (sen)	9	12.72	12.10	4.13	5.17
Net dividends per share (sen)	10	5.4	5.4	5.4	5.4

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

**BALANCE SHEETS** AT 30 APRIL 2002

	Note	GROUP		COMPANY	
		2002 RM	2001 RM	2002 RM	2001 RM
PROPERTY, PLANT AND EQUIPMENT	11	7,185,958	7,683,199	735,130	1,297,398
INVESTMENT PROPERTIES	12	134,450,700	128,174,855	-	-
DEVELOPMENT PROPERTIES	13	178,998,143	137,490,116	-	-
SUBSIDIARY COMPANIES	14	-	-	70,279,101	70,219,101
ASSOCIATED COMPANIES	15	29,234,481	27,581,460	2,752,644	3,700,000
OTHER INVESTMENTS - UNQUOTED		4,000,000	4,000,000	-	-
<b>CURRENT ASSETS</b>					
Inventories - completed properties, at cost		9,487,885	9,322,060	1,100,299	195,644
Development properties	13	23,368,277	23,467,944	-	-
Amount due from customers	16	1,171,842	2,886,980	-	-
Trade receivables	17	23,761,132	11,641,347	180,432	353,403
Other receivables	18	11,719,752	15,123,653	1,926,395	2,013,791
Amount due from subsidiary companies	19	-	-	148,999,265	135,726,889
Amount due from associated companies	19	5,603,347	11,373,731	2,711,528	1,200,900
Tax recoverable		4,356,089	4,449,204	1,913,014	1,909,837
Fixed deposits	20	4,063,012	2,316,241	-	22,900
Cash and bank balances	21	26,265,572	17,999,110	2,856,758	33,947
		109,796,908	98,580,270	159,687,691	141,457,311
<b>CURRENT LIABILITIES</b>					
Amount due to customers	16	2,987,582	289,667	-	-
Trade payables	22	29,714,856	20,634,704	9,683	9,683
Other payables	23	13,071,866	10,988,558	1,647,921	1,112,238
Amount due to subsidiary companies	19	-	-	5,714,441	5,062,129
Hire purchase and lease creditors	27	428,486	410,263	215,752	203,340
Bank borrowings	24	52,009,699	43,731,982	34,515,378	19,280,633
Provision for taxation		3,630,315	5,115,136	-	-
Proposed dividend		5,400,000	2,700,000	5,400,000	2,700,000
		107,242,804	83,870,310	47,503,175	28,368,023
<b>NET CURRENT ASSETS</b>					
		2,554,104	14,709,960	112,184,516	113,089,288
		356,423,386	319,639,590	185,951,391	188,305,787

**BALANCE SHEETS** AT 30 APRIL 2002 (Cont'd)

	Note	GROUP		COMPANY	
		2002 RM	2001 RM	2002 RM	2001 RM
Financed by:					
Share capital	25	150,000,000	150,000,000	150,000,000	150,000,000
Reserves	26	86,284,190	75,517,698	34,720,391	36,630,536
Shareholders' funds		236,284,190	225,517,698	184,720,391	186,630,536
Minority interests		13,679,575	13,377,846	-	-
Long term liabilities	27	106,437,021	80,712,446	1,231,000	1,675,251
Deferred taxation		22,600	31,600	-	-
		356,423,386	319,639,590	185,951,391	188,305,787

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY** FOR THE YEAR ENDED 30 APRIL 2002

GROUP	← Non distributable →				→ Distributable		Total RM
	Share capital RM	Share premium RM	Revaluation surplus RM	Reserve on consolidation RM	Goodwill on consolidation RM	Retained profit RM	
At 1 May 2000	117,129,000	1,157,159	17,744,114	6,457,408	(1,605,335)	39,044,346	179,926,692
Issue of shares under public issue	32,871,000	8,217,750	-	-	-	-	41,088,750
Flotation exercise expenses written off	-	(4,867,006)	-	-	-	-	(4,867,006)
Amortisation of goodwill and reserve on consolidation	-	-	-	(280,757)	71,461	-	(209,296)
Profit for the year	-	-	-	-	-	17,678,558	17,678,558
Dividends	-	-	-	-	-	(8,100,000)	(8,100,000)
At 30 April 2001	150,000,000	4,507,903	17,744,114	6,176,651	(1,533,874)	48,622,904	225,517,698
Goodwill arising from acquisition of a subsidiary company	-	-	-	-	(2,789)	-	(2,789)
Amortisation of goodwill and reserve on consolidation	-	-	-	(280,757)	74,251	-	(206,506)
Profit for the year	-	-	-	-	-	19,075,787	19,075,787
Dividends	-	-	-	-	-	(8,100,000)	(8,100,000)
At 30 April 2002	150,000,000	4,507,903	17,744,114	5,895,894	(1,462,412)	59,598,691	236,284,190

**STATEMENT OF CHANGES IN EQUITY** FOR THE YEAR ENDED 30 APRIL 2002

COMPANY	← Non distributable →			→ Distributable		Total RM
	Share capital RM	Share premium RM	Revaluation surplus RM	Retained profit RM		
At 1 May 2000	117,129,000	1,157,159	25,405,810	7,267,000	150,958,969	
Issue of shares under public issue	32,871,000	8,217,750	-	-	41,088,750	
Flotation exercise expenses written off	-	(4,867,006)	-	-	(4,867,006)	
Profit for the year	-	-	-	7,549,823	7,549,823	
Dividends	-	-	-	(8,100,000)	(8,100,000)	
At 30 April 2001	150,000,000	4,507,903	25,405,810	6,716,823	186,630,536	
Profit for the year	-	-	-	6,189,855	6,189,855	
Dividends	-	-	-	(8,100,000)	(8,100,000)	
At 30 April 2002	150,000,000	4,507,903	25,405,810	4,806,678	184,720,391	

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

## CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	27,618,684	24,877,990	9,843,855	10,369,799
Adjustments for:				
Share of associates' results	(2,250,170)	(3,715,097)	-	-
Depreciation	1,374,173	1,736,116	486,886	707,979
Provision for diminution in value of investment	-	-	947,356	-
Gain on disposal of property, plant and equipment	(276,965)	(61)	(261,593)	-
Amortisation of goodwill on consolidation	74,251	71,461	-	-
Property, plant and equipment written off	3,583	81,760	-	-
Preliminary and pre-operating expenses written off	-	328,716	-	-
Amortisation of reserve on consolidation	(280,757)	(280,757)	-	-
Dividend income	-	-	(9,288,000)	(7,128,000)
Interest income	(1,380,572)	(1,019,625)	(1,972,797)	(1,222,896)
Interest expense	4,455,455	4,551,956	1,884,697	1,114,604
Operating profit before working capital changes	29,337,682	26,632,459	1,640,404	3,841,486
Working capital changes:				
Inventories - completed properties	(297,008)	145,724	(904,655)	(195,644)
Property development projects	99,667	(12,540,986)	-	-
Contract work-in-progress	4,413,053	(6,359,624)	-	-
Debtors	(8,714,886)	4,814,130	260,367	879,278
Creditors	11,158,812	(1,176,775)	535,683	(2,649,589)
Tax recoverable	93,115	(2,491,390)	(3,177)	(2,771,999)
Subsidiaries	-	-	(12,620,064)	(47,962,030)
Associates	5,770,384	(70,259)	(1,510,628)	89,080
Directors	-	(68,833)	-	(61,675)
Cash generated from/(used in) operations	41,860,819	8,884,446	(12,602,070)	(48,831,093)
Tax paid	(8,827,895)	(10,375,422)	(3,654,000)	-
Net cash generated from/(used in) operating activities	33,032,924	(1,490,976)	(16,256,070)	(48,831,093)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Net cash outflow on acquisition of a subsidiary company (Note 29)	(598)	-	-	-
Purchase of property, plant and equipment	(720,698)	(1,352,727)	(1,150)	(22,720)
Proceeds from disposal of property, plant and equipment	421,773	3,525	338,125	-
Expenditure on development properties	(41,508,027)	(10,196,884)	-	-
Proceeds from disposal of investment properties	-	40,905	-	-
Purchase of investment properties	(8,868,748)	-	-	-

**CONSOLIDATED CASH FLOW STATEMENTS** FOR THE YEAR ENDED 30 APRIL 2002 (CONT'D)

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
<b>CASH FLOWS FROM INVESTING ACTIVITIES (Contd)</b>				
Purchase of shares in subsidiary	-	-	(60,000)	-
Dividend received from:				
- subsidiary companies	-	-	6,912,000	7,128,000
- associated company	2,376,000	-	2,376,000	-
Interest received	1,380,572	1,019,625	1,972,797	1,222,896
Fixed deposits	-	2,749,767	-	-
Net cash (used in)/generated from investing activities	(46,919,726)	(7,735,789)	11,537,772	8,328,176
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from public issue	-	41,088,750	-	41,088,750
Issue of shares by a subsidiary company to minority interest	39,600	-	-	-
Payment of flotation exercise expenses	-	(3,586,290)	-	(3,586,290)
Dividend paid	(5,400,000)	(5,400,000)	(5,400,000)	(5,400,000)
Interest paid	(4,455,455)	(4,551,956)	(1,884,697)	(1,114,604)
Withdrawal of fixed deposits pledged	-	-	22,900	-
Fixed deposits pledged	(1,930,185)	-	-	-
Repayment of term loans and bridging loans	(38,315,613)	(37,067,772)	(352,000)	(5,064,000)
Repayment of hire purchase and lease contracts	(388,200)	(135,181)	(167,839)	(250,264)
Repayment of other borrowings	-	(10,000,000)	-	(10,000,000)
Drawdown of term loans and bridging loans	56,596,958	-	-	-
Other borrowings	13,600,000	12,500,000	13,100,000	12,500,000
Net cash generated from/(used in) financing activities	19,747,105	(7,152,449)	5,318,364	28,173,592
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>5,860,303</b>	<b>(16,379,214)</b>	<b>600,066</b>	<b>(12,329,325)</b>
<b>CASH AND CASH EQUIVALENTS AT 1 MAY</b>	<b>7,027,125</b>	<b>23,406,339</b>	<b>(6,306,686)</b>	<b>6,022,639</b>
<b>CASH AND CASH EQUIVALENTS AT 30 APRIL (Note 30)</b>	<b>12,887,428</b>	<b>7,027,125</b>	<b>(5,706,620)</b>	<b>(6,306,686)</b>

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

## NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2002

### 1. GENERAL

The registered office and the principal place at which business is carried out is located at 12th Floor, Wisma Glomac 3, Kompleks Kelana Centre Point, Jalan SS7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor.

The principal activities of the Company are property development and investment holding.

The principal activities of the subsidiary and associated companies are set out in Note 35 to the financial statements.

The financial statements are expressed in Ringgit Malaysia.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Accounting

The financial statements of the Company and of the Group are prepared under the historical cost convention (as modified by the revaluation of certain investments in subsidiary companies and investment properties), unless otherwise as disclosed in the significant accounting policies below, and comply with applicable approved accounting standards issued by the Malaysian Accounting Standards Board.

#### (b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary companies for the year ended 30 April 2002. Subsidiary companies are consolidated on the acquisition method of accounting.

The results of subsidiary companies acquired or disposed off are included in the consolidated financial statements from the date of acquisition or up to the date of disposal.

At the date of acquisition, the fair values of subsidiary companies' net assets are determined and these values are incorporated in the consolidated financial statements. The difference between the cost of acquisition and the fair value of the net assets in the subsidiary companies is reflected as reserve or good will on consolidation and is amortised over its useful economic life not exceeding 25 years.

All significant inter-company balances and transactions are eliminated on consolidation.

Minority interest is measured at the minorities' share of the post acquisition fair values of the identifiable assets and liabilities of the acquiree company.

#### (c) Associated Companies

Investment in associated companies is accounted for in the consolidated financial statements using the equity method of accounting. An associate company is a company, not being a subsidiary, in which the Group has a long term interest of not less than 20% and in which the Group exercises significant influence over its financial and operating policies.

The Group's share of the results of associated companies is included in the consolidated income statements.

The Group's share of retained profits and reserves of the associated companies since the date of acquisition is added to the cost of investment in the consolidated balance sheet.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### (d) Income Recognition

#### (i) Dividend

Dividends from subsidiary are recognised in the income statements as and when declared or proposed. Interim dividends from other investee companies, including associates, are recognised as and when declared. Final dividends from other investee companies, including associates, proposed before the Company's balance sheet date are recognised provided they are approved on a date which precedes the adoption of these financial statements by the Directors.

#### (ii) Rental

Rental income is recognised over the rental period of properties.

#### (iii) Development properties

Revenue from sale of development properties is recognised based on the percentage of completion method. The stage of completion is determined based on the proportion of total costs incurred up to the balance sheet date over the estimated total costs of the development. Foreseeable losses, if any, are recognised immediately in the income statement.

#### (iv) Construction Contracts

Revenue from construction contracts is recognised based on the percentage of completion method. The stage of completion is determined based on the percentage of actual construction work completed up to the balance sheet date. Foreseeable losses, if any, are recognised immediately in the income statement.

#### (v) Interest Income

Interest income is recognised on a time proportion basis taking into account the effective yield on the asset.

### (e) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation.

All assets are depreciated on a straight line basis to write off the cost of the assets over their estimated useful lives.

The principal annual rates used are as follows:

Building and improvements	Over 30 years
Furniture and fittings	10% - 20%
Office equipment	10% - 20%
Computers	20% - 33 1/2%
Motor vehicles	20%
Plant and machinery	20%
Livestock	Over 8 years

### (f) Investment Properties

The Group regards as investment properties any land and buildings that are held for their investment potential and rental income. Investment properties are not subject to depreciation.

Investment properties are revalued every 5 years by independent professional valuers using the open market value basis.

Surplus arising from revaluation is credited to revaluation reserves. Any deficit arising is set-off against the revaluation surplus only to the extent of the surplus credited from the previous revaluation of the investment properties and the excess of the deficit is charged to the income statement.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (g) Development Properties

Development properties are stated at cost, and comprise land banks held under development together with the related expenditure plus profit accrued on the properties sold at their relevant stage of completion less progress billings and provision for foreseeable losses, if any. Development expenditure includes materials, direct labour, professional fees, borrowing costs and other direct development expenditure and related overheads.

The Group considers as current asset that portion of property development project on which development work has commenced and is expected to be completed within the normal operating cycle of one to two years.

#### (h) Construction Contracts

Construction contracts are stated at cost of contract work plus attributable profits less applicable progress billings and provision for foreseeable losses, if any. The cost of contract work includes all costs incurred directly on the contract work.

#### (i) Investments

Investments in subsidiary companies, which are eliminated on consolidation, are stated at cost or directors' valuation in the financial statements of the Company. Directors' valuation recognises the value of the underlying net assets based on the latest audited financial statements of the respective subsidiary companies. The investment in subsidiary companies will be revalued at least once at regular intervals of 5 years. Where market conditions indicate that the carrying values of revalued investments materially differ from the value of the underlying net tangible assets of the subsidiary companies, the Directors will consider revaluation in those intervening years.

Investments in associated companies and other long term investments are stated at cost. These investments are written down only when the Directors are of the opinion that there is a permanent diminution in value.

Investment in unquoted shares are held on a long term basis. These are stated at cost unless, in the opinion of the Directors, there has been a permanent decline in value in which case provision is made for the diminution in value.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged or credited to the income statement.

#### (j) Inventories

Inventories comprise completed property units for sale and are stated at the lower of cost and net realisable value. Costs comprise land cost and development expenditure.

#### (k) Interest Capitalisation

Interest incurred on borrowings related to development properties are capitalised during the period in which the construction of properties is being planned and carried out. Capitalisation of borrowing costs ceases when the assets are ready for their intended use or sale.

#### (l) Receivables

Trade and other receivables are carried at anticipated realisable value. Known bad debts are written off and specific provision is made for debts that are considered to be doubtful of collection.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### **(m) Hire Purchase and Leases**

Assets acquired under hire purchase contracts and leasing arrangements, which transfer substantially all the risks and benefits of ownership of the assets to the Group, are capitalised as property, plant and equipment and depreciated accordingly.

Outstanding obligations due after deducting finance expenses are included as liabilities in the financial statements. The finance expenses are charged to the income statement using the "sum of digits" method.

Leases which do not meet the above criteria are treated as operating leases and the related rentals are charged to the income statement as and when incurred.

#### **(n) Deferred Taxation**

Deferred taxation is provided on the liability method for all material timing differences except where it can be demonstrated with reasonable probability that such timing differences will not reverse in the foreseeable future.

#### **(o) Cash and Cash Equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise cash and bank balances and fixed deposits net of those pledged for banking facilities and net of bank overdrafts.

Cash equivalents are short term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 3. REVENUE

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Construction	41,168,096	5,127,238	-	-
Rental	13,119,896	13,032,745	-	-
Development properties	117,117,270	91,854,191	200,000	-
Dividend	-	-	12,900,000	9,900,000
	<b>171,405,262</b>	<b>110,014,174</b>	<b>13,100,000</b>	<b>9,900,000</b>

### 4. COST OF SALES

Construction	37,369,109	2,244,541	-	-
Development properties	94,073,664	71,288,266	195,644	-
	<b>131,442,773</b>	<b>73,532,807</b>	<b>195,644</b>	<b>-</b>

### 5. OPERATING PROFIT

(a) This is arrived at after charging:

Auditors' remuneration	126,200	113,500	35,000	35,000
Depreciation	1,374,173	1,736,116	486,886	707,979
Directors remuneration:				
- fees	66,000	54,875	66,000	54,875
- emoluments	1,051,200	908,000	1,051,200	908,000
- benefits in kind	90,750	90,750	90,750	90,750
Rental of premises	10,200	10,200	-	-
Provision for diminution in value of investment	-	-	947,356	-
Property, plant and equipment written off	3,583	81,760	-	-
Amortisation of goodwill on consolidation	74,251	71,461	-	-
Preliminary and pre-operating expenses written off	-	328,716	-	-
Lease rental of land	15,000	15,000	-	-

(b) This is arrived at after crediting:

Dividend income (gross)				
- subsidiary companies	-	-	(9,600,000)	(9,900,000)
- associated company	-	-	(3,300,000)	-
Interest income				
- fixed deposits	(109,341)	(295,858)	(4,983)	(171,344)
- overdue balances of house purchasers	(849,287)	(431,880)	-	-
- housing development account	(329,333)	(218,408)	-	-
- subsidiary companies	-	-	(1,967,814)	(1,051,552)
- others	(92,611)	(73,479)	-	-

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 5. OPERATING PROFIT (Cont'd)

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
(b) This is arrived at after crediting: (Cont'd)				
Secretarial and administrative fees received from:				
- associated companies	(2,400)	(2,400)	(2,400)	(2,400)
- subsidiary companies	-	-	(20,400)	(20,400)
Amortisation of reserve on consolidation	(280,757)	(280,757)	-	-
Gain on disposal of property, plant and equipment	(276,965)	(61)	(261,593)	-
(c) Employee Information				
Staff costs	4,098,931	3,629,997	236,966	201,699
Number of employees at end of year (excluding directors)	155	134	18	20

### (d) Director's Remuneration

The number of Directors of the Company whose total remuneration for the year end falls within the following bands is as follows:

	Executive Directors		Non-executive Directors	
	2002	2001	2002	2001
Range of remuneration:				
Below RM50,000	-	-	2	2
RM400,000 to RM450,000	2	-	-	-
RM450,001 to RM500,000	-	1	-	-
RM500,001 to RM550,000	-	-	-	-
RM550,001 to RM600,000	-	1	-	-
RM600,001 to RM650,000	1	-	-	-
RM650,001 to RM700,000	-	1	-	-

### 6. FINANCE COST

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Hire purchase and lease	132,914	118,516	59,318	63,052
Term loans	3,364,277	3,946,900	155,833	155,154
Overdrafts, revolving credit and other borrowings	958,264	486,540	1,669,546	896,398
	4,455,455	4,551,956	1,884,697	1,114,604

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 7. SHARE OF ASSOCIATES' RESULTS

The share of associates' results excludes RM2,775,103 (2001: RM nil) of unrealised profit arising from sale of investment properties and inventories of completed properties by associated companies to the Glomac Berhad group of companies during the year.

### 8. TAXATION

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Malaysian taxation based on results for the year:				
- current	8,111,000	6,068,575	3,654,000	2,819,976
- deferred taxation	(9,000)	(24,200)	-	-
	8,102,000	6,044,375	3,654,000	2,819,976
Overprovision in prior years	(767,926)	(138,175)	-	-
	7,334,074	5,906,200	3,654,000	2,819,976
Share in taxation of associated companies	1,440,134	-	-	-
	8,279,309	7,346,334	3,654,000	2,819,976

The effective tax rate of the Group for the current financial year is higher due to losses of certain subsidiaries which are not available for group relief against taxable profits of other subsidiaries.

The effective tax rate of the Company for current financial year is higher than the statutory income tax rate because certain expenses have been disallowed for tax purposes. The effective tax rate of the Company in prior year is lower than the statutory income tax rate due mainly to the utilisation of capital allowances brought forward.

### 9. BASIC EARNINGS PER SHARE

This is calculated based on the profit after taxation and minority interests of the Group and the Company of RM19,075,787 (2001: RM17,678,558) and RM6,189,855 (2001: RM7,549,823) respectively and on the number of shares in issue during the year of 150,000,000 (2001: weighted average number of shares of 146,127,526).

### 10. DIVIDENDS

	GROUP/COMPANY	
	2002 RM	2001 RM
Interim dividend RM0.025 (2001: RM0.05) per share, less tax	2,700,000	5,400,000
Proposed a second and final dividend of RM0.05 (2001: RM0.025) per share, less tax	5,400,000	2,700,000
	8,100,000	8,100,000

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

## 11. PROPERTY, PLANT AND EQUIPMENT

## GROUP

	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Plant and machinery RM	Livestock RM	Total RM
<b>At Cost</b>								
At 1 May 2001	5,498,052	493,093	672,817	657,081	6,123,247	1,029,874	16,882	14,491,046
Additions	555,161	25,331	70,380	44,440	106,586	223,425	-	1,025,323
Write off	-	(4,830)	(6,477)	-	-	-	-	(11,307)
Disposals	-	-	(7,570)	(2,680)	(707,940)	-	-	(718,190)
At 30 April 2002	6,053,213	513,594	729,150	698,841	5,521,893	1,253,299	16,882	14,786,872
<b>Accumulated Depreciation</b>								
At 1 May 2001	659,898	257,529	421,898	536,561	3,996,526	924,796	10,639	6,807,847
Charge for the year	312,116	57,925	81,879	67,679	767,538	84,926	2,110	1,374,173
Write off	-	(4,830)	(2,894)	-	-	-	-	(7,724)
Disposals	-	-	(4,947)	(1,284)	(567,151)	-	-	(573,382)
Reclassification	7,405	(28,150)	(34,006)	(18,616)	73,367	-	-	-
At 30 April 2002	979,419	282,474	461,930	584,340	4,270,280	1,009,722	12,749	7,600,914
<b>Net Book Value</b>								
At 30 April 2002	5,073,794	231,120	267,220	114,501	1,251,613	243,577	4,133	7,185,958
At 30 April 2001	4,838,154	235,564	250,919	120,520	2,126,721	105,078	6,243	7,683,199
Depreciation charge for year 2001	313,543	62,083	91,188	95,784	969,563	200,138	3,817	1,736,116

Included in property, plant and equipment of the Group are assets acquired under finance leases and hire purchase contracts with aggregate net book values of RM1,368,104 (2001: RM1,507,291).

## COMPANY

	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Total RM
<b>At Cost</b>						
At 1 May 2001	535,969	156,977	227,419	260,022	3,494,678	4,675,065
Additions	-	-	1,150	-	-	1,150
Disposals	-	-	-	-	(613,905)	(613,905)
At 30 April 2002	535,969	156,977	228,569	260,022	2,880,773	4,062,310
<b>Accumulated Depreciation</b>						
At 1 May 2001	273,919	133,150	222,962	257,692	2,489,944	3,377,667
Charge for the year	53,110	14,118	16,035	8,851	394,772	486,886
Disposals	-	-	-	-	(537,373)	(537,373)
Reclassification	7,405	(28,150)	(34,006)	(18,615)	73,366	-
At 30 April 2002	334,434	119,118	204,991	247,928	2,420,709	3,327,180
<b>Net Book Value</b>						
At 30 April 2002	201,535	37,859	23,578	12,094	460,064	735,130
At 30 April 2001	262,050	23,827	4,457	2,330	1,004,734	1,297,398
Depreciation charge for year 2001	76,574	21,761	32,817	42,583	534,244	707,979

Included in property, plant and equipment of the Company are assets acquired under hire purchase contracts with aggregate net book values of RM442,599 (2001: RM595,919).

During the year, the Group acquired property, plant and equipment with the aggregate cost of RM1,025,323 (2001: RM1,352,727) of which RM304,625 (2001: RM nil) was acquired by means of finance leases and hire purchase. Cash payments of RM720,698 (2001: RM1,352,727) were made to purchase these assets.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 12. INVESTMENT PROPERTIES

	GROUP	
	2002 RM	2001 RM
Freehold land and buildings:		
- At cost	1,044,000	1,044,000
- At 1999 valuation	14,526,258	14,526,258
Leasehold land and buildings:		
- At cost	6,275,845	-
- At 1999 valuation	112,604,597	112,604,597
	<u>134,450,700</u>	<u>128,174,855</u>

The investment properties were valued by the Directors in 1999 based on independent valuation carried out by a firm of professional valuers, Henry Butcher, Lim & Long Sdn. Bhd. with the revaluation report signed by Mr. Long Tian Chek, MISM Registered Valuer, using the open market value basis.

Investment properties amounting to RM128,573,103 (2001: RM127,130,855) are pledged as securities for banking facilities granted to the Company and certain subsidiary companies as mentioned in Notes 24 and 27.

### 13. DEVELOPMENT PROPERTIES

	GROUP	
	2002 RM	2001 RM
At cost:		
Freehold land	103,575,271	54,128,073
Leasehold land	46,914,883	46,279,053
Development expenditure	297,934,334	227,732,703
Attributable profits	63,681,163	48,644,209
Progress billings	(309,739,231)	(215,825,978)
	<u>202,366,420</u>	<u>160,958,060</u>
Current portion	(23,368,277)	(23,467,944)
	<u>178,998,143</u>	<u>137,490,116</u>
Non-current portion		
Current charges capitalised during the year included:		
Interest expenses	8,151,836	5,993,540
Directors' salaries and other benefits	360,000	720,000

Development properties and land of certain subsidiary companies amounting to RM172,610,191 (2001: RM131,715,775) are charged for banking facilities granted to the subsidiary companies mentioned in Notes 24 and 27.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 14. SUBSIDIARY COMPANIES

	GROUP	
	2002 RM	2001 RM
Unquoted shares:		
- at cost	3,960,000	3,900,000
- at 1999 directors' valuation	78,971,902	78,971,902
	82,931,902	82,871,902
Provision for diminution in value	(12,652,801)	(12,652,801)
	70,279,101	70,219,101

Details of the subsidiary companies are set out in Note 35.

### 15. ASSOCIATED COMPANIES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Unquoted shares, at cost	9,278,047	9,278,047	3,700,000	3,700,000
Share of post acquisition reserves	19,956,434	18,303,413	-	-
	29,234,481	27,581,460	3,700,000	3,700,000
Provision for diminution in value	-	-	(947,356)	-
	29,234,481	27,581,460	2,752,644	3,700,000
Represented by:				
Share of net tangible assets	28,416,434	26,763,413		
Premium on acquisition	818,047	818,047		
	29,234,481	27,581,460		

Details of the associated companies are set out in Note 35.

### 16. CONTRACT WORK-IN-PROGRESS

	GROUP	
	2002 RM	2001 RM
Contract cost	140,849,360	129,946,926
Attributable profit	4,225,640	5,055,236
	145,075,000	135,002,162
Progress billings	(146,890,740)	(132,404,849)
	(1,815,740)	2,597,313

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 16. CONTRACT WORK-IN-PROGRESS (Cont'd)

	GROUP	
	2002 RM	2001 RM
Represented by:		
Amount due from customers	1,171,842	2,886,980
Amount due to customers	(2,987,582)	(289,667)
	<u>(1,815,740)</u>	<u>2,597,313</u>

Included in the Group's contract cost are interest expenses of RM20,012 (2001: RM nil).

### 17. TRADE RECEIVABLES

Included in the Group's trade receivables are retention sums receivable from customers of RM2,043,716 (2001: RM428,617).

### 18. OTHER RECEIVABLES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Sundry debtors	3,672,013	5,302,654	1,812,488	1,879,777
Prepayments	441,850	785,714	86,014	107,541
Deposits	1,729,648	6,238,799	27,893	26,473
Stakeholders' sum	5,876,241	2,796,486	-	-
	<u>11,719,752</u>	<u>15,123,653</u>	<u>1,926,395</u>	<u>2,013,791</u>

### 19. SUBSIDIARY AND ASSOCIATED COMPANIES

Amounts due from subsidiaries and associates bear interest at rates ranging from 0.1% to 2.9% (2001: 0.1% to 2.1%) per annum, are unsecured and have no fixed terms of repayment.

Amounts due to subsidiaries and associates are interest free, unsecured and have no fixed terms of repayment.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 20. FIXED DEPOSITS

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Deposits with:				
- licensed banks	2,138,305	2,254,792	-	22,900
- licensed financial institutions	1,924,707	61,449	-	-
	4,063,012	2,316,241	-	22,900

All the fixed deposits of the Company and certain subsidiary companies amounting to RM4,063,012 (2001: RM2,132,827) are pledged to secure bank guarantee facilities.

### 21. CASH AND BANK BALANCES

Included in the Group's cash and bank balances is an amount of RM17,384,597 (2001: RM10,278,237) which is held under Housing Development Accounts pursuant to Section 7A of the Housing Developers Act 1966.

### 22. TRADE PAYABLES

Included in the Group's trade payables are retention sums payable to subcontractors of RM9,227,000 (2001: RM5,897,192).

### 23. OTHER PAYABLES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Sundry payables	3,429,337	3,643,149	1,101,686	875,323
Accruals	4,637,248	3,998,163	474,035	175,840
Provisions	101,846	101,368	66,000	54,875
Deposits received	4,903,435	3,245,878	6,200	6,200
	13,071,866	10,988,558	1,647,921	1,112,238

Included in the Group's sundry payables is an amount of RM178,792 (2001: RM178,792) owing to corporate shareholders of certain subsidiary companies. This amount is unsecured, interest free and has no fixed terms of repayment.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 24. BANK BORROWINGS

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
<b>Secured</b>				
Bank overdrafts (Note 30)	13,378,144	11,155,399	8,563,378	6,340,633
Revolving credits	26,100,000	12,500,000	25,600,000	12,500,000
Bridging loans	2,378,512	6,627,681	-	-
Term loans (Note 27)	10,153,043	13,448,902	352,000	440,000
	<b>52,009,699</b>	<b>43,731,982</b>	<b>34,515,378</b>	<b>19,280,633</b>

The bank overdraft facility of a subsidiary company is secured by a corporate guarantee from the Company and is jointly and severally guaranteed by certain directors of the Company.

The bank overdrafts and revolving credits of the Company are secured by fixed charges over certain investment properties and debentures over the assets of certain subsidiaries; and are jointly and severally guaranteed by certain directors of the Company.

The bank overdrafts and revolving credits bear interest at rates ranging from 2.0% to 2.5% (2001: 2.0% to 2.5%) above the base lending rates or cost of funds of the respective banks or financial institutions.

The bridging loans and term loans of the subsidiary companies are secured by the following:

- (i) charges over certain property development projects of certain subsidiary companies;
- (ii) assignment of all sales proceeds arising from sale of development properties of certain subsidiary companies;
- (iii) assignment of all monies in the Housing Development Accounts of certain subsidiary companies, subject to the provisions of the Housing Development Account Regulations 1991;
- (iv) corporate guarantee by the Company; and
- (v) jointly and severally guaranteed by certain Directors of the Company.

In addition, the term loans of the subsidiary companies are secured by the following:

- (i) charges over investment properties of certain subsidiary companies;
- (ii) fixed and floating charges over the assets of certain subsidiary companies; and
- (iii) assignment of rental proceeds from investment properties of certain subsidiary companies.

The term loans of the Company are secured by the following:

- (i) third party second and third legal charges over certain investment properties of certain subsidiary companies;
- (ii) fixed and floating charges over the assets of a subsidiary company;
- (iii) jointly and severally guaranteed by certain Directors of the Company; and
- (iv) corporate guarantee by a subsidiary company.

The term loans and bridging loans bear interest at rates ranging from 1.75% to 2.75% (2001: 1.75% to 2.75%) above the base lending rates of the respective banks or financial institutions.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 25. SHARE CAPITAL

	GROUP/COMPANY	
	2002 RM	2001 RM
Authorised:		
200,000,000 ordinary shares of RM1 each	200,000,000	200,000,000
Issued and fully paid:		
Ordinary shares of RM1 each		
Balance at beginning of year	150,000,000	117,129,000
Public issue	-	32,871,000
Balance at end of the year	150,000,000	150,000,000

### 26. RESERVES

Based on estimated tax credits available, the retained profit of the Company is available for distribution by way of dividend without incurring additional tax liability.

The Company has approximately RM21,000,000 (2001: RM21,000,000) in its tax-exempt account for the distribution of tax-exempt dividends, subject to agreement by the Inland Revenue Board.

### 27. LONG TERM LIABILITIES

		GROUP		COMPANY	
		2002 RM	2001 RM	2002 RM	2001 RM
Term loans - secured	(a)	105,941,251	80,114,878	1,231,000	1,495,000
Hire purchase and lease creditors	(b)	495,770	597,568	-	180,251
		106,437,021	80,712,446	1,231,000	1,675,251
a) Term loans					
Amount repayable		116,094,294	93,563,780	1,583,000	1,935,000
Due within 12 months (Note 24)		(10,153,043)	(13,448,902)	(352,000)	(440,000)
		105,941,251	80,114,878	1,231,000	1,495,000
The long term loans are repayable as follows:					
Between one and two years		9,462,972	12,596,989	352,000	352,000
Between two and five years		58,878,213	24,361,119	879,000	1,056,000
After five years		37,600,066	43,156,770	-	87,000
		105,941,251	80,114,878	1,231,000	1,495,000

Details of the securities and interest rates of the term loans are set out in Note 24.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 27. LONG TERM LIABILITIES (Cont'd)

b) Hire purchase and lease creditors

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Minimum payment:				
- Not later than one year	500,624	532,254	225,484	158,632
- Later than one year but not later than five years	570,908	676,499	-	294,009
	1,071,532	1,208,753	225,484	452,641
Future finance charges	(147,276)	(200,922)	(9,732)	(69,050)
Present value of hire purchase and lease liabilities	924,256	1,007,831	215,752	383,591
Present value of hire purchase and lease liabilities:				
- Not later than one year	428,486	410,263	215,752	203,340
- Later than one year but not later than five years	495,770	597,568	-	180,251
	924,256	1,007,831	215,752	383,591

### 28. DEFERRED TAXATION

The Group and the Company have not accounted for the following timing differences which would result in a debit to the deferred tax balance:

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Unabsorbed capital allowances	743,000	625,000	23,000	(95,000)
Tax losses	1,270,000	980,000	1,090,000	624,000
	2,013,000	1,605,000	1,113,000	529,000

The tax effects of approximately RM1,776,000 (2001: RM1,776,000) relating to revaluation surplus have not been recognised as there is no foreseeable intention to dispose the revalued properties.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 29. ANALYSIS OF THE ACQUISITION OF A SUBSIDIARY COMPANY

	GROUP	
	2002 RM	2001 RM
Cash and bank balances	2	-
Receivables	998	-
Payables	(4,648)	-
Minority interests	1,459	-
Goodwill	2,789	-
Purchase consideration	600	-
Less: Cash of subsidiary company	(2)	-
Net cash outflow	598	-

### 30. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Cash and bank balances	26,265,572	17,999,110	2,856,758	33,947
Fixed deposits, net of amount pledged	-	183,414	-	-
Bank overdrafts (Note 24)	(13,378,144)	(11,155,399)	(8,563,378)	(6,340,633)
	12,887,428	7,027,125	(5,706,620)	(6,306,686)

### 31. CONTINGENT LIABILITIES (UNSECURED)

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Subsidiary companies	-	-	84,810,927	60,714,177
Associated company	7,417,500	8,801,841	7,417,500	8,801,841
	7,417,500	8,801,841	92,228,427	69,516,018

The Group and the Company are contingently liable in respect of guarantees given mainly for credit facilities utilised by the subsidiary companies and an associated company.

The total amount of guarantees provided by the Company for the above mentioned facilities amounted to RM220,505,096 (2001: RM102,875,096) for subsidiary companies and RM22,000,000 (2001: RM22,000,000) for an associated company.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 32. CAPITAL COMMITMENT

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Contracted but not provided for	121,483	45,000,000	-	-

### 33. RELATED PARTY TRANSACTIONS

	2002		2001	
	Amount of Transactions RM	Outstanding Amount RM	Amount of Transactions RM	Outstanding Amount RM
<b>GROUP</b>				
Properties transferred for debt settlement				
- in a subsidiary company from an associated company, Worldwide Glomac Development Sdn. Bhd.	4,833,597	-	-	-
- in the Company from an associated company, Glomac Enterprise Sdn. Bhd.	736,578	-	-	-
<b>COMPANY</b>				
Dividend receivable from				
- subsidiary companies	9,600,000	9,600,000	9,900,000	9,900,000
- associated company, Glomac Enterprise Sdn. Bhd.	3,300,000	3,300,000	-	-
Interest income receivable from subsidiary companies	1,967,814	1,967,814	1,051,552	1,051,552
Secretarial and administrative fees receivable from subsidiary companies	20,400	20,400	20,400	20,400
Properties transferred for debt settlement in the Company from an associated company, Glomac Enterprise Sdn. Bhd.	867,762	-	-	-
Commission receivable from Glomac Bina Sdn Bhd, a subsidiary in which a director, Dato' Mohamed Mansor has an interest -	-	2,625,775	2,625,775	

The Directors are of the opinion that the above transactions are in the normal course of business and at terms mutually agreed between the parties.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 34. SEGMENTAL INFORMATION

Analysis by activity

	Revenue RM	Profit/(Loss) Before Taxation RM	Total Assets Employed RM
<b>2002</b>			
Construction	41,168,096	1,028,440	7,168,474
Property investment	13,119,896	4,782,154	134,358,226
Property development	117,117,270	21,616,483	268,383,380
Investment holding	-	359,486	50,172,797
Others	-	(167,879)	3,583,313
	<u>171,405,262</u>	<u>27,618,684</u>	<u>463,666,190</u>
<b>2001</b>			
Construction	5,127,238	2,244,546	5,923,407
Property investment	13,032,745	3,693,734	135,298,095
Property development	91,854,191	17,339,838	211,011,382
Investment holding	-	1,940,591	47,544,385
Others	-	(340,719)	3,732,631
	<u>110,014,174</u>	<u>24,877,990</u>	<u>403,509,900</u>

No geographical segment has been presented as the assets held and consequently the income derived by the Group are mainly in Malaysia.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 35. SUBSIDIARY AND ASSOCIATED COMPANIES

		Effective Interest	
		2002	2001
Principal activities		%	%
<b>SUBSIDIARY COMPANIES</b>			
Glomac Real Estate Sdn. Bhd.	Investment holding	100	100
Glomac Realty Sdn. Bhd.	Property development and investment	100	100
Berapit Development Sdn. Bhd.	Property development and investment	100	100
Glomac Land Sdn. Bhd.	Property development and investment	100	100
Regency Land Sdn. Bhd.	Property development and investment	100	100
Glomac Hotels & Resorts Sdn. Bhd.	Property development and investment	100	100
Glomac Consolidated Sdn. Bhd.	Property development and investment	100	100
Dunia Heights Sdn. Bhd.	Property development and investment	100	100
Elmina Equestrian Centre (Malaysia) Sdn. Bhd.	Ownership and management of the equestrian and recreational club	100	100
Glomac Group Management Services Sdn. Bhd.	Property development and investment holding	100	100
Glomac Power Sdn. Bhd.	Investment holding	85.7	85.7
Glomac Utama Sdn. Bhd.	Investment holding	60	60
Glomac Sutera Sdn. Bhd.	Property development and investment	100	100
Glomac Bina Sdn. Bhd.	Building contractor	51	51
Glomac Jaya Sdn. Bhd.	Property development and investment	51	51
Glomac Vantage Sdn. Bhd.	Property development and investment	100	100
Glomac Excel Sdn. Bhd.	Car park operators	60	-
Bangi Integrated Corporation Sdn. Bhd.*	Investment holding	100	100
Prima Sixteen Sdn. Bhd.*	Property development and investment	100	100
Kelana Centre Point Sdn. Bhd.*	Property development and investment	100	100
Magic Season Sdn. Bhd.*	Property development and investment	100	100

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 35. SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd)

		Effective Interest	
		2002 %	2001 %
Principal activities			
<b>ASSOCIATED COMPANIES</b>			
Glomac Enterprise Sdn. Bhd.	Property development and investment holding	50	50
PTB Glomac Development Sdn. Bhd.	Property development	24	24
Prisma Legacy Sdn. Bhd. (held through Glomac Enterprise Sdn. Bhd.)	Building contractor	50	50
PPC Glomac Sdn. Bhd. (held through Glomac Power Sdn. Bhd.)	Turnkey contractor	30	30
Worldwide Glomac Development Sdn. Bhd. (held through Glomac Utama Sdn. Bhd.)	Property development	29.4	29.4
Irama Teguh Sdn. Bhd. (held through PPC Glomac Sdn. Bhd.)	Investment holding	30	-

\* Interest held through subsidiary companies

All companies are not audited by Ernst & Young, Kuala Lumpur

## LIST OF PROPERTIES HELD BY THE GROUP AS AT 30 APRIL 2002

### A) List of Investment Assets

Location	Description of Asset / Existing Use	Tenure	Age of Buildings (Years)	Size	Net Book Value as at 30 April 2002 RM'000	Date of Valuation/ Acquisition
<b>Selangor</b>						
Lot 38304, Bandar Damansara, District of Petaling	9-storey Office building / Tenanted	Freehold	8	4,024 sq. m.	14,981	16 Aug 1999
Lot No. P.T. 14531, Mukim of Damansara, District of Petaling	Office building / Tenanted	Leasehold, expiring 21.11.2092	6.5	4,688 sq. m.	26,800	29 July 1999
Lot No. P.T. 5134, Mukim of Damansara, District of Petaling	Office building / Tenanted	Leasehold, expiring 23.01.2094	5	20,681 sq. m.	87,953	12 Nov 1999
Pajakan Negeri 7314, Lot No. 442, Section 13, Bandar Shah Alam, District of Petaling	Shoplots / Vacant	Leasehold, expiring 15.01.2094	3	807 sq. m.	4,834	18 Oct 2001
Lot 102 Mukim of Sungai Buloh, District of Petaling	Car Park bays / Occupied	Freehold	4	87 bays	1,044	19 July 1999

### B) List of Development Assets

Location	Description of Asset / Existing Use	Tenure	Age of Buildings (Years)	Size	Net Book Value as at 30 April 2002 RM'000	Date of Valuation/ Acquisition
<b>Selangor</b>						
Lot 370, 371 & 372 and CT No 8038, 8039 & 8040 Mukim of Sungai Buloh, District of Petaling	Land approved for residential development / Vacant	Freehold	-	21.45 hectares	55,482	18 Oct 2000
HS(D) 135926 Lot 42412 Pekan Cempaka District of Petaling	Land approved for commercial development / Vacant	Freehold	-	0.38 hectares	4,222	9 July 1999
Lot No. P.T. 2771, Mukim of Ijok, District of Kuala Selangor	Mixed residential and commercial development / Development in progress	99 years leasehold, expiring 21.11.2089	-	13.20 hectares	15,906	18 Jan 1995

**B) List of Development Assets (Cont'd)**

Location	Description of Asset / Existing Use	Tenure	Age of Buildings (Years)	Size	Net Book Value as at 30 April 2002 RM'000	Date of Valuation/ Acquisition
<b>Selangor</b>						
Lot No. P.T. 2149, Mukim of Ijok, District of Kuala Selangor	Mixed residential and commercial development / Development in progress	99 years leasehold, expiring 24.3.2095	-	20.40 hectares	13,155	24 Feb 2000
Lot No. P.T. 1887-1892, Locality of Main Road Kuala Selangor, Mukim of Ijok, District of Kuala Selangor	Agricultural land / Vacant	99 years leasehold, expiring 22.6.2094	-	6.68 hectares	3,208	3 July 1995
Lot No. P.T. 1685, Mukim of Ijok, District of Kuala Selangor	Land approved for residential development / Vacant	99 years leasehold, expiring 18.2.2093	-	4.05 hectares	1,613	27 July 1995
<b>Wilayah Persekutuan</b>						
Lot No. 417 & 2575, Mukim of Petaling, District of Kuala Lumpur	Land approved for residential development / Vacant	Freehold	-	2.18 hectares	15,058	24 Sept 1996
<b>Malacca</b>						
Lot No. 1183, Town of Kawasan Bandar VI, District of Melaka Tengah, Melaka	Land approved for development of commercial building / Vacant	99 years leasehold, expiring 17.11.2095	-	8.26 hectares	22,671	18 Oct 1995
<b>Johore</b>						
Lot 2265 & 888, Mukim of Kota Tinggi, District of Kota Tinggi	Mixed housing development / Development in progress	Freehold	-	109.44 hectares	70,608	25 Sept 1995

**Revaluation Policy**

Investment properties are revalued every 5 years by independent professional valuers using the open market value basis. Surplus arising from revaluation is credited to revaluation reserves. Any deficit arising is set-off against the revaluation surplus only to the extent of the surplus credited from the previous revaluation of the investment properties and the excess of the deficit is charged to the income statement.

The development properties are stated at cost.

## ANALYSIS OF SHAREHOLDINGS AS AT 23 AUGUST 2002

Type of share	:	Ordinary share of RM1.00 each
No. of shareholders	:	6,024
Paid-up Share Capital	:	RM150,000,000

### A. Distribution of shareholdings

Size of shareholdings	No. of holders	Total holdings	%
Less than 1,000	4	28	
1,000 to 10,000	5,807	8,399,000	5.60
10,001 to 100,000	157	5,427,502	3.50
100,001 to less than 5% of issued shares	52	55,809,206	37.20
5% and above of issued shares	4	80,541,264	53.70
<b>Total</b>	<b>6,024</b>	<b>150,000,000</b>	<b>100.00</b>

Note : There is only one class of shares in the paid-up capital of the Company.  
Each share entitles the holder to one vote.

### B. List of Thirty (30) Largest Shareholders

Name of shareholders	No. of shares	%
1. Rothputra Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Mohamed Mansor bin Fateh Din	23,595,172	15.73
2. CIMB Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Mohamed Mansor bin Fateh Din	21,394,948	14.26
3. Rothputra Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Fong Loong Tuck	19,080,055	12.72
4. CIMB Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Fong Loong Tuck	16,471,089	10.98
5. Mohamed Mansor bin Fateh Din	6,870,250	4.58
6. Employees Provident Fund Board	6,566,000	4.38
7. Fong Loong Tuck	4,756,848	3.17
8. CIMB Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Mohamed Mansor bin Fateh Din	4,060,000	2.71
9. CIMB Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Fong Loong Tuck	2,774,000	1.85
10. Pelangi Cergas Sdn Bhd	2,292,508	1.53
11. Amanah Saham Mara Berhad	2,000,000	1.33

Name of shareholders	No. of shares	%
12. HDM Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Mohamed Mansor bin Fateh Din	1,710,000	1.14
13. AMMB Nominees (Tempatan) Sdn Bhd AmTrustee Berhad for BHLB Pacific Dana Al-Ihsan	1,550,000	1.03
14. Universal Trustee (Malaysia) Berhad BHLB Pacific High Growth Fund	1,520,000	1.01
15. Cimsec Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Fong Loong Tuck	1,455,000	0.97
16. HDM Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Fong Loong Tuck	1,350,000	0.90
17. AMMB Nominees (Tempatan) Sdn Bhd AmTrustee Berhad for Pacific Pearl Fund	1,340,000	0.90
18. Universal Trustee (Malaysia) Berhad Pacific Premier Fund	1,100,000	0.73
19. Universal Trustee (Malaysia) Berhad BHLB Pacific Emerging Companies Growth Fund	1,070,000	0.71
20. AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Mohamed Mansor bin Fateh Din	1,047,000	0.70
21. Amanah Raya Berhad ASM Premier Fund	1,000,000	0.67
22. Astaman bin Abdul Aziz	964,000	0.64
23. AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Sec A/C for Fong Loong Tuck	941,000	0.63
24. Bumiputra-Commerce Trustee Berhad ASM First Public Fund	800,000	0.53
25. Amanah Raya Berhad Dana Al-Aiman	800,000	0.53
26. BHLB Trustee Berhad Pacific Recovery Fund	747,000	0.50
27. Citicorp Nominees (Asing) Sdn Bhd CBHK For Kommunal Landspensjonskasse	740,000	0.49
28. Bumiputra-Commerce Nominees (Tempatan) Sdn Bhd Bumiputra-Commerce Trustee for Pacific Dana	713,000	0.47
29. Gardenia Alliance Sdn Bhd	690,600	0.46
30. Amanah Raya Berhad BHLB Pacific Double Growth Fund	650,000	0.43
<b>TOTAL</b>	<b>130,048,470</b>	<b>86.68</b>

**C. Substantial shareholders (as shown in the Register of Substantial Shareholders)**

Name of substantial shareholders	No. of Shares Held		%
	Direct	Indirect	
Dato' Mohamed Mansor bin Fateh Din	6,870,250	51,507,120*	38.92
Datuk Fong Loong Tuck	4,756,848	42,071,144*	31.22

**D. Directors' shareholdings (as shown in the Register of Directors' Shareholding)**

Name of Directors	No. of Shares Held		%
	Direct	Indirect	
Dato' Mohamed Mansor bin Fateh Din	6,870,250	51,507,120*	38.92
Datuk Fong Loong Tuck	4,756,848	42,071,144*	31.22
Fateh Iskandar bin Dato' Mohamed Mansor	8,000	-	-
Ikhwan Salim bin Dato' Hj Sujak	8,000	-	-
Chong Kok Keong	60,000	-	0.04

\* Held by Nominee Companies



**GLOMAC BERHAD**

(Company No.: 110532-M)  
(Incorporated in Malaysia under the Companies Act, 1965)

**FORM OF PROXY**

\*I/We \_\_\_\_\_ of \_\_\_\_\_ in the state of \_\_\_\_\_ being a member of GLOMAC BERHAD, hereby appoint \_\_\_\_\_ or failing him, the Chairman of the meeting, as my/our proxy, to vote for me/us and on my/our behalf of the Annual General Meeting of the Company or at any adjournment thereof to be held at \_\_\_\_\_ on \_\_\_\_\_

\* If you wish to appoint other person(s) to be your proxy, kindly delete the words "The Chairman of the Meeting or failing him" and insert the name of the person desired.

My/Our proxy/proxies is/are to vote as indicated hereunder.

		FOR	AGAINST
ORDINARY RESOLUTION 1	Adoption of Accounts and Reports		
ORDINARY RESOLUTION 2	Second and Final Dividend of 5%		
ORDINARY RESOLUTION 3	Payment of Directors' Fees		
ORDINARY RESOLUTION 4	Re-election of Fateh Iskandar bin Dato' Mohamed Mansor		
ORDINARY RESOLUTION 5	Re-election of Ikhwan Salim bin Dato' Hj Sujak		
ORDINARY RESOLUTION 6	Appointment of Auditors		
ORDINARY RESOLUTION 7	Authority to Issue Shares		

Please indicate with an 'X' in the spaces provided whether you wish your votes to be cast for or against the resolutions. If you do not do so, the Proxy will vote or abstain from voting at his/her discretion.

Number of ordinary shares

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2002

Signature/Seal \_\_\_\_\_

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 12th Floor, Wisma Glomac 3, Kompleks Kelana Centre Point, Jalan SS7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly appointed or if such appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly appointed under a power of attorney.

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Stamp

THE COMPANY SECRETARIES  
**GLOMAC BERHAD** (110532-M)  
12th Floor, Wisma Glomac 3  
Kompleks Kelana Centre Point,  
Jalan SS7/19 Kelana Jaya  
47301 Petaling Jaya  
Selangor Darul Ehsan

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