

**GLOMAC BERHAD**  
(110532-M)

12th Floor, Wisma Glomac 3  
Kompleks Kelana Centre Point  
Jalan SS 7/19, Kelana Jaya  
47301 Petaling Jaya  
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**GLOMAC BERHAD**  
(110532-M)



SAUJANA UTAMA I



SAUJANA UTAMA II



SRI SAUJANA



AMAN SURIA DAMANSARA



GLOMAC BUSINESS CENTRE



KELANA BUSINESS CENTRE



KELANA CENTRE POINT



PRIMA 16



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# NOTICE OF 19TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 19th 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 Tuesday, 21 October 2003 at 10.00 a.m. for the following purposes:

## AGENDA

### AS ORDINARY BUSINESS:

#### Resolution 1

To receive and adopt the Report of the Directors and the Audited Financial Statements for the financial year ended 30 April 2003 together with the Report of the Auditors thereon.

#### Resolution 2

To approve the payment of a Second and Final Dividend of 5% less 28% Income Tax for the financial year ended 30 April 2003.

#### Resolution 3

To approve the payment of directors' fees of RM66,000.00 for the financial year ended 30 April 2003.

#### Resolution 4

To re-elect Dato' Mohamed Mansor bin Fateh Din who retire pursuant to Article 84 of the Company's Articles of Association and being eligible, offers himself for re-election.

#### Resolution 5

To re-elect Mr Chong Kok Keong who retire pursuant to Article 84 of the Company's Articles of Association and being eligible, offers himself for re-election.

#### Resolution 6

To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration.

### AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolutions:

#### Resolution 7

#### Authority to Issue Shares

THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of relevant government/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue ordinary shares from the unissued capital of the Company at any time at such price, upon such terms and conditions, for such purposes and to such persons whomsoever the Directors may in their discretion deem fit and that the Directors be empowered to obtain the approval for the listing and quotation of the additional shares so issued on the Kuala Lumpur Stock Exchange provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten (10) percent of the issued share capital of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

## AS SPECIAL BUSINESS (cont'd):

### Resolution 8

#### Proposed Renewal of Authority for Purchase of Own Shares

THAT, subject to the Companies Act, 1965 ("the Act") (as may be amended, modified or re-enacted from time to time), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the requirements of the Kuala Lumpur Stock Exchange ("KLSE") and any other relevant authority, the Company be and is hereby authorised to exercise a share buy-back of the shares of the Company, such number of ordinary shares of RM1.00 shall be determined by the Board of Directors of the Company from time to time through the KLSE upon such terms and conditions as the Board of Directors may deem fit and expedient in the interest of the Company subject further to the following:

- (i) the maximum number of ordinary shares of RM1.00 each in Glomac Berhad ("Glomac Shares") which may be purchased or held by the Company shall be equivalent to ten per centum (10%) of the issued and paid-up share capital at any point in time;
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the Glomac Shares shall not exceed the total retained profits and/or share premium account of the Company based on the audited financial statements for the financial year ended 30 April 2003 of RM6,710,572 and RM4,507,903 respectively. The amount of retained profits and share premium account of the Company as at 31 July 2003 which is the latest management accounts is RM6,452,869 and RM4,507,903 respectively;
- (iii) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:
  - (a) the conclusion of the next annual general meeting ("AGM") of the Company in 2004 at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;

- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the requirements issued by the KLSE and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and

- (iv) upon completion of the purchase(s) of the Glomac Shares by the Company, the Directors of the Company be and are hereby authorised to retain the Glomac Shares so purchased as treasury shares, of which may be distributed as dividends to shareholders, and/or resold on the KLSE, and/or subsequently cancelled and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the KLSE and any other relevant authority for the time being in force;

AND THAT, the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the purchase(s) of the Glomac Shares with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the said Directors may deem fit and expedient in the best interest of the Company.

## AS SPECIAL BUSINESS (cont'd):

### Resolution 9

#### Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions

"That, the mandate granted by the shareholders of the Company on 10 October 2002 pursuant to paragraph 10.09 of the Listing Requirements of the Kuala Lumpur Stock Exchange, authorising the Company and its subsidiaries and associated companies to enter into the categories of existing recurrent related party transactions of a revenue or trading nature, the details of which are set out in Section 2.2.4 of the Company's Circular to the shareholders dated 29 September 2003, which are necessary for its day-to-day operations, be and is hereby renewed subject further to the following:

- (a) the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those available to the public and not to the detriment of the minority shareholders; and
- (b) disclosure is made in the annual report providing breakdown of the aggregate value of transactions conducted pursuant to the Proposed Renewal of Shareholders' Mandate during the financial year stating:
  - (i) the type of Recurrent Transactions made; and
  - (ii) the names of the Related Parties involved in each type of the Recurrent Transactions made and their relationship with the Company;

and in the Annual Reports for subsequent financial years that the Proposed Renewal of Shareholders' Mandate continues to be in force.

AND THAT, such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company, at which time this Mandate will lapse, unless by a resolution passed at such an AGM whereby the authority is renewed;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by shareholders in general meeting,

whichever is the earlier.

AND THAT, the Directors of the Company be authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate described in this Ordinary Resolution.

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

#### By Order of the Board

Ho Tooi Kok (MIA No.: 4784)  
Siew Suet Wei (MAICSA No.: 7011254)  
Company Secretaries

Petaling Jaya  
29 September 2003

## 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

### 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.

### Ordinary Resolution 8 & 9

The detailed text and rationale for the Proposed Renewal of Authority for Purchase of Own Shares and Proposed Shareholders' Mandate for Existing Recurrent Related Party Transactions are contained in the Company's Circular to Shareholders dated 29 September 2003 which is despatched together with the Company's Annual Report 2003.

# STATEMENT ACCOMPANYING

## NOTICE OF 19TH 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 19th Annual General Meeting:

- Dato' Mohamed Mansor bin Fateh Din
- Mr Chong Kok Keong

The details of the above Directors are set out in Pages 8 and 9 of this Annual Report.

### 2. Attendance of Directors at Board meetings

Four (4) Board of Directors' Meetings were held during the financial year ended 30 April 2003. Details of attendance of the Directors are set out on Page 14 of this Annual Report.

### 3. Place, Date and Time of the 19th Annual General Meeting

Venue of AGM : Kelana Seafood Centre Restaurant  
Lot 1122, SS7, Jalan Perbandaran, Kelana Jaya,  
47301 Petaling Jaya, Selangor Darul Ehsan

Date : 21 October 2003

Time : 10.00 a.m.

## 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

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

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

## Audit Committee

**Dato' 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)

# CORPORATE INFORMATION

## Auditors

**Ernst & Young** (AF 0039)  
Level 23A Menara Milenium  
Jalan Damansara  
Pusat Bandar Damansara  
50490 Kuala Lumpur

## Share Registrars

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

## 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  
Website: [www.glomac.com.my](http://www.glomac.com.my)

## Stock Exchange Listing

Main Board, Kuala Lumpur Stock Exchange

## Principal Bankers

AmBank Group  
Southern Bank Berhad  
Utama Merchant Bank Berhad  
Affin Bank Berhad  
Public Bank Berhad  
Bank Kerjasama Rakyat Malaysia Berhad

# GROUP STRUCTURE (Effective Interest)

as at 30 June 2003



**GLOMAC BERHAD**  
(110532-M)

## PROPERTY DEVELOPMENT

Glomac Land Sdn Bhd (100%)  
Saujana Utama, Sg. Buloh

Magic Season Sdn Bhd (100%)  
Saujana Utama II, Sg. Buloh

Glomac Sutera Sdn Bhd (100%)  
Sri Saujana, Kota Tinggi, Johor

Glomac Real Estate  
Sdn Bhd (100%)  
Aman Suria Damansara,  
Petaling Jaya

Prima Sixteen Sdn Bhd (100%)  
Prima 16 Condominium,  
Phase I & II, Petaling Jaya

OUG Square Sdn Bhd (100%)  
(formerly known as  
Glomac Hotels & Resorts Sdn Bhd)  
OUG Square, Old Klang Road

Glomac Enterprise Sdn Bhd (50%)  
Sungai Buloh Country Resort,  
Sg. Buloh

PPC Glomac Sdn Bhd (30%)  
Bandar Sri Permaisuri, Cheras

Glomac Consolidated  
Sdn Bhd (100%)  
Proposed residential  
development in Sg. Buloh

Dunia Heights Sdn Bhd (100%)  
Proposed residential  
development in Sg. Buloh

Regency Land Sdn Bhd (100%)  
Proposed residential  
development in Sg. Buloh

Glomac Alliance Sdn Bhd (100%)  
Proposed residential  
development in Puchong

Glomac Vantage Sdn Bhd (100%)  
Proposed development  
in Malacca

Glomac Jaya Sdn Bhd (51%)  
Proposed development  
in Jalan Ampang

## PROPERTY INVESTMENT

Glomac Realty  
Sdn Bhd (100%)  
Glomac Business  
Centre, Kelana Jaya

Berapit Development  
Sdn Bhd (100%)  
Kelana Business  
Centre, Kelana Jaya

Kelana Centre Point  
Sdn Bhd (100%)  
Kompleks Kelana  
Centre Point, Kelana Jaya

Worldwide Glomac  
Development  
Sdn Bhd (29.4%)  
Worldwide Business Park,  
Shah Alam

PTB Glomac Development  
Sdn Bhd (24%)  
KT Business Centre,  
Kuala Terengganu

## OTHER ACTIVITIES

Project Management  
Glomac Group  
Management  
Services Sdn Bhd (100%)

Construction  
Glomac Bina  
Sdn Bhd (51%)

Prisma Legacy  
Sdn Bhd (50%)

Car Park Operators  
Glomac Excel  
Sdn Bhd (60%)

Investment Holding  
Glomac Power  
Sdn Bhd (85.7%)

Glomac Utama  
Sdn Bhd (60%)

Irama Teguh  
Sdn Bhd (30%)

## DORMANT COMPANIES

Bangi Integrated  
Corporation  
Sdn Bhd (100%)

Elmina Equestrian Centre  
(Malaysia) Sdn Bhd (100%)



## DIRECTORS' PROFILE

### **Dato' Mohamed Mansor bin Fateh Din** (63 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 60 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 16 of this Annual Report.

### **Datuk Richard Fong Loong Tuck** (52 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 60 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 16 of this Annual Report.



**En Fateh Iskandar bin  
Dato' Mohamed Mansor  
(35 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 is also a director in Kumpulan Hartanah Selangor Bhd.
- His shareholding in Glomac Berhad is reported in Page 60 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 16 of this Annual Report.

**Dato' Ikhwan Salim bin  
Dato' Hj Sujak  
(47 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 Berhad, Ayer Hitam Tin Dredging Malaysia Bhd and Kumpulan Perangang Selangor Berhad.
- His shareholding in Glomac Berhad is reported in Page 60 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.

**Mr Chong Kok Keong  
(54 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 60 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.

# CHAIRMAN'S STATEMENT



Main entrance to Sri Saujana

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 2003.



Phase 4C Double Storey Showhouse, Sri Saujana



## FINANCIAL RESULTS

For the year under review, Glomac's turnover for the period increased by 24.1 percent, with pre-tax profit and net profit rising 56.1 percent and 54.9 percent respectively. We reported a record net profit of RM29.6m and earnings per share (EPS) of 19.7sen, compared with a net profit of RM19.1m or an EPS of 12.7sen in the same period for the previous year.

Property development continues to contribute the bulk of the Group's earnings, accounting for more than 80 percent of Glomac's earnings before tax and minority interests. Pre-tax earnings from development activities increased 75 percent from a year ago, underpinned by progress billings of property sales of Aman Suria Damansara in Petaling Jaya, Saujana Utama and Saujana Utama II in Selangor, and Sri Saujana at Kota Tinggi, Johor.

## HIGHLIGHTS FOR THE FINANCIAL YEAR ENDED 30 APRIL

	2003	2002	+/- (%)
Revenue (RMm)	212,663	171,405	+24.1
Pre-tax profit (RMm)	43,125	27,619	+56.1
Net profit (RMm)	29,553	19,076	+54.9
EPS (sen)	19.70	12.72	+54.9

## DIVIDEND

The Board is pleased to recommend to the shareholders a final dividend of 5sen per share less income tax at 28 percent. Together with the interim dividend of 3sen per share less tax at 28 percent, the total gross dividend for the period at 8sen per share is a record high for the shareholders.



Construction of schools in progress at Sri Saujana



Phase 4B Single Storey House, Sri Saujana - completed



Panaromic View of Recreation Park at Sri Saujana

## OPERATING BACKGROUND

The Group continued to operate under uncertain economic environment for the better part of the year under review with concerns of the imminent war in Iraq which eventually broke out in March this year.

The outbreak of the Severe Acute Respiratory Syndrome (SARS) in late February also weighed down the outlook on the economy.

Although Malaysia was never on the list of SARS hit countries, owing to its location within the South-east Asia and affected neighbouring country, it also suffered from the impact of the fall in tourism and a slowdown, which was more prevalent, in tourism related economic activities.

Its impact on the domestic economy was also a concern to the Government who had generously proposed a strong economic stimulus package in May which includes funds worth RM1b in aid of the affected sectors of the tourism industry such as tour operators, hoteliers and employees who have been retrenched.

Meanwhile, the low interest rate regime coupled with the highly attractive loans packages and incentives from both the competing banks and developers are positive factors for the property market. This means that developers must be able to deliver quality and innovative products in order to sell to a more discerning and maturing group of home purchasers.

The country's Gross Domestic Product (GDP) growth in 2002 rebounded to 4.2% compared with 0.4% in 2001, thanks to a stronger recovery in the second half of last year boosted by a large rebound in external demand for manufactured goods and higher commodity prices.

## REVIEW OF OPERATIONS

During the year under review, Glomac through its subsidiary has been working towards the prestigious ISO9001:2000 management-systems certification for the development and sales of residential, commercial and industrial properties. I am pleased to announce that we have been awarded the certificate on 4 June 2003.

Although labour shortage was prevalent throughout the year under review, the Group benefited from its construction planning which gave a comfortable lead schedule. If not for the problem, the Group would have been able to report an even more impressive set of financial results.

The Group has also taken positive steps to solve the problem such as applying for fresh permits for foreign workers via its own construction arm, rather than relying on sub-contractors to meet its labour requirements. As a result of the initiatives, the labour situation reached a normal level in January.

## Property Development

During the year under review, the Group continued to focus on its property development activities in key locations in Selangor and Johor.

In keeping with the Group's realistic approach to meet the market demand for properties in the selected locations, the year under review saw Glomac going into the high-end products for a strategically located project in Petaling Jaya in addition to its development activities in lower-end and mid-range segments of the landed residential market.

In Johor, developers continue to operate under soft property market conditions amid competitive pricing.

Nevertheless, Glomac strives to differentiate its products through innovative designs, timely completion, quality finishing and very importantly, a fair and consistent pricing policy.

In June 2002, the Group launched the long-awaited Aman Suria Damansara project which is located next to Bandar Utama and Tropicana in Petaling Jaya, Selangor. Of the 347 units comprising bungalows, semi-detached, terrace houses, shop offices and shop houses launched, sales were healthy with a sterling take-up rate of 96% to-date in this up-market gated and guarded community.



Aerial view of Saujana Utama



Rose Apartments, Saujana Utama under construction



Sekolah Kebangsaan dan Menengah Saujana Utama, Ijuk - fully operational

## REVIEW OF OPERATIONS (cont'd)

### Property Development (cont'd)

As for Saujana Utama, 1,578 units have been completed and another 897 units are in different stages of completion, with only 26 units still available for sale. Launched in early 1998, this is a mixed development on 200 acres of land in Sungai Buloh, Selangor.

Saujana Utama II is located next to Saujana Utama. The 64-acre mixed development continues to attract strong sales. So far, 706 units with a total gross development value of RM112m have been launched. Our Group has also sold 643 units or a commendable 91 percent.

Our Sri Saujana in Kota Tinggi, Johor, continues to enjoy encouraging sales despite prevailing softer market conditions and the spillover effect from the weaker economic scenario in 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 2,364 units at Sri Saujana and sold 2,005 units.

### Property Investment

Rental income from the Group's portfolio of investment properties in Kelana Jaya, Petaling Jaya continues to provide a steady stream of recurrent income and cashflow for the Group.

On average, the occupancy rates remained high at 95% although the oversupply of commercial space in the Klang Valley has caused the rental rates to be revised downwards for tenancy renewal during the course of the year.

As the investment properties are still relatively new, maintenance expenditure will remain low in the foreseeable future.

## Construction

Our Group's construction division has secured new contracts worth RM26.9m in 2002, and is actively on the lookout for more jobs.

Among the contracts which have been completed in the year under review were the primary and secondary schools at Saujana Utama.

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 pursuits of contracts without being overly aggressive in pricing.

## CORPORATE GOVERNANCE

Your Board recognizes and is committed in ensuring the Group practices the highest level of corporate governance in relation to the Malaysian Code of Corporate Governance. We believe that these practices would safeguard and enhance shareholders' investment and value.

Glomac continues to hold regular dialogues with the financial analysts and fund managers whereby its Executive Directors and senior management would provide comprehensive updates on matters pertaining to the Group's past and future performance, within the regulations imposed by the KLSE Listing Requirements, to aid the investment community in making informed decisions.

## PROSPECTS

With the highly successful launch of the initial phases of Aman Suria Damansara, coupled with the progress billings of Sri Saujana and Saujana Utama, your Board is confident of Glomac improving on its financial performance for the financial year ending April 2004 based on Glomac's historical high amount of unbilled sales at RM363m.

Following the tremendous response to Aman Suria Damansara's initial phases, your Board has decided to launch another 28 units of bungalows in the later part of this year.

## PROSPECTS (cont'd)

The Group has been working very hard to secure more property development projects in partnership with the land-owners. Since the beginning of this year, the Group has already signed three joint-ventures while the fourth is pending approval from the relevant authorities.

This includes a 90-acre development in Puchong, strategically located behind Tesco, where the Group will build more than 1,000 units of double-storey terrace houses. The Group hopes to launch the houses sometime in the first quarter of next year, upon receiving the approvals for development.

The Group will also build high-end lakeside bungalows and commercial units in Kelana Jaya in one of the joint-ventures. Although the development area is 9.5 acres, its niche location within the highly sought after Kelana Jaya enclave should augur well for the limited number of bungalows designed to provide buyers with a scenic view of the lake amid lush greenery.

Glomac has also signed a Sale and Purchase Agreement to jointly develop 345 acres of land in Rawang, strategically located adjacent to Bandar Country Homes. The Group plans to focus on affordable residential and commercial units for this project.

With our Group's success in Saujana Utama, Sungai Buloh, it is also both timely and strategic that one of the joint-ventures is to develop another 43 acres as an extension of the well established Saujana Utama. Again, our Group has prudently decided to focus on the strong demand for semi-detached and terrace houses.

This decision reflects well on the Group's resources, flexibility and expertise in identifying and capitalizing on the demands and opportunities in the property market.

The measures in the economic stimulus package announced in May which include incentives such as stamp duty waiver for purchase of houses priced below RM180,000 for a year, tax relief on first three-year interest payments of up to RM10,000 and real property gains tax waiver for a year starting from June 1, as well as a 50-basis point reduction in the current low interest rate scenario are expected to attract more home purchasers.

According to the Property Market Report 2002, strong demand for affordable houses of RM150,000 and below, which accounted for 74.7 percent of the volume of transactions, should continue in the follow year.

As for the economy outlook, the Malaysian government maintains its real Gross Domestic Product (GDP) growth forecast in 2003 at 4.5 percent in view of the SARS outbreak being declared over sooner than expected while tourist arrivals were showing signs of a recovery in May.

## LANDBANK STRATEGY

Including the four joint-ventures, our Group's land bank has increased to 875 acres, compared with 473 acres a year ago.

The Group plans to maintain this strategy with landowners as the preferred method to increase the size of its landbank.

Nevertheless, your Board also recognizes the need to acquire new parcels of land. The criteria for the acquisition include land area of up to 200 acres with the potential for a short turnaround time, hence minimizing holding costs and risks, while accelerating the cash flow generation to the Company.

The Group's existing landbank, excluding the joint-ventures, can comfortably sustain development activities at the current pace for another six to seven years.

## ACKNOWLEDGEMENT

On behalf of the Board of Directors, I also wish to express our gratitude and appreciation to our management and staff for their contribution to the achievement of the results. We value their continued support, loyalty, commitment and hard work which have contributed to the success of the Group.

To our shareholders, valued customers, business associates and financiers, we wish to thank you for your continuous and consistent support and confidence in the Group.

Last but not least, I would like to thank my fellow Directors on the Board for their advice and support.

**DATO' MOHAMED MANSOR BIN FATEH DIN**  
Group Executive Chairman

31 July 2003



Regina, Saujana Utama II - completed



Iris Apartments, Saujana Utama - completed



# CORPORATE GOVERNANCE

## STATEMENT

The Board of Directors of the Company is committed in ensuring the Company and its subsidiaries (the Group) practices the highest level of corporate governance in relation to the Malaysian Code of Corporate Governance (“the Code”).

The Board is pleased to report herein the manner in which the Group has applied the principles of the Code and the extent of compliance with the Best Practices of the Code.

### BOARD OF DIRECTORS

#### Composition and Balance

The Board 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 vital to the effective stewardship of the Group.

The Executive Directors are responsible for implementing the policies and decisions of the Board, overseeing the operations as well as co-ordinating the development and implementation of business and corporate strategies. 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 Independent Non-Executive Directors plays a key role in providing unbiased and independent views, advice and contributing their knowledge and experience towards the formulation of policies and in the decision making process.

#### Meetings

The Board schedules four (4) meetings a year at quarterly intervals with additional meetings convened whenever urgent and important decisions are required. During the financial year ended 30 April 2003, four (4) Board Meetings were held where it deliberated upon and considered a variety of matters including corporate proposals, the Group’s financial results, strategic decisions and business plans and direction of the Group. The following is the record of attendance of the Board Members:

Name of Director	26 June 2002	17 Sept 2002	24 Dec 2002	26 March 2003
Dato’ Mohamed Mansor bin Fateh Din	√	√	√	√
Datuk Fong Loong Tuck	√	√	√	√
Fateh Iskandar bin Dato’ Mohamed Mansor	√	√	√	√
Dato’ Ikhwan Salim bin Dato’ Hj Sujak	√	√	√	√
Chong Kok Keong	√	√	√	√

#### Supply of Information

All Directors are provided with reports and the 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 have not been undertaken as there was no necessity to appoint new directors. No review was done on the present members of the Board of Directors as the mix of experience and expertise of the current number of Directors are considered sufficient and optimum in addressing the issues affecting the Group.

#### 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	1,140,000	-	1,140,000
Fees	-	66,000	66,000
Benefits-in-kind	94,800	-	94,800
Statutory contributions	136,800	-	136,800
	1,371,600	66,000	1,437,600

- 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	-
RM500,000 to RM550,000	1	-

## INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

The Board acknowledges the need for shareholders to be informed on all material business developments affecting the Group's state of affairs. To ensure shareholders, including investors are well informed, information is disseminated through various disclosures and announcements to the KLSE which includes the timely release of quarterly financial results on the Group's performance and operations.

The Company also maintains close contacts with analysts and potential investors by conducting regular briefings and one-on-one interviews.

The Company conducts annual general meetings ("AGMs") as a principal forum for dialogue with shareholders. The key element of the Company's dialogue with its shareholders is the opportunity to gather views of, and answer questions from, both private and institutional shareholders on all issues relevant to the Company. At the AGM, the shareholders are encouraged to participate in discussions and to give their views to the Directors.

The Group has established a comprehensive website at [www.glomac.com.my](http://www.glomac.com.my) where shareholders and the public can access to information on the Company's announcements, corporate information, operational activities and financial performance. It also includes a facility to contact the Company through the site by e-mail.

## 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 Statement on Internal Control 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 17.

## ADDITIONAL COMPLIANCE INFORMATION

### Share buy-back

The Company did not purchase any of its own shares during the financial year ended 30 April 2003.

### Options, warrants or convertible securities

During the financial year, there were no options, warrants or convertible securities issued.

### 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 Statement on Internal Control.

### 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

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests.

### Recurrent related party transactions

Recurrent related party transactions of a revenue or trading nature of the Company and Group for the financial year ended 30 April 2003 were as follows:

Type of recurrent related parties transactions	Related Parties	Interested Directors/ Major Shareholders and connected persons to them	Value of Transactions (RM)
Construction works	Glomac Bina Sdn Bhd	<ul style="list-style-type: none"><li>• Glomac Berhad (1)</li><li>• Dato' Mohamed Mansor bin Fateh Din (2)</li><li>• Datuk Fong Loong Tuck (3)</li><li>• Fateh Iskandar bin Dato' Mohamed Mansor (4)</li></ul>	62,782,765.97

#### Note

(1) Glomac Berhad is a Major Shareholder in Glomac Bina Sdn Bhd.

(2) Dato' Mohamed Mansor bin Fateh Din is a Director and Major Shareholder in Glomac Berhad and Glomac Bina Sdn Bhd respectively.

(3) Datuk Fong Loong Tuck Tuck is a Major Shareholder in Glomac Berhad. He is also a Director in Glomac Berhad and Glomac Bina Sdn Bhd respectively.

(4) En Fateh Iskandar bin Dato' Mohamed Mansor is a Director in Glomac Berhad and Glomac Bina Sdn Bhd. He is the son of Dato' Mohamed Mansor bin Fateh Din, a Director and Major Shareholder of Glomac Berhad and Glomac Bina Sdn Bhd.

The shareholdings of the respective Interested Directors / Major Shareholders are disclosed in the Circular to shareholders dated 29 September 2003 in relation to the Proposed Renewal of Existing Recurrent Related Party Transactions of a Revenue or Trading Nature.

### 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(e) 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 25 June 2003.



# AUDIT COMMITTEE REPORT

## MEMBERS and MEETINGS

Chairman	:	Dato' Ikhwan Salim bin Dato' Hj Sujak *
Members	:	Chong Kok Keong *
		Fateh Iskandar bin Dato' Mohamed Mansor

\* INDEPENDENT NON-EXECUTIVE DIRECTORS

During the financial year ended 30 April 2003, the Committee held a total of five (5) meetings. The details of attendance of members are as follows:

MEMBERS	26 June 2002	17 Sept 2002	24 Dec 2002	20 Feb 2003	26 March 2003
Dato' Ikhwan Salim bin Dato' Hj Sujak	√	√	√	√	√
Chong Kok Keong	√	√	√	√	√
Fateh Iskandar bin Dato' Mohamed Mansor	√	√	√	√	√

## 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 and Quorum

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

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

### (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) 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.

## (6) 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 and unusual events
  - the going concern assumption
  - compliance with accounting standards and other legal requirements
  - compliance with KLSE 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 of 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.

## 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 2003; and
  - significant issues and concerns arising from the audit.
- Reviewing the audited financial statements for financial year ended 30 April 2003
- 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 thereto and thereafter, making the necessary recommendations or changes to the Board of Directors.

## INTERNAL AUDIT FUNCTION

The Company has yet to set up a formal internal audit department. However, it recognizes that an internal audit department would compliment the review of the effectiveness of the Group's systems of internal control and is an essential and integral part of the risk management process. Therefore, the Board has outsourced the internal audit function in order to review and improve its existing processes for identifying and managing the Group's risks and the control procedures to manage those risks.



**GLOMAC BERHAD**  
(110532-M)

# STATEMENT ON 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 for the financial year ended 30 April 2003, 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.

The Board has overall responsibility for the Group's approach to assessing risk and the system of internal controls, which includes a responsible assessment and mitigation of risks, the establishment of an appropriate control environment and framework, and reviewing the effectiveness, adequacy and integrity of the said system of internal control.

The role of executive management is to implement the Board's policies on risk and control and present assurance on compliance with those policies. Further, independent assurance is provided by an independent internal audit function and external auditors. All employees are accountable for operating within these policies.

The system of internal controls is designed to safeguard the assets of the Company, to ensure the maintenance of proper accounting records and to provide reliable financial information for use within the business and for publication. However, these controls provide only reasonable and not absolute assurance against material error, misstatement, loss or breach of regulations.

## RISK ASSESSMENT AND MANAGEMENT

The Board is responsible for identifying business risks and in ensuring the implementation of appropriate systems to manage these risks. In doing so, the Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. Management from each business areas had identified the risks, assessed the likelihood and impact of the risks occurring and formulated action plans to manage these risks.

## INTERNAL CONTROL

Whilst the Board maintain full control and direction over appropriate strategic, financial, operational and compliance issues, it has delegated to executive management the responsibility to implement the system of internal control within an established framework.

The Board has put in place the organizational structure and defined lines of responsibility and delegation of authority. There are also established procedures for planning and operations. The Group through one of its subsidiaries has obtained ISO9001:2000 accreditation on 4 June 2003.

For internal audit function, the Group has engaged a professional services firm to carry out the regular internal audit within the Group. The Internal Audit function assesses the effectiveness, adequacy and integrity of the system of internal controls of the Group. The internal audit team advises executive and operational management on areas for improvement and subsequently reviews the extent to which its recommendations have been implemented.

In addition, the External Auditors' management letter and management's responsiveness to the control recommendations on deficiencies noted during financial audits provide added assurance that control procedures are in place, and are being followed. In assessing the adequacy and effectiveness of the system of internal controls and accounting control procedures of the Group, the Audit Committee reports to the Board of Directors the activities of the internal audit function, significant results, findings and the necessary recommendations or changes.

The Group's system of internal controls is designed to provide reasonable but not absolute assurance against the risk 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 Group's system of internal controls comprises the following key elements:

- Employee with necessary calibre to fulfil their desired responsibility are assessed and defined;
- Clear lines of accountability and reporting function;
- Operating procedures in place;
- Financial results and division performance are reviewed and monitored monthly;
- Projects are monitored closely with regular reporting on project progress and status; and
- Monthly comparison of actual performance against budget.

The Board, through the Audit Committee, has reviewed the effectiveness of the Group's system of internal control. 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 to be incurred by the Group for the financial year ended 30 April 2003. The Group continues to take the necessary measures to strengthen its internal controls.

# FINANCIAL HIGHLIGHTS

RESULTS FOR THE YEAR ENDED 30 APRIL	2003 RM'000	2002 RM'000	2001 RM'000	2000 RM'000	1999 RM'000
Revenue	212,663	171,405	110,014	115,956	120,840
Profit Before Tax	43,125	27,619	24,878	18,480	28,918
Taxation	(13,327)	(8,279)	(7,346)	(4,320)	(3,430)
Profit Before Minority Interest	29,798	19,340	17,532	14,160	25,488
Minority Interest	(245)	(264)	147	(1,037)	(3,804)
Profit After Tax and Minority Interest	<b>29,553</b>	<b>19,076</b>	<b>17,679</b>	<b>13,123</b>	<b>21,684</b>

## ASSETS AND SHAREHOLDERS' FUNDS

Total Assets Employed	485,934	465,128	405,044	398,287	402,704
Paid-up Share Capital	150,000	150,000	150,000	117,129	20,000
Shareholders' Funds	262,595	241,684	228,218	179,927	131,352
Return on Shareholders' Funds	11.3%	7.9%	7.7%	7.3%	16.5%
Return on Total Assets	6.1%	4.1%	4.4%	3.3%	5.4%

## SHARE INFORMATION

Earnings Per Share (Sen)	20	13	12	16	29
Net Tangible Assets Per Share (RM)	1.75	1.61	1.52	1.53	1.72
Gross Dividend (Sen)	8.0	7.5	7.5	-	92.4

- Note:
- i) Certain comparative figures have been reclassified/restated as a results of the mandatory change in accounting policy on Dividends Proposed as stated in Note 33 in the financial statements.
  - ii) The earnings per share and net tangible assets per share for 1999 have been adjusted for the 56,000,000 bonus shares issued in 2000.

# DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2003.

## 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 42 to the financial statements.

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

## FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Profit after taxation	29,797,811	5,143,894
Minority interests	(245,279)	-
Profit for the year	29,552,532	5,143,894

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

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

## DIVIDEND

The dividends paid or declared by the Company since 30 April 2002 were as follows:

	RM
In respect of the financial year ended 30 April 2002 as reported in the directors' report of that year:	
Second and final dividend of 5%, less 28% taxation, paid on 5 November 2002	5,400,000
In respect of the financial year ended 30 April 2003:	
First interim dividend of 3%, less 28% taxation, declared on 19 March 2003	3,240,000

At the forthcoming Annual General Meeting, a second and final dividend in respect of the current financial year ended 30 April 2003, of 5% less 28% taxation, amounting to a total dividend of RM5,400,000 (RM0.036 per share) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the next financial year ending 30 April 2004.

## DIRECTORS

The names of 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  
Dato' Ikhwan Salim bin Dato' Haji Sujak  
Chong Kok Keong

## DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement, to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than as may arise from the share options to be granted pursuant to the Employee Share Option Scheme.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as 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 he is a member, or with a company in which he has a substantial financial interest.

## DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of Directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of Ordinary Shares of RM1 each			As at 30.4.2003
	As at 1.5.2002	During the year Bought	Sold	
<b>Glomac Berhad</b>				
Direct interest:				
Dato' Mohamed Mansor bin Fateh Din	58,812,370	1,060,000	3,925,000	55,947,370
Datuk Fong Loong Tuck	46,757,992	1,355,000	3,274,000	44,838,992
Fateh Iskandar bin Dato' Mohamed Mansor	8,000	-	-	8,000
Dato' Ikhwan Salim bin Dato' Haji Sujak	8,000	-	-	8,000
Chong Kok Keong	60,000	-	-	60,000
<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

Dato' Mohamed Mansor bin Fateh Din and Datuk Fong Loong Tuck, by virtue of their interests in shares in the Company, 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.

## EMPLOYEE SHARE OPTION SCHEME

The Glomac Berhad Employee Share Option Scheme ("ESOS") is governed by the by-laws approved by the shareholders at the Extraordinary General Meeting held on 10 October 2002.

The main features of the ESOS are as follows:

- The ESOS shall be in force for a period of five years from the date of the receipt of the last of the requisite approvals.
- Eligible persons are employees of the Group (including executive directors) who have been confirmed in the employment of the Group and have served for at least one year before the date of the offer. The eligibility for participation in the ESOS shall be at the discretion of the ESOS Committee appointed by the Board of Directors.
- The total number of shares to be issued under the ESOS shall not exceed in aggregate 10% of the issued share capital of the Company at any point of time during the tenure of the ESOS.
- The option price for each share shall be the average of the market quotation of the shares of the Company in the daily official list issued by the Kuala Lumpur Stock Exchange for the five trading days preceding the date of offer, or the par value of the shares of the Company of RM1.00, whichever is the higher.

## EMPLOYEE SHARE OPTION SCHEME (cont'd)

- (e) No option shall be granted for less than 1,000 shares to any eligible employee.
- (f) An option granted under the ESOS shall be capable of being exercised by the grantee by notice in writing to the Company commencing from the date of the offer but before the expiry of five years from the date of the receipt of the last of the requisite approvals.
- (g) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company other than as may be specified in a resolution approving the distribution of dividends prior to their exercise dates.
- (h) The persons to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company.

As at the balance sheet date and at the date of this report, no shares have been offered under the ESOS.

## OTHER STATUTORY INFORMATION

- (a) Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off 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) the amount written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; and
  - (ii) the values attributed to current assets in the financial statements of the Group and of the Company 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 Group and of the Company 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 Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
  - (i) any charge on the assets of the Group and of the Company 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 Group and of the Company 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 Group and of the Company to meet their 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 Group and of the Company for the financial year in which this report is made.

## **OTHER SIGNIFICANT EVENTS**

On 10 October 2002, the Company obtained the approval from the shareholders at an Extraordinary General Meeting for the proposed Employee Share Option Scheme for eligible employees of Glomac and its subsidiaries and for the proposed purchase of the Company's own shares. The purchase of the Company's own shares shall be up to 10% of the issued and paid up share capital and shall not exceed the total retained profits and/or share premium of the Company.

On 20 November 2002, the Company acquired 2 ordinary shares of RM1.00 each, representing 100% equity interest in Glomac Alliance Sdn. Bhd. for a cash consideration of RM2.00.

## **SUBSEQUENT EVENT**

On 9 May 2003, the Company entered into a conditional Sale & Purchase Agreement with Semai Ria Sdn. Bhd. to acquire the entire share capital of Rintisan Budi Sdn. Bhd. consisting of 1,000,000 ordinary shares of RM1.00 for a cash consideration of RM1,000,000.

## **AUDITORS**

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

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

**DATO' MOHAMED MANSOR BIN FATEH DIN**

**DATUK FONG LOONG TUCK**

Petaling Jaya, Malaysia  
25 June 2003

# 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 accompanying financial statements set out on pages 28 to 55 are drawn up in accordance with applicable Approved Accounting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2003 and of the results and the cash flows of the Group and of the Company for the year then ended.

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

**DATO' MOHAMED MANSOR BIN FATEH DIN**

**DATUK FONG LOONG TUCK**

Petaling Jaya, Malaysia  
25 June 2003

# STATUTORY DECLARATION

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

I, **HO TOOI KOK**, being the Officer primarily responsible for the financial management of **GLOMAC BERHAD**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 28 to 55 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 **HO TOOI KOK** at  
Petaling Jaya in Selangor Darul Ehsan  
on 25 June 2003

**HO TOOI KOK**

Before me,

**M. KHANDIMADDI**  
No. B106

Commissioner for Oaths  
Petaling Jaya

We have audited the accompanying financial statements set out on pages 28 to 55. 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 applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall presentation of 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 Group and of the Company as at 30 April 2003 and of the results and the cash flows of the Group and of the Company 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
- (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 thereon of the subsidiaries for which we have not acted as auditors, as indicated in Note 42 to the financial statements, being financial statements that have been included in the consolidated financial statements.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements 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 material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

**ERNST & YOUNG**  
AF: 0039  
Chartered Accountants

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

Kuala Lumpur, Malaysia  
25 June 2003

# INCOME STATEMENTS

for the year ended 30 April 2003

	Note	GROUP		COMPANY	
		2003 RM	2002 RM	2003 RM	2002 RM
Revenue	3	212,662,878	171,405,262	9,086,000	13,100,000
Cost of sales	4	(157,050,005)	(131,442,773)	-	(195,644)
Gross profit		55,612,873	39,962,489	9,086,000	12,904,356
Other income		2,847,166	2,610,610	3,645,475	2,332,218
Administration expenses		(12,841,552)	(11,552,447)	(1,296,147)	(2,073,780)
Other operating expenses		(2,308,251)	(1,196,683)	(503,809)	(1,434,242)
Operating profit	5	43,310,236	29,823,969	10,931,519	11,728,552
Finance cost	6	(3,884,442)	(4,455,455)	(3,115,473)	(1,884,697)
Share of associates' results	7	3,698,817	2,250,170	-	-
Profit before taxation		43,124,611	27,618,684	7,816,046	9,843,855
Taxation	8	(13,326,800)	(8,279,309)	(2,672,152)	(3,654,000)
Profit after taxation		29,797,811	19,339,375	5,143,894	6,189,855
Minority interests		(245,279)	(263,588)	-	-
Profit for the year		29,552,532	19,075,787	5,143,894	6,189,855
Basic earnings per share (sen)	9	19.70	12.72	3.43	4.13
Net dividends per share (sen)	10	5.8	3.6	5.8	3.6

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

# BALANCE SHEETS

at 30 April 2003

	Note	GROUP		COMPANY	
		2003 RM	2002 RM	2003 RM	2002 RM
PROPERTY, PLANT AND EQUIPMENT	11	8,863,788	7,185,958	490,871	735,130
INVESTMENT PROPERTIES	12	134,450,700	134,450,700	-	-
DEVELOPMENT PROPERTIES	13	103,161,768	178,998,143	-	-
SUBSIDIARY COMPANIES	14	-	-	70,279,103	70,279,101
ASSOCIATED COMPANIES	15	31,018,918	29,234,481	2,500,000	2,752,644
OTHER INVESTMENTS	16	4,000,000	4,000,000	-	-
<b>CURRENT ASSETS</b>					
Inventories - completed properties, at cost	17	9,487,885	9,487,885	1,100,299	1,100,299
Development properties	13	104,010,388	23,368,277	-	-
Amount due from customers	18	1,387,457	1,171,842	-	-
Trade receivables	19	16,531,551	23,761,132	180,432	180,432
Other receivables	20	15,627,701	11,719,752	4,569,714	1,926,395
Amount due from subsidiary companies	21	-	-	155,447,492	148,999,265
Amount due from associated companies	21	4,485,960	5,603,347	2,711,538	2,711,528
Tax recoverable		5,717,173	4,356,089	1,784,942	1,913,014
Fixed deposits	22	7,564,621	4,063,012	-	-
Cash and bank balances	23	38,442,655	26,265,572	194,237	2,856,758
		203,255,391	109,796,908	165,988,654	159,687,691
<b>CURRENT LIABILITIES</b>					
Amount due to customers	18	2,581,913	2,987,582	-	-
Trade payables	24	28,529,562	29,714,856	9,680	9,683
Other payables	25	16,785,239	13,071,866	1,409,433	1,647,921
Amount due to subsidiary companies	21	-	-	5,584,078	5,714,441
Hire purchase and lease creditors	29	571,880	428,486	-	215,752
Bank borrowings	26	54,964,540	52,009,699	34,512,152	34,515,378
Provision for taxation		5,415,159	3,630,315	-	-
Dividend payable		3,240,000	-	3,240,000	-
		112,088,293	101,842,804	44,755,343	42,103,175
<b>NET CURRENT ASSETS</b>		<b>91,167,098</b>	<b>7,954,104</b>	<b>121,233,311</b>	<b>117,584,516</b>
		<b>372,662,272</b>	<b>361,823,386</b>	<b>194,503,285</b>	<b>191,351,391</b>
<b>Financed by:</b>					
Share capital	27	150,000,000	150,000,000	150,000,000	150,000,000
Reserves	28	112,595,270	91,684,190	36,624,285	40,120,391
Shareholders' funds		262,595,270	241,684,190	186,624,285	190,120,391
Minority interests		13,691,575	13,679,575	-	-
Long term liabilities	29	96,223,227	106,437,021	7,879,000	1,231,000
Deferred taxation	30	152,200	22,600	-	-
		372,662,272	361,823,386	194,503,285	191,351,391

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 30 April 2003

	Note	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 2001, as previously stated		150,000,000	4,507,903	17,744,114	6,176,651	(1,533,874)	48,622,904	225,517,698
Prior year adjustment	33	-	-	-	-	-	2,700,000	2,700,000
At 1 May 2001, as restated		150,000,000	4,507,903	17,744,114	6,176,651	(1,533,874)	51,322,904	228,217,698
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
Dividend for the year ended:	10							
- second and final dividend for 30 April 2001		-	-	-	-	-	(2,700,000)	(2,700,000)
- interim dividend for 30 April 2002		-	-	-	-	-	(2,700,000)	(2,700,000)
At 30 April 2002, as restated		150,000,000	4,507,903	17,744,114	5,895,894	(1,462,412)	64,998,691	241,684,190
At 1 May 2002, as previously stated		150,000,000	4,507,903	17,744,114	5,895,894	(1,462,412)	59,598,691	236,284,190
Prior year adjustment	33	-	-	-	-	-	5,400,000	5,400,000
At 1 May 2002, as restated		150,000,000	4,507,903	17,744,114	5,895,894	(1,462,412)	64,998,691	241,684,190
Goodwill arising from acquisition of a subsidiary company		-	-	-	-	(5,417)	-	(5,417)
Amortisation of goodwill and reserve on consolidation		-	-	-	(280,757)	284,722	-	3,965
Profit for the year		-	-	-	-	-	29,552,532	29,552,532
Dividend for the year ended:	10							
- second and final dividend for 30 April 2002		-	-	-	-	-	(5,400,000)	(5,400,000)
- interim dividend for 30 April 2003		-	-	-	-	-	(3,240,000)	(3,240,000)
At 30 April 2003		150,000,000	4,507,903	17,744,114	5,615,137	(1,183,107)	85,911,223	262,595,270

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

# STATEMENT OF CHANGES IN EQUITY for the year ended 30 April 2003

			← Non distributable →			
	Note	Share capital RM	Share premium RM	Revaluation surplus RM	Distributable Retained profit RM	Total RM
At 1 May 2001, as previously stated		150,000,000	4,507,903	25,405,810	6,716,823	186,630,536
Prior year adjustment	33	-	-	-	2,700,000	2,700,000
At 1 May 2001, as restated		150,000,000	4,507,903	25,405,810	9,416,823	189,330,536
Profit for the year		-	-	-	6,189,855	6,189,855
Dividend for the year ended:	10					
- second and final dividend for 30 April 2001		-	-	-	(2,700,000)	(2,700,000)
- interim dividend for 30 April 2002		-	-	-	(2,700,000)	(2,700,000)
At 30 April 2002, as restated		150,000,000	4,507,903	25,405,810	10,206,678	190,120,391
At 1 May 2002, as previously stated		150,000,000	4,507,903	25,405,810	4,806,678	184,720,391
Prior year adjustment	33	-	-	-	5,400,000	5,400,000
At 1 May 2002, as restated		150,000,000	4,507,903	25,405,810	10,206,678	190,120,391
Profit for the year		-	-	-	5,143,894	5,143,894
Dividend for the year ended:	10					
- second and final dividend for 30 April 2002		-	-	-	(5,400,000)	(5,400,000)
- interim dividend for 30 April 2003		-	-	-	(3,240,000)	(3,240,000)
At 30 April 2003		150,000,000	4,507,903	25,405,810	6,710,572	186,624,285

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

# CASH FLOW STATEMENTS

for the year ended 30 April 2003

Note	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	43,124,611	27,618,684	7,816,046	9,843,855
Adjustments for:				
Share of associates' results	(3,698,817)	(2,250,170)	-	-
Depreciation	1,386,907	1,374,173	246,449	486,886
Provision for impairment losses in investment in associated companies	-	-	252,644	947,356
Gain on disposal of property, plant and equipment	(319,998)	(276,965)	(319,998)	(261,593)
Loss on disposal of property, plant and equipment	948	-	-	-
Bad debts written off	4,050	-	-	-
Amortisation of goodwill on consolidation	284,722	74,251	-	-
Property, plant and equipment written off	8,652	3,583	4,716	-
Amortisation of reserve on consolidation	(280,757)	(280,757)	-	-
Dividend income (net)	-	-	(6,541,920)	(9,288,000)
Interest income	(1,687,127)	(1,380,572)	(3,216,277)	(1,972,797)
Interest expense	3,884,442	4,455,455	3,115,473	1,884,697
Operating profit before working capital changes	42,707,633	29,337,682	1,357,133	1,640,404
Working capital changes:				
Inventories-completed properties	-	(297,008)	-	(904,655)
Property development projects	(4,805,736)	(41,408,360)	-	-
Contract work-in-progress	(621,284)	4,413,053	-	-
Receivables	4,317,582	(8,714,886)	(2,643,319)	260,367
Payables	1,522,662	11,158,812	(238,491)	535,683
Subsidiaries	-	-	(6,578,590)	(12,620,064)
Associates	1,117,387	5,770,384	(10)	(1,510,628)
Net cash generated from/(used in) operations	44,238,244	259,677	(8,103,277)	(12,598,893)
Tax paid	(11,436,559)	(8,734,780)	(2,544,080)	(3,657,177)
Interest paid	(3,884,442)	(4,455,455)	(3,115,473)	(1,884,697)
Net cash generated from/(used in) operating activities (carried forward)	28,917,243	(12,930,558)	(13,762,830)	(18,140,767)

	Note	GROUP		COMPANY	
		2003 RM	2002 RM	2003 RM	2002 RM
Net cash generated from/(used in) operating activities (brought forward)		28,917,243	(12,930,558)	(13,762,830)	(18,140,767)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Net cash outflow on acquisition of a subsidiary company	31	-	(598)	-	-
Purchase of property, plant and equipment		(753,983)	(720,698)	(6,908)	(1,150)
Proceeds from disposal of property, plant and equipment		320,270	421,773	320,000	338,125
Purchase of investment properties		-	(8,868,748)	-	-
Purchase of shares in subsidiary		-	-	(2)	(60,000)
Dividend received from:					
- subsidiary companies		-	-	6,541,920	6,912,000
- associated company		577,499	2,376,000	-	2,376,000
Interest received		1,687,127	1,380,572	3,216,277	1,972,797
Net cash generated from/ (used in) investing activities		1,830,913	(5,411,699)	10,071,287	11,537,772
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Issue of shares by a subsidiary company to minority interest		-	39,600	-	-
Dividend paid to minority shareholders		(233,279)	-	-	-
Dividend paid		(5,400,000)	(5,400,000)	(5,400,000)	(5,400,000)
Withdrawal of fixed deposits pledged		854,088	-	-	22,900
Fixed deposits pledged		-	(1,930,185)	-	-
Repayment of term loans and bridging loans		(33,689,755)	(38,315,613)	(352,000)	(352,000)
Repayment of hire purchase and lease contracts		(632,401)	(388,200)	(215,752)	(167,839)
Drawdown of term loans and bridging loans		24,723,169	56,596,958	7,000,000	-
Other borrowings		-	13,600,000	-	13,100,000
Net cash (used in)/generated from financing activities		(14,378,178)	24,202,560	1,032,248	7,203,061
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>16,369,978</b>	<b>5,860,303</b>	<b>(2,659,295)</b>	<b>600,066</b>
<b>CASH AND CASH EQUIVALENTS AT 1 MAY</b>		<b>12,887,428</b>	<b>7,027,125</b>	<b>(5,706,620)</b>	<b>(6,306,686)</b>
<b>CASH AND CASH EQUIVALENTS AT 30 APRIL</b>	32	<b>29,257,406</b>	<b>12,887,428</b>	<b>(8,365,915)</b>	<b>(5,706,620)</b>

The annexed notes form an integral part of these financial statements

## 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 Darul Ehsan.

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 42 to the financial statements.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board of the Kuala Lumpur Stock Exchange.

The numbers of employees in the Group and in the Company at the end of the financial year were 160 (2002: 155) and 20 (2002: 18) respectively.

The financial statements are expressed in Ringgit Malaysia.

The financial statements are authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 25 June 2003.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of Accounting

The financial statements of the Group and of the Company are prepared under the historical cost convention (as modified by the revaluation of certain investments in subsidiary companies and investment properties), and comply with the provisions of the Companies Act, 1965 and applicable Approved Accounting Standards issued by the Malaysian Accounting Standards Board ("MASB").

During the financial year ended 30 April 2003, the Group and the Company adopted the following MASB Standards for the first time:

MASB 19 : Events After Balance Sheet Date  
MASB 20 : Provisions, Contingent Liabilities and Contingent Assets  
MASB 21 : Business Combinations  
MASB 22 : Segment Reporting  
MASB 23 : Impairment of Assets  
MASB 24 : Financial Instruments Disclosures and Presentation

The effects of adopting MASB 19 is summarised in the Statement of Changes in Equity and further information is disclosed in Note 33 to the financial statements. The presentation of segment reporting is made in Note 37 to the financial statements. The adoption of MASB 20, MASB 21, MASB 23 and MASB 24 have not given rise to any adjustment to the financial statements for the financial year ended 30 April 2003.

### (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 2003. Subsidiary companies are consolidated on the acquisition method of accounting.

The results of subsidiary companies acquired or disposed of 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 goodwill on consolidation and is amortised over its estimated useful economic life not exceeding 25 years.

Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered.

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

### (b) Basis of Consolidation (cont'd)

The gain or loss on disposal of a subsidiary company is the difference between the net disposal proceeds and the Group's share of its net assets together with any unamortised balance of goodwill and exchange differences which were not previously recognised in the consolidated income statement.

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

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.

Investment in associated companies is accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method of accounting, the Group's share of the profits less losses of associated companies is included in the consolidated income statements. The Group's interest in associates is carried in the consolidated balance sheet at cost plus the Group's share of post acquisition retained profits or accumulated losses and other reserves as well as goodwill on acquisition.

Unrealised gains on transaction between the Group and the associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are eliminated unless cost cannot be recovered.

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

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2 (n) to the financial statements.

All property, plant and equipment are depreciated on a straight line basis to write off the cost of the property, plant and equipment 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

Upon the disposal of an item of property, plant or equipment, the difference between the net disposal proceeds and the net carrying amount is recognised in the income statement.

### (e) 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 treated as long term investments and are stated at valuation and 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.

Upon the disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement and the unutilised portion of the revaluation surplus is taken directly to retained profits.

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

### (f) 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 the portion of property development project on which development work has commenced and is expected to be completed within the normal operating cycle.

### (g) 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.

When the outcome of a construction cannot be estimated reliably, contract revenue is recognised to the extent of contract cost incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When costs incurred on construction contracts plus recognised profits (less recognised losses) exceed progress billings, the balance is shown as amount due from customers on contracts. When progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amount due to customers on contracts.

### (h) Investments

Investments in subsidiary companies, which are eliminated on consolidation, are stated at cost or directors' valuation less impairment losses 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 is revalued at least once at regular intervals of 5 years. Where market conditions indicate that the carrying values of the revalued investments materially differ from the value of the underlying net assets of the subsidiary companies, the Directors will consider revaluation in those intervening years.

Investments in associated companies are stated at cost less impairment losses.

The policy for recognition and measurement of impairment losses is in accordance with Note 2(n) to the financial statements.

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.

### (i) Inventories

Inventories comprise completed property units for sale and are stated at the lower of cost and net realisable value. Costs is determined on the specific identification basis and includes costs of land, construction and appropriate development overheads.

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

### (j) 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.

### (k) 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. Where timing differences result in a debit balance, deferred taxation is recognised only if there is a reasonable expectation of realisation.

### (l) Cash and Cash Equivalents

For the purposes of the cash flow statements, 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.

### (m) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably.

#### (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 where the outcome of the projects can be reliably estimated. 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 where the outcome of the projects can be reliably estimated. 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.

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

### (n) Impairment of Assets

At each balance sheet date, the Company reviews the carrying amounts of its assets, other than inventories and financial assets, which are reviewed pursuant to their separate accounting policies as applicable, to determine whether there is any indication that the assets have suffered an impairment loss. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of net selling price and value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets or, if this is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any available previously recognised revaluation surplus for the same asset.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

### (o) Financial Instruments

Financial instruments are recognised in the balance sheet when the Company has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement.

#### (i) 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.

#### (ii) Payables

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

#### (iii) Interest bearing borrowings

Interest bearing bank loans and overdrafts are recorded at the amount of proceeds received, net of transaction costs.

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.

All other borrowing cost are recognised as an expense in the income statement as an expense in the period in which they are incurred.

#### (iv) Equity Instruments

Ordinary shares are classified as equity.

The transaction costs of an equity transaction, other than in the context of a business combination, are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

Dividends on ordinary shares are recognised in equity in the period in which they are declared and approved by the shareholders.

### 3. REVENUE

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Construction	25,431,143	41,168,096	-	-
Rental	11,649,173	13,119,896	-	-
Development properties	175,582,562	117,117,270	-	200,000
Dividend	-	-	9,086,000	12,900,000
	212,662,878	171,405,262	9,086,000	13,100,000

### 4. COST OF SALES

Construction	24,272,524	37,369,109	-	-
Development properties	132,777,481	94,073,664	-	195,644
	157,050,005	131,442,773	-	195,644

### 5. OPERATING PROFIT

(a) This is arrived at after charging:

Auditors' remuneration	151,000	126,200	35,000	35,000
Depreciation	1,386,907	1,374,173	246,449	486,886
Directors remuneration:				
- fees	66,000	66,000	66,000	66,000
- emoluments (Note 5d)	196,800	1,051,200	196,800	1,051,200
- benefits in kind	94,800	90,750	10,800	90,750
Rental of premises	10,200	10,200	-	-
Provision for impairment losses in investment in associated companies	-	-	252,644	947,356
Bad debts written off	4,050	-	-	-
Property, plant and equipment written off	8,652	3,583	4,716	-
Loss on disposal of property, plant and equipment	948	-	-	-
Amortisation of goodwill on consolidation	284,722	74,251	-	-
Lease rental of land	15,000	15,000	-	-

(b) This is arrived at after crediting:

Dividend income (gross)				
- subsidiary companies	-	-	(9,086,000)	(9,600,000)
- associated company	-	-	-	(3,300,000)
Secretarial and administrative fees received from:				
- associated companies	(1,200)	(1,200)	(2,400)	(2,400)
- subsidiary companies	-	-	(24,000)	(20,400)
Interest income				
- fixed deposits	(280,529)	(109,341)	(32,767)	(4,983)
- overdue balances of house purchasers	(779,082)	(849,287)	-	-
- housing development account	(411,000)	(329,333)	-	-
- subsidiary companies	-	-	(3,183,510)	(1,967,814)
- others	(216,516)	(92,611)	-	-
Amortisation of reserve on consolidation	(280,757)	(280,757)	-	-
Gain on disposal of property, plant and equipment	(319,998)	(276,965)	(319,998)	(261,593)

(c) Employee Information

Staff costs	4,782,871	4,707,102	82,123	52,782
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## 5. OPERATING PROFIT (cont'd)

(d) Directors' Remuneration

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Directors' emoluments	1,276,800	1,411,200	196,800	1,051,200
Less: Amount charged to development expenditure (Note 13)	(1,080,000)	(360,000)	-	-
Charged to income statement	196,800	1,051,200	196,800	1,051,200

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	
	2003	2002	2003	2002
Range of remuneration:				
Below RM50,000	-	-	2	2
RM350,000 to RM400,000	-	-	-	-
RM400,000 to RM450,000	2	2	-	-
RM450,001 to RM500,000	-	-	-	-
RM500,001 to RM550,000	1	-	-	-
RM550,001 to RM600,000	-	-	-	-
RM600,001 to RM650,000	-	1	-	-

## 6. FINANCE COST

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Hire purchase and lease	175,467	132,914	12,855	59,318
Term loans	2,734,713	3,364,277	570,821	155,833
Overdrafts, revolving credit and other borrowings	974,262	958,264	2,531,797	1,669,546
	3,884,442	4,455,455	3,115,473	1,884,697

## 7. SHARE OF ASSOCIATES' RESULTS

The share of associates' results excludes RM Nil (2002: RM 2,775,103) of unrealised profit arising from sale of investment properties and inventories of completed properties by associated companies to the Glomac Berhad group of companies in 2002.

## 8. TAXATION

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Malaysian taxation based on results for the year:				
- current	11,487,243	8,111,000	2,444,823	3,654,000
- deferred taxation	129,600	(9,000)	-	-
	11,616,843	8,102,000	2,444,823	3,654,000
Under/(over) provision in prior years	373,076	(767,926)	227,329	-
	11,989,919	7,334,074	2,672,152	3,654,000
Share in taxation of associated companies	1,336,881	945,235	-	-
	13,326,800	8,279,309	2,672,152	3,654,000

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.

## 9. BASIC EARNINGS PER SHARE

This is calculated based on the profit after taxation and minority interests of the Group and of the Company of RM29,552,532 (2002: RM19,075,787) and RM5,143,894 (2002: RM6,189,855) respectively and on the number of shares in issue during the year of 150,000,000 (2002: 150,000,000).

## 10. DIVIDENDS

	GROUP/COMPANY	
	2003 RM	2002 RM
In respect of financial year ended 30 April 2001, second and final dividend of RM0.025 per share, less 28% tax	-	2,700,000
In respect of financial year ended 30 April 2002, interim dividend of RM0.025 per share, less 28% tax	-	2,700,000
In respect of financial year ended 30 April 2002, second and final dividend of RM0.05 per share, less 28% tax	5,400,000	-
In respect of financial year ended 30 April 2003, interim dividend of RM0.03 per share, less 28% tax	3,240,000	-
	8,640,000	5,400,000

Upon the change in accounting policy that has been effected through a prior year adjustment as required by the newly adopted MASB as disclosed in Note 33 to the financial statements, the dividends have been brought to account in the financial statements for the year in which they are declared and approved by the shareholders.

At the forthcoming Annual General Meeting, a second and final dividend in respect of the current financial year ended 30 April 2003, of 5% less 28% taxation, amounting to a total dividend of RM5,400,000 (RM0.036 per share) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the next financial year ending 30 April 2004.

## 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 2002	6,053,213	513,594	729,150	698,841	5,521,893	1,253,299	16,882	14,786,872
Additions	19,550	13,788	60,162	75,483	2,085,000	820,626	-	3,074,609
Disposals	-	-	(3,711)	-	(1,033,945)	-	-	(1,037,656)
Write off	(220,931)	(83,939)	(207,574)	(182,448)	(4,242)	(854,123)	(10,622)	(1,563,879)
At 30 April 2003	5,851,832	443,443	578,027	591,876	6,568,706	1,219,802	6,260	15,259,946
<b>Accumulated Depreciation</b>								
At 1 May 2002	979,419	282,474	461,930	584,340	4,270,280	1,009,722	12,749	7,600,914
Charge for the year	305,665	53,631	73,936	72,449	729,769	149,568	1,889	1,386,907
Disposals	-	-	(2,493)	-	(1,033,943)	-	-	(1,036,436)
Write off	(220,508)	(82,937)	(202,123)	(182,448)	(3,182)	(853,629)	(10,400)	(1,555,227)
At 30 April 2003	1,064,576	253,168	331,250	474,341	3,962,924	305,661	4,238	6,396,158
<b>Net Book Value</b>								
At 30 April 2003	4,787,256	190,275	246,777	117,535	2,605,782	914,141	2,022	8,863,788
At 30 April 2002	5,073,794	231,120	267,220	114,501	1,251,613	243,577	4,133	7,185,958
Depreciation charge for year 2002	312,116	57,925	81,879	67,679	767,538	84,926	2,110	1,374,173

Included in property, plant and equipment of the Group are assets acquired under finance leases and hire purchase contracts with aggregate net book value of RM3,064,237 (2002: RM1,368,104).

## 11. PROPERTY, PLANT AND EQUIPMENT (cont'd)

### 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 2002	535,969	156,977	228,569	260,022	2,880,773	4,062,310
Additions	-	-	1,000	5,908	-	6,908
Disposals	-	-	-	-	(1,033,945)	(1,033,945)
Write off	(220,931)	(76,988)	(141,364)	(182,448)	-	(621,731)
At 30 April 2003	315,038	79,989	88,205	83,482	1,846,828	2,413,542
<b>Accumulated Depreciation</b>						
At 1 May 2002	334,434	119,118	204,991	247,928	2,420,709	3,327,180
Charge for the year	47,531	12,007	9,704	6,429	170,778	246,449
Disposals	-	-	-	-	(1,033,943)	(1,033,943)
Write off	(220,508)	(75,986)	(138,073)	(182,448)	-	(617,015)
At 30 April 2003	161,457	55,139	76,622	71,909	1,557,544	1,922,671
<b>Net Book Value</b>						
At 30 April 2003	153,581	24,850	11,583	11,573	289,284	490,871
At 30 April 2002	201,535	37,859	23,578	12,094	460,064	735,130
Depreciation charge for year 2002	53,110	14,118	16,035	8,851	394,772	486,886

Included in property, plant and equipment of the Company are assets acquired under hire purchase contracts with aggregate net book value of RM Nil (2002: RM442,599).

During the year, the Group acquired property, plant and equipment with an aggregate cost of RM3,074,609 (2002: RM1,025,323) of which RM2,320,626 (2002: RM304,625) were acquired by means of finance leases and hire purchase. Cash payments of RM753,983 (2002: RM720,698) were made to purchase these assets.

## 12. INVESTMENT PROPERTIES

	GROUP	
	2003 RM	2002 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	6,275,845
- At 1999 valuation	112,604,597	112,604,597
	134,450,700	134,450,700

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 (2002: RM128,573,103) are pledged as securities for banking facilities granted to the Company and certain subsidiary companies.

### 13. DEVELOPMENT PROPERTIES

	GROUP	
	2003 RM	2002 RM
At cost:		
Freehold land	99,849,449	103,575,271
Leasehold land	47,558,134	46,914,883
Development expenditure	398,344,192	297,934,334
Attributable profits	101,877,288	63,681,163
Progress billings	(440,456,907)	(309,739,231)
	207,172,156	202,366,420
Current portion	(104,010,388)	(23,368,277)
	103,161,768	178,998,143
Non-current portion		
Current charges to development expenditure include the following:		
Interest expenses	10,266,617	8,151,836
Directors' emoluments (Note 5d)	1,080,000	360,000

Development properties and land of certain subsidiary companies amounting to RM195,400,221 (2002: RM172,610,191) are charged for banking facilities granted to the subsidiary companies.

### 14. SUBSIDIARY COMPANIES

	COMPANY	
	2003 RM	2002 RM
Unquoted shares:		
- at cost	3,960,002	3,960,000
- at 1999 directors' valuation	78,971,902	78,971,902
	82,931,904	82,931,902
Less: Provision for impairment losses	(12,652,801)	(12,652,801)
	70,279,103	70,279,101

Details of the subsidiary companies are set out in Note 42.

### 15. ASSOCIATED COMPANIES

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Unquoted shares, at cost	9,278,047	9,278,047	3,700,000	3,700,000
Share of post acquisition reserves	21,740,871	19,956,434	-	-
	31,018,918	29,234,481	3,700,000	3,700,000
Less: Provision for impairment losses	-	-	(1,200,000)	(947,356)
	31,018,918	29,234,481	2,500,000	2,752,644
Represented by:				
Share of net assets	30,200,871	28,416,434		
Premium on acquisition	818,047	818,047		
	31,018,918	29,234,481		

Details of the associated companies are set out in Note 42.

## 16. OTHER INVESTMENTS

	GROUP	
	2003 RM	2002 RM
Unquoted shares, at cost	4,000,000	4,000,000

## 17. INVENTORIES - COMPLETED PROPERTIES, AT COST

Inventories of the Group and Company pledged to financial institutions for bank borrowings amounted to RM7,575,253 (2002: RMNil) and RM867,762 (2002: RMNil) respectively.

## 18. CONTRACT WORK-IN-PROGRESS

	GROUP	
	2003 RM	2002 RM
Contract cost	170,256,761	140,849,360
Attributable profit	5,384,260	4,225,640
	175,641,021	145,075,000
Progress billings	(176,835,477)	(146,890,740)
	(1,194,456)	(1,815,740)
Represented by:		
Amount due from customers	1,387,457	1,171,842
Amount due to customers	(2,581,913)	(2,987,582)
	(1,194,456)	(1,815,740)

## 19. TRADE RECEIVABLES

Included in the Group's trade receivables are retention sums receivable from customers of RM2,404,019 (2002: RM2,043,716).

The Group's normal trade credit term ranges from 7 to 60 days. Other credit terms are assessed and approved on a case-by-case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or groups of debtors.

## 20. OTHER RECEIVABLES

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Sundry receivables	7,049,462	3,672,013	4,392,689	1,812,488
Prepayments	757,511	441,850	90,549	86,014
Deposits	3,000,597	1,729,648	86,476	27,893
Stakeholders' sum	4,820,131	5,876,241	-	-
	15,627,701	11,719,752	4,569,714	1,926,395

Included in other receivables of the Group and Company are amounts due from KJ Leisure Sdn. Bhd. of RM1,587,273 (2002: RMNil) and RM1,587,273 (2002: RMNil) respectively, a company in which certain directors of the Company, namely, Dato' Mansor bin Fateh Din, Datuk Fong Loong Tuck and Fateh Iskandar bin Dato' Mohamed Mansor have interest in.

## 21. SUBSIDIARY AND ASSOCIATED COMPANIES

Amounts due from subsidiaries bear interest at rates ranging from 0.1% to 2.9% (2002: 0.1% to 2.9%) per annum, are unsecured and have no fixed terms of repayment.

Amounts due from associates are interest free, 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.

## 22. FIXED DEPOSITS

	GROUP	
	2003 RM	2002 RM
Deposits with:		
- licensed banks	6,336,841	2,138,305
- licensed financial institutions	1,227,780	1,924,707
	7,564,621	4,063,012

Fixed deposits of certain subsidiary companies amounting to RM3,208,924 (2002: RM4,063,012) are pledged to secure bank guarantee facilities.

The weighted average effective interest rates of deposits at the balance sheet date were as follows:

	GROUP 2003 %
- licensed banks	3.6
- licensed financial institutions	3.8

The average maturities of deposits as at the end of the financial year were as follows:

	GROUP 2003 Days
- licensed banks	41
- licensed financial institutions	193

## 23. CASH AND BANK BALANCES

Included in the Group's cash and bank balances is an amount of RM29,327,270 (2002: RM17,384,597) which is held under Housing Development Accounts pursuant to Section 7A of the Housing Developers Act 1966.

## 24. TRADE PAYABLES

Included in the Group's trade payables are retention sums payable to subcontractors of RM10,878,672 (2002: RM9,227,000).

## 25. OTHER PAYABLES

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Sundry payables	4,664,968	3,429,337	1,224,454	1,101,686
Accruals	7,068,716	4,637,248	118,979	474,035
Provisions	102,410	101,846	66,000	66,000
Deposits received	4,949,145	4,903,435	-	6,200
	16,785,239	13,071,866	1,409,433	1,647,921

Included in the Group's sundry payables is an amount of RM208,792 (2002: RM178,792) owing to corporate shareholders of certain subsidiary companies. This amount is unsecured, interest free and has no fixed terms of repayment.

## 26. BANK BORROWINGS

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
<b>Secured</b>				
Bank overdrafts	13,540,946	13,378,144	8,560,152	8,563,378
Revolving credits	26,100,000	26,100,000	25,600,000	25,600,000
Bridging loans	8,717,031	2,378,512	-	-
Term loans (Note 29)	6,606,563	10,153,043	352,000	352,000
	54,964,540	52,009,699	34,512,152	34,515,378

The weighted average effective interest rates at the balance sheet date for borrowings were as follows:

	GROUP		COMPANY	
	2003 %	2002 %	2003 %	2002 %
Bank overdrafts	8.5	8.6	8.5	8.7
Revolving credits	7.2	7.4	7.4	7.5
Bridging loans	9.3	9.2	-	-
Term loans	9.2	9.2	8.1	8.5

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 overdraft facility of a subsidiary company is secured by fixed charges over certain investment properties, corporate guarantee from the Company and is jointly and severally guaranteed by certain directors of the Company.

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.

## 26. BANK BORROWINGS (cont'd)

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

## 27. SHARE CAPITAL

	GROUP/COMPANY	
	2003 RM	2002 RM
Authorised:		
200,000,000 ordinary shares of RM1 each	200,000,000	200,000,000
Issued and fully paid:		
150,000,000 ordinary shares of RM1 each	150,000,000	150,000,000

## 28. RESERVES

### (a) Retained Profit

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 (2002: RM21,000,000) in its tax-exempt account for the distribution of tax-exempt dividends, subject to agreement by the Inland Revenue Board.

### (b) Other Reserves (Non-Distributable)

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Revaluation reserves:				
- Investment properties	17,744,114	17,744,114	-	-
- Investment in subsidiary companies	-	-	25,405,810	25,405,810
	17,744,114	17,744,114	25,405,810	25,405,810

This reserve includes the cumulative net change in fair value of investment properties and investment in subsidiary companies above their cost.

## 29. LONG TERM LIABILITIES

		GROUP		COMPANY	
		2003 RM	2002 RM	2003 RM	2002 RM
Term loans - secured	(a)	94,182,626	105,941,251	7,879,000	1,231,000
Hire purchase and lease creditors	(b)	2,040,601	495,770	-	-
		96,223,227	106,437,021	7,879,000	1,231,000
a) Term loans					
Amount repayable		100,789,189	116,094,294	8,231,000	1,583,000
Due within 1 year (Note 26)		(6,606,563)	(10,153,043)	(352,000)	(352,000)
		94,182,626	105,941,251	7,879,000	1,231,000
The long term loans are repayable as follows:					
More than 1 year and less than 2 years		32,204,252	9,462,972	2,102,000	352,000
More than 2 years and less than 5 years		31,011,878	58,878,213	5,777,000	879,000
5 years and more		30,966,496	37,600,066	-	-
		94,182,626	105,941,251	7,879,000	1,231,000

Details of the securities and interest rates of the term loans are set out in Note 26.

### b) Hire purchase and lease creditors

		GROUP		COMPANY	
		2003 RM	2002 RM	2003 RM	2002 RM
Minimum payment:					
- Not later than one year		773,243	500,624	-	225,484
- Later than one year but not later than five years		2,318,038	570,908	-	-
		3,091,281	1,071,532	-	225,484
Future finance charges		(478,800)	(147,276)	-	(9,732)
Present value of hire purchase and lease liabilities		2,612,481	924,256	-	215,752
Present value of hire purchase and lease liabilities:					
- Not later than one year		571,880	428,486	-	215,752
- More than 1 year but not later than two years		612,570	161,773	-	-
- More than 2 years but not later than five years		1,428,031	333,997	-	-
		2,612,481	924,256	-	215,752
Analysed as follows:					
Due within 12 months		571,880	428,486	-	215,752
Due after 12 months		2,040,601	495,770	-	-
		2,612,481	924,256	-	215,752

The hire purchase and lease creditors of the Group bear interest at the balance sheet date of between 7.3% to 11.3% (2002: 9.8% to 12.0%) per annum.

### 30. 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	
	2003 RM	2002 RM	2003 RM	2002 RM
Unabsorbed capital allowances	775,400	743,000	75,000	16,000
Unused tax losses	2,229,000	1,270,000	2,229,000	2,229,000
	3,004,400	2,013,000	2,304,000	2,245,000

The tax effects of approximately RM1,776,000 (2002: RM1,776,000) relating to revaluation surplus have not been recognised as there is no intention to dispose of the revalued properties in the foreseeable future.

### 31. ANALYSIS OF ACQUISITION OF A SUBSIDIARY COMPANY

	GROUP	
	2003 RM	2002 RM
Cash and bank balances	2	2
Receivables	1,000,000	998
Payables	(1,005,417)	(4,648)
Minority interests	-	1,459
Goodwill	5,417	2,789
Purchase consideration	2	600
Less: Cash of subsidiary company	(2)	(2)
Net cash outflow	-	598

### 32. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Cash and bank balances	38,442,655	26,265,572	194,237	2,856,758
Fixed deposits, net of amount pledged	4,355,697	-	-	-
Bank overdrafts	(13,540,946)	(13,378,144)	(8,560,152)	(8,563,378)
	29,257,406	12,887,428	(8,365,915)	(5,706,620)

### 33. PRIOR YEAR ADJUSTMENTS

In compliance with MASB 19 - Events After The Balance Sheet Date, the Company discontinued the recognition of dividends declared or proposed after the balance sheet date, as a liability at balance sheet date. This change in accounting policy has been applied retrospectively with the resulting adjustment reported as an adjustment to opening balance of retained earnings. Comparative information has been restated accordingly.

This change in accounting policy has no effect on the income statement of current and previous financial years. The effects on opening Retained Profit are as disclosed in the Statement of Changes in Equity. The corresponding amounts that had previously been shown as a current liabilities have been extinguished in the balance sheet.

### 34. CONTINGENT LIABILITIES (UNSECURED)

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Subsidiary companies	-	-	76,461,760	84,810,927
Associated company	7,801,470	7,417,500	7,801,470	7,417,500
	7,801,470	7,417,500	84,263,230	92,228,427

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 RM193,675,096 (2002: RM220,505,096) for subsidiary companies and RM18,800,000 (2002: RM22,000,000) for an associated company.

### 35. CAPITAL COMMITMENT

	GROUP		COMPANY	
	2003 RM	2002 RM	2003 RM	2002 RM
Contracted but not provided for	-	121,483	-	-

### 36. RELATED PARTY TRANSACTIONS

	2003		2002	
	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	9,086,000	9,086,000	9,600,000	9,600,000
- associated company, Glomac Enterprise Sdn. Bhd.	-	-	3,300,000	3,300,000
Interest income receivable from subsidiary companies	3,183,510	3,183,510	1,967,814	1,967,814
Secretarial and administrative fees receivable from subsidiary companies	40,800	40,800	20,400	20,400
Properties transferred for debt settlement in the Company from an associated company, Glomac Enterprise Sdn. Bhd.	-	-	867,762	-

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.

### 37. SEGMENTAL INFORMATION

#### (a) Business Segments

The Group is organised into three major business segments

- (i) Property development - the development of residential and commercial properties
- (ii) Construction - the construction of buildings and properties
- (iii) Property investment - the investment of commercial properties

Other business segments include investment holding and management of equestrian club are not separately reported as the segments' operations are not material to the Group.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

#### 30 April 2003

	Property Development RM	Construction RM	Property Investment RM	Other Operations RM	Eliminations RM	Consolidated RM
<b>REVENUE</b>						
External sales	175,582,562	25,431,143	11,649,173	-	-	212,662,878
Inter-segment sales	-	51,792,045	-	-	(51,792,045)	-
<b>Total revenue</b>	<b>175,582,562</b>	<b>77,223,188</b>	<b>11,649,173</b>	<b>-</b>	<b>(51,792,045)</b>	<b>212,662,878</b>
<b>RESULT</b>						
Segment results	35,243,242	3,709,920	6,275,364	(155,023)	(2,581,472)	42,492,031
Unallocated corporate expenses						(868,922)
<b>Operating profit</b>						<b>41,623,109</b>
Interest expenses						(3,884,442)
Interest income						1,687,127
Share of results of associates	2,297,924	1,400,893	-	-	-	3,698,817
Taxation						(13,326,800)
<b>Profit after taxation</b>						<b>29,797,811</b>
Minority interests						(245,279)
<b>Net profit for the year</b>						<b>29,552,532</b>
<b>ASSETS</b>						
Segment assets	292,620,288	5,998,750	140,369,246	3,436,979	-	442,425,263
Investment in equity method of associates	21,056,083	9,962,835	-	-	-	31,018,918
Unallocated corporate assets						12,489,491
<b>Consolidated total assets</b>						<b>485,933,672</b>
<b>LIABILITIES</b>						
Segment liabilities	153,955,136	5,220,496	44,522,519	106,452	-	203,804,603
Unallocated corporate liabilities						4,659,117
<b>Consolidated total liabilities</b>						<b>208,463,720</b>
<b>OTHER INFORMATION</b>						
Depreciation	883,127	183,364	189,463	130,953	-	1,386,907
Amortisation	(26,397)	-	30,362	-	-	3,965
Non-cash expenses other than depreciation and amortisation	(307,064)	-	494	222	-	(306,348)

### 37. SEGMENTAL INFORMATION (cont'd)

#### (a) Business Segments (cont'd)

30 April 2002

	Property Development RM	Construction RM	Property Investment RM	Other Operations RM	Eliminations RM	Consolidated RM
<b>REVENUE</b>						
External sales	117,117,270	41,168,096	13,119,896	-	-	171,405,262
Inter-segment sales	-	49,491,696	-	-	(49,491,696)	-
<b>Total revenue</b>	<b>117,117,270</b>	<b>90,659,792</b>	<b>13,119,896</b>	<b>-</b>	<b>(49,491,696)</b>	<b>171,405,262</b>
<b>RESULT</b>						
Segment results	20,088,558	3,886,213	9,132,162	(157,030)	(2,581,472)	30,368,431
Unallocated corporate expenses						(1,925,034)
<b>Operating profit</b>						<b>28,443,397</b>
Interest expenses						(4,455,455)
Interest income						1,380,572
Share of results of associates	1,739,728	510,442	-	-	-	2,250,170
Taxation						(8,279,309)
<b>Profit after taxation</b>						<b>19,339,375</b>
Minority interests						(263,588)
<b>Net profit for the year</b>						<b>19,075,787</b>
<b>ASSETS</b>						
Segment assets	269,217,482	7,168,474	139,768,703	3,583,313	-	419,737,972
Investment in equity method of associates	19,650,886	9,583,595	-	-	-	29,234,481
Unallocated corporate assets						16,156,149
<b>Consolidated total assets</b>						<b>465,128,602</b>
<b>LIABILITIES</b>						
Segment liabilities	143,337,096	13,084,323	47,402,491	101,161	-	203,925,071
Unallocated corporate liabilities						4,377,354
<b>Consolidated total liabilities</b>						<b>208,302,425</b>
<b>OTHER INFORMATION</b>						
Depreciation	904,824	267,429	67,652	134,268	-	1,374,173
Amortisation	(236,868)	-	30,362	-	-	(206,506)
Non-cash expenses other than depreciation and amortisation	(273,382)	-	-	-	-	(273,382)

#### (b) Geographical Segments

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

### 38. OTHER SIGNIFICANT EVENTS

On 10 October 2002, the Company obtained the approval from the shareholders at an Extraordinary General Meeting for the proposed Employees' Share Option Scheme for eligible employee of Glomac and its subsidiaries and for the proposed purchase of the Company's own shares. The purchase of the Company's own shares shall be up to 10% of the issued and paid up share capital and shall not exceed the total retained profits and/or share premium of the Company.

On 20 November 2002, the Company acquired 2 ordinary shares of RM1.00 each, representing 100% equity interest in Glomac Alliance Sdn. Bhd. for a cash consideration of RM2.00.

### 39. SUBSEQUENT EVENT

On 9 May 2003, the Company entered into a conditional Sale & Purchase Agreement with Semai Ria Sdn. Bhd. to acquire the entire share capital of Rintisan Budi Sdn. Bhd. consisting of 1,000,000 ordinary shares of RM1.00 for a cash consideration of RM1,000,000.

### 40. FINANCIAL INSTRUMENTS

#### (a) Financial Risk Management Objectives and Policies

The Group and the Company are exposed to a variety of financial risks, including interest rate risk, credit risk, liquidity and cash flow risk. The Group and the Company's overall financial risk management objective is to ensure that the Group creates value for its shareholders while minimising the potential adverse effects on the performance of the Group and of the Company. The Group and the Company do not trade in financial instruments.

#### (b) Interest Rate Risk

The Group and the Company finance its operations through operating cash flows and term loans which are principally denominated in Malaysian Ringgit. The Group and the Company's policy are to derive the desired interest rate profile through a mix of fixed and floating rate banking facilities.

#### (c) Liquidity and Cash Flow Risk

The Group and the Company practise prudent liquidity risk management by maintaining the availability of funding through an adequate amount of committed credit facilities.

#### (d) Credit Risk

The Group and the Company seek to invest cash assets safely and profitably. The Group also seeks to control credit risk by setting counterparty limits and ensuring that sale of products and services are made to customers with an appropriate credit history, and monitoring customers' financial standing through periodic credit review and credit checks at point of sales. The Group and the Company consider the risk of material loss in the event of non-performance by a financial counterparty to be unlikely.

#### 40. FINANCIAL INSTRUMENTS (cont'd)

##### (e) Fair Values

The carrying amounts of the financial assets and liabilities of the Group and the Company approximate their fair values except as follows:

	GROUP		COMPANY	
	Carrying amount RM	Fair Value RM	Carrying amount RM	Fair Value RM
Financial Liabilities:				
Term loans	100,789,189	99,715,399	8,231,000	7,157,210
Hire purchase and lease creditors	2,612,481	2,613,232	-	-

The following method and assumptions were used to estimate the fair values of the following classes of financial instruments:

- (i) Cash and cash equivalents, trade and other receivables/payables, amount due to/from subsidiary and associated companies.

The carrying amounts approximate fair values due to the relatively short term maturity of these financial instruments.

- (ii) Borrowings, hire purchase and lease creditors

The fair values of borrowings, hire purchase and lease creditors are estimated by discounting the expected future cash flows based on current rates for similar types of borrowings, hire purchase and lease arrangements.

#### 41. COMPARATIVES

The presentation and classification of items in the current year financial statements have been consistent with the previous financial year except that certain comparative amounts have been adjusted as a result of the change in accounting policies as stated in Note 33.

Comparatives are not disclosed for information relating to financial instruments as permitted by MASB 24 - Financial Instruments: Disclosure and Presentation upon first adoption.

#### 42. SUBSIDIARY AND ASSOCIATED COMPANIES

	Principal activities	Effective interest	
		2003 %	2002 %
<b>SUBSIDIARY COMPANIES</b>			
Glomac Real Estate Sdn. Bhd.	Property development and investment	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
OUG Square Sdn. Bhd. (formerly known as Glomac Hotels & Resorts Sdn. Bhd.)	Property development and investment	100	100

## 42. SUBSIDIARY AND ASSOCIATED COMPANIES (cont'd)

	Principal activities	Effective interest	
		2003 %	2002 %
<b>SUBSIDIARY COMPANIES (cont'd)</b>			
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	60
Glomac Alliance Sdn. Bhd.	Property development and investment	100	-
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
<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	30

\* Interest held through subsidiary companies

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

# LIST OF PROPERTIES as at 30 April 2003

## A) List of Investment Assets

Location	Description of Asset / Existing Use	Tenure	Age of Buildings (Years)	Size	Net Book Value as at 30 April 2003 (RM'000)	Date of Valuation / Acquisition
<b>Selangor</b>						
Lot 38304, Bandar Damansara, District of Petaling	9-storey Office building / Tenanted (at Glomac Business Centre)	Freehold	9	4,024 sq. m.	14,981	16 Aug 1999
Lot No. P.T. 14531, Mukim of Damansara, District of Petaling	Office building / Tenanted (at Kelana Business Centre)	Leasehold, expiring 21.11.2092	7.5	4,688 sq. m.	26,800	29 July 1999
Lot No P.T. 5134, Mukim of Damansara, District of Petaling	Office building / Tenanted (at Kompleks Kelana Centre Point)	Leasehold, expiring 23.01.2094	6	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 (at Worldwide Business Park)	Leasehold, expiring 15.01.2094	4	807 sq. m.	4,834	18 Oct 2001
Lot 102 Mukim of Sungai Buloh, District of Petaling	Car park bays / Occupied (at Dataran Prima)	Freehold	5	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 2003 (RM'000)	Date of Acquisition
<b>Selangor</b>						
Lot 370, 371 & 372 and CT No 8038, 8039 and 8040, Mukim of Sungai Buloh, District of Petaling	Land approved for residential development / Development in progress (Aman Suria Damansara)	Freehold	-	8.06 hectares	27,666	18 Oct 2000
HS(D) 135926 Lot 42412 Pekan Cempaka District of Petaling	Land approved for commercial development / Vacant (Dataran Prima)	Freehold	-	0.38 hectares	4,343	9 July 1999
Lot No. P.T. 2771, Mukim of Ijok, District of Kuala Selangor	Mixed residential and commercial development / Development in progress (Saujana Utama I)	99 years leasehold, expiring 21.11.2089	-	7.24 hectares	7,639	18 Jan 1995

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

<b>Location</b>	<b>Description of Asset / Existing Use</b>	<b>Tenure</b>	<b>Age of Buildings (Years)</b>	<b>Size</b>	<b>Net Book Value as at 30 April 2003 (RM'000)</b>	<b>Date of Acquisition</b>
<b>Selangor</b>						
Lot No. P.T. 2149, Mukim of Ijok, District of Kuala Selangor	Mixed residential and commercial development / Development in progress (Saujana Utama II)	99 years leasehold, expiring 24.3.2095	-	10.68 hectares	11,494	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 (Regency Land Sdn Bhd)	99 years leasehold, expiring 22.6.2094	-	6.68 hectares	3,226	3 July 1995
Lot No. P.T. 1685, Mukim of Ijok, District of Kuala Selangor	Land approved for residential development / Vacant (Dunia Heights Sdn Bhd)	99 years leasehold, expiring 18.2.2093	-	4.05 hectares	1,618	27 July 1995
<b>Wilayah Persekutuan</b>						
Lot No.417 & 2575, Mukim of Petaling, District of Kuala Lumpur	Land approved for residential development / Vacant (OUG Square)	Freehold	-	1.54 hectares	11,094	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 (Glomac Vantage Sdn Bhd)	99 years leasehold, expiring 17.11.2095	-	8.26 hectares	23,238	18 Oct 1995
<b>Johore</b>						
Lot 2265 & 888, Mukim of Kota Tinggi, District of Kota Tinggi	Mixed housing development / Development in progress (Sri Saujana)	Freehold	-	103.72 hectares	73,531	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 30 June 2003

Type of Shares : Ordinary share of RM1.00 each  
 No. of Shareholders : 5,815  
 Paid-up Share Capital : RM150,000,000

## A. Distribution of Shareholdings

Size of Shareholdings	No. of Holders	Total Holdings	%
Less than 100	5	28	
100 - 1,000	4,709	4,697,800	3.13
1,001 to 10,000	883	3,462,900	2.31
10,001 to 100,000	158	5,205,202	3.47
100,001 to less than 5% of issued shares	55	51,970,706	34.65
5% and above of issued shares	5	84,663,364	56.44
<b>TOTAL</b>	<b>5,815</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.	CIMB Nominees (Tempatan) Sdn Bhd <i>Pledged Sec A/C for Mohamed Mansor bin Fateh Din</i>	21,394,948	14.26
2.	Rothputra Nominees (Tempatan) Sdn Bhd <i>Pledged Sec A/C for Mohamed Mansor bin Fateh Din</i>	21,205,172	14.14
3.	Rothputra Nominees (Tempatan) Sdn Bhd <i>Pledged Sec A/C for Fong Loong Tuck</i>	17,130,055	11.42
4.	CIMB Nominees (Tempatan) Sdn Bhd <i>Pledged Sec A/C for Fong Loong Tuck</i>	16,471,089	10.98
5.	Employees Provident Fund Board	8,462,100	5.64
6.	Mohamed Mansor bin Fateh Din	5,323,250	3.55
7.	Malaysia Nominees (Tempatan) Sdn Bhd <i>Great Eastern Life Assurance (Malaysia) Berhad</i>	4,520,000	3.01
8.	CIMB Nominees (Tempatan) Sdn Bhd <i>Pledged Sec A/C for Mohamed Mansor bin Fateh Din</i>	4,050,000	2.70
9.	CIMB Nominees (Tempatan) Sdn Bhd <i>Pledged Sec A/C for Fong Loong Tuck</i>	2,765,000	1.84
10.	AllianceGroup Nominees (Tempatan) Sdn Bhd <i>Pledged Sec A/C for Mohamed Mansor bin Fateh Din</i>	2,691,000	1.79
11.	AllianceGroup Nominees (Tempatan) Sdn Bhd <i>Pledged Sec A/C for Fong Loong Tuck</i>	2,582,000	1.72

## B. List of Thirty (30) Largest Shareholders (cont'd)

	<b>Name of Shareholders</b>	<b>No. of Shares</b>	<b>%</b>
12.	Pelangi Cergas (M) Sdn Bhd	2,292,508	1.53
13.	Amanah Saham Mara Berhad	2,000,000	1.33
14.	Fong Loong Tuck	1,886,848	1.26
15.	AMMB Nominees (Tempatan) Sdn Bhd <i>AmTrustee Berhad for BHLB Pacific Dana Al-Ihsan</i>	1,524,000	1.02
16.	Cimsec Nominees (Tempatan) Sdn Bhd <i>Pledged Sec A/C for Fong Loong Tuck</i>	1,455,000	0.97
17.	Universal Trustee (Malaysia) Berhad <i>BHLB Pacific High Growth Fund</i>	1,320,000	0.88
18.	AMMB Nominees (Tempatan) Sdn Bhd <i>AmTrustee Berhad for Pacific Pearl Fund</i>	1,117,500	0.74
19.	HSBC Nominees (Asing) Sdn Bhd <i>BBH &amp; Co. Boston for Strong Asia Pacific Fund Inc.</i>	1,110,000	0.74
20.	Amanah Raya Nominees (Tempatan) Sdn Bhd <i>ASM Premier Fund</i>	1,000,000	0.67
21.	Choi Wai Yue Betty	1,000,000	0.67
22.	Cartaban Nominees (Asing) Sdn Bhd <i>Boston Safe Deposit and Trust Company for Dreyfus Founders Passport Fund</i>	962,300	0.64
23.	Universal Trustee (Malaysia) Berhad <i>BHLB Pacific Emerging Companies Growth Fund</i>	902,500	0.60
24.	Bumiputra-Commerce Trustee Berhad <i>ASM First Public Fund</i>	800,000	0.53
25.	Amanah Raya Nominees (Tempatan) Sdn Bhd <i>ASM First Public Fund</i>	800,000	0.53
26.	Malaysia Nominees (Tempatan) Sdn Bhd <i>Great Eastern Life Assurance (Malaysia) Berhad</i>	797,000	0.53
27.	Amanah Raya Berhad <i>BHLB Pacific Double Growth Fund</i>	718,000	0.48
28.	Bumiputra-Commerce Nominees (Tempatan) Sdn Bhd <i>Bumiputra-Commerce Trustee for Pacific Dana</i>	648,500	0.43
29.	Gardenia Alliance Sdn Bhd	630,600	0.42
30.	BHLB Trustee Berhad <i>PRUGrowth Fund</i>	625,000	0.42
	<b>TOTAL</b>	<b>128,184,370</b>	<b>85.44</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	54,664,370*	-	36.44
Datuk Fong Loong Tuck	42,289,992*	-	28.19
Employees Provident Fund Board	8,462,100	-	5.64

\* Include shares held by Nominee Companies

**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	54,664,370*	-	36.44
Datuk Fong Loong Tuck	42,289,992*	-	28.19
Fateh Iskandar bin Dato' Mohamed Mansor	8,000	-	-
Dato' Ikhwan Salim bin Dato' Hj Sujak	8,000	-	-
Chong Kok Keong	60,000	-	0.04

\* Include shares held by Nominee Companies

# Form Of Proxy



\*I/We \_\_\_\_\_  
(PLEASE USE BLOCK LETTER)

of \_\_\_\_\_

in the state of \_\_\_\_\_

being a member/members of **GLOMAC BERHAD**, hereby appoint \_\_\_\_\_

or failing him, the Chairman of the meeting, as my/our proxy/proxies, to vote for me/us and on my/our behalf at the Nineteenth Annual General Meeting of the Company or at any adjournment thereof to be held at Kelana Seafood Centre Restaurant, Lot 1122, SS7, Jalan Perbandaran, Kelana Jaya, 47301 Petaling Jaya on Tuesday, 21 October 2003 at 10.00 a.m.

*\* 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
<b>ORDINARY RESOLUTION 1</b>	Adoption of Accounts and Reports	[ ]	[ ]
<b>ORDINARY RESOLUTION 2</b>	Payment of Second and Final Dividend of 5%	[ ]	[ ]
<b>ORDINARY RESOLUTION 3</b>	Payment of Directors' Fees	[ ]	[ ]
<b>ORDINARY RESOLUTION 4</b>	Re-election of Dato' Mohamed Mansor bin Fateh Din	[ ]	[ ]
<b>ORDINARY RESOLUTION 5</b>	Re-election of Mr Chong Kok Keong	[ ]	[ ]
<b>ORDINARY RESOLUTION 6</b>	Appointment of Auditors	[ ]	[ ]
<b>ORDINARY RESOLUTION 7</b>	Authority to Issue Shares	[ ]	[ ]
<b>ORDINARY RESOLUTION 8</b>	Proposed Renewal of Authority for Purchase of Own Shares	[ ]	[ ]
<b>ORDINARY RESOLUTION 9</b>	Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions	[ ]	[ ]

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	
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Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2003      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 SECRETARY

**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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