

Annual Report 2002



ASAS DUNIA BERHAD

(94528-T)



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Corporate Information

BOARD OF DIRECTORS

Tony Chan Leong Foon
(Executive Chairman)

Jerry Chan Fook Sing
(Managing Director)

Chan Fook Sun
(Executive Director)

Chan Fook Hean
(Executive Director)

Diong Chin Teck
(Independent Non-Executive Director)

Moo Shiew-Ming
(Independent Non-Executive Director)

Dato' Paduka Syed Mansor bin Syed Kassim Barakbah
DHMS DSDK SMK BCK JP Dato' Jaya Pahlawan
(Alternate Director to Chan Fook Sun)

AUDIT COMMITTEE

Diong Chin Teck
(Independent Non-Executive Director, Chairman)

Jerry Chan Fook Sing
(Managing Director, Member)

Moo Shiew-Ming
(Independent Non-Executive Director, Member)

SHARE REGISTRAR

Malaysian Share Registration Services Sdn. Bhd.
8th Floor Exchange Square
Bukit Kewangan
50200 Kuala Lumpur

STOCK EXCHANGE

Kuala Lumpur Stock Exchange

SECRETARIES

Tan Lee Chun
Heong Yee Lin

REGISTERED OFFICE

Wisma Asas
No. 228-B Lebuhr Chulia
10200 Pulau Pinang
Tel No. : 04-2631999
Fax No.: 04-2632999

PRINCIPAL BANKER

Malayan Banking Berhad

AUDITORS

KPMG
Chartered Accountants



Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the TWENTIETH ANNUAL GENERAL MEETING of the Company will be held at The Hibiscus Room, The Bayview Beach Resort, Batu Ferringhi, 11100 Pulau Pinang on Monday, 23rd June 2003 at 10.00 a.m. to transact the following business:-

AGENDA

1. To receive and consider the Audited Financial Statements for the year ended 31st December 2002 and the Reports of the Directors and Auditors thereon. **Resolution 1**
2. To approve the payment of Directors' fees. **Resolution 2**
3. To re-elect the following Directors who retire in accordance with Article No. 93 of the Company's Articles of Association and being eligible, offer themselves for re-election:-
 - i) Mr. Chan Leong Foon **Resolution 3**
 - ii) Mr. Chan Fook Sing **Resolution 4**
4. To consider and if thought fit, to pass the following resolution:

'That Mr. Diong Chin Teck, a Director who retires in accordance with Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting.'
Resolution 5
5. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 6**
6. As Special Business :
To consider and, if thought fit, to pass with or without amendments the following resolution as Ordinary Resolution:-

That subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals from the Kuala Lumpur Stock Exchange and other governmental/regulatory authorities where such approvals shall be necessary, full authority be and is hereby given to the Directors pursuant to Section 132D of the Companies Act, 1965, from time to time to allot and issue ordinary shares in the Company at such price upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit provided always that the aggregate number of shares to be issued pursuant to this Resolution shall not exceed ten per centum of the issued share capital of the Company for the time being and that the Directors be also empowered to obtain the approval for the listing and the quotation of the additional shares so issued on the Kuala Lumpur Stock Exchange and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company. **Resolution 7**
7. To transact any other business for which due notice shall have been received.

BY ORDER OF THE BOARD

TAN LEE CHUN MAICSA 0779302
HEONG YEE LIN MAICSA 7007365
Company Secretaries

PENANG
30th May 2003



Notice Of Annual General Meeting (cont'd)

NOTES :

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or proxies who may but need not be a member of the Company to attend and vote in his stead.
2. Where a member appoints two or more proxies the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney duly authorised.
4. The instrument appointing a proxy must be deposited with the Company's Share Registrars, Malaysian Share Registration Services Sdn. Bhd. of 8th Floor, Exchange Square, Bukit Kewangan, 50200 Kuala Lumpur not less than 48 hours before the time fixed for holding the Meeting or any adjournment thereof.
5. Explanatory Statement on Special Business

Resolution pursuant to Section 132D of the Companies Act, 1965

The ordinary resolution proposed under item 6, if passed, will empower the Directors of the Company, from the date of the above General Meeting to allot and issue ordinary shares in the Company up to an amount not exceeding in total ten per centum of the issued share capital of the Company for the time being, for such purposes as the Directors consider would be in the interests of the Company. This would avoid any delay and costs in convening a general meeting to specifically approve such an issue of shares. This authority will unless revoked or varied by the Company in General Meeting, expire at the next Annual General Meeting of the Company.



Statement Accompanying The Notice Of AGM

Pursuant to paragraph 8.28(2) of the Listing Requirements of the KLSE

1) **Twentieth Annual General Meeting:**

Place : The Hibiscus Room, The Bayview Beach Resort,
Batu Ferringhi, 11100 Pulau Pinang
Date : 23rd June 2003
Time : 10.00 a.m.

2) **Directors standing for re-election:**

- a) Pursuant to Article No. 93 of the Company's Articles of Association
 - i) Mr. Chan Leong Foon
 - ii) Mr. Chan Fook Sing

- b) Pursuant to Section 129(6) of the Companies Act, 1965.
 - i) Mr. Diong Chin Teck

The details of the above Directors who are standing for re-election and their shareholdings in the Company and its related corporations are set out on page 8 and page 10 of this Annual Report.

3) **Details of Attendance of Directors at Board Meetings:**

Four (4) Board Meetings were held during the financial year ended 31st December 2002, the details of attendance are set out on page 14 of this Annual Report.



Chairman's Statement

On behalf of the Board of Directors of ASAS DUNIA BERHAD, I am pleased to present the Annual Report and Financial Statements of the Company and the Group for the financial year ended 31st December, 2002.

Financial Performance

During the financial year under review, the Group registered a pre-tax profit of RM8.0 million on the back of a RM24.2 million turnover. This represents a 166% increase in profits as compared to the pre-tax loss of RM12.1 million posted in the previous financial year. The disparity in the profits were mainly due to the conservative approach taken by the Board to account and provide for the diminution in value of quoted shares absorbed in the previous year's financial results.

For the year under review, the Group's balance sheet remains healthy with shareholders' funds registering at RM312 million. Bank borrowings which represented 8% of the net current assets in the previous year has since been reduced further to 3% at RM5 million.

Corporate Development

The Housing Developers (Control and Licensing) (Amendment) Act, 2002 which came into operation on 1st December, 2002 is undoubtedly one of the biggest headache and challenges confronting the housing industry. Rigorous rules and regulations particularly to the operations and management of the Housing Development Account have been instituted by the Government causing untold problems to the housing industry. In addition, Government actions of constant repatriation of foreign workers aggravated the situation, at times causing complete stoppage to construction works. Developers who are financially strong have to adopt the 'build-then-sell' concept. The Board is pleased to state that the Group is working towards this concept. Currently, properties are open for sale only upon completing approximately 70% of the construction works hence lowering the risk of late delivery.

Despite the tough operating environment, a new chapter is unfolding for the Group as 10 development projects worth over RM286 million previously earmarked for future development is now progressively in the pipe-line of construction. These projects comprises a total of 1935 residential and 112 units of commercial properties and is projected to complete within the next 3 years. The Ministry of Home Affairs had in October 2002 granted the Company a license to bring in foreign workers to support the additional workload.

Although remaining steadfast in concentrating on development of low and medium cost housing for the masses, the Company has also via its wholly owned subsidiary, Ultra-Bina Sdn. Berhad embarked on a high-end development project, comprising 12 units of 3 storey bungalows at Desa Awan, Mukim Petaling Kuala Lumpur with total value estimated at RM20 million. It is currently under construction and is expected to be completed by the end of this year.

During the year under review, the Company had participated in a property fair organized by the Real Estate Development Housing Association (REDHA) with the concurrence and support of the Government. The Group had also participated in other property fairs organized separately by financial institutions during the year to revive interest in properties in the northern region. Our participation in such property fairs have been fairly fruitful.

Prospects

The Board expects the Company's performance to improve during the current financial year. Generally, long term outlook for the residential property sector is expected to be good, taking into consideration the historically low interest rates and easier access to financing which continues to stimulate property purchasing activities.



Chairman's Statement (cont'd)

Although the overhang in the non-residential sectors continue to persist, the Company's concentration in the residential sector has enable it to perform reasonably well. Efforts to streamline operations and institute cost containment measures to improve operational efficiencies are continuously being monitored.

Investing in choice parcels of land which could contribute positively towards the future earnings of the Group remains the strategic direction and emphasis of the Board. As at 31st December, 2002, the Group has over 1,000 acres of undeveloped landbank with a total cost of RM149 million. This represents 48% of the total net assets of the Group. None of these properties are pledged and no revaluation has been made although the bulk of the properties were acquired during the period between 1994 to 2000 and have appreciated substantially since then.

With the impending move by the Penang Turf Club to Batu Kawan in mainland Penang and the new causeway link located right at the corridor of our landbank, the Group is positioned to take full advantage in the housing industry's eventual up-swing. Hence, we shall endeavour to strive on in building upon the strength of our strategically located landbank and draw on our decades of experience in the property sector.

Acknowledgement and Appreciation

I would like to take this opportunity to express my gratitude and appreciation to my fellow Board members for their contribution and dedication. Our Board also wishes to record our appreciation to the valued shareholders, government authorities, customers and business associates for their invaluable contribution towards the growth of the Group and to the management and staff for their steadfast commitment and dedication.

TONY CHAN LEONG FOON
Executive Chairman



Directors' Profile

Tony Chan Leong Foon

Executive Chairman / Non Independent Director

Mr. Tony Chan Leong Foon, a Malaysian citizen, aged 69 is the Executive Chairman and founder director of Asas Dunia Berhad (ADB). He was appointed to the Board on 18th December, 1982. Prior to his involvement in the property sector, Mr. Chan was a major exporter of finished jewellery to Indonesia, Singapore and the Middle East in the early 70's before venturing into property development and construction in the early 80's. He has extensive knowledge and experience of over 20 years in the property sector and is instrumental to the development of ADB

and its group of companies. He also sits on the Board of several subsidiary companies within the Group.

Mr. Chan is the father to Mr. Jerry Chan Fook Sing who is the Managing Director, Mr. Chan Fook Sun and Mr. Chan Fook Hean who are Executive Directors of the Company. He has a direct shareholding of 20,000 ordinary shares in ADB and is deemed a substantial shareholder of ADB and its subsidiaries by virtue of his interest in Tony Chan Holdings Sdn. Bhd. who holds 39.66% of the issued and paid up capital of the Company.

Mr. Chan has attended all four Board Meetings held during the financial year ended 31st December, 2002.

Mr. Chan does not have any directorship in other public listed company. He has no conflict of interest with ADB and has no convictions of offences other than traffic offences within the past 10 years.

Jerry Chan Fook Sing

Managing Director / Non Independent Director

Mr. Jerry Chan Fook Sing, a Malaysian citizen aged 41, was appointed Managing Director of ADB on 3rd August, 1983. He completed his studies both locally and abroad and has been involved in the property development and construction sector since the early 80's. With over 20 years of experience in the property and construction industry, Jerry oversees the entire operations of the Group. He sits on the board of several subsidiary companies within the Group. Jerry is also a committee member of the Real Estate and Housing Developers Association of Penang.

Jerry is the son to Mr. Tony Chan Leong Foon who is the Executive Chairman and he is a brother to Mr. Chan Fook Sun and Mr. Chan Fook Hean who are both Executive Directors of ADB. He has a direct shareholding of 66,000 ordinary shares in ADB and is deemed a substantial shareholder of ADB and its subsidiaries by virtue of his interest in Tony Chan Holdings Sdn. Bhd. who holds 39.66% of the issued and paid up capital of ADB.

Jerry attended all four Board Meetings held during the financial year ended 31st December, 2002.

Jerry also sits on the Audit Committee and the Remunerations Committee of ADB. He does not have any directorship in other public listed company.

He has no conflict of interest with ADB and has no convictions of offences other than traffic offences within the past 10 years.



Directors' Profile (cont'd)

Chan Fook Sun

Executive Director / Non Independent Director

Mr. Chan Fook Sun, a Malaysian citizen aged 29 was appointed as an Executive Director of ADB on 26th August, 1998. Fook Sun holds a Masters Degree in Business Administration from Heriot Watt University and prior to his appointment to the Board, he was the Senior Project Manager and was principally responsible for the supervision of construction works of ADB and its group of companies. Fook Sun also sits on the board of several subsidiary companies within the Group.

Fook Sun is the son to Mr. Tony Chan Leong Foon who is the Executive Chairman and he is a brother to Mr. Jerry Chan Fook Sing, Managing Director and Mr. Chan Fook Hean, Executive Director of ADB. He has a direct shareholding of 20,000 ordinary shares in ADB and is deemed a substantial shareholder of ADB and its subsidiaries by virtue of his interest in Tony Chan Holdings Sdn. Bhd. who holds 39.66% of the issued and paid up capital of ADB.

Fook Sun attended all four Board Meetings held during the financial year ended 31st December, 2002.

He does not have any directorship in other public listed company.

He has no conflict of interest with ADB and has no convictions of offences other than traffic offences within the past 10 years.

Chan Fook Hean

Executive Director / Non Independent Director

Mr. Chan Fook Hean, a Malaysian citizen aged 25, was appointed to the Board as an Executive Director on 5th December, 2001. Prior to his appointment to the Board, was the Senior Project Manager and was responsible for the construction and development of several construction projects undertaken by ADB and its group of companies. Fook Hean also sits on the Board of several subsidiary companies within the Group.

Fook Hean holds a Diploma in Business Administration and is currently pursuing his Masters in Business Administration from Nottingham Trent University, United Kingdom.

Fook Hean is the son to Mr. Tony Chan Leong Foon who is the Executive Chairman and he is a brother to Mr. Jerry Chan Fook Sing, Managing Director and Mr. Chan Fook Sun, Executive Director of ADB. He has no direct shareholding in ADB but is deemed a substantial shareholder of ADB and its subsidiaries by virtue of his interest in Tony Chan Holdings Sdn. Bhd. who holds 39.66% of the issued and paid up capital of ADB.

Fook Hean attended all four Board Meetings held during the financial year ended 31st December, 2002.

Fook Hean does not have any directorship in other public listed company.

He has no conflict of interest with ADB and has no convictions of offences other than traffic offences within the past 10 years.



Directors' Profile (cont'd)

Diong Chin Teck **Independent Non Executive Director**

Mr. Diong Chin Teck, a Malaysian citizen aged 70, was appointed to the Board as an Independent Non Executive Director on 31st July, 2001. He is also the Chairman of the Audit Committee, Remuneration Committee and Nomination Committee of ADB.

Mr. Diong is a Fellow of the Institute of Chartered Accountants in Australia and a member of the Malaysian Institute of Accountants. He obtained his professional training in accountancy in Melbourne, Australia and was admitted as a member of the Institute of Chartered Accountants in Australia in 1966.

He joined KPMG in 1967 and worked in their Kuala Lumpur, Ipoh and Penang offices. He was made a Partner of the Firm in 1971 and held that position until his retirement in 1998.

He has been the Company Secretary of Oriental Holdings Berhad and its subsidiaries since 1974.

Mr. Diong currently sits on the Board of the following public listed companies :-

ABN Amro Bank Berhad
Eurospan Holdings Berhad
Globetronics Technology Bhd.

He is also a member of the Audit Committee of these companies.

Mr. Diong does not have any family relationship with any of the directors nor substantial shareholders. He has a direct shareholding of 10,000 ordinary shares in ADB

He attended all four Board meetings held during the financial year ended 31st December, 2002.

He has no conflict of interest with ADB and has no convictions of offences other than traffic offences within the past 10 years.

Moo Shiew-Ming **Independent Non Executive Director**

Mr. Moo Shiew-Ming, a Malaysian citizen aged 61, was appointed to the Board as an Independent Non-Executive Director on 31st July, 2001. He is also a member of the Audit Committee, Remuneration Committee and the Nomination Committee of ADB.

He holds a degree of Bachelor of Economics in Accounting (Honours) from University of Malaya. He was previously attached to the Malaysian Industrial Development Authority (MIDA) from 1973 to 1996 where he rose through the ranks to become the State Director of MIDA, Pahang from 1986 to 1989 and State Director of MIDA, Perak from 1992 to 1996.

Mr. Moo later joined City Motor Group of Companies as the Business Development / Administration Manager from 1996 to 1997 and later as Regulatory Affairs Manager of EMC Resources Sdn. Bhd. before retiring in 1998.

Mr. Moo does not have any family relationship with any of the directors nor substantial shareholders. He does not hold any shares in ADB whether directly or indirectly and does not have any directorship in other public listed company.

Mr. Moo attended all four Board meetings held during the financial year ended 31st December 2002.

He has no conflict of interest with ADB and has no convictions of offences other than traffic offences within the past 10 years.



Directors' Profile (cont'd)

Dato' Paduka Syed Mansor bin Syed Kassim Barakbah

DHMS, DSDK, SMK, BCK, JP, Dato' Jaya Pahlawan

Non Independent Director, Alternate Director to Mr. Chan Fook Sun

Dato' Paduka Syed Mansor bin Syed Kassim Barakbah, DHMS, DSDK, SMK, BCK, JP, Dato' Jaya Pahlawan, a Malaysian citizen aged 68, was appointed as an Alternate Director to Mr. Chan Fook Sun on 31st July, 2001.

Dato' Paduka Syed Mansor graduated from the University of Malaya, Singapore before he entered the Kedah State Civil Service. He rose through the ranks and was appointed State Director of Land and Mines, State Financial Officer and finally the State Secretary before retiring in November, 1989.

Dato' Paduka Syed Mansor currently sits on the Board of the following public companies:-

Yayasan Kedah Berhad
Sriwani Holdings Berhad
Gula Padang Terap Berhad
Yayasan Sultanah Bahiyah Berhad

Dato' Paduka Syed Mansor does not have any family relationship with any of the directors nor substantial shareholders. He does not hold any shares in ADB whether directly or indirectly.

As an alternate director to Mr. Chan Fook Sun, Dato' Paduka Syed Mansor was not required to attend any meetings on behalf of Mr. Chan Fook Sun during the year ended 31st December, 2002.

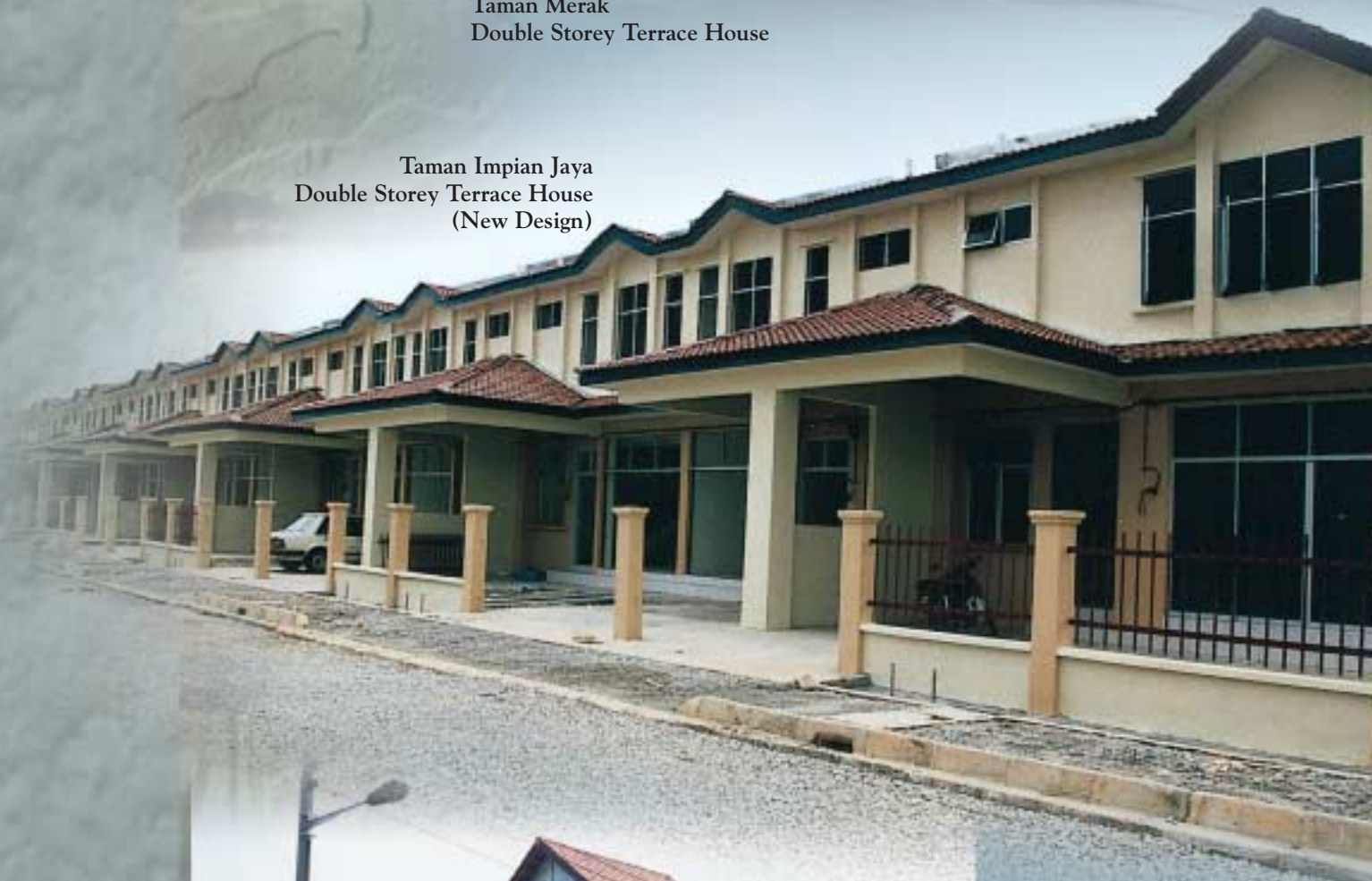
He has no conflict of interest with ADB and has no convictions of offences other than traffic offences within the past 10 years.

Projects



Taman Merak
Double Storey Terrace House

Taman Impian Jaya
Double Storey Terrace House
(New Design)



Desa Awan
3-Storey Bungalow
in Mk. Petaling,
Kuala Lumpur

Projects



Permatang Tinggi
Double Storey Semi-Detached
Light Industry Factory



Taman Seruling Emas
Double Storey Terrace House



Taman Sungai Duri
Single Storey Terrace House



Statement On Corporate Governance

The Board of Directors fully subscribe and support the Malaysian Code of Corporate Governance and the relevant provisions of the KLSE Listing Requirements in ensuring that the highest standards of corporate governance are practiced throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholder value.

In preparing the report, the Board has considered the manner in which it has applied the Principles of the Code and the extent to which it has complied with the Best Practices of the Code.

SECTION 1 : DIRECTORS

Composition of the Board

The Board comprises six members. Two of the six representing 1/3 of the composition of the Board are Independent Non Executive Directors.

A brief description of the biography of each director is presented on pages 8 to 11 of the Annual Report.

The functions of Executive and Non-Executive Directors are separate and distinct. The Executive Directors have the responsibility of making and implementing operational decisions and running the Group's business. Non-Executive Directors supports the skills and experience of the Executive Directors and contribute to the formulation of strategies and policies based on their knowledge and experience.

The Company considers that its complement of non-executive directors provides an effective Board with a mix of industry-specific knowledge and broad business and commercial experience. This balance enables the Board to provide a clear and effective leadership to the Company and to bring informed, independent judgment and critical evaluation of the Company's strategic plans.

The Executive Chairman, Chan Leong Foon, Managing Director, Chan Fook Sing are directors and shareholders of Tony Chan Holdings Sdn. Bhd. while Executive Directors, Chan Fook Sun and Chan Fook Hean are shareholders of Tony Chan Holdings Sdn. Bhd., being the largest shareholder of the Company holding 39.66 % of the issued and paid up capital of the Company as at 31st December, 2002

There is a clear division of responsibility between the Chairman and the Managing Director to ensure a balance of power and authority.

In accordance with the requirements of the Code, Mr Diong Chin Teck has been appointed as the Senior Independent Non-Executive Director to deal with any concerns relating to the Group which could be inappropriate to be dealt with by the Executive Chairman.

Details of the Board movement and attendance at meetings during the financial year are set out below:-

Name	Designation	Appointment	Resignation	Attendance
Chan Leong Foon	Executive Chairman	18-12-82	-	4 of 4
Chan Fook Sing	Managing Director	03-08-93	-	4 of 4
Chan Fook Sun	Executive Director	26-08-98	-	4 of 4
Chan Fook Hean	Executive Director	05-12-01	-	4 of 4
Diong Chin Teck	Independent Non-Executive Director	31-07-01	-	4 of 4
Moo Shiew-Ming	Independent Non-Executive Director	31-07-01	-	4 of 4



Statement On Corporate Governance (cont'd)

Board Responsibilities

The Board retains overall responsibilities for corporate governance, strategic direction, full and effective development and control of the Group's operations.

Key matters on approval of annual and interim results, significant operational, financial and policy issues, major capital expenditures, budgets, strategic, long range plans and succession planning for top management are reserved for the Board.

The Board has four regular scheduled meetings annually with additional meetings convened when necessary. In year 2002, the Board held four regular meetings. At each regularly scheduled meeting, full financial business review including trading performance are discussed. No special Board meeting was held during the financial year ended 31st December 2002.

The Board has also delegated certain responsibilities to other Board Committees, which operates within clearly defined terms of reference. Standing committees of the Board include the Audit Committee (please refer to the Report on Audit Committee set out on pages 20–23), a Nomination Committee and a Remuneration Committee.

Supply of Information

The Board has unrestricted access to timely and accurate information necessary in the furtherance of their duties. Prior to each Board meeting, full set of Board papers for each agenda item to be discussed at the meeting are sent to each Board member. This is issued in sufficient time to enable directors to obtain further clarification where necessary before the meeting. Discussion are based not only on the quantitative factor but goes beyond assessing strategic plans and future direction of the Group, risk factors, strengths and weaknesses.

Directors are given access to independent advice at the company's expense. However, before incurring such expense, the director concern must consult with the Chairman or Managing Director for clearance. No such clearance was sought during the financial year ended 31st December 2002.

Directors have access to all information within the company, whether as full Board or in their individual capacity, in furtherance of their duties.

Directors also have direct access to advice and services of the Group's Company Secretaries who are responsible for ensuring that Board procedures are followed.

Appointment of the Board and Re-election

The Code endorses, as good practice, a formal procedure for appointments to the Board, with a Nomination Committee making recommendations to the Board. Members of the Nomination Committee comprises entirely of independent non-executive directors.

Chairman Diong Chin Teck
(Independent Non-Executive Director)

Member Moo Shiew Ming
(Independent Non-Executive Director)

Duties and functions of the Nomination Committee includes:-

- to nominate and recommend to the Board, candidates to be appointed as Directors of the Company. This includes evaluating recommendations proposed by the Chairman or by any senior executive, directors or shareholders.
- to evaluate the performance of directors on an on-going basis
- to annually review the appropriate mix of skills, experience and attributes and the effectiveness of the Board as a whole and the contribution of each individual director together with the core competencies of non-executive directors.



Statement On Corporate Governance (cont'd)

Directors have direct access to the services of the Company Secretaries who are responsible for ensuring that all appointments are properly made and all necessary information is obtained from directors, both for the Company's own records and for purposes of meeting the requirements of the Companies Act, 1965, Listing requirements of the KLSE and other regulatory requirements.

In accordance with the Company's Articles of Association, directors who are appointed either to fill a casual vacancy or as an addition to the existing Board shall hold office until the conclusion of the next annual general meeting and are subject to re-election by shareholders. The Articles also provide that at least one-third of the Board including the Managing Director is subject to re-election at regular intervals and at least once every three years.

As an integral element of the process of appointing new directors, new appointees are briefed on the Group's business, competitive and regulatory environment in which it operates in and other changes during meetings with Executive Directors.

Directors are also advised on appointment of their legal and other obligations as a director of a listed company. They are also encouraged to attend training courses at the Company's expense.

All directors have attended the Mandatory Accreditation Program organized by Research Institute of Investment Analyst Malaysia, the training arm of KLSE.

SECTION 2 : DIRECTORS' REMUNERATION

Remuneration Policy and Procedure

The Group's remuneration policy is tailored to support the Company's overall objectives of delivering long term value to its shareholders. The remuneration package is designed to attract and retain directors of the right caliber needed to run the Group successfully. In the case of Executive Directors, the component part of the remuneration are structured to link rewards to corporate and individual performance. In the case of Non-Executive Directors, the level of remuneration reflects the experience and responsibilities undertaken by the Non-Executive Directors concern.

Members of the Remuneration Committee comprise the following:-

Chairman	Diong Chin Teck (Independent Non-Executive Director)
Members	Chan Fook Sing (Managing Director) Moo Shiew-Ming (Independent Non-Executive Director)

The primary duty and responsibility of the Remuneration Committee is to recommend to the Board the remuneration of the Executive Directors. Nevertheless, the determination of remuneration packages of directors is a matter for the Board as a whole to decide and individual directors are required to abstain from discussion of their own remuneration.

The Remuneration Committee reviews and approves the annual salaries, incentive arrangements, service arrangements and other employment conditions for the executive directors. Information prepared by independent consultants and appropriate survey data on the remuneration practices of comparable companies may be taken into consideration.

**Statement On Corporate Governance** (cont'd)

Annual fees payable to directors are approved by the shareholders at the annual general meeting. Basic salary for each executive director takes into account the compensation practices of other comparable companies and the performance of each individual director. Salaries are reviewed annually, though not necessarily increased. Appropriate adjustments are made to reflect performance and increased responsibilities. To commensurate with the experience and level of responsibilities undertaken by the directors, the Board has recommended that their total fees for the financial year ended 31st December, 2002 be increased to RM111,000-00. Details of the total remuneration for directors of Asas Dunia Berhad for the financial year ended 31st December, 2002 are as follows:-

Directors' Remuneration

	Salaries & other emoluments (RM)	Fees (RM)	Total (RM)
Executive	661,834	78,000	739,834
Non-Executive	10,630	33,000	43,630

While the Board is aware that the best practice under the Malaysian Code of Corporate Governance is to provide disclosure of individual remuneration, the Board considers that disclosure of remuneration paid to directors in aggregation and analyzed in bands of RM50,000 is sufficient.

The number of directors of the Company whose total remuneration fall within the following bands:-

Range of Remuneration (RM)	Number of Directors	
	Executive	Non-Executive
up to 50,000	–	2
50,001 - 100,000	1	–
100,001 - 150,000	1	–
150,001 - 200,000	–	–
200,001 - 250,000	1	–
300,001 - 350,000	1	–

SECTION 3 : SHAREHOLDERS**Dialog between the Company and Investors**

As part of the Board's responsibility in developing and implementing an investor relations program, regular discussions are held between the Managing Director and fund managers / institutional investors / analyst throughout the year. Presentations on permissible disclosures are made to explain the Group's performance and major development programs. Price-sensitive information is however, reserved until prescribed announcement is made to the Exchange.

Additional information about the company is also available at <http://www.asasdunia.com>

Annual General Meeting

The Annual General Meeting is a principal forum for dialog with shareholders. Apart from the usual agenda reserved for annual general meetings, the Board presents the progress and performance of the Group's business and provides opportunities for shareholders to raise questions pertaining to business activities of the Group. Items of special business included in the notice of the meeting will be accompanied by a full explanation of the effects of the proposed resolution.



Statement On Corporate Governance (cont'd)

SECTION 4 : ACCOUNTABILITY AND AUDIT

Financial Reporting

In presenting the annual financial statements and quarterly announcement to shareholders, the Directors aim to present a balanced and understandable assessment of the Group's position and prospects. The Audit Committee assists the Board in ensuring accuracy, adequacy and completeness of information for disclosure.

Statement of Directors pursuant to Section 169 of the Companies Act, 1965 is set out on page 29 of the Annual Report.

Statement of Directors' Responsibility in relation to the Financial Statements

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

In preparing the financial statements, the Directors have used the appropriate accounting policies that are consistently applied and supported by reasonable as well as prudent judgment and estimates.

All applicable approved accounting standards have been followed during the preparation of the financial statements.

The directors are responsible for ensuring that the Company maintains accounting records that disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act, 1965.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities.

Internal Control

The Board acknowledges its responsibility for maintaining a sound system of internal control, and for reviewing its adequacy and integrity.

The Board has relied on the close involvement of Executive Directors in the day-to-day operations of the Group as well as periodic review of the Group's financial results by the Audit Committee to focus on areas that are vulnerable to risks to ensure that appropriate measures could be devised by the Board during Board and management meetings to address risk issues concerned on a pro-active basis.

The system of internal control is a concerted and continuous process, designed to manage and provide reasonable but not absolute assurance against risk of material errors, fraud or losses from occurring. The rationale of the system of internal control is to enable the Group to achieve its corporate objectives within an acceptable risk profile.

The main objective of Internal Control is principal to identify and manage risks and controls through formulation of action plans. This involves the prioritization and formulation of action plans to enhance internal control systems. Through regular meetings with consultants and professionals in the relevant fields, the Board reviews key operating performance, legal, environmental and regulatory matters on an on-going basis.



Statement On Corporate Governance (cont'd)

The Group's system of internal controls comprises the following key elements:-

Organizational structure and accountability levels

The Group has a well defined organizational structure with clear lines of accountability.

Reporting and Review

The Group's management team and consultants communicates regularly to monitor operational and financial performance as well as formulate action plans to address areas of concern.

Internal Audit

During the year under review, an internal audit department was set up to review the adequacy and integrity of the control systems. Purchasing cycle and the segregation of duties of authorized personnel involved were reviewed.

During the course of the audit, no material internal control failures or significant issues were discovered during the financial year.

Relationship with Auditors

The Company has always maintained a transparent and appropriate relationship with the Company's Auditors through the Audit Committee. The role of the Audit Committee in relation to the External Auditors is described on pages 20 to 23 of the Annual Report.

The Board is continuously working towards complying with the guidelines on Best Practices issued by the Malaysian Code of Corporate Governance.

Statement made in accordance with the resolution of the Board of Directors dated 24th February 2003.

CHAN LEONG FOON
Executive Chairman

CHAN FOOK SING
Managing Director



Report Of The Audit Committee / Terms Of Reference

MEMBERS OF THE AUDIT COMMITTEE

The members of the Audit Committee during the financial year ended 31st December, 2002 were as follows:-

Name	Designation	Directorate
Diong Chin Teck	Chairman	Independent Non Executive Director
Chan Fook Sing	Member	Managing Director
Moo Shiew-Ming	Member	Independent Non Executive Director

TERMS OF REFERENCE

I. Objectives

The primary objective of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities relating to accounting and reporting practices of the Company and each of its subsidiaries. In addition, the Committee will:

1. oversee and appraise the quality of the audits conducted both by the Company's internal and external auditors;
2. maintain, by scheduling regular meetings, open lines of communications among the Board, the internal auditors and the external auditors to exchange views and information as well as to confirm their respective authority and responsibilities; and
3. determine the adequacy of the Company's administrative, operating and accounting controls.

II. Composition

1. The Audit Committee shall be appointed by the Directors from among their number (pursuant to a resolution of the Board of Directors) and shall be composed of not fewer than 3 members of whom a majority must be independent directors and at least one member of the audit committee:
 - a. must be a member of the Malaysian Institute of Accountants; or
 - b. if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and
 - i. he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967; or
 - ii. he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967

The definition of Independent Directors shall have the meaning given in Chapter 1.01 of the Listing Requirements of the Kuala Lumpur Stock Exchange.

2. No alternate director shall be appointed as a member of the Audit Committee.
3. The members of the Audit Committee shall elect a Chairman from among their number who shall be an independent director.



Report Of The Audit Committee / Terms Of Reference (cont'd)

4. If a member of the 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 3, the Board of Directors shall, within 3 months of that event, appoint such number of new members as may be required to make up the minimum number of 3 members.
5. The terms of office and performance of the audit committee and of each of its members shall be reviewed at least once every 3 years by the Board of Directors of the Company to ensure the Audit Committee carry out its duties in accordance with their terms of reference.

III. Meetings

1. The Committee will meet at least 4 times a year and such additional meetings as the Chairman shall decide in order to fulfill its duties. In addition, the Chairman may call a meeting of the Committee if a request is made by any Committee member, the Company's Chief Executive, or the internal or external auditors.
2. The Audit Committee Meeting shall be called by seven days' notice in writing at the least provided if all Committee members for the time being entitled to receive notice, consent to a shorter notice, an Audit Committee Meeting may be convened by giving less than 7 days' notice in writing.
3. The Secretary to the Audit Committee shall be the Company Secretary or persons appointed by the Committee.
4. The Secretary of the Committee shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to Committee members prior to each meeting.
5. The secretary will also be responsible for keeping the minutes of meetings of the Committee, and circulating them to Committee members and to the other members of the Board of Directors.
6. A quorum shall consist of a majority of Committee members who must be independent directors.
7. Other directors and employees of the Group may attend any particular audit committee meeting only at the committee's invitation, specific to the relevant meeting.

IV. Rights of the Audit Committee

1. Wherever necessary and reasonable to perform its duties in accordance with the procedure to be determined by the Board of Directors and at the cost of the Company, the Audit Committee shall have the right to:
 - a. investigate any matter within its terms of reference;
 - b. have access to resources necessary to perform its duties;
 - c. have full and unrestricted access to any information pertaining to the Company;
 - d. have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
 - e. consult independent experts where they consider it necessary to carry out their duties;
 - f. convene meetings with the external auditors, excluding the attendance of the executive members of the committee, whenever deemed necessary.
 - g. report to the Exchange, matters which has been brought to the attention of the Board of Directors and which has not been satisfactorily resolved, resulting in breach of the Listing Requirements of the KLSE.



Report Of The Audit Committee / Terms Of Reference (cont'd)

V. Functions

The functions of the Audit Committee are:

1. to review the following and report the same to the Board of Directors:
 - (a) audit plan with the external auditors;
 - (b) internal controls with the external auditors;
 - (c) audit report with the external auditors;
 - (d) review the assistance given by the Company's officers to the external auditors;
 - (e) the adequacy of scope, functions and resources of the internal audit functions and that it has the necessary authority to carry out its work;
 - (f) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - (g) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:
 - i. Changes in or implementation of major accounting policy;
 - ii. significant and unusual events; and
 - iii. compliance with accounting standards and other legal requirements.
 - (h) Related party transaction and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that may raise questions of the management's integrity;
 - (i) any letter of resignation from the external auditors of the Company; and
 - (j) whether there is reason (supported by grounds) to believe that the Company's external auditor is not suitable for re-appointment.
2. To recommend the nomination of a person or persons as external auditors.
3. To ensure that an Audit Committee Report is prepared at the end of each financial year detailing information required under Chapter 15 of the Listing Requirement.

**Report Of The Audit Committee / Terms Of Reference** (cont'd)**NUMBER OF AUDIT COMMITTEE MEETINGS HELD DURING THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2002 AND ATTENDANCE OF EACH AUDIT COMMITTEE MEMBER**

During the financial year ended 31st December, 2002, a total of four meetings were held.

Name	Designation	19th meeting (26/2/02)	20th meeting (23/5/02)	21st meeting (16/8/02)	22nd meeting (25/11/02)	Total
Diong Chin Teck	Chairman	/	/	/	/	4 of 4
Chan Fook Sing	Member	/	/	/	/	4 of 4
Moo Shiew-Ming	Member	/	/	/	/	4 of 4

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

At Asas Dunia Berhad, we place emphasis in ensuring our Group adheres to the standard of corporate governance and transparency in terms of corporate accountability to our shareholders, its various committees such as the Audit Committee, Remuneration Committee and the Nomination Committee. It gives reasonable assurance to the Board that the system of internal controls is functioning and there are open channels of communication to effectively assess the direction of the Group and the performance of the Management.

The Audit Committee carried out its duties in accordance with its Terms of Reference. The following activities were performed by the Audit Committee during the financial year ended 31st December 2002:-

1. Reviewed the unaudited quarterly financial statements and the year end financial statements of the Company and the Group and recommended the same for approval by the Board, upon being satisfied that the financial reporting and disclosure requirements of the relevant authorities have been complied with. Any significant issues resulted from the audit of the financial statements by external auditors were noted.
2. Reviewed the adequacy and the effectiveness of corrective actions taken by the Management in resolving audit issues reported.
3. Reviewed and discussed the appropriateness of some accounting policies and treatment and on-going assumptions raised by the external auditors.
4. To consider the decision of the Company's external auditors Messrs Arthur Andersen & Co. not to seek re-election at the Company's Annual General Meeting and to recommend the nomination by a shareholder of the Company, the appointment of Messrs KPMG as auditors in place of Messrs Arthur Andersen & Co.
5. To approve the appointment of a full time Internal Auditor.
6. To review the scope and adequacy of internal audit function undertaken by the Company's Internal Auditor.

INTERNAL AUDIT FUNCTION

An internal audit department was set up during the year with the appointment of an Internal Auditor. During the year, review of proper accounting documentation and procedures, ad-hoc review of supplies purchases, establishing stock balances and submission of cost claims from sub-contractors and consultants were scrutinized. Review on the adequacy of control measures in authorized stock purchases were also conducted before reporting to the Audit Committee.

Continuous efforts are progressively being made to ensure the completeness of the internal audit system to ensure that the system of Internal Control and spirit of good Corporate Governance is further enhanced.



Directors' Report

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES

The principal activities of the Company are property development, building construction, investment holding, property investment and money-lending.

The principal activities of the subsidiaries are stated in Note 5 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year other than the resumption of operation of a subsidiary into property development and construction as disclosed in Note 5 to the financial statements.

RESULTS

	GROUP RM	COMPANY RM
Net profit for the year	<u>6,529,106</u>	<u>4,513,637</u>

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the year except as disclosed in the financial statements.

DIVIDEND

No dividend was paid since the end of the previous financial year and the directors do not recommend any dividend to be paid for the year under review.

DIRECTORS OF THE COMPANY

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

Chan Leong Foon

Chan Fook Sing

Chan Fook Sun

Chan Fook Hean

Diong Chin Teck

Moo Shiew-Ming

Dato' Paduka Syed Mansor Bin Syed Kassim Barakbah,

DHMS, DSDK, SMK, BCK, JP, Dato' Jaya Pahlawan

- Alternate to Chan Fook Sun

**Directors' Report** (cont'd)

In accordance with Article 93 of the Company's Articles of Association, Mr. Chan Leong Foon and Mr. Chan Fook Sing retire by rotation from the Board at the forthcoming Annual General Meeting and, being eligible offer themselves for re-election.

Mr. Diong Chin Teck who shall attain the age of seventy years on 2 June 2003, shall retire in accordance with Section 129 (6) of the Companies Act, 1965 at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election as director of the Company until the conclusion of the next Annual General Meeting.

DIRECTORS' INTEREST

The holdings and deemed holdings in the ordinary shares of the Company and of its related company of those who were directors at year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of Ordinary Shares of RM1 each			Balance at 31.12.2002
	Balance at 1.1.2002	Bought	(Sold)	
The Company				
Direct				
Chan Leong Foon	20,000	–	–	20,000
Chan Fook Sing	66,000	–	–	66,000
Chan Fook Sun	20,000	–	–	20,000
Diong Chin Teck	10,000	–	–	10,000
Indirect				
Chan Leong Foon	75,989,210	–	–	75,989,210
Chan Fook Sing	75,989,210	–	–	75,989,210
Chan Fook Sun	75,989,210	–	–	75,989,210
Chan Fook Hean	75,989,210	–	–	75,989,210

Subsidiary

- Asas Land Development Sdn. Bhd.

Direct

Chan Leong Foon	2	–	–	2
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By virtue of their interests of more than 15% in the shares of the Company, Messrs Chan Leong Foon, Chan Fook Sing, Chan Fook Sun and Chan Fook Hean are also deemed to have interests in the shares of all its subsidiaries to the extent the Company has an interest.

None of the other directors holding office at 31 December 2002 has any interest in the ordinary shares of the Company and its related companies during the financial year.

DIRECTORS' BENEFITS

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

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



Directors' Report (cont'd)

ISSUE OF SHARES AND DEBENTURES

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

SIGNIFICANT EVENTS DURING THE YEAR

During the year, the Group entered into the following significant transactions:

- i) The Company acquired 350,000 ordinary shares of RM1 each in a subsidiary, Asas Land Development Sdn. Bhd. for a total consideration of RM728,000. Consequently, shareholdings of the Company in the subsidiary increased from 65% to 99.9%.
- ii) A piece of land owned by a subsidiary was compulsorily acquired by the Government at an offer price of RM1,641,000.

The above transaction was completed subsequent to the balance sheet date.

In relation to the above, the Group also entered into the following transactions during the year but were not completed at the date of adoption of these financial statements:

- a) On 25 November 2002, a subsidiary entered into a Sale and Purchase Agreement to dispose of a piece of land together with the premises erected thereon for a consideration of RM500,000.
- b) On 12 December 2002, the Company entered into a Sale and Purchase Agreement to purchase pieces of land with total area of approximately 53.49 acres for a purchase consideration of RM5,251,000.

EMPLOYEE SHARE OPTION SCHEME

The Asas Dunia Berhad's Employee Share Option Scheme ("ESOS") is governed by the bye-laws which was approved by the shareholders at the Extraordinary General Meeting held on 30 June 1997.

The main features of ESOS are as follows:

- i) Eligible persons are employees of the Group (other than part-time or contract employees, employees and executive directors of subsidiaries that are dormant) who have been confirmed in writing as full-time employees of the Group including any full-time executive directors and have been in employment of the Group for at least one year in the case of Malaysians and at least five years in the case of non-Malaysians prior to the date of the offer.
- ii) The total number of shares to be offered shall not exceed 10% of the issued and paid-up share capital of the Company at any point of time during the tenure of the ESOS, which shall be in force for a period of five years.
- iii) The option price for each share shall be the average of the mean market quotation of the shares of the Company in the daily official lists issued by the Kuala Lumpur Stock Exchange for the five trading days preceding the date of offer, or at par value of the shares of the Company of RM1, whichever is the higher;



Directors' Report (cont'd)

- iv) The number of shares under option, the option price and the method of exercise of the option may be adjusted as a result of any alteration in the capital structure of the Company by way of capitalisation of profits or reserves, rights issues or reduction of capital, if any, made by the Company while an option remains unexercised.

No share options have been issued since the ESOS was approved and it expired on 28 July 2002.

OTHER STATUTORY INFORMATION

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

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

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

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

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

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

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

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended 31 December 2002 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.



Directors' Report (cont'd)

AUDITORS

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

Signed in accordance with a resolution of the directors:

CHAN LEONG FOON

Director

CHAN FOOK SING

Director

Penang

Date: 25th April, 2003



Statement By Directors

Pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the directors, the financial statements set out on pages 31 to 63, are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2002 and the results of their operations and cash flows for the year ended on that date.

Signed in accordance with a resolution of the directors:

CHAN LEONG FOON
Director

CHAN FOOK SING
Director

Penang
Date: 25th April, 2003

Statutory Declaration

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

I, LIM LIAN KIN, the officer primarily responsible for the financial management of ASAS DUNIA BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 31 to 63, are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed LIM LIAN KIN at)
Georgetown in the State of Penang) **LIM LIAN KIN**
on 25th April, 2003.)

BEFORE ME:

LIM THIN CHUP
Commissioner for Oaths
Penang



Auditors' Report

We have audited the financial statements set out on pages 31 to 63. The preparation of the financial statements is the responsibility of the Company's directors. Our responsibility is to express an opinion on the financial statements based on our audit.

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

In our opinion:

- a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - i) the state of affairs of the Group and of the Company at 31 December 2002 and the results of their operations and cash flows for the year ended on that date; and
 - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company;
- and
- b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the said Act.

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

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

The financial statements of the preceding year were audited by another firm of auditors.

KPMG
Firm No : AF : 0758
Chartered Accountants

NG SWEE WENG
Partner
Approval No : 1414/03/04 (J/PH)

Penang
Date: 25th April, 2003

**Consolidated Balance Sheet** at 31 December 2002

	NOTE	2002 RM	2001 RM
PROPERTY, PLANT AND EQUIPMENT	2	8,030,849	9,248,695
LAND HELD FOR DEVELOPMENT	3	149,020,633	150,850,110
INVESTMENT PROPERTIES	4	13,763,443	13,692,681
INVESTMENT IN AN ASSOCIATE	6	308,988	303,640
OTHER INVESTMENTS	7	1,913,425	3,210,705
GOODWILL ON CONSOLIDATION	8	1,773,681	1,884,536
CURRENT ASSETS			
Development properties	3	67,469,148	56,590,464
Inventories	9	59,472,501	62,663,933
Trade and other receivables	10	14,622,453	23,368,041
Cash and cash equivalents	11	11,100,380	9,000,320
		152,664,482	151,622,758
CURRENT LIABILITIES			
Trade and other payables	12	8,643,431	13,060,706
Provision for liability	13	1,836,009	2,586,137
Borrowings	14	5,000,000	10,205,978
Taxation		456,834	351,200
		15,936,274	26,204,021
NET CURRENT ASSETS		136,728,208	125,418,737
		<u>311,539,227</u>	<u>304,609,104</u>
Financed by :			
SHARE CAPITAL	15	191,595,776	191,595,776
RESERVES	16	119,943,451	112,597,842
SHAREHOLDERS' FUNDS		311,539,227	304,193,618
MINORITY INTERESTS	17	–	415,486
		<u>311,539,227</u>	<u>304,609,104</u>

The financial statements were approved and authorised for issue by the Board of Directors on 25th April, 2003.

The notes set out on pages 41 to 63 form an integral part of, and, should be read in conjunction with, these financial statements.

**Consolidated Income Statement** for the year ended 31 December 2002

	NOTE	2002 RM	2001 RM
Revenue	18	24,190,837	27,858,466
Cost of sales	19	(12,092,307)	(19,700,392)
Gross profit		12,098,530	8,158,074
Selling and marketing expenses		(43,906)	(110,465)
Administrative expenses		(4,455,903)	(8,710,042)
Other operating expenses		(958,564)	(12,036,946)
Other operating income		1,799,492	984,860
Operating profit/(loss)	20	8,439,649	(11,714,519)
Finance costs	22	(431,186)	(419,310)
Share of results of an associate		5,348	7,445
Profit/(Loss) before tax		8,013,811	(12,126,384)
Tax expense	23	(1,482,956)	(350,466)
Profit/(Loss) after tax		6,530,855	(12,476,850)
Minority interests		(1,749)	(7,471)
Net profit/(loss) for the year		6,529,106	(12,484,321)
Basic earnings/(loss) per ordinary share (sen)	24	3.41	(6.52)

The notes set out on pages 41 to 63 form an integral part of, and, should be read in conjunction with, these financial statements.

**Consolidated Statement Of Changes In Equity** for the year ended 31 December 2002

	← Non-Distributable →			→ Distributable		Total RM
	Share Capital RM	Share Premium RM	Revaluation Reserve RM	Capital Reserve RM	Retained Profits RM	
At 1 January 2001	191,595,776	15,960,000	301,157	–	108,821,006	316,677,939
Revaluation reserve realised	–	–	(115,398)	–	115,398	–
Transfer from retained profits	–	–	–	500,000	(500,000)	–
Net loss for the year	–	–	–	–	(12,484,321)	(12,484,321)
At 31 December 2001	191,595,776	15,960,000	185,759	500,000	95,952,083	304,193,618
Net gain not recognised in the consolidated income statement - Surplus on revaluation	–	–	816,503	–	–	816,503
Revaluation reserve realised	–	–	(230,796)	–	230,796	–
Transfer from retained profits	–	–	1,365,582	–	(1,365,582)	–
Net profit for the year	–	–	–	–	6,529,106	6,529,106
At 31 December 2002	191,595,776	15,960,000	2,137,048	500,000	101,346,403	311,539,227

The notes set out on pages 41 to 63 form an integral part of, and, should be read in conjunction with, these financial statements.

**Consolidated Cash Flow Statement** for the year ended 31 December 2002

	2002 RM	2001 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	8,013,811	(12,126,384)
Adjustments for:		
Amortisation of goodwill	110,855	110,855
Goodwill written off	310,428	–
Bad debts written off	–	42,293
Deposits written off	108,668	22,153
Depreciation	424,890	901,644
Gain on disposal of property, plant and equipment	(144,999)	(255,626)
Gross dividends	(35,950)	(167,468)
Interest expense	431,186	419,310
Interest income	(549,514)	(679,535)
Loss/(Gain) on disposal of:		
- an associate	–	26,348
- investment properties	92,566	185,400
- quoted shares	(89,618)	2,832,373
- land held for development	(519,456)	–
Property, plant and equipment written off	2	803,727
Allowance for diminution in value of investments in		
- investment properties	–	282,600
- quoted shares	–	7,558,879
Allowance for doubtful debts	40,000	–
(Reversal)/Provision for liquidated ascertained damages	(452,054)	1,336,746
Share of profit of an associate	(5,348)	(7,445)
Operating profit before working capital changes	7,735,467	1,285,870
Decrease/(Increase) in:		
Development properties	(9,490,184)	9,705,806
Inventories	4,106,896	(5,894,004)
Receivables	8,376,504	3,929,123
Decrease in:		
Payables	(4,417,275)	(636,148)
Cash generated from operating activities	6,311,408	8,390,647
Interest paid	(431,186)	(419,310)
Liquidated ascertained damages paid	(298,074)	(575,499)
Tax paid	(1,146,840)	(93,333)
Net cash generated from operating activities	4,435,308	7,302,505

**Consolidated Cash Flow Statement** for the year ended 31 December 2002 (cont'd)

	2002 RM	2001 RM
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in equity interest in an existing subsidiary	(727,663)	–
Dividends received	25,884	127,702
Interest received	549,514	679,535
Proceeds from disposal of		
- property, plant and equipment	149,600	258,550
- quoted shares	1,386,898	1,380,702
- an associate	–	1,785,000
- investment properties	661,612	300,000
- land held for development	1,498,404	–
Expenditure on land held for development	(281,861)	(34,653,595)
Purchase of property, plant and equipment	(127,111)	(44,695)
Purchase of investment properties	(8,437)	(1,834,400)
Purchase of land held for development	(256,110)	–
Net cash generated from/(used in) investing activities	2,870,730	(32,001,201)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment)/Drawdown of revolving credits	(5,000,000)	10,000,000
Repayment of lease payables	(205,978)	(269,801)
Net cash (used in)/generated from financing activities	(5,205,978)	9,730,199
Net increase/(decrease) in cash and cash equivalents	2,100,060	(14,968,497)
Cash and cash equivalents at beginning of year	9,000,320	23,968,817
Cash and cash equivalents at end of year	11,100,380	9,000,320

NOTE**Cash and cash equivalents**

Cash and cash equivalents included in the consolidated cash flow statement comprise the following consolidated balance sheet amounts:

	2002 RM	2001 RM
Deposits with licensed banks	10,450,000	8,470,000
Cash and bank balances	650,380	530,320
	11,100,380	9,000,320

The notes set out on pages 41 to 63 form an integral part of, and, should be read in conjunction with, these financial statements.



Balance Sheet at 31 December 2002

	NOTE	2002 RM	2001 RM
PROPERTY, PLANT AND EQUIPMENT	2	7,815,338	8,107,132
LAND HELD FOR DEVELOPMENT	3	121,362,220	121,806,974
INVESTMENT PROPERTIES	4	13,404,158	13,333,396
INVESTMENT IN SUBSIDIARIES	5	23,556,234	22,828,571
OTHER INVESTMENTS	7	1,913,425	3,210,705
CURRENT ASSETS			
Development properties	3	51,234,828	51,282,893
Inventories	9	20,028,977	23,012,217
Trade and other receivables	10	56,226,367	63,252,771
Cash and cash equivalents	11	10,339,030	8,871,751
		137,829,202	146,419,632
CURRENT LIABILITIES			
Trade and other payables	12	13,138,903	22,702,527
Provision for liability	13	1,683,475	2,179,948
Borrowings	14	5,000,000	10,205,978
Taxation		410,102	300,000
		20,232,480	35,388,453
NET CURRENT ASSETS		117,596,722	111,031,179
		285,648,097	280,317,957
Financed by:			
SHARE CAPITAL	15	191,595,776	191,595,776
RESERVES	16	94,052,321	88,722,181
SHAREHOLDERS' FUNDS		285,648,097	280,317,957

The notes set out on pages 41 to 63 form an integral part of, and, should be read in conjunction with, these financial statements.

**Income Statement** for the year ended 31 December 2002

	NOTE	2002 RM	2001 RM
Revenue	18	19,318,878	20,329,534
Cost of sales	19	(10,495,435)	(14,798,252)
Gross profit		8,823,443	5,531,282
Selling and marketing expenses		(43,906)	(37,748)
Administrative expenses		(3,341,698)	(5,506,287)
Other operating expenses		(369,753)	(14,370,757)
Other operating income		1,087,112	954,452
Operating profit/(loss)	20	6,155,198	(13,429,058)
Finance costs	22	(413,481)	(418,635)
Profit/(Loss) before tax		5,741,717	(13,847,693)
Tax expense	23	(1,228,080)	(339,766)
Net profit/(loss) for the year		4,513,637	(14,187,459)

The notes set out on pages 41 to 63 form an integral part of, and, should be read in conjunction with, these financial statements.

**Statement Of Changes In Equity** for the year ended 31 December 2002

	Share Capital RM	← Non-Distributable → Share Premium RM	Revaluation Reserve RM	Distributable Retained Profits RM	Total RM
At 1 January 2001	191,595,776	15,960,000	2,170,760	84,778,880	294,505,416
Revaluation reserve realised	–	–	(115,398)	115,398	–
Net loss for the year	–	–	–	(14,187,459)	(14,187,459)
At 31 December 2001	191,595,776	15,960,000	2,055,362	70,706,819	280,317,957
Net gain not recognised in the income statement					
- Surplus on revaluation	–	–	816,503	–	816,503
Revaluation reserve realised	–	–	(230,796)	230,796	–
Net profit for the year	–	–	–	4,513,637	4,513,637
At 31 December 2002	191,595,776	15,960,000	2,641,069	75,451,252	285,648,097

The notes set out on pages 41 to 63 form an integral part of, and, should be read in conjunction with, these financial statements.

**Cash Flow Statement** for the year ended 31 December 2002

	2002 RM	2001 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	5,741,717	(13,847,693)
Adjustments for:		
Bad debts written off	–	37,000
Deposits written off	108,668	22,153
Depreciation	414,303	538,813
Interest expense	413,481	418,635
Gain on disposal of property, plant and equipment	(144,999)	(255,000)
Gross dividends	(35,950)	(142,268)
Interest income	(523,202)	(533,572)
(Gain)/Loss on disposal of:		
- investment properties	92,566	185,400
- quoted shares	(89,618)	2,832,373
- land held for development	(519,456)	–
Property, plant and equipment written off	1	1
Allowance for diminution in value of investment in:		
- a subsidiary	–	1,300,000
- investment properties	–	282,600
- quoted shares	–	7,558,879
Allowance for doubtful debts	40,000	1,060,159
(Reversal)/Provision for liquidated ascertained damages	(208,400)	1,336,746
Operating profit before working capital changes	5,289,111	794,226
Decrease/(Increase) in:		
Development properties	48,065	11,484,152
Inventories	2,983,240	(8,043,179)
Receivables	6,596,570	(2,368,021)
(Decrease)/Increase in:		
Payables	(9,563,624)	4,047,981
Cash generated from operating activities	5,353,362	5,915,159
Interest paid	(413,481)	(418,635)
Liquidated ascertained damages paid	(288,073)	(545,405)
Tax paid	(826,746)	(93,333)
Net cash generated from operating activities	3,825,062	4,857,786

**Cash Flow Statement** for the year ended 31 December 2002 (cont'd)

	2002 RM	2001 RM
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in equity interest in an existing subsidiary	(727,663)	–
Dividends received	25,884	102,502
Interest received	523,202	533,572
Proceeds from disposal of		
- property, plant and equipment	149,600	300,000
- investment properties	661,612	255,000
- quoted shares	1,386,898	1,380,702
- land held for development	1,498,404	–
Expenditure on land held for development	(281,861)	(30,175,426)
Purchase of property, plant and equipment	(127,111)	(40,145)
Purchase of investment properties	(8,437)	(1,834,400)
Purchase of land held for development	(252,333)	–
Net cash generated from/(used in) investing activities	2,848,195	(29,478,195)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment)/Drawdown of revolving credits	(5,000,000)	10,000,000
Repayment of lease payables	(205,978)	(269,801)
Net cash (used in)/generated from financing activities	(5,205,978)	9,730,199
Net increase/(decrease) in cash and cash equivalents	1,467,279	(14,890,210)
Cash and cash equivalents at beginning of year	8,871,751	23,761,961
Cash and cash equivalents at end of year	10,339,030	8,871,751

NOTE**Cash and cash equivalents**

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	2002 RM	2001 RM
Deposits with licensed banks	9,850,000	8,470,000
Cash and bank balances	489,030	401,751
	10,339,030	8,871,751

The notes set out on pages 41 to 63 form an integral part of, and, should be read in conjunction with, these financial statements.



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies are adopted by the Group and the Company and are consistent with those adopted in previous years except for the adoption of MASB 24, Financial Instruments: Disclosure and Presentation which is applied prospectively.

Apart from the inclusion of the new policy and extended disclosures as required by the standard, the adoption of this standard has not had an effect on the financial statements.

1.1 Basis of Accounting

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

1.2 Basis of Consolidation

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

A subsidiary is excluded from consolidation when either control is intended to be temporary if the subsidiary is acquired and held exclusively with a view of its subsequent disposal in the near future and it has not previously been consolidated or it operates under severe long term restrictions which significantly impair its ability to transfer funds to the Company. Subsidiaries excluded on these grounds are accounted for as investments.

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

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

1.3 Associates

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

The consolidated financial statements include the total recognised gains and losses of associates on an equity accounting basis from the date that significant influence effectively commences until the date that significant influence effectively ceases.

Unrealised profits arising on transactions between the Group and its associates which are included in the carrying amount of the related assets and liabilities are eliminated partially to the extent of the Group's interests in the associates. Unrealised losses on such transactions are also eliminated partially unless cost cannot be recovered.

Goodwill on acquisition is calculated based on the fair value of net assets acquired.



1.4 Property, Plant and Equipment

Property, plant and equipment except for freehold land are stated at cost/valuation less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment retired from active use and held for disposal are stated at the lower of net book value and net realisable value.

Surpluses arising from revaluation are dealt with in the property revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is charged to the income statement.

It is the Group's policy to state property, plant and equipment at cost. Revaluation of the freehold land in 1994 was not intended to effect a change in accounting policy to one of revaluation of properties. Hence, in accordance with the transitional provisions issued by the Malaysian Accounting Standards Board ("MASB") upon adoption of International Accounting Standard No. 16 (Revised) on Property, Plant and Equipment, the valuation of the asset has not been updated and it continues to be stated at its existing carrying amount less accumulated depreciation.

1.5 Depreciation

Freehold land is not amortised.

Depreciation of other property, plant and equipment is provided on a straight line basis to write off the cost of the assets over the term of their estimated useful lives at the following principal annual rates:

Buildings	2%
Plant and machinery	20% - 25%
Renovation	10%
Furniture, fittings and equipment	8% - 40%
Motor vehicles	20%

1.6 Land Held for Development

Land held for development consists of land held for future development and where no significant development has been undertaken and are stated at cost. Cost includes cost of land and attributable development expenditure. Such assets are transferred to development properties when significant development work has been undertaken and are expected to be completed within the normal operating cycle.

1.7 Investment Properties

Investment properties consists of investments in land and buildings that are not substantially occupied for use by, or in the operations of the Group.



An increase in carrying amount arising from the revaluation of investment properties is credited to equity as a revaluation surplus. To the extent that a decrease in carrying amount offsets a previous increase for the same investment property that has been credited to revaluation surplus and subsequently reversed or utilised, it is charged against that revaluation surplus. In all other cases, a decrease in carrying amount is recognised as an expense. An increase of revaluation directly related to a previous decrease in carrying amount for the same investment property that was recognised as an expense, is credited to income statement to the extent that it offsets the previously recorded decrease. Upon the disposal of investment property, the relevant portion of the revaluation surplus realised in respect of previous valuation is released from the investment property revaluation surplus directly to retained profits.

Investment properties are stated at valuation and have been revalued in 2002. The directors have adopted a policy of regular revaluations of investment properties and will revalue them at every interval of 5 years from the date of recent revaluation.

1.8 Investments

Long term investments other than in subsidiaries and associate, are stated at cost. An allowance is made when the directors are of the view that there is a diminution in their value which is other than temporary.

Long term investments in subsidiaries and associate are stated at valuation/cost in the Company, less impairment loss where applicable.

Any surplus arising from revaluation is dealt with in the investment revaluation reserve.

Any deficit arising is offset against the revaluation reserve to the extent of a previous increase from the same investment. In all other cases, a decrease in the carrying amount is charged to the income statement.

Investments in subsidiaries of the Company have not been revalued since they were first revalued in 1994. The directors have not adopted a policy of regular revaluation of these investments. As such, these investments continue to be stated at their 1994 valuation.

1.9 Goodwill

Goodwill represents the excess of the cost of acquisition over the fair values of the net identifiable assets acquired and is stated at cost less accumulated amortisation and accumulated impairment losses.

Goodwill is amortised from the date of initial recognition over its estimated useful life of 25 years.

In respect of associate, the carrying amount of goodwill is included in the carrying amount of the investment in associate.

1.10 Development Properties

Land and development expenditure whereby significant development work has been undertaken and is expected to be completed within the normal operating cycle are classified as development properties. Development properties are stated at cost plus attributable profit less foreseeable losses, net of progress billings. Cost includes cost of land, all direct building cost, and other related development expenditure, including interest expense incurred during the period of active development.



1.11 Inventories

Developed properties

Completed properties held for resale are stated at the lower of cost and net realisable value. Cost is determined on the specific identification basis and includes costs of land, direct building costs and other related development cost.

1.12 Trade and Other Receivables

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

1.13 Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts.

1.14 Provision for Liability

Provision for liability is recognised when the Group has a present obligation as a result of a past event and is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

1.15 Liabilities

Borrowings and trade and other payables are stated at cost.

1.16 Impairment

The carrying amount of the Group's assets, other than inventories, assets arising from construction contracts and financial assets (other than investments in subsidiaries and associate), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs exceeds its recoverable amount. Impairment losses are recognised in the income statement.

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

An impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur and subsequent external events have occurred that reverse the effect of that event.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and it is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. The reversal is recognised in the income statement.



1.17 Taxation

The tax expense in the income statement represents taxation at current tax rates based on profit earned during the year.

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

1.18 Amount due from Contract Customers

Amount due from contract customers on construction contracts is stated at cost plus attributable profits less foreseeable losses and less progress billings. Cost includes all direct construction costs and other related costs. Where progress billings exceed the aggregate amount due from contract customers plus attributable profits less foreseeable losses, the net credit balance on all such contracts is shown in trade and other payables as amount due to contract customers.

1.19 Income Recognition

i) Development properties and construction contracts

Revenue from sale of development properties and from construction contracts are recognised using the percentage of completion method. The percentage of completion is determined by reference to the costs incurred to date to the total estimated costs where the outcome of the projects can be reliably estimated. All anticipated losses are fully provided for.

ii) Completed properties held for resale

Revenue relating to sale of completed properties held for resale is recognised net of discounts when transfer of risks and rewards have been completed.

iii) Dividend income

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

iv) Rental and interest income

Rental and interest income are recognised in the income statement as they accrue.

1.20 Finance Costs

All interest and other costs incurred in connection with borrowings are expensed as incurred.



Notes To The Financial Statements – 31 December 2002 (cont'd)

2. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM	Buildings RM	Plant and machinery RM	Other assets * RM	Total RM
Cost/Valuation					
At 1 January 2002	4,994,104	2,819,495	5,646,713	6,300,168	19,760,480
Additions	–	–	–	127,111	127,111
Disposals	–	–	–	(654,600)	(654,600)
Written off	–	–	–	(5,640)	(5,640)
Transfer to inventories	–	–	–	(1,313,352)	(1,313,352)
At 31 December 2002	4,994,104	2,819,495	5,646,713	4,453,687	17,913,999
Representing:					
- At cost	1,132,104	2,819,495	5,646,713	4,453,687	14,051,999
- At valuation	3,862,000	–	–	–	3,862,000
	4,994,104	2,819,495	5,646,713	4,453,687	17,913,999
Accumulated Depreciation					
At 1 January 2002	–	326,184	5,084,007	5,101,594	10,511,785
Charge for the year	–	56,391	196,541	171,958	424,890
Disposals	–	–	–	(649,999)	(649,999)
Written off	–	–	–	(5,638)	(5,638)
Transfer to inventories	–	–	–	(397,888)	(397,888)
At 31 December 2002	–	382,575	5,280,548	4,220,027	9,883,150
Net Book Value					
At 31 December 2002					
- At cost	1,132,104	2,436,920	366,165	233,660	4,168,849
- At valuation	3,862,000	–	–	–	3,862,000
	4,994,104	2,436,920	366,165	233,660	8,030,849
At 31 December 2001					
- At cost	1,132,104	2,493,311	562,706	1,198,574	5,386,695
- At valuation	3,862,000	–	–	–	3,862,000
	4,994,104	2,493,311	562,706	1,198,574	9,248,695
Depreciation Charge For The Year Ended 31 December 2001					
	–	56,601	221,839	623,204	901,644



Notes To The Financial Statements – 31 December 2002 (cont'd)

2. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Company	Freehold land RM	Buildings RM	Plant and machinery RM	Other assets * RM	Total RM
Cost/Valuation					
At 1 January 2002	4,983,533	2,590,045	5,361,041	4,491,816	17,426,435
Additions	–	–	–	127,111	127,111
Disposals	–	–	–	(654,600)	(654,600)
Written off	–	–	–	(3,800)	(3,800)
At 31 December 2002	4,983,533	2,590,045	5,361,041	3,960,527	16,895,146
Representing:					
- At cost	1,121,533	2,590,045	5,361,041	3,960,527	13,033,146
- At valuation	3,862,000	–	–	–	3,862,000
	4,983,533	2,590,045	5,361,041	3,960,527	16,895,146
Accumulated Depreciation					
At 1 January 2002	–	302,816	4,798,341	4,218,146	9,319,303
Charge for the year	–	51,801	196,541	165,961	414,303
Disposals	–	–	–	(649,999)	(649,999)
Written off	–	–	–	(3,799)	(3,799)
At 31 December 2002	–	354,617	4,994,882	3,730,309	9,079,808
Net Book Value					
At 31 December 2002					
- At cost	1,121,533	2,235,428	366,159	230,218	3,953,338
- At valuation	3,862,000	–	–	–	3,862,000
	4,983,533	2,235,428	366,159	230,218	7,815,338
At 31 December 2001					
- At cost	1,121,533	2,287,229	562,700	273,670	4,245,132
- At valuation	3,862,000	–	–	–	3,862,000
	4,983,533	2,287,229	562,700	273,670	8,107,132
Depreciation Charge For The Year Ended 31 December 2001					
	–	51,801	221,039	265,973	538,813

* Other assets comprise renovation, furniture, fittings and equipment and motor vehicles.

**Notes To The Financial Statements** – 31 December 2002 (cont'd)

- i) The freehold land of the Group and the Company with carrying value of RM3,862,000 (2001 : RM3,862,000) was revalued in 1994 based on valuation by an independent professional valuer on an open market value basis. The revaluation surplus arising from the revaluation has been capitalised as revaluation reserve. Deferred tax amounting to RM143,100 (2001 : RM143,100) is not provided on the surplus arising from the revaluation as it is not the intention of the Group or the Company to dispose the freehold land in the near future.

Had the freehold land been carried at historical cost less accumulated depreciation, the carrying amount of the revalued asset that would have been included in the financial statements of the Group and of the Company at the end of the year is RM1,000,000 (2001 : RM1,000,000).

- ii) Included in property, plant and equipment of the Group and the Company are motor vehicles with carrying value of RM114,821 (2001 : RM66,568) held in trust by the directors and plant and machinery with carrying value of RM NIL (2001 : RM433,333) held under financial lease agreements.

3. LAND HELD FOR DEVELOPMENT/DEVELOPMENT PROPERTIES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Cost:				
Freehold land	174,704,161	170,633,652	138,817,704	139,789,634
Leasehold land	2,441,217	2,441,217	2,192,287	2,192,287
Development expenditure	62,870,119	55,606,398	53,347,742	52,882,078
	<u>240,015,497</u>	<u>228,681,267</u>	<u>194,357,733</u>	<u>194,863,999</u>
Less: Non-current portion, classified as land held for development	(149,020,633)	(150,850,110)	(121,362,220)	(121,806,974)
	<u>90,994,864</u>	<u>77,831,157</u>	<u>72,995,513</u>	<u>73,057,025</u>
Add: Attributable profits	5,521,752	3,954,547	5,488,518	3,928,307
	<u>96,516,616</u>	<u>81,785,704</u>	<u>78,484,031</u>	<u>76,985,332</u>
Less: Foreseeable losses	(418,702)	(418,702)	(1,352,501)	(1,352,501)
Progress billings	(28,628,766)	(24,776,538)	(25,896,702)	(24,349,938)
Current portion, classified as development properties	<u>67,469,148</u>	<u>56,590,464</u>	<u>51,234,828</u>	<u>51,282,893</u>

Included in development expenditure of the Group and the Company are:

- i) rental of plant and machinery for the year amounting to RM58,460 (2001 : RM98,574) and RM7,752 (2001 : RM8,334) respectively.

**Notes To The Financial Statements** – 31 December 2002 (cont'd)

- ii) cumulative development expenditure incurred on joint-venture projects as follows:

Project	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Asas Murni and Asas Parade *	32,379,094	32,158,885	33,017,568	32,786,232
Taman Impian Indah **	931,891	2,788,890	931,891	2,885,453
Taman Jawi Indah ***	435,630	377,659	–	–
	<u>33,746,615</u>	<u>35,325,434</u>	<u>33,949,459</u>	<u>35,671,685</u>

* The joint-venture partner is entitled to 20% to 30% of gross sales proceeds.

** The joint-venture partner is entitled to 5% to 30% of gross sales proceeds.

*** The joint-venture partner is entitled to 15% to 35% of gross sales proceeds.

One of the phases in Taman Impian Indah was completed during the year.

4. INVESTMENT PROPERTIES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Freehold land and buildings				
- at valuation	13,763,443	3,079,560	13,404,158	2,720,275
- at cost	–	10,895,721	–	10,895,721
	<u>13,763,443</u>	<u>13,975,281</u>	<u>13,404,158</u>	<u>13,615,996</u>
Less : Allowance for diminution in value	–	(282,600)	–	(282,600)
	<u>13,763,443</u>	<u>13,692,681</u>	<u>13,404,158</u>	<u>13,333,396</u>

- i) The freehold land and buildings were revalued in 2002 based on valuation by independent professional valuers on an open market value basis. The revaluation surplus arising from the revaluation has been capitalised as revaluation reserve. Deferred tax for the Group and the Company amounting to RM195,000 (2001 : RM154,000) and RM177,000 (2001 : RM136,000) respectively are not provided on the surplus arising from the revaluation as it is not the intention of the Group and the Company to dispose the freehold land and buildings in the near future.

**Notes To The Financial Statements** – 31 December 2002 (cont'd)

ii) The details of the independent professional valuation of the freehold land and buildings are as follows:

Description of freehold land and buildings	GROUP RM	COMPANY RM
Land and shophouses at Province Wellesley Central, Penang	175,000	175,000
Shoplots at Georgetown, North East District, Penang	1,525,000	1,525,000
Land and residential house at Georgetown, North East District, Penang	600,000	600,000
Double storey detached building at Georgetown, North East District, Penang	1,948,230	1,948,230
Double storey detached residential house at North East District, Penang	7,329,174	7,329,174
Double storey prewar terraced buildings at Georgetown, North East District, Penang	1,826,754	1,826,754
Land and industrial building at Province Wellesley Central, Penang	359,285	–
	<u>13,763,443</u>	<u>13,404,158</u>

5. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2002 RM	2001 RM
Unquoted shares		
- at cost	22,199,673	21,472,010
- at valuation	3,356,561	3,356,561
	<u>25,556,234</u>	<u>24,828,571</u>
Less : Allowance for diminution in value	(2,000,000)	(2,000,000)
	<u>23,556,234</u>	<u>22,828,571</u>

The subsidiaries were revalued in 1994 based on their net tangible assets. The revaluation surplus arising from the revaluation has been capitalised as revaluation reserve. On the sale of a revalued investment, the portion of revaluation surplus pertaining to that investment will be realised and transferred to revenue reserves.

**Notes To The Financial Statements** – 31 December 2002 (cont'd)

The subsidiaries, all of which are incorporated in Malaysia, are as follows:

Name of Company	Percentage of Equity Held		Principal Activities
	2002 %	2001 %	
Ultra-Bina Sdn. Berhad	100	100	Property development and building construction
Fung Yik Sdn. Bhd.	100	100	Property development
Asas Mutiara Sdn. Bhd.	100	100	Property development
Permai Baru Sdn. Bhd.	100	100	Property development
Asas Land Development Sdn. Bhd.	* 99.9	65	Property development
Mastiara Construction Sdn. Bhd.	100	100	Property development and civil construction
Asas Dunia Development & Construction Sdn. Bhd. (Formerly known as Asas Supercentre (BM) Sdn. Bhd.)	100	100	Property development and construction (Formerly involved in operation of supermarket and departmental stores)
Asas Dunia Capital Sdn. Bhd.	100	100	Trading of building materials and provision of financial services
Asas Clay Industries Sdn. Bhd.	100	100	Dormant
Asas Country Resorts Sdn. Bhd.	100	100	Dormant
Asas Signature Homes Sdn. Bhd.	100	100	Dormant
Asas Heritage Residences Sdn. Bhd.	100	100	Dormant
Asas Mansions Sdn. Bhd.	100	100	Dormant
Asas Shopping Centre Holdings Sdn. Bhd.	100	100	Dormant

* The remaining shares are held by minority shareholders



Notes To The Financial Statements – 31 December 2002 (cont'd)

6. INVESTMENT IN AN ASSOCIATE

	GROUP			
	2002 RM	2001 RM		
In Malaysia:				
Unquoted investment, at cost	256,250	256,250		
Share of post-acquisition reserves	71,807	64,075		
	328,057	320,325		
Less : Goodwill amortised	(19,069)	(16,685)		
	308,988	303,640		
Represented by:				
Group's share of net assets other than goodwill	268,467	260,735		
Goodwill on acquisition, less amortisation	40,521	42,905		
	308,988	303,640		
The associate is:				
Name of Company	Effective interest	Place of Incorporation	Principal Activities	Financial Year
	2002 2001			
	% %			
Unique Pave Sdn. Bhd.	25 25	Malaysia	Manufacturing and trading of concrete products	31 December

7. OTHER INVESTMENTS

	GROUP AND COMPANY	
	2002 RM	2001 RM
In Malaysia:		
Quoted shares, at cost	7,120,038	12,246,229
Less : Allowance for diminution in value	(5,206,613)	(9,035,524)
	1,913,425	3,210,705
Market value of quoted investments	795,750	2,610,705



Notes To The Financial Statements – 31 December 2002 (cont'd)

8. GOODWILL ON CONSOLIDATION

	GROUP	
	2002 RM	2001 RM
At 1 January	1,884,536	1,995,391
Add : Goodwill on increase in equity interest in an existing subsidiary	310,428	–
Less : Amortisation Goodwill written off	(110,855) (310,428)	(110,855) –
At 31 December	<u>1,773,681</u>	<u>1,884,536</u>

9. INVENTORIES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Developed properties:				
- At cost	57,281,081	62,663,933	18,848,977	23,012,217
- At net realisable value	2,191,420	–	1,180,000	–
	<u>59,472,501</u>	<u>62,663,933</u>	<u>20,028,977</u>	<u>23,012,217</u>

Included in the developed properties of the Group and the Company are completed properties held for resale relating to joint-venture projects as follows:

	GROUP		COMPANY	
Project	2002 RM	2001 RM	2002 RM	2001 RM
Asas Murni *	4,906,112	5,889,660	5,093,989	6,115,202
Menara Asas **	5,315,614	5,315,614	5,315,614	5,315,614
Taman Impian Indah *	379,805	641,251	423,143	714,424
Taman Remia ***	–	–	–	119,716
	<u>10,601,531</u>	<u>11,846,525</u>	<u>10,832,746</u>	<u>12,264,956</u>

* The joint-venture partner is entitled to 20% to 30% of gross sales proceeds.

** The Group and the Company is entitled to a net profit of RM6,500,000 of the project.

*** The Company is entitled to 50% of net profit of the project.

The joint-venture partner of Menara Asas is Asas Dunia Properties Sdn. Bhd., a company in which certain directors of the Company i.e. Chan Fook Sun, Dato' Paduka Syed Mansor Bin Syed Kassim Barakbah, DHMS, DSDK, SMK, BCK, JP, Dato' Jaya Pahlawan and a former director i.e. Datuk Haji Mohamed Bin Yeop Abdul Raof, DMPN, DPCM, JMN, KMN have substantial financial interests. Other directors i.e. Chan Leong Foon, Chan Fook Sing and Chan Fook Hean are also deemed interested in Asas Dunia Properties Sdn. Bhd. by virtue of their family relationship with Chan Fook Sun.



Notes To The Financial Statements – 31 December 2002 (cont'd)

10. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Trade receivables				
- Progress billings	3,651,482	6,497,654	3,651,482	6,497,654
- Subsidiaries	–	–	22,411,729	25,510,712
- Related party	589,600	709,600	589,600	709,600
- Third parties	1,168,322	1,515,965	–	285,001
	5,409,404	8,723,219	26,652,811	33,002,967
Less : Allowance for doubtful debts	(300,000)	(300,000)	–	–
	5,109,404	8,423,219	26,652,811	33,002,967
Other receivables				
- Subsidiaries	–	–	25,246,294	24,912,507
- Others	406,324	1,087,061	348,787	1,037,656
- Joint-venture deposits	9,000,000	9,000,000	6,000,000	6,000,000
- Deposits paid for acquisition of development land	–	4,490,620	–	–
- Tax refundable	146,725	367,141	18,475	299,641
	9,553,049	14,944,822	31,613,556	32,249,804
Less : Allowance for doubtful debts	(40,000)	–	(2,040,000)	(2,000,000)
	9,513,049	14,944,822	29,573,556	30,249,804
	14,622,453	23,368,041	56,226,367	63,252,771

The related party refers to Koo Siaw Sien, a person connected to certain directors of the Company i.e. Chan Leong Foon, Chan Fook Sing, Chan Fook Sun and Chan Fook Hean by virtue of their family relationship. The amount due is payable within 1 month from the date of completion of infrastructure work on the development property sold to Koo Siaw Sien.

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



Notes To The Financial Statements – 31 December 2002 (cont'd)

11. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Deposits with licensed banks	10,450,000	8,470,000	9,850,000	8,470,000
Cash and bank balances	650,380	530,320	489,030	401,751
	<u>11,100,380</u>	<u>9,000,320</u>	<u>10,339,030</u>	<u>8,871,751</u>

Included in cash and bank balances of the Group and the Company are amounts of RM298,179 (2001 : RM233,860) and RM231,529 (2001 : RM229,063) respectively held under Housing Development Account as required under Housing Development (Housing Development Account) Regulations 1991.

12. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Trade payables				
- Subsidiaries	-	-	5,158,395	12,775,253
- Third parties	6,484,887	9,475,104	2,840,193	4,674,209
	6,484,887	9,475,104	7,998,588	17,449,462
Other payables				
- Subsidiaries interest-free	-	-	2,980,857	2,988,129
interest-free (2001 : 3.45% per annum)	-	-	1,124,423	1,130,540
- Rental deposits	247,731	249,361	247,731	249,361
- Directors' fees	119,250	-	119,250	-
- Share application monies	208,878	208,878	208,878	208,878
- Others	1,582,685	3,127,363	459,176	676,157
	2,158,544	3,585,602	5,140,315	5,253,065
	<u>8,643,431</u>	<u>13,060,706</u>	<u>13,138,903</u>	<u>22,702,527</u>

The amount due to subsidiaries is unsecured and has no fixed terms of repayment.

**Notes To The Financial Statements** – 31 December 2002 (cont'd)**13. PROVISION FOR LIABILITY**

The provision for liability represents the provision for liquidated ascertained damages.

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
At 1 January	2,586,137	1,824,890	2,179,948	1,388,607
(Reversed from)/Charged to income statement	(471,743)	1,336,746	(228,088)	1,336,746
	<u>2,114,394</u>	<u>3,161,636</u>	<u>1,951,860</u>	<u>2,725,353</u>
Payment during the year	(278,385)	(575,499)	(268,385)	(545,405)
At 31 December	<u>1,836,009</u>	<u>2,586,137</u>	<u>1,683,475</u>	<u>2,179,948</u>

Provision for liquidated ascertained damages is in respect of projects undertaken by the Group and the Company. The provision is recognised for expected liquidated ascertained damages claims based on the sale and purchase agreements.

14. BORROWINGS

	GROUP AND COMPANY	
	2002 RM	2001 RM
Secured		
Lease payables	–	205,978
Unsecured		
Revolving credit	5,000,000	10,000,000
	<u>5,000,000</u>	<u>10,205,978</u>

The secured lease payables bear interest of NIL (2001 : 4.7%) per annum while unsecured revolving credits bear interests of between 3.4% to 4.0% (2001 : 5.1% to 5.2%) per annum.

15. SHARE CAPITAL

	2002 RM	2001 RM
Ordinary shares of RM1 each		
Authorised	500,000,000	500,000,000
Issued and fully paid	<u>191,595,776</u>	<u>191,595,776</u>

**Notes To The Financial Statements** – 31 December 2002 (cont'd)**16. RESERVES**

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Non-distributable:				
Share premium	15,960,000	15,960,000	15,960,000	15,960,000
Revaluation reserve	2,137,048	185,759	2,641,069	2,055,362
Capital reserve	500,000	500,000	–	–
	<u>18,597,048</u>	<u>16,645,759</u>	<u>18,601,069</u>	<u>18,015,362</u>
Distributable:				
Retained profits	101,346,403	95,952,083	75,451,252	70,706,819
	<u>119,943,451</u>	<u>112,597,842</u>	<u>94,052,321</u>	<u>88,722,181</u>

The revaluation reserve represents surplus arising from the revaluation of certain freehold land, buildings and investment in subsidiaries.

The capital reserve arose as a result of bonus issue by a subsidiary through capitalisation of its retained profits.

Subject to agreement with the Inland Revenue Board, the Company has sufficient Section 108 tax credit and tax exempt income to frank/distribute approximately RM75,451,000 and RM5,844,000 respectively of its retained profits at 31 December 2002 if paid out as dividends.

17. MINORITY INTERESTS

This consists of the minority shareholders' proportion of share capital and reserves of subsidiaries, net of their share of subsidiary's goodwill on consolidation and amortisation of goodwill charged to the minority shareholders.

18. REVENUE

Revenue of the Group and the Company consist of the following:

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Gross dividends	35,950	142,268	160,350	142,268
Interest income	430,372	223,872	430,372	223,872
Rental income	865,815	1,009,182	820,215	1,000,872
Sale of properties	22,575,166	24,292,810	17,590,798	14,813,097
Sale of inventories	–	2,190,334	–	4,149,425
Sale of raw materials	283,534	–	283,534	–
Progress billings to developer	–	–	33,609	–
	<u>24,190,837</u>	<u>27,858,466</u>	<u>19,318,878</u>	<u>20,329,534</u>

**Notes To The Financial Statements** – 31 December 2002 (cont'd)**19. COST OF SALES**

Cost of sales of the Group and the Company include the following:

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Sales of properties	11,822,954	17,536,606	10,198,074	14,798,252
Cost of inventories	–	2,163,786	–	–
Purchase of raw materials	269,353	–	269,353	–
Contract cost	–	–	28,008	–
	<u>12,092,307</u>	<u>19,700,392</u>	<u>10,495,435</u>	<u>14,798,252</u>

20. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is arrived at after charging/(crediting):

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Amortisation of goodwill	110,855	110,855	–	–
Goodwill written off	310,428	–	–	–
Auditors' remuneration				
- current year	99,800	99,800	55,000	55,000
- prior year	–	(626)	–	–
Bad debts written off	–	42,293	–	37,000
Deposits written off	108,668	22,153	108,668	22,153
Depreciation (Note 2)	424,890	901,644	414,303	538,813
Directors' remuneration (Note 21)	806,365	1,058,738	783,464	972,538
Inventories written off	26,189	40,248	–	–
Loss/(Gain) on disposal of:				
- associate	–	26,348	–	–
- investment properties	92,566	185,400	92,566	185,400
- quoted shares	(89,618)	2,832,373	(89,618)	2,832,373
- land held for development	(519,456)	–	(519,456)	–
Property, plant and equipment written off	2	803,727	1	1
Inventories written down	375,757	–	123,707	–
Allowance for diminution in value of investments in:				
- a subsidiary	–	–	–	1,300,000
- investment properties	–	282,600	–	282,600
- quoted shares	–	7,558,879	–	7,558,879
Allowance for doubtful debts	40,000	–	40,000	1,060,159
(Reversal)/Provision for liquidated ascertained damages	(452,054)	1,336,746	(208,400)	1,336,746



Notes To The Financial Statements – 31 December 2002 (cont'd)

20. OPERATING PROFIT/(LOSS) (cont'd)

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Rental expenses	–	162,362	–	162,362
Rental of equipment	6,086	8,334	6,086	8,334
Staff costs	1,413,581	1,833,770	1,033,855	1,155,378
Commission income	–	(283,441)	–	–
Gross dividend	–	(25,200)	–	–
Gain on disposal of property, plant and equipment	(144,999)	(255,626)	(144,999)	(255,000)
Management fees received and receivable	(91,700)	(86,450)	(82,940)	(119,850)
Interest income	(549,514)	(679,535)	(523,202)	(533,572)
Rental income	(46,900)	(203,339)	–	–

The number of employees of the Group and of the Company (excluding directors) at the end of the year was 63 (2001 : 72) and 45 (2001 : 53) respectively.

21. DIRECTORS' REMUNERATION

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Directors of the Company				
Executive:				
Salaries and other emoluments	661,834	871,888	661,834	871,888
Fees	78,000	79,500	78,000	79,500
Benefits-in-kind	–	40,693	–	40,693
	739,834	992,081	739,834	992,081
Non-executive:				
Other emoluments	10,630	7,400	10,630	7,400
Fees	33,000	13,750	33,000	13,750
	43,630	21,150	43,630	21,150
Other directors				
Executive:				
Salaries and other emoluments	22,901	86,200	–	–
Total	806,365	1,099,431	783,464	1,013,231
Total excluding benefits-in-kind	806,365	1,058,738	783,464	972,538

**Notes To The Financial Statements** – 31 December 2002 (cont'd)**21. DIRECTORS' REMUNERATION** (cont'd)

The number of directors of the Company whose total remuneration during the year fall within the following bands are as follows:

	Number of directors	
	2002	2001
Executive directors:		
RM50,001 - RM100,000	1	1
RM100,001 - RM150,000	1	1
RM150,001 - RM200,000	-	1
RM200,001 - RM250,000	1	1
RM300,001 - RM350,000	1	1
Non-executive directors:		
Below RM50,000	2	5

22. FINANCE COSTS

	GROUP		COMPANY	
	2002	2001	2002	2001
	RM	RM	RM	RM
Interest expense				
Revolving credits	399,327	387,541	399,327	387,541
Lease	7,168	31,094	7,168	31,094
Others	24,691	675	6,986	-
	<u>431,186</u>	<u>419,310</u>	<u>413,481</u>	<u>418,635</u>

23. TAX EXPENSE

	GROUP		COMPANY	
	2002	2001	2002	2001
	RM	RM	RM	RM
Current tax expense				
- Current year	1,739,900	350,466	1,500,000	339,766
- Prior year	(256,944)	-	(271,920)	-
	<u>1,482,956</u>	<u>350,466</u>	<u>1,228,080</u>	<u>339,766</u>

The effective rate of taxation of the Group was lower than the statutory rate of taxation principally due to the utilisation of unabsorbed tax losses brought forward of certain subsidiaries.

The effective rate of taxation of the Company was lower than the statutory rate of taxation principally due to certain gain not subjected to income tax.

**Notes To The Financial Statements** – 31 December 2002 (cont'd)**24. BASIC EARNINGS/(LOSS) PER ORDINARY SHARE - GROUP**

The earnings/(loss) per ordinary share of the Group is calculated by dividing the net earnings/(loss) attributable to shareholders of RM6,529,106 (2001 : RM12,484,321) by the number of ordinary shares in issue during the financial year of 191,595,776 (2001 : 191,595,776).

25. SEGMENTAL INFORMATION

No segmental information is presented as the Group's business segment is confined to one segment, property development and construction which is operated solely in Malaysia.

26. RELATED PARTIES - GROUP/COMPANY

26.1 Identity of related parties

- i) Its subsidiaries as disclosed in Note 5
- ii) Tony Chan Holdings Sendirian Berhad, a substantial shareholder of the Company in which Chan Leong Foon, Chan Fook Sing, Chan Foon Sun and Chan Fook Hean have substantial financial interests.
- iii) The Company also has a related party relationship with its directors and key management personnel and the close members of their families. The directors and key management personnel of the Group are:
 - Chan Leong Foon
 - Ooi Cheng Sim
 - Chan Fook Sing
 - Chan Fook Sun
 - Chan Fook Hee
 - Chan Fook Hean
 - Koo Siaw Sien

26.2 Related party transactions

26.2.1 Transactions with directors and key management personnel

The remuneration packages paid to them in accordance with the terms and conditions of their appointment.

26.2.2 Significant related party transactions other than those disclosed elsewhere in the financial statements are as follows:

	COMPANY	
	2002 RM	2001 RM
Progress billings from a subsidiary		
- Ultra Bina Sdn. Berhad	4,351,836	12,965,663
Progress billings to a subsidiary		
- Asas Mutiara Sdn. Bhd.	33,609	–

The directors of the Company are of the opinion that the above transactions were entered into in the normal course of business and the terms of which have been established on a negotiated basis.



27. CONTINGENT LIABILITY, unsecured - GROUP AND COMPANY

Certain purchasers have initiated legal suits against the Company to rescind the Sale and Purchase Agreements and to seek refund of the progress payments totalling RM2,601,649 (2001 : RM2,601,649) paid by the said purchasers. The Company is disputing and contesting the claim. The case is pending court hearing and the outcome of the matter cannot be ascertained and quantified at this juncture. Total outstanding progress billings, including late payment interest, owing to the Company by these purchasers amounted to RM1,210,923 (2001 : RM1,052,186).

28. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

Exposure to credit and interest rate risk arises in the normal course of the Group and the Company's business. The Group and the Company have risk management policies and guidelines which sets out their overall business strategies, their tolerance to risk and their general risk management philosophy.

Credit risk

Credit risk is monitored on an ongoing basis.

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

Interest rate risk

In the current low interest rate scenario, the Group and the Company borrow for operations at variable rates using its revolving credit facilities.

Effective interest rates and repricing analysis

	Effective interest rate %	Total RM	Within 1 year RM	1 - 5 years RM
GROUP				
Financial asset				
Cash and cash equivalents	2.7	10,450,000	10,450,000	–
Financial liability				
Revolving credit	4.0	5,000,000	5,000,000	–
2001				
Financial asset				
Cash and cash equivalents	2.0	8,470,000	8,470,000	–
Financial liabilities				
Lease payables	4.7	205,978	205,978	–
Revolving credit	5.2	10,000,000	10,000,000	–
COMPANY				
Financial asset				
Cash and cash equivalents	2.7	9,850,000	9,850,000	–
Financial liability				
Revolving credit	4.0	5,000,000	5,000,000	–

**Notes To The Financial Statements** – 31 December 2002 (cont'd)**28. FINANCIAL INSTRUMENTS** (cont'd)

	Effective interest rate %	Total RM	Within 1 year RM	1 - 5 years RM
2001				
Financial asset				
Cash and cash equivalents	2.0	8,470,000	8,470,000	–
Financial liabilities				
Lease payables	4.7	205,978	205,978	–
Revolving credit	5.2	10,000,000	10,000,000	–
Fair values				

The carrying amounts approximate fair value due to the relatively short term nature of these financial instruments in respect of cash and cash equivalents, trade and other receivables, trade and other payables and short term borrowings.

The fair value of the quoted investment is disclosed in Note 7 as market value which is lower than the carrying amount as the directors are of the opinion that the diminution in value is only temporary.

29. SIGNIFICANT EVENTS DURING THE YEAR

During the year, the Group entered into the following significant transactions:

- The Company acquired 350,000 ordinary shares of RM1 each in a subsidiary, Asas Land Development Sdn. Bhd. for a total consideration of RM728,000. Consequently, shareholdings of the Company in the subsidiary increased from 65% to 99.9%.
- A subsidiary, Asas Dunia Development & Construction Sdn. Bhd. (formerly known as Asas Supercentre (BM) Sdn Bhd) changed its business operation to property development and construction.
- A piece of land owned by a subsidiary was compulsorily acquired by the Government at an offer price of RM1,641,000.

The above transaction was completed subsequent to the balance sheet date.

In relation to the above, the Group also entered into the following transactions during the year but were not completed at the date of adoption of these financial statements:

- On 25 November 2002, a subsidiary entered into a Sale and Purchase Agreement to dispose of a piece of land together with the premises erected thereon for a consideration of RM500,000.
- On 12 December 2002, the Company entered into a Sale and Purchase Agreement to purchase pieces of land with total area of approximately 53.49 acres for a purchase consideration of RM5,251,000.

30. EVENT SUBSEQUENT TO THE BALANCE SHEET DATE

On 19 February 2003, a subsidiary entered into a Sale and Purchase Agreement to purchase pieces of land with total area of approximating 7.33 acres for a purchase consideration of RM1,014,782.



List Of All Properties Held

Land Held For Development

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Taman Remia Lot 11379, H.S.(M) 2193 Lot 11439, H.S.(M) 2253 - Lot 11441 H.S.(M) 2255 Lot 11511, H.S.(M) 2325 - Lot 11513 H.S.(M) 2327 Lot 11588, H.S.(M) 2402 Mukim 15 SPT, P.Pinang.	Freehold	0.53	10,697	-	Land held for development
Taman Kucai H.S.(D) 23/91 P.T.2998 - H.S.(D) 33/91 P.T. 3008 H.S.(D) 610/91 P.T.3585 Daerah Kulim, Negeri Kedah Darulaman.	Freehold	0.63	312,950	-	Land held for development
Lot 460, GM 15, Lot 566, GM 16 Mukim 1 SPS, P.Pinang.	Freehold	6.5	959,263	-	Land held for development
Lot 78, GM 39 , Lot 80, GM 684 Lot 116, GM 685 - Lot 117, GM 686 Lot 171, Geran 10164 Lot 172, GM 304 - Lot 173, GM 305 Lot 175, GM 876 Lot 179, GM 256 Lot 196, GM 259 Lot 197, GM 74 Lot 199, Geran 26350 Lot 200, GM 261 Lot 502, Geran 3510 - Lot 504, Geran 3512 Lot 506, Geran 3514 Lot 584, GM 869 - Lot 585, GM 870 Lot 725, GM 9 Lot 727, GM 213 Lot 730, GM 10 Lot 787, GM 737 Lot 789, GM 375 - Lot 792, GM 378 Lot 797, GM 379 Lot 810, GM 576 Lot 814, GM 575 - Lot 815, GM 560 Lot 817, GM 771 Lot 818, GM 565 - Lot 820, GM 567 Lot 954, GM 75 Lot 961, GM 76 Lot 962, GM 392 - Lot 963, GM 393 Lot 964, GM 109 Lot 966, GM 394 Lot 1090, GM 445 Lot 1104, GM 781 - Lot 1105, GM 452 Lot 1207, Geran 45017 - Lot 1208, Geran 798 Lot 1277, GM 474 - Lot 1281, GM 473 Lot 1283, GM 466 - Lot 1284, GM 467 Lot 1286, GM 468 Mukim 4 SPS, P.Pinang.	Freehold	204.21	12,511,059	-	Land held for development
Lot 281, GM 490 - Lot 282, GM 491 Lot 288, GM 492 - Lot 289, GM 493 Lot 591, GM 681 - Lot 592, GM 349 Lot 862, GM 574 Mukim 5, SPS, P.Pinang.	Freehold	24.57	607,487	-	Land held for development
Lot 169, GM 100 - Lot 170, GM 101 Lot 307, GM 195 Lot 72, GM 126 - Lot 75, GM 128 Lot 169, GM 100 - Lot 170, GM 101 Lot 307, GM 195 Mukim 6, SPS, P.Pinang.					



List Of All Properties Held (cont'd)

Land Held For Development (cont'd)

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Lot 389, GM 514 Lot 402, GM 356 Lot 461, Geran 5406 Lot 752, GM 356 - Lot 754, GM 358 Lot 873, Geran 640 Lot 899, Geran 47351 Lot 900, GM 652 Mk 5, SPS, P.Pinang.	Freehold	36.56	6,908,097	-	Land held for development
Lot 163, GM 229 - Lot 165, GM 231 Lot 330, GM 212 Lot 333, Geran 45021 Lot 335, GM 212 - Lot 336, GM 207 Lot 339, GM 237 - Lot 341, GM 208 Lot 343, GM 210 Lot 355, GM 212 Mk 6, SPS, P.Pinang.	Freehold	80.07	9,366,596	-	Land held for development
Lot 387, Geran 40426 Mk 12, SPS, P.Pinang.	Freehold	17.24	3,089,353	-	Land held for development
Lot 831, Geran 43705 Mk 14, SPS, P.Pinang.	Freehold	41.75	8,463,057	-	Land held for development
Lot 243, GM 192 Lot 324, Geran 22576 Lot 377, Geran 22577 - Lot 378, Geran 22578 Mukim 2, SPS, P.Pinang. Lot 1344, GM 57 Mukim 15, SPS, P.Pinang.	Freehold	39.32	4,309,094	-	Land held for development
Lot 1283, Geran 43477 Lot 1313, GM 924 - Lot 1315 GM 760 Lot 1704, GM 323 Lot 1780, GM 504 Lot 1784, Geran 19855 Lot 1800, Geran 47320 Mukim 14, SPT, P.Pinang.	Freehold	63.17	18,454,950	-	Land held for development
Lot 1402, GM 712 Lot 1921, GM 1144 Lot 1922, GM 1071 Mukim 17, SPT, Pulau Pinang. Lot 1404 (P.T.BM/A/152), H.S.(M) 2 Mukim 17, SPT, Pulau Pinang.	Freehold Leasehold (expiring on Yr.2035)	14.30	2,194,022	-	Land held for development
H.S.(D) 5/88, P.T.18 Daerah Kota Setar, Kedah.	Freehold	0.35	1,034,543	-	Land held for development
Lot 644, Geran 39163 Seksyen 20, Daerah Timur Laut, P.Pinang.	Freehold	0.049	194,321	-	Land held for development
Lot 449, Geran 35709 Lot 787, Geran 20515 Lot 788, Geran 20516 Lot 791, Geran 20519 Lot 815, Geran 39644 Seksyen 14, Daerah Timur Laut, P.Pinang.	Freehold	0.07	419,936	-	Land held for development
Lot 2081, H.S.(D) 694 Lot 2084, H.S.(D) 697 - Lot 2088, H.S.(D) 701 Seksyen 1, Daerah Timur Laut, P.Pinang.	Freehold	0.93	1,653,147	-	Land held for development



List Of All Properties Held (cont'd)

Land Held For Development (cont'd)

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Lot 658, GM 546 Lot 659, Geran 43768 Lot 1519, Geran Mukim, Mukim 16 SPT, P.Pinang.	Freehold	32.92	5,326,450	-	Land held for development
Lot 530, GM 444 - Lot 531, GM 445 Lot 209, GM 57 Lot 137, GM 56 Mukim 6, SPS, P.Pinang.	Freehold	12.29	4,916,675	-	Land held for development
H.S.(D) 7537, P.T. 288 - H.S.(D) 7538, P.T.289 Mukim 15 SPT, P.Pinang.	Freehold	44.62	9,668,393	-	Land held for development
Lot 280, GM 1675, Mukim Kangkung, Daerah Kota Setar, Kedah.	Freehold	0.11	906,819	-	Land held for development
Lot 835, GM 973 Lot 836, GM 926 Mukim of Kulim, Kedah.	Freehold	14.49	495,225	-	Land held for development
Lot 332, GM 597 Mukim 4 SPS, P.Pinang.	Leasehold (expiring on Yr.2882)	5.6	257,577	-	Land held for development
Lot 7, GM 244 - Lot 8, GM 245 Lot 25, GM 254 - Lot 27, GM 256 Lot 1340, Geran 40184 Mukim 15 SPS, P.Pinang.	Freehold	116.37	16,605,633	-	Land held for development
H.S.(M) 5838, P.T.139 Mukim 14 SPT, P.Pinang.	Freehold	13.81	1,342,996	-	Land held for development
Lot 322, Geran 19868 Mukim 2 SPS, P.Pinang.	Freehold	181.19	26,868,804	-	Land held for development
Lot 2656, H.S.(D) 6144 - Lot 2666, H.S.(D) 6167 Seksyen 1, Daerah Timur Laut, P.Pinang.	Freehold	1.71	7,967,947	-	Land held for development
Kawasan Industry Ringan Asas Jaya - Phase2 Lot 7116, H.S.(D) 2025 - Lot 7125, H.S.(D) 2034 Lot 7103, H.S.(D) 2012 - Lot 7114, H.S.(D) 2023 Lot 7199, H.S.(D) 2108 - Lot 7212, H.S.(D) 2121 Lot 7076, H.S.(D) 1985 - Lot 7102, H.S.(D) 2011 Lot 6803, H.S.(D) 3221 - Lot 6854, H.S.(D) 3272 Lot 6745/6790, H.S.(D) 3163/3208 - Lot 6757/6802, H.S.(M) 3175/3220 Lot 6697, H.S.(D) 3115 - Lot 6743, H.S.(D) 3161/3207 Lot 6682, H.S.(D) 3100 - Lot 6695, H.S.(D) 3113 Lot 6855, H.S.(D) 3273 - Lot 6870, H.S.(D) 3288 Lot 6872, H.S.(D) 3290 - Lot 6885, H.S.(D) 3303 Lot 6887, H.S.(D) 3305 - Lot 6914, H.S.(D) 3332 Lot 6916, H.S.(D) 3334 - Lot 6943, H.S.(D) 3361 Lot 6945/7020, H.S.(D) 3363/3438 - Lot 6982/6983, H.S.(D) 3400/3401 Lot 7048, H.S.(D) 3466 - Lot 7059, H.S.(D) 3477 Lot 7022, H.S.(D) 3440 - Lot 7046, H.S.(D) 3464 Lot 7472, H.S.(D) 2381 Mukim 14, SPT, P.Pinang. Lot 7318, H.S.(M) 2227 Lot 7473, H.S.(M) 2382 - Lot 7475, H.S.(M) 2384 *Lot 7481, H.S.(M) 2390 *Lot 6696, H.S.(M) 3114 *Lot 6744, H.S.(M) 3162 *Lot 6842, H.S.(M) 3260 *Lot 6871, H.S.(M) 3289 *Lot 6886, H.S.(M) 3304	Freehold	45.95	2,694,958	-	Land held for development
	Freehold	0.69	-	-	* properties registered at nil value



List Of All Properties Held (cont'd)

Land Held For Development (cont'd)

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
*Lot 6915, H.S.(M) 4444 *Lot 7047, H.S.(M) 3465 *Lot 7115, H.S.(M) 2024 *Lot 7481, H.S.(M) 2390 Mukim 14, SPT, P.Pinang.					
Taman Impian -Phase 6 (previously Lot 1756) Lot 10232, H.S.(M) 5000 Lot 11251, H.S.(M) 5151 - Lot 11256, H.S.(M) 5156 Lot 11261/10180, H.S.(M) 5161/4948 - Lot 11264, H.S.(M) 5164 Lot 11267, H.S.(M) 5167 - Lot 11269, H.S.(M) 5169 Lot 11271, H.S.(M) 5171 - Lot 11272/10187, H.S.(M) 5172/4955 Lot 11274, H.S.(M) 5174/4963 - Lot 11280, H.S.(M) 5180 Lot 11283, H.S.(M) 5183 - Lot 11287/11202, H.S.(M) 5187/4970 Lot 11288, H.S.(M) 5188 - Lot 11319, H.S.(M) 5219 Lot 11257, H.S.(M) 5157 - Lot 11260, H.S.(M) 5160 Lot 11265, H.S.(M) 5165 - Lot 11266, H.S.(M) 5166 Lot 11270, H.S.(M) 5170 Lot 11281, H.S.(M) 5181 - Lot 11282, H.S.(M) 5182 Lot 11320, H.S.(M) 5220 - Lot 11321, H.S.(M) 5221 Mukim 14, SPT, Penang.	Freehold	2.58	866,212	-	Land held for development
Taman Impian Ria / Impian 2 Lot 7821/7874, H.S.(M) 3623/3676 Lot 7875, H.S.(M) 3677 - Lot 7878/7941, H.S.(M) 3680/3743 Lot 7942, H.S.(M) 3744 - Lot 7944/8009, H.S.(M) 3746/3811 Lot 8010, H.S.(M) 3812 - Lot 8015, H.S.(M) 3817 Lot 8122, H.S.(D) 2455 - Lot 8134, H.S.(D) 2467 Mukim 14, SPT, P.Pinang.	Freehold	0.82	277,990	-	Land held for development
Taman Industri Ceruk To'kun * Lot 9945, H.S.(M) 2049 - Lot 9949, H.S.(M) 2053 * Lot 9815, H.S.(M) 1910 - Lot 9816, H.S.(M) 1920 Mukim 15, SPT, P.Pinang.	Freehold	0.17	-	-	* Properties registered at nil value
H.S.(D) 2853, P.T.18 H.S.(D) 1944, PTG/PS/DTL/358 & 344 Seksyen 5, Daerah Timur Laut, P.Pinang.	Freehold	0.10	63,900	-	Land held for development
Lot 553, GM 40 Mukim 5, SPS, P.Pinang.	Freehold	3.02	272,482		Land held for development
Taman Merak Jaya (previously Lot 298 & others) * Lot 3212, H.S.(D) 1666 - Lot 3217, H.S.(D) 1671 * Lot 3570, H.S.(D) 2024 - Lot 3575, H.S.(D) 1278 * Lot 5764, H.S.(D) 22323 * Lot 483, GM 95 * Lot 3045, H.S.(M) 576 Mukim 14, SPS, P.Pinang.	Freehold	8.19	-	-	* Property registered at nil value
Taman Impian - Phase 4 Lot 10230 H.S.(M) 4998 Mukim 14, SPT, P.Pinang	Freehold	1.32	-	-	*Property registered at nil value
Total		1,016.20	149,020,633		



List Of All Properties Held (cont'd)

Development Properties

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Taman Merak (previously Lot 487) Lot 4006, H.S.(D) 2172 - Lot 4009, H.S.(D) 2175 Lot 3974, H.S.(D) 2140 - Lot 4003, H.S.(D) 2169 Mukim 14, SPS, P.Pinang.	Freehold	2.30	623,049		Development of residential & commercial units
Taman Impian Alma Lot 4867, H.S.(M) 1496 / Lot 4801, H.S.(M) 1430 Lot 4681, H.S.(M) 1310 / Lot 4759, H.S.(M) 1388 Lot 4615, H.S.(M) 1244 Mukim 14, SPT, P.Pinang.	Freehold	0.39	32,011		Development of residential units
Taman Merak (previously Lot 303) Lot 4193, H.S.(D) 2494 - Lot 4322 H.S.(D) 2623 Lot 4350, H.S.(D) 2651 - Lot 4391 H.S.(D) 2692 * Lot 4399, H.S.(D) 2700 - Lot 4402 H.S.(D) 2703 Mukim 14, SPS, P.Pinang.	Freehold Freehold	9.81 1.50	5,894,351 -		Development of residential & commercial units * properties registered at nil value
Taman Seruling Emas (previously lot 905, 904, 664 etc) Lot 1374, H.S.(M) 302 - Lot 1405, H.S.(M) 333 Lot 1406, H.S.(M) 334 - Lot 1409, H.S.(M) 337 Lot 1884, H.S.(M) 565 - Lot 1887, H.S.(M) 568 Lot 1888, H.S.(D) 569 - Lot 1947, H.S.(D) 628 Lot 1950, H.S.(D) 631 - Lot 1982, H.S.(D) 663 Lot 1983, H.S.(D) 664 / Lot 2261, H.S.(M) 480 Lot 1984, H.S.(D) 665 - Lot 1985, H.S.(D) 666 Lot 1996, H.S.(D) 677 - Lot 1997, H.S.(D) 678 Lot 1235, H.S.(D) 122 Lot 2239, H.S.(M) 458 - Lot 2260, H.S.(M) 479 Lot 1308, H.S.(M) 236 - Lot 1309, H.S.(M) 237 Lot 1306, H.S.(M) 234 - Lot 1307, H.S.(M) 235 Lot 1278, H.S.(M) 206 - Lot 1279, H.S.(M) 207 Lot 1275, H.S.(M) 203 - Lot 1277, H.S.(M) 205 Lot 1699, H.S.(D) 380 - Lot 1726, H.S.(D) 407 Lot 1751, H.S.(D) 432 - Lot 1752, H.S.(D) 433 Lot 1755, H.S.(D) 436 Lot 1757, H.S.(D) 438 - Lot 1761, H.S.(D) 442 Lot 1763, H.S.(D) 444 - Lot 1764, H.S.(D) 445 Lot 1766, H.S.(D) 447 - Lot 1768, H.S.(D) 449 Lot 1770, H.S.(D) 451 - Lot 1772, H.S.(D) 453 Lot 1821, H.S.(D) 502 / Lot 1372, H.S.(M) 300 Lot 1348, H.S.(M) 276, Lot 1323, H.S.(M) 251 Lot 1324, H.S.(M) 252, Lot 1333, H.S.(M) 261 Lot 1336, H.S.(M) 264, Lot 1734, H.S.(D) 415 Lot 1732, H.S.(D) 413 / Lot 1417, H.S.(D) 345 Lot 1440, H.S.(M) 368 - Lot 1459, H.S.(M) 387 Lot 1479, H.S.(D) 160 / Lot 1438, H.S.(M) 366 Lot 1480, H.S.(D) 161 Lot 1481, H.S.(D) 162 / Lot 1439, H.S.(M) 367 Lot 1482, H.S.(D) 163 - Lot 1487, H.S.(D) 168 Lot 1420, H.S.(M) 348 - Lot 1437, H.S.(M) 365 Lot 1410, H.S.(D) 338 - Lot 1416, H.S.(D) 344 Lot 1418, H.S.(D) 346 - Lot 1419, H.S.(D) 347 Lot 1280, H.S.(D) 208 Lot 2262, H.S.(D) 481 Lot 1998, H.S.(D) 679 Lot 1236, H.S.(D) 123 - Lot 1241, H.S.(D) 128 Lot 2276, H.S.(D) 884 - Lot 2278, H.S.(D) 886 Lot 2285, H.S.(D) 893 - Lot 2287, H.S.(D) 895 Lot 2295, H.S.(M) 496 Lot 2296, H.S.(M) 497 - Lot 2299, H.S.(M) 500 Lot 2300, H.S.(M) 501 - Lot 2305, H.S.(M) 506 Lot 2288, H.S.(D) 896 - Lot 2293, H.S.(D) 901 Lot 1271, H.S.(D) 158	Freehold	10.94	3,311,149		Development of residential & commercial units



List Of All Properties Held (cont'd)

Development Properties (cont'd)

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Lot 1987, H.S.(D) 668 - Lot 1988, H.S.(D) 669 Lot 2279, H.S.(D) 887 - Lot 2280, H.S.(D) 888 Lot 1990, H.S.(D) 671 / Lot 2282, H.S.(D) 890 Lot 2283, H.S.(D) 891 Lot 2306, H.S.(M) 507 - Lot 2309, H.S.(M) 510 Lot 2316, H.S.(M) 517 Lot 2319, H.S.(M) 520 Lot 2294, H.S.(M) 495 Lot 2284, H.S.(M) 892 Lot 2365, H.S.(M) 915 Mukim 5, SPS, P.Pinang.					
Taman Golf Lot 9, G.M.246 - Lot 11, G.M.248 Lot 1438, Geran 43668 Mukim 15, SPS, P.Pinang.	Freehold	110.27	13,562,894	-	Development of commercial and residential units
Taman Seri Tanjung Lot 9913, H.S.(D) 2718/95 - Lot 9934, H.S.(D) 2739/95 Lot 9999, H.S.(D) 2804/95 - Lot 10002, H.S.(D) 2807/95 Lot 10061, H.S.(D) 2866/95 - Lot 10064, H.S.(D) 2869/95 Lot 10067, H.S.(D) 2870/95 - Lot 10086, H.S.(D) 2889/95 Lot 10089, H.S.(D) 2892/95 - Lot 10110, H.S.(D) 2913/95 Lot 10112, H.S.(D) 2915/95 - Lot 10188, H.S.(D) 2991/95 Lot 10192, H.S.(D) 2995/95 - Lot 10251, H.S.(D) 3054/95 Lot 10087, H.S.(D) 2890/95 - Lot 10189, H.S.(D) 2992/95 Lot 9829, H.S.(D) 2638/95 Lot 9852, H.S.(D) 2661/95 * Lot 9863, H.S.(D) 2668/95 * Lot 10190, H.S.(D) 2994/95 - Lot 10191, H.S.(D) 2994/95 Mukim of Kulim, Kedah.	Freehold	19.94	2,302,137		Development of residential units
	Freehold	0.39	-		* properties registered at nil value
Taman Impian Jaya (previously Lot 1760) Lot 10912, H.S.(M) 3866 Lot 10918, H.S.(M) 3872 - Lot 10921, H.S.(M) 3875 Lot 10923, H.S.(M) 3877 Lot 10926, H.S.(M) 3880 - Lot 10930, H.S.(M) 3884 Lot 10932, H.S.(M) 3886 Lot 10993, H.S.(M) 3947 - Lot 11005, H.S.(M) 3959 Lot 10989, H.S.(M) 3943 - Lot 10991, H.S.(M) 3945 Lot 10987, H.S.(M) 3941 Lot 10984, H.S.(M) 3938 - Lot 10985, H.S.(M) 3939 Lot 10979, H.S.(M) 3933 - Lot 10980, H.S.(M) 3934 Lot 10977, H.S.(M) 3931 Lot 10965, H.S.(M) 3919 - Lot 10974, H.S.(M) 3928 Lot 10962, H.S.(M) 3916 - Lot 10963, H.S.(M) 3917 Lot 10957, H.S.(M) 3911 - Lot 10958, H.S.(M) 3912 Lot 10950, H.S.(M) 3904 - Lot 10955, H.S.(M) 3909 Lot 10944, H.S.(M) 3898 - Lot 10948, H.S.(M) 3902 Lot 10934, H.S.(M) 3888 - Lot 10942, H.S.(M) 3896 Lot 11006, H.S.(M) 3960 - Lot 11009, H.S.(M) 3963 Lot 10911, H.S.(M) 3865 Mukim 14, SPT, P.Pinang.	Freehold	3.22	5,553,481		Development of residential units



List Of All Properties Held (cont'd)

Development Properties (cont'd)

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Taman Sungai Duri Indah Lot 546, Geran 39, Mukim 5, SPS, P.Pinang.	Freehold	19.26	2,386,804	-	Development of residential units
Taman Impian Murni Lot 1704, GM 323 Lot 1780, GM 504 Lot 6144, H.S.(D) 1843 Mukim 14, SPT,P.Pinang.	Freehold	14.64	9,537	-	Development of residential units
Kawasan Perindustrian Ringan Permatang Tinggi (Previously Lot 1189, 1844 & 1706) Lot 9921, H.S.(D) 3775 - Lot 9922, H.S.(D) 3776 Lot 9930, H.S.(D) 3784 - Lot 9933, H.S.(D) 3787 Lot 9935, H.S.(D) 3789 Lot 9937, H.S.(D) 3791 - Lot 9938, H.S.(D) 3792 Lot 9940, H.S.(D) 3794 - Lot 9949, H.S.(D) 3803 Lot 9950, H.S.(D) 3804 - Lot 9953, H.S.(D) 3807 Lot 9939, H.S.(D) 3793 Lot 9936, H.S.(D) 3790 Lot 9929, H.S.(D) 3783 Lot 9973, H.S.(M) 4749 - Lot 10002, H.S.(M) 4778 Lot 9866, H.S.(M) 3720 - Lot 9920, H.S.(D) 3774 * Lot 9954, H.S.(D) 3808 - Lot 9955, H.S.(D) 3809 * Lot 9958, H.S.(D) 3812 - Lot 9961, H.S.(D) 3815 * Lot 10003, H.S.(M) 4779 Mukim 14, SPT,P.Pinang.	Freehold	4.66	5,267,537	-	Development of industrial units
Kawasan Perindustrian Ringan Permatang Tinggi (Previously Lot 1763) Lot 10246, H.S.(M) 5001 - Lot 10268, H.S.(D) 5023 Lot 10270, H.S.(M) 5025 - Lot 10284, H.S.(M) 5039 Lot 10286, H.S.(M) 5040 - Lot 10307, H.S.(M) 5061 Lot 10309, H.S.(M) 5063 - Lot 10319, H.S.(M) 5073 * Lot 10321, H.S.(M) 5074 - Lot 10323, H.S.(M) 5077 * Lot 10269, H.S.(M) 5024 * Lot 10308, H.S.(M) 5062 Mk. 14, SPT, P.Pinang.	Freehold	2.65	2,190,705	-	Development of industrial units
Desa Awan (Previously Lot 34225-34227, 9987 etc.) Lot 7356, H.S.(D) 100168 - Lot 7367, H.S.(D) 100179 Mk. Petaling, Kuala Lumpur, W. Persekutuan.	Freehold	1.79	6,422,563	-	Development of residential units
	Total	204.69	47,556,218		



List Of All Properties Held (cont'd)

Completed Properties

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Asas Murni Lot 8737, H.S.(M) 4183 Lot 8738, H.S.(M) 4184 Lot 8762, H.S.(M) 4208 - Lot 8768, H.S.(M) 4214 Lot 8782, H.S.(M) 4228 - Lot 8787, H.S.(M) 4233 Lot 8402, H.S.(D) 2795 - Lot 8413, H.S. (D) 2806 Lot 8420, H.S.(D) 2813 - Lot 8428, H.S. (D) 2821 Lot 8442, H.S.(D) 2835 - Lot 8450, H.S. (D) 2843 Lot 8456 / 8492, H.S.(D) 2849 / H.S.(M) 3938 - Lot 8458 / 8494, H.S.(D)2851 / H.S.(M) 3940 Lot 8476 / 8497, H.S.(D) 2869 / H.S.(M) 3943 Lot 8501, H.S.(M) 3947 Lot 8505, H.S.(M) 3951 Lot 8573, H.S.(M) 4019 Mukim 14, SPT, P.Pinang.	Freehold Freehold Freehold	0.12 0.42 1.12	759,624 1,259,077 2,887,411	4 years 4 years 4 years	2 units 5-storey shop office 13 units of 3-storey shop office (20*70) 37 units of 2-storey shop office (20*60)
Kaw.Industri Ringan Asas Jaya (Phase 1) Lot 7443, H.S.(D) 2352 Lot 7159, H.S.(D) 2068 Lot 7127, H.S.(D) 2036 - Lot 7140, H.S.(D) 2049 Lot 7142, H.S.(D) 2051 - Lot 7144, H.S.(D) 2053 Lot 6772, H.S.(M) 3190 - Lot 6777, H.S.(M) 3195 Lot 6778 / 7072, H.S.(M) 3196 / H.S.(D) 1981 Lot 6779 / 7073, H.S.(M) 3197 / H.S.(D) 1982 Lot 6769, H.S.(M) 3187 - Lot 6770, H.S.(M) 3188 Lot 6759, H.S.(M) 3177 - Lot 6762, H.S.(M) 3180 Lot 6763 / 6766, H.S.(M) 3181 / 3184 - Lot 6765 / 6768, H.S.(M) 3183 / 3186 Lot 7333, H.S.(D) 2242 Lot 7330, H.S.(D) 2239 Lot 7356, H.S.(D) 2265 Lot 7422, H.S.(D) 2331 Lot 7421, H.S.(D) 2330 Lot 7419, H.S.(D) 2328 Lot 7309, H.S.(D) 2218 - Lot 7312, H.S.(D) 2221 Lot 7306, H.S.(D) 2215 - Lot 7307, H.S.(D) 2216 Lot 7299, H.S.(D) 2208 Lot 7301, H.S.(D) 2210 Lot 7125, H.S.(D) 2034 Lot 7290, H.S.(D) 2199 - Lot 7295, H.S.(D) 2204 Lot 7166, H.S.(D) 2075 - Lot 7167, H.S.(D) 2076 Lot 7169, H.S.(D) 2078 - Lot 7170, H.S.(D) 2079 Lot 7173, H.S.(D) 2082 - Lot 7174, H.S.(D) 2083 Lot 7180, H.S.(D) 2089 - Lot 7181, H.S.(D) 2090 Lot 7185, H.S.(D) 2094 - Lot 7187, H.S.(D) 2096 Lot 7190, H.S.(D) 2099 - Lot 7192, H.S.(D) 2101 Lot 7194, H.S.(D) 2103 - Lot 7195, H.S.(D) 2104 Lot 7275, H.S.(D) 2184 - Lot 7287, H.S.(D) 2196 Lot 7269, H.S.(D) 2178 - Lot 7270, H.S.(D) 2179 Lot 7266, H.S.(D) 2175 - Lot 7267, H.S.(D) 2176 Lot 7262, H.S.(D) 2171 - Lot 7263, H.S.(D) 2172 Lot 7259, H.S.(D) 2168 Lot 7247, H.S.(D) 2156 - Lot 7248, H.S.(D) 2157 Lot 7214, H.S.(D) 2123 - Lot 7228, H.S.(D) 2137 Lot 7230, H.S.(D) 2139 Lot 7232, H.S.(D) 2141 * Lot 6771, H.S.(M) 3189 * Lot 7315, H.S.(M) 2224-Lot 7317, H.S.(M) 2227 Mukim 14, SPT, P.Pinang.	Freehold Freehold Freehold Freehold	1.26 1.17 1.13 0.11	6,401,871 4,515,892 4,490,660 -	5 years 5 years 5 years -	36 units of 3 storey light industry terrace (20*70) 37 units of 2 storey light industry terrace (20*70) 39 units of 2 storey light industry terrace (20*60) * Property registered at nil value



List Of All Properties Held (cont'd)

Completed Properties (cont'd)

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Taman Impian - Phase 4 Lot 10181, H.S.(M) 4949 Lot 10205, H.S.(M) 4973 - Lot 10206, H.S.(M) 4374 Lot 10110, H.S.(M) 4878 - Lot 10111, H.S.(M) 4879 Lot 16678, H.S.(M) 3097 Lot 10136, H.S.(M) 4904 - Lot 10139, H.S.(M) 4907 Lot 10133, H.S.(M) 4901 - Lot 10227, H.S.(M) 4995 Mukim 14, SPT, P.Pinang.	Freehold Freehold	0.03 0.27	101,463 811,700	5 years 5 years	1 unit 3-storey shop office (20*70) 10 units 2-storey shop office (20*60)
Taman Impian 2 Lot 6492/6489, H.S.(M) 2910/2907 - Lot 6495/6486, H.S.(M) 2913/2904 Taman Impian Ria Lot 8162, H.S.(D) 2495 Lot 8168, H.S.(D) 2501 Lot 8169, H.S.(D) 2502 Lot 7935/7870, H.S.(M) 3737/3672 Asas Plaza & Car Park building (comprised in Lot 6459, H.S.(M) 2877, Lot 6522, H.S.(M) 2940, Lot 6647, H.S.(M) 3065, Lot 10099, H.S.(M) 4867, Lot 10100, H.S.(M) 4868, Lot 10194, H.S.(M) 4962, Lot 10231, H.S.(M) 4999 & Lot 11273, H.S.(M) 5173, Mukim 14, SPT, P.Pinang.	Freehold Freehold Freehold	0.13 0.12 0.04 11.34	541,522 146,448 59,538 19,763,490	4 years 4 years 4 years 4 years	4 units 3-storey shop office (20 *70) 3 units 1-storey terrace 1 unit 2-storey terrace 36 units of shoplot, supermarket (grd-5th flr) 864 car park bays
Kawasan Perniagaan Simpang Ampat Lot 3951, H.S.(M) 0980 Lot 3963, H.S.(M) 0992 Lot 3972, H.S.(M) 1002 Lot 3973, H.S.(M) 1001 Mukim 15, SPS, P.Pinang.	Freehold Freehold	0.98 0.16	1,496,778 421,239	5 years 5 years	1 unit 5-storey shop office 3 units 2-storey shop office
Taman Impian Alma Lot 4628, H.S.(M) 1257 Lot 5006, H.S.(M) 1635 Lot 4980, H.S.(M) 1609 Lot 4979, H.S.(M) 1608 Lot 5656, H.S.(M) 2285 Lot 4779, H.S.(M) 1408 - Lot 4691, H.S.(M) 1302 Mukim 14, SPT, P.Pinang.	Freehold Freehold	0.14 0.06	345,461 106,676	6 years 6 years	5 units 2-storey terrace 1 unit 2-storey semi-detached
Taman Impian Alma - Phase 2 Lot 4575, H.S.(M) 1204 Lot 4599, H.S.(M) 1228 Lot 4610, H.S.(M) 1239 Lot 4867, H.S.(M) 1496, Lot 4801, H.S.(M) 1430 Lot 4681, H.S.(M) 1310, Lot 4759, H.S.(M) 1388 Lot 4615, H.S.(M) 1244 Mukim 14, SPT, P.Pinang.	Freehold Freehold	0.45 0.39	90,328 78,457	- -	3 units bungalow lots 3 units 2 storey semi Detached
Taman Impian Indah Lot 9525, H.S.(M) 4397 - Lot 9526, H.S.(M) 4398 Lot 9519, H.S.(M) 4391 Lot 9790, H.S.(M) 4662 Lot 9800, H.S.(M) 4672 Lot 9833, H.S.(M) 4705 Lot 9851, H.S.(M) 4723 Lot 9687, H.S.(M) 4559 Lot 9688, H.S.(M) 4560 Lot 9452, H.S.(M) 3525 Lot 9024, H.S.(D) 3097 Mukim 14, SPT, P.Pinang.	Freehold	0.44	408,061	3 years	10 units 1-storey terrace



List Of All Properties Held (cont'd)

Completed Properties (cont'd)

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Menara Asas M1/1/8 & M1/1/5 M1/3/18 - M1/3/31 M1/3/14 - M1/3/15 M1/3/34 - M1/3/43 M1/3/51 - M1/3/53 M1/3/64 - M1/3/65 M1/3/46 & M1/3/56 M1/3/60 & M1/3/62 M1/4/68 - M1/4/96 M1/4/98 - M1/4/117 Lot 4072, Geran Pendaftaran 52916 Daerah Timur Laut, Bandar Tanjung Bungah, P.Pinang.	Freehold	0.73	5,315,614	5 years	2 units of shoplot (Grd Flr) 35 units of shoplot (2nd Flr) 49 units of shoplot (3rd Flr)
Taman Merak Jaya (previously Lot 303) Lot 4323, H.S.(D) 2624 - Lot 4324, H.S.(D) 2625 Lot 4335, H.S.(D) 2636 - Lot 4349, H.S.(D) 2650 Mk 14, SPT, P.Pinang.	Freehold	0.05	1,379,196	2 years	17 units 2-storey shop office
Taman Merak Jaya (previously Lot 487) Lot 3950, H.S.(D) 2116 Lot 3957, H.S.(D) 2123 Mk 14, SPT, P.Pinang.	Freehold	0.06	242,384	4 years	2 units 2-storey shop office
Taman Merak Jaya (previously Lot 498) Lot 4018, H.S.(M) 657 - Lot 4019, H.S.(M) 658 Lot 4021, H.S.(M) 660 Lot 4023, H.S.(M) 662 - Lot 4030, H.S.(M) 669 Lot 4032, H.S.(M) 671 - Lot 4033, H.S.(M) 672 Lot 4034, H.S.(M) 673 - Lot 4053, H.S.(M) 692 Lot 4055, H.S.(M) 694 - Lot 4071, H.S.(M) 710 * Lot 5767, H.S.(M) 1470 Mk 14, SPT, P.Pinang.	Freehold Freehold Freehold	0.43 1.26 0.01	1,694,273 3,422,952 -	3 years 3 years -	13 units 3-storey shop office 37 units 2-storey shop office * Properties registered at nil value
Taman Sri Tanjung Lot 9735, H.S.(D) 2544/95 - Lot 9740, H.S.(D) 2549/95 Lot 9743, H.S.(D) 2552/95 Lot 9745, H.S.(D) 2554/95 Lot 9893, H.S.(M) 2698/95 Lot 10059, H.S.(M) 2864/95 - Lot 10060, H.S.(M) 2865/95 Mukim of Kulim, Kedah.	Freehold Freehold	0.37 0.43	983,478 188,124	4 years 4 years	8 units 2-storey shop office 3 units 1-storey semi detached (phase 2)
Taman Impian 7 (previously lot 1760) Lot 10902, H.S.(M) 3856 Lot 10889, H.S.(M) 3843 Mukim 14 SPT, P.Pinang.	Freehold	0.16	177,486	2 years	2 units 2 storey terrace house
Taman Seruling Emas (previously lot 905) Lot 2238, H.S.(M) 457 Lot 2472, H.S.(D) 883 Lot 1315, G.M.770 Mukim 5, SPS, P.Pinang.	Freehold	0.09	264,300	3 years	2 units 2 storey shop office
Taman Seruling Emas (previously lot 904) Lot 1263, H.S.(D) 150 *Lot 1268, H.S.(D) 155-Lot 1270, H.S.(D) 157 Mukim 5, SPS, P.Pinang.	Freehold Freehold	0.64 1.21	97,822 684,747 -	4 years 3 years -	7 units flats (Block A) 49 units flats (Block B) * Properties registered at nil value
Taman Impian Jaya (previously lot 1779) Lot 6096, H.S.(D) 1795 Lot 6108, H.S.(D) 1807 Lot 6111, H.S.(D) 1810 - Lot 6113, H.S.(D) 1812 Lot 6117, H.S.(D) 1816 Mukim 5, SPS, P.Pinang.	Freehold	0.22	336,429	6 years	6 units 1-storey terrace house
	Total	25.54	59,472,501	-	



List Of All Properties Held (cont'd)

Investment Properties

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Taman Industri Ceruk To'kun Lot 9703, H.S.(M) 1807 Mukim 15, SPT, P.Pinang.	Freehold	0.07	359,285	8 years	Completed light industrial building.
H.S.(D) 1942,PTG/PS/DTL/358&344 H.S.(D) 1943,PTG/PS/DTL/358&344, Sekysen 5, Daerah Timur Laut, P.Pinang.	Freehold	0.09	600,000	15 years	Residential unit. (Island Glades, Penang)
Taman Bukit Jambul Lot 6784, Geran HBM6/M1/1/7 Lot 6784, Geran HBM6/M2/1/4-HBM6/M2/1/6 Lot 6784, Geran HBM6/M3/1/4 Lot 6784, Geran HBM6/M3/1/6 Lot 6782, Geran HBM5/M2/1/4 Lot 6782, Geran HBM5/M4/1/1 Lot 6782, Geran HBM5/M4/1/4 Lot 6781, Geran HBM16/M1/1/1-HBM16/M1/1/4 Mukim 13, Daerah Timur Laut, P.Pinang.	Freehold	0.13	1,525,000	12 years	14 units of shoplots.
Taman Haji Mohd.Amin Lot 1944,H.S.(D) 7 Mukim 6, SPT, P.Pinang.	Freehold	0.09	175,000	16 years	1 unit single storey shophouse.
Lot 994, Geran 7145 Sekysen 13, Daerah Timur Laut, P.Pinang.	Freehold	0.21	1,948,230	2 1/2 years	Residential unit.
Lot 166, Geran Pendaftaran 20378, Sekysen 2, Daerah Timur Laut, P.Pinang.	Freehold	0.92	7,329,175	2 1/2 years	Land held for development.
Lot 524, Geran Pendaftaran 37465 Sekysen 19, Daerah Timur Laut, P.Pinang.	Freehold	0.34	1,826,753	2 years	7 units of pre-war houses.
	Total	1.85	13,763,443	-	

**List Of All Properties Held** (cont'd)**Fixed Assets**

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Lot 291, Geran 10630 Seksyen 19, Daerah Timur Laut, P.Pinang.	Freehold	0.35	5,320,306	8 years	Commercial building. (6-storey office building & car park.)
Lot 022113, Geran 18462 Seksyen 12, Daerah Timur Laut, P.Pinang.	Freehold	0.04	1,338,667	18 years	Commercial building. (5-storey office building.)
Unit No. 7-M, Wisma UOA Damansara, Jalan Dungun, Kuala Lumpur, W. Persekutuan.	Freehold	0.02	559,988	6 years	Office premise.
Taman Impian Alma Lot 4641, H.S.(D) 1270 Lot 4642, H.S.(D) 1271 Mukim 14, SPT, P.Pinang.	Freehold	0.05	212,063	8 years	Commercial units. 2 storey shophouse.
	Total	0.46	7,431,024	-	



List Of All Properties Held (cont'd)

Joint Venture Development Properties

Location	Tenure	In Acres	Book Value (RM)	Age of Building	Description
Kawasan Perniagaan Asas Murni Lot 8388, H.S.(M) 2781 - Lot 8401, H.S.(M) 2794 Lot 8481, H.S.(M) 3927 - Lot 8483, H.S.(M) 3929 Lot 8484, H.S.(M) 3930 - Lot 8487, H.S.(M) 3933 Lot 8437, H.S.(M) 2830 - Lot 8440, H.S.(M) 2833 Lot 8429, H.S.(M) 2822 - Lot 8436, H.S.(M) 2829 Lot 8510, H.S.(M) 3956 - Lot 8517, H.S.(M) 3963 Lot 8546, H.S.(M) 3992 - Lot 8552, H.S.(M) 3998 Lot 8543, H.S.(M) 3989 - Lot 8545, H.S.(M) 3991 Lot 8538, H.S.(M) 3984 - Lot 8542, H.S.(M) 3988 Lot 8568, H.S.(M) 4014 - Lot 8572, H.S.(M) 4018 Lot 8590, H.S.(M) 4036 - Lot 8633, H.S.(M) 4079 Lot 8634, H.S.(M) 4080 - Lot 8656, H.S.(M) 4102 Lot 8660, H.S.(M) 4106 - Lot 8668, H.S.(M) 4114 Lot 8708, H.S.(M) 4154 Lot 8480, H.S.(M) 2873 Lot 8806, H.S.(M) 4252 Lot 8788, H.S.(M) 4234 Lot 8789, H.S.(M) 4235 Lot 8760, H.S.(M) 4206 Lot 8759, H.S.(M) 4259 Lot 8709, H.S.(M) 4155 Lot 8536, H.S.(M) 3982 Lot 8761, H.S.(M) 4207 Mukim 14, SPT, P.Pinang	Freehold	3.26	808,048		Development of residential & commercial units
Taman Jawi Indah Lot 30, GM 2 Lot 155, GM 4 - Lot 158, GM 6 Lot 122, GM 3 Lot 205, Geran 32470 Lot 225, GM 225 Lot 226, GM 7 Lot 380, GM 223 Lot 383, GM 8 - Lot 384 GM 9 Lot 385, GM 218 Mk. 6, SPS, P.Pinang	Freehold	34.36	435,636		Development of residential units
Asas Parade Lot 8480, H.S.(D) 2873 Lot 8708, H.S.(M) 4154 - Lot 8709, H.S.(M) 4155 Lot 8806, H.S.(M) 4252 Mk. 14, SPT, P.Pinang	Freehold	9.09	17,665,752		Development of commercial units
Taman Impian Indah Lot 8807, H.S.(M) 2880 - Lot 8879, H.S.(M) 2952 Lot 9051, H.S.(M) 3124 - Lot 9092, H.S.(M) 3165 Lot 9477, H.S.(M) 4349 - Lot 9500, H.S.(M) 4372 Lot 9638, H.S.(M) 4510 - Lot 9640, H.S.(M) 4512 Lot 9093, H.S.(M) 3164 - Lot 9151, H.S.(M) 3224 Lot 9643, H.S.(M) 4515 - Lot 9677, H.S.(M) 4549 Lot 9490, H.S.(M) 4362 - Lot 9500, H.S.(M) 4372 Lot 8880, H.S.(M) 2953 - Lot 8973, H.S.(M) 3046 Lot 8975, H.S.(M) 3048 - Lot 9018, H.S.(M) 3091 Lot 9152, H.S.(M) 3225 Lot 9156, H.S.(M) 3228 Lot 9641, H.S.(M) 4513 Lot 9678, H.S.(M) 4550 Lot 9679, H.S.(M) 4551 Lot 9758, H.S.(M) 4630 Lot 9863, H.S.(M) 4735 Lot 9864, H.S.(M) 4736 Lot 9865, H.S.(M) 4737 Mk. 14, SPT, P.Pinang	Freehold	10.78	1,003,494		Development of commercial and residential units
	Freehold	0.84	-		Future Development
Total		67.58	19,912,930		

**Shareholdings Statistics** as at 25th April 2003

Authorised Share Capital	:	RM500,000,000
Issued and Fully Paid Up	:	RM191,595,776
Class of Shares	:	Ordinary Shares of RM1-00 each
Voting Rights	:	One vote per Ordinary Share

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 25TH APRIL, 2003

CATEGORY	NO. OF HOLDERS	%	NO. OF SHARES	%
Less than 1,000	9	0.21	1,976	0.00
1,001 - 10,000	3,874	88.41	11,969,370	6.25
10,001 - 100,000	421	9.61	12,567,000	6.56
100,001 to less than 5% of issued shares	75	1.71	74,059,664	38.65
5% and above of issued shares	3	0.06	92,997,766	48.54
TOTAL	4,382	100.00	191,595,776	100.00

ANALYSIS OF SHAREHOLDERS AS AT 25TH APRIL, 2003**SUBSTANTIAL SHAREHOLDERS**

SHAREHOLDERS	Direct Interest No. of Shares	%	Indirect Interest No. of Shares	%
TONY CHAN HOLDINGS SENDIRIAN BERHAD	75,989,210	39.66	—	—
EMPLOYEES PROVIDENT FUND BOARD	9,979,000	5.21	—	—
CHAN LEONG FOON	20,000	0.01	75,989,210 *	39.66
CHAN FOOK SING	66,000	0.03	75,989,210 *	39.66
THE ESTATE OF CHAN FOOK AUN (DECEASED)	20,000	0.01	75,989,210 *	39.66
CHAN FOOK SUN	20,000	0.01	75,989,210 *	39.66
OOI CHENG SIM	20,000	0.01	75,989,210 *	39.66
CHAN FOOK HEAN	—	—	75,989,210 *	39.66
JUMBO GOLD RESOURCES LTD.	9,635,556	5.03	—	—

* Deemed interest by virtue of Section 6A of the Companies Act, 1965 in Tony Chan Holdings Sendirian Berhad.

**Shareholdings Statistics** as at 25th April 2003 (cont'd)**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 RM1/= each			
		1 January 2002	Bought	Sold	31 December 2002
The Company					
Chan Leong Foon	- direct	20,000	-	-	20,000
	- indirect*	75,989,210	-	-	75,989,210
Chan Fook Sing	- direct	66,000	-	-	66,000
	- indirect*	75,989,210	-	-	75,989,210
Chan Fook Sun	- direct	20,000	-	-	20,000
	- indirect*	75,989,210	-	-	75,989,210
Diong Chin Teck	- direct	10,000	-	-	10,000
Chan Fook Hean	- indirect*	75,989,210	-	-	75,989,210

Subsidiary**Asas Land Development Sdn. Bhd.**

Chan Leong Foon	- direct	2	-	-	2
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* By virtue of their interests in Tony Chan Holdings Sendirian Berhad, a company incorporated in Malaysia, Chan Leong Foon, Chan Fook Sing, Chan Fook Sun and Chan Fook Hean are deemed interested in shares in the Company and all its subsidiaries to the extent Tony Chan Holdings Sendirian Berhad has an interest.

The other director in office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

**Shareholdings Statistics** as at 25th April 2003 (cont'd)**LIST OF THIRTY LARGEST SHAREHOLDERS AS AT 25TH APRIL, 2003**

Name of Shareholders	No. of Shares	%
1. TONY CHAN HOLDINGS SENDIRIAN BERHAD	73,371,210	38.29
2. EMPLOYEES PROVIDENT FUND BOARD	9,979,000	5.21
3. HSBC NOMINEES (ASING) SDN. BHD. (HRBS SG for Jumbo Gold Resources Ltd)	9,635,556	5.03
4. DB (MALAYSIA) NOMINEE (ASING) SDN. BHD. (UBS AG Singapore for Torianna Investments Limited)	9,557,578	4.99
5. HSBC NOMINEES (ASING) SDN. BHD. (HRBS SG for Macalpine Profits Limited)	9,555,000	4.99
6. MAYBAN NOMINEES (TEMPATAN) SDN. BHD. (DBS Bank for Lim Chooi Guat)	9,542,310	4.98
7. THONG & KAY HIAN NOMINEES (TEMPATAN) SDN. BHD. (Seranting Juta Sdn. Bhd.)	5,550,776	2.90
8. CHUAH BEE LENG	4,838,000	2.53
9. SOUTHERN NOMINEES (TEMPATAN) SDN. BHD. (Pledged Sec. Acc. For Kumpulan Pinang Holdings Sdn. Bhd.)	3,844,000	2.01
10. THONG & KAY HIAN NOMINEES (TEMPATAN) SDN. BHD. (Tony Chan Holdings Sdn. Bhd.)	2,618,000	1.37
11. LEONG PENG SENG	2,514,000	1.31
12. UNIVERSAL TRUSTEE (MALAYSIA) BERHAD (BHLB Pacific High Growth Fund)	1,781,000	0.93
13. UNIVERSAL TRUSTEE (MALAYSIA) BERHAD (BHLB Pacific Emerging Companies Growth Fund)	1,735,000	0.91
14. MAYBAN NOMINEES (TEMPATAN) SDN. BHD. (Mayban Trustees Berhad for Saham Amanah Sabah)	1,728,000	0.90
15. AMMB NOMINEES (TEMPATAN) SDN. BHD. (Arab-Malaysian Trustee Bhd for BHLB Pacific Dana Al-Ihsan)	1,507,000	0.79
16. RHB NOMINEES (TEMPATAN) SDN. BHD. (Telekom Malaysia Berhad)	1,436,000	0.75
17. AMANAH RAYA BERHAD (BHLB Pacific Double Growth Fund)	1,025,000	0.53
18. CITICORP NOMINEES (TEMPATAN) SDN. BHD. (Pledged Sec. Acc. For Dato' Noor Azman @ Noor Hizambin Mohd Nurdin)	968,000	0.51

**Shareholdings Statistics** as at 25th April 2003 (cont'd)**LIST OF THIRTY LARGEST SHAREHOLDERS AS AT 25TH APRIL, 2003**

Name of Shareholders	No. of Shares	%
19. LEMBAGA TABUNG HAJI	952,000	0.50
20. BANK KERJASAMA RAKYAT MALAYSIA BERHAD	912,000	0.34
21. GREAT ORCHARD SENDIRIAN BERHAD	656,000	0.34
22. HONG LEONG FINANCE BERHAD (Siew Lee Ling)	627,000	0.33
23. UNIVERSAL TRUSTEE (MALAYSIA) BERHAD (BHLB Pacific Savings Fund)	590,000	0.31
24. DB (MALAYSIA) NOMINEE (TEMPATAN) SDN. BHD. (Commerce Asset Fund Managers Sdn. Bhd. for Gerling Global Reinsurance Company Asia Branch)	558,000	0.29
25. MAYBAN NOMINEES (TEMPATAN) SDN. BHD. (Mayban Trustees Berhad for Balanced Returns Fund)	533,000	0.28
26. PRB NOMINEES (TEMPATAN) SDN. BHD. (Rubber Industry Smallholders Development Authority)	486,000	0.25
27. HLG NOMINEE (ASING) SDN. BHD. (IBB Securities Sdn. Bhd.)	485,000	0.25
28. Tan Soo Chor	471,000	0.25
29. Yee Wan Chin	456,000	0.24
30. CIMSEC NOMINEES (TEMPATAN) SDN. BHD. (Commerce Asset Fund Managers Sdn. Bhd. for Malaysian Timber Council)	448,000	0.23

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Proxy Form

ASAS DUNIA BERHAD Company No. 94528-T • Incorporated in Malaysia



I/We _____
of _____
being (a) member(s) of the above Company hereby appoint _____
_____ NRIC No. _____
of _____
or failing him/her _____ NRIC No. _____
of _____

as my/our proxy, to vote for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company to be held on the 23rd day of June 2003 at 10.00 a.m. and at any adjournment thereof as indicated below:-

Resolution		For	Against
1	Receive and consider Reports and Financial Statements		
2	Approval of Directors' fees		
3	Re-election of Director, Chan Leong Foon		
4	Re-election of Director, Chan Fook Sing		
5	Re-appointment of Director, Diong Chin Teck		
6	Re-appointment of Auditors		
7	Authorisation for Directors to allot and issue shares		

Please indicate with (x) how you wish to cast your vote. If no specific direction as to vote is given, the proxy will vote or abstain at his discretion.

Number of Shares held	
-----------------------	--

Signed this _____ day of _____ 2003.

Signature/Common Seal of Appointor

NOTES :

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or proxies who may but need not be a member of the Company to attend and vote in his stead.
2. Where a member appoints two or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney duly authorised.
4. The instrument appointing a proxy must be deposited with the Company's Share Registrars, Malaysian Share Registration Services Sdn. Bhd. of 8th Floor, Exchange Square, Bukit Kewangan, 50200 Kuala Lumpur not less than 48 hours before the time fixed for holding the Meeting or any adjournment thereof.



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AFFIX
STAMP
HERE

The Share Registrars

**MALAYSIAN SHARE REGISTRATION
SERVICES SDN. BHD.**

8th Floor, Exchange Square
Bukit Kewangan
50800 Kuala Lumpur

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