

Annual Report 2002



吉星機構有限公司
Crescendo
Corporation Berhad
(Company No: 359750-D)
(Incorporated In Malaysia)



**Growth
Making
A Difference**



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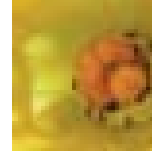


Crescendo Corporation Berhad
(359750-D)

Contents

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Sixth Annual General Meeting of Crescendo Corporation Berhad will be held at Meranti Room, LG Level, Eastin Hotel, 13, Section 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 23 July 2002 at 10.00 a.m. for the following purposes:-



1. To receive and adopt the Directors' Report and the Audited Financial Statements for the financial year ended 31 January 2002 together with the Auditors' Report thereon. **(Resolution 1)**
2. To declare a final dividend of 2.5% less tax in respect of the financial year ended 31 January 2002 **(Resolution 2)**
3. To approve the Directors' fees payable annually at an amount not exceeding RM400,000 in aggregate. **(Resolution 3)**
4. To re-appoint the following Directors pursuant to Section 129(6) of the Companies Act, 1965 :-
Datuk Haji Mohd. Zamani bin Samah **(Resolution 4)**
Mdm. Loo Geok Eng **(Resolution 5)**
5. To re-elect the following Directors retiring in accordance with Article 77 of the Articles of Association of the Company:-
Mr. Gooi Seong Gum **(Resolution 6)**
Ms. Gooi Seow Mee **(Resolution 7)**
6. To re-appoint Messrs CS Tan & Associates as Auditors of the Company and authorise the Directors to fix their remuneration. **(Resolution 8)**
7. As Special Business, to consider and if thought fit, to pass the following resolutions:-

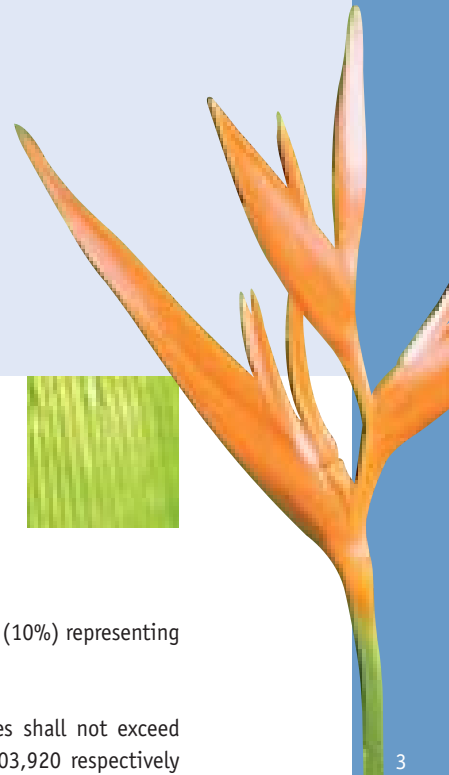
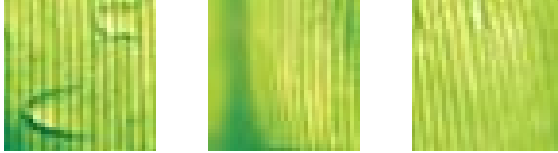
ORDINARY RESOLUTION I – AUTHORITY TO ISSUE SHARES

"THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approval of the relevant governmental/regulatory bodies, the Directors be and are hereby authorised pursuant to Section 132D of the Companies Act, 1965, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as they may deem fit, including but not limited to such shares as may be issued pursuant to the Employees' Shares Option Scheme of the Company and that the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Kuala Lumpur Stock Exchange provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per cent (10%) of the total issued capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company. "

(Resolution 9)

ORDINARY RESOLUTION II – PROPOSED SHARE BUY BACK

"THAT, subject to compliance with all applicable rules, regulations and orders made pursuant to the Companies Act, 1965, provisions of the Company's Memorandum and Articles of Association and the requirements of the Kuala Lumpur Stock Exchange ("KLSE") and any other relevant authorities and any other relevant approvals, the Directors be and are hereby authorised to purchase its own Shares through the KLSE, subject to the following:-



ORDINARY RESOLUTION II – PROPOSED SHARE BUY BACK (cont'd)

1. The maximum number of shares which may be purchased by the Company shall be ten per centum (10%) representing 10,849,593 of the issued and paid-up share capital of the Company as at 31 May 2002;
2. The maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the audited Retained Profits and/or the Share Premium Account of RM5,875,355 and RM15,503,920 respectively of the Company as at 31 January 2002;
3. The authority conferred by this Ordinary Resolution will be effective immediately upon the passing of this Ordinary Resolution and will expire at the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution or the expiry of the period within which the next Annual General Meeting is required by law to be held (unless earlier revoked or varied by ordinary resolution in a general meeting of shareholders of the Company) but not so as to prejudice the completion of purchase(s) by the Company or any person before the aforesaid expiry date, in any event, in accordance with the provisions of the guidelines issued by the KLSE or any other relevant authorities;
4. Upon completion of the purchase(s) of the Shares by the Company, the Shares shall be dealt with in the following manner:-
 - (i) to cancel the Shares so purchased; or
 - (ii) to retain the Shares so purchased in treasury for distribution as dividend to the shareholders of the Company and/or resell through the KLSE and/or subsequently cancel the Treasury Shares; or
 - (iii) to retain part of the Shares so purchased as Treasury Shares and cancel the remainder.

and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the KLSE and any other relevant authority for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares with full powers to assent to any conditions, modifications, revaluations, variations and/or Adoption as may be imposed by the relevant authorities from time to time."

(Resolution 10)

ORDINARY RESOLUTION III – PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT, subject always to the Listing Requirements of the Kuala Lumpur Stock Exchange, approval be and is hereby given to renew the shareholders' mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as specified in Section 3.5 of the Circular dated 25 June 2002, provided that such transactions are made on an arm's length basis and on normal commercial terms and subject further to the following:-

Notice of Annual General Meeting (cont'd)

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) disclosure is made in the Annual Report of the breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year based on the following information:-

- (a) the type of the recurrent transactions made; and
- (b) the names of the related parties involved in each type of the recurrent transactions made and their relationship with the Company,

and such approval shall, unless revoked or varied by the Company in a general meeting, continue in force until:-

- (a) the expiration of the period within which the next annual general meeting after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965; or
- (b) revoked or varied by resolution passed by shareholders in general meeting,

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this ordinary resolution.”

(Resolution 11)

8. To consider any other business for which due notice shall have been given.

NOTICE OF DIVIDEND PAYMENT

NOTICE IS HEREBY GIVEN that subject to the approval of the shareholders at the Sixth Annual General Meeting, the final dividend of 2.5% less tax in respect of the financial year ended 31 January 2002 will be paid on 20 September 2002 to depositors registered in the Record of Depositors on 30 August 2002.

A depositor shall qualify for entitlement only in respect of:-

- (a) shares transferred into the Depositor's Securities Account before 12.30 p.m. on 30 August 2002 in respect of ordinary transfers; and
- (b) shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

By Order of the Board

CHONG FOOK SIN
NG KAM MAY
Company Secretaries

Petaling Jaya
25 June 2002

NOTES:

(1) Proxy -

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. To be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the time set for holding the meeting. If the appointor is a corporation, this Form must be executed under its common seal or under the hand of its attorney.

(2) Resolution 9 -

This resolution, if passed, will give the Directors authority to issue and allot new ordinary shares, including such shares as may be issued pursuant to the Employees' Shares Option Scheme of the Company, up to an amount not exceeding 10% of the issued capital of the Company for such purposes as the Directors consider would be in the best interest of the Company. This authority will commence from the date of this Annual General Meeting and unless revoked or varied by the Company at a general meeting, expire at the next Annual General Meeting.

(3) Resolution 10 -

The detailed text on this resolution on the Proposed Share Buy-Back is included in the Circular to Shareholders dated 25 June 2002 which is enclosed together with the Annual Report.

(4) Resolution 11-

The detailed text on this resolution on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is included in the Circular to Shareholders dated 25 June 2002 which is enclosed together with the Annual Report.

Statement Accompanying Notice of Annual General Meeting

PURSUANT TO PARAGRAPH 8.28 (2) OF THE LISTING REQUIREMENTS OF THE KUALA LUMPUR STOCK EXCHANGE

(1) The following are the Directors standing for re-appointment and re-election at the Sixth Annual General Meeting:-

(a) Re-appointment of Directors pursuant to Section 129(6) of the Companies Act, 1965:-

Datuk Haji Mohd. Zamani bin Samah
Mdm. Loo Geok Eng

(b) Re-election of Directors pursuant to the Article 77 of the Articles of Association of the Company:-

Mr. Gooi Seong Gum
Ms. Gooi Seow Mee

(2) (a) There were seven (7) Board of Directors' Meetings, all held at Lot 18.02, 18th Floor, Public Bank Tower, No. 19, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor, during the financial year ended 31 January 2002. The date and hour of the Meetings were as follows:-

Date of Meetings	Time
Thursday, 29 March 2001	11.10 a.m.
Monday, 25 June 2001	4.00 p.m.
Tuesday, 26 June 2001	11.30 a.m.
Thursday, 23 August 2001	9.40 a.m.
Monday, 17 September 2001	2.10 p.m.
Thursday, 27 September 2001	3.40 p.m.
Friday, 28 December 2001	11.25 a.m.

(b) Attendance of Directors at Board Meetings held during the financial year ended 31 January 2002 were as follow:-

<u>Name of Directors</u>	<u>Attendance at Meetings</u>	<u>Percentage of Attendance (%)</u>
Datuk Haji Mohd. Zamani bin Samah	7/7	100
Gooi Seong Lim	7/7	100
Gooi Seong Heen	7/7	100
Loo Geok Eng (f)	7/7	100
Gooi Seong Gum	7/7	100
Gooi Seow Mee (f)	5/7	71
Yeo Jon Tian @ Eeyo Jon Thiam	7/7	100
Mathew K. Mathai	6/7	86
Gan Kim Guan (Appointed on 29.03.2001)	6/6	100
YB. Dato' Haji Mohd. Ali bin Hassan (Appointed on 15.05.2001)	3/6	50
Gooi Seong Chneh (Resigned as a director and appointed as an alternate director to Gooi Seong Heen on 03.09.2001)	7/7	100

(3) The Sixth Annual General Meeting will be held at Meranti Room, LG Level, Eastin Hotel, 13, Section 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 23 July 2002 at 10.00 a.m.

(4) The profile of Directors standing for re-appointment and re-election as mentioned in paragraph 1 above at the Sixth Annual General Meeting are set out in page 8 to 9 of this Annual Report.

Corporate Information

BOARD OF DIRECTORS

Datuk Haji Mohd. Zamani bin Samah	(Non-executive Chairman)
Gooi Seong Lim	(Managing Director)
Gooi Seong Heen	(Executive Director)
Loo Geok Eng (f)	(Executive Director)
Gooi Seong Gum	(Executive Director)
Gooi Seow Mee (f)	(Executive Director)
Yeo Jon Tian @ Eeyo Jon Thiam	(Independent Director)
Mathew K. Mathai	(Non-executive Director)
Gan Kim Guan	(Independent Director)
YB. Dato' Haji Mohd. Ali bin Hassan	(Independent Director)
Gooi Seong Chneh	(Alternate Director to Gooi Seong Heen)

AUDIT COMMITTEE

Gan Kim Guan	(Chairman)
Gooi Seong Heen	
Yeo Jon Tian @ Eeyo Jon Thiam	

SECRETARIES

Chong Fook Sin (MACS 00681)
Ng Kam May (MAICSA 7020575)

REGISTERED OFFICE

Unit No. 203, 2nd Floor
Block C, Damansara Intan,
No. 1, Jalan SS20/27,
47400 Petaling Jaya,
Selangor Darul Ehsan
Tel : 03-7118 2688 Fax : 03-7118 2693

REGISTRARS

Tacs Corporate Services Sdn. Bhd. (23621-U)
Unit No. 203, 2nd Floor
Block C, Damansara Intan,
No. 1, Jalan SS20/27,
47400 Petaling Jaya,
Selangor Darul Ehsan
Tel : 03-7118 2688 Fax : 03-7118 2693

AUDITORS

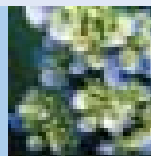
C S Tan & Associates
Chartered Accountants
Firm No. A.F. 1144
Wisma TCS, No. 8M,
Jalan Tun Abdul Razak (Susur 3),
80200 Johor Bahru,
Johor Darul Takzim

PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad (295400-W)
Malayan Banking Berhad (3813-K)

STOCK EXCHANGE LISTING

The Main Board of the
Kuala Lumpur Stock Exchange



Board of Directors



Sitting from left to right

Loo Geok Eng (f)

Mathew K. Mathai

Datuk Haji Mohd. Zamani bin Samah (Non-executive Chairman)

Gooi Seong Lim (Managing Director)

YB. Dato' Haji Mohd. Ali bin Hassan

Standing from left to right

Gooi Seow Mee (f)

Gooi Seong Chneh

Gooi Seong Gum

Gooi Seong Heen

Yeo Jon Tian @ Eeyo Jon Thiam

Gan Kim Guan

Chong Fook Sin (Company Secretary)

Ng Kam May (f) (Company Secretary)

Profile of Directors

DATUK HAJI MOHD. ZAMANI BIN SAMAH, aged 80, a Malaysian, was appointed to the Board of Crescendo Corporation Berhad (“CCB”) on 15 September 1995. He is currently the Non-executive Chairman of CCB. He was the Chief Police Officer of Johor from 1973 to 1977. He has been active in the quarry, plantation and property development businesses for several years since retiring from Government service in July 1977. In 1978, he was involved in the oil palm industry through his shareholding and directorship in Kim Loong Palm Oil Sdn Bhd (“KLPO”) and later in the quarry business in 1983 through his shareholding and directorship in Syarikat Kuari Sinaran Cemerlang Sdn Bhd. He also sits on the Board of Kim Loong Resources Berhad (“KLR”), a public company listed on the Main Board of the Kuala Lumpur Stock Exchange (“KLSE”) and several private companies.

Datuk Haji Mohd. Zamani has no personal interest in any business arrangement involving CCB. He has not been convicted of any offences within the past 10 years. He attended all the Board Meetings held during the financial year 2002.

GOOI SEONG LIM, aged 54, a Malaysian, was appointed to the Board of CCB on 15 September 1995. He is currently the Managing Director of CCB. He is also a member of the Remuneration Committee with effect from 27 March 2002. He graduated with a Bachelor of Applied Science degree in Mechanical Engineering in 1972 and obtained a Master’s degree in Mechanical Engineering in 1973 both from the University of Toronto, Canada. From 1972 to 1975, he was an engineer of Spar Aerospace Ltd, an engineering company based in Toronto, Canada, specialising in the design and computer simulations of Canadian Communication Satellite and subsequently, with Atomic Energy of Canada Ltd based in Toronto, Canada, a quasi-government company specialising in the design, supply and construction of Canadian Nuclear Reactors. From 1975 until to-date, he has been the Managing Director of SKL, which is involved in oil palm plantation and property development. The success of the Group owes much to his extensive involvement in construction and property development. He also sits on the Board of KLR and several private companies.

Mr Gooi has no personal interest in any business arrangement involving CCB, except that he is deemed interested in the transactions entered into with SKL Group (other than CCB) which are carried out in the ordinary course of business, by virtue of his directorship and having shares in SKL. He has not been convicted of any offences within the past 10 years. He attended all the Board Meetings held during the financial year 2002.

GOOI SEONG HEEN, aged 52, a Malaysian, was appointed to the Board of CCB on 15 September 1995. He is currently an Executive Director of CCB and is also a member of the Audit Committee. He graduated with a Bachelor of Applied Science degree in Chemical Engineering from the University of Toronto in 1972 and obtained a Master’s degree in Business Administration from the University of Western Ontario, Canada in 1976. He served as an engineer with Esso Singapore Pte Ltd from 1973 to 1974. His experience embraces oil palm and rubber estate management, palm oil mill management and property development. From 1976, he has been a Director of SKL, which is involved in oil palm plantation and property development. He has been a director since 1977, of Kim Loong Palm Oil Sdn Bhd Group, which is involved in palm oil milling. He is currently a director of KLR and several private companies.

Mr Gooi has no personal interest in any business arrangement involving CCB, except that he is deemed interested in the transactions entered into with SKL Group (other than CCB) which are carried out in the ordinary course of business, by virtue of his directorship and having share in SKL. He has not been convicted of any offences within the past 10 years. He attended all the Board Meetings held during the financial year 2002.

Profile of Directors (cont'd)

LOO GEOK ENG (F), aged 83, a Malaysian, was appointed to the Board of CCB as an Executive Director on 15 September 1995. She is the founder and has been a Director of Sharikat Kim Loong Sendirian Berhad ("SKL"), the holding company of CCB, since 11 August 1967. Her experience includes that of oil palm and rubber estate management and property development. She currently sits on the Board of KLR and several private companies.

Madam Loo has no personal interest in any business arrangement involving CCB, except that she is deemed interested in the transactions entered into with SKL Group (other than CCB) which are carried out in the ordinary course of business, by virtue of her directorship and having shares in SKL. She has not been convicted of any offences within the past 10 years. She attended all the Board Meetings held during the financial year 2002.

GOOI SEONG GUM, aged 47, a Malaysian, was appointed to the Board of CCB on 15 September 1995. He is currently an Executive Director of CCB. He graduated with a Bachelor's degree in Civil Engineering from the University of Ottawa, Canada in 1980. He was an engineering consultant for Bobrowski & Partners, Calgary, Canada for one (1) year from 1982 to 1983. His experience covers oil palm and rubber estate management, property development and construction site management. He was previously responsible for the management of the rubber and oil palm estate in Mukim Plentong, District of Johor Bahru, Johor Darul Takzim from 1985 to 1988. He currently sits on the Board of KLR and several private companies.

Mr Gooi has no personal interest in any business arrangement involving CCB, except that he is deemed interested in the transactions entered into with SKL Group (other than CCB) which are carried out in the ordinary course of business, by virtue of his directorship and having shares in SKL. He has not been convicted of any offences within the past 10 years. He attended all the Board Meetings held during the financial year 2002.

GOOI SEOW MEE (F), aged 45, a Malaysian, was appointed to the Board of CCB on 15 September 1995. She is currently an Executive Director of CCB. She graduated with a Bachelor's degree in Commerce from the University of Toronto in 1980 and later obtained a Master in Business Administration from the University of San Francisco, United States of America in 1986 and a Graduate Diploma in Hotel Management from Domino Carlton Tivoli Hotel Management School, Lucerne, Switzerland in 1992. She was a senior assistant in the Management Service Division of SGV-Kassim Chan, Kuala Lumpur from 1981 to 1984 and was an investment executive with Wearne Brothers Services Pte Ltd, a company incorporated in Singapore, for one (1) year from 1986 to 1987. Her extensive experience lies in management consultancy, plantation management and property development. She has been involved in the management of the housing development project known as Desa Cemerlang, in Mukim Plentong, District of Johor Bahru, Johor Darul Takzim since 1987. She was also involved in the management of KLR Group's Sabah plantations since 1998. She currently sits on the Board of KLR and several private companies.

Miss Gooi has no personal interest in any business arrangement involving CCB, except that she is deemed interested in the transactions entered into with SKL Group (other than CCB) which are carried out in the ordinary course of business, by virtue of her directorship and having shares in SKL. She has not been convicted of any offences within the past 10 years. She attended five (5) of the seven (7) Board Meetings held during the financial year 2002.

Profile of Directors (cont'd)

YEO JON TIAN @ EEYO JON THIAM, aged 62, a Malaysian, was appointed to the Board of CCB on 3 December 1996. He is currently an Independent Director of CCB and is also a member of the Audit Committee. He is a member of both the Nomination and Remuneration Committees of CCB with effect from 27 March 2002. He commenced his planting career in 1960 with the Rubber Research Institute of Malaya Smallholders' Advisory Service. He is an associate of the Incorporated Society of Planter since 1968. He has been actively involved in the plantation management of large-scale cultivation of rubber, oil palm and cocoa until 1990 when he became the General Manager of a property development company. He also sits on the Board of several private companies.

Mr Yeo has no personal interest in any business arrangement involving CCB. He has not been convicted of any offences within the past 10 years. He attended all the Board Meetings held during the financial year 2002.

MATHEW K. MATHAI, aged 69, a Malaysian, was appointed to the Board of CCB on 3 December 1996. He is currently a Non-executive Director of CCB. He resigned from the Audit Committee on 29 March 2001 because under the revamped Listing Requirements of the KLSE he is not an Independent Director. He sits as a member of both the Nomination and Remuneration Committees with effect from 27 March 2002. He graduated with Bachelor of Arts Degree in Economics from the University of Malaya in 1957 and is currently a director of a tax consultant firm. He is a director of KLR and several private companies. He is a Fellow of the Malaysian Institute of Taxation. He was attached to the Income Tax Department in Singapore from December 1957 to August 1960 and with the Inland Revenue Department, Malaysia from August 1960 to May 1968. He joined Coopers & Lybrand as a tax consultant in May 1968 and left in May 1974 to set up a tax consultancy firm.

Mr Mathai is not independent by virtue of his directorship in two companies which provide consultancy services to CCB Group. He has no personal interest in any business arrangement involving the Company. He has not been convicted of any offences within the past 10 years. He attended six (6) of the seven (7) Board Meetings held during the financial year 2002.

GAN KIM GUAN, aged 40, a Malaysian, was appointed to the Board of CCB as an Independent Director on 29 March 2001. He was appointed as a member of the Audit Committee on 5 May 2001 and currently he is the Chairman of the Audit Committee. He also sits as a member of the Nomination and Remuneration Committees with effect from 27 March 2002. He is a partner of a firm of Chartered Accountants. He has extensive experience in auditing, investigation, financial planning and financing related work. He was previously actively involved in the Internal Audit Committee of the Malaysian Institute of Accountants. He is also a director of KLR and an international company incorporated in the United Kingdom.

Mr Gan is a member of The Association of Chartered Certified Accountants, and a Chartered Accountant of the Malaysian Institute of Accountants. He has no personal interest in any business arrangement involving CCB. He has not been convicted of any offences within the past 10 years. He attended all the six (6) Board Meetings held during the financial year 2002 since his appointment to the Board of CCB.

YB. DATO' HAJI MOHD. ALI BIN HASSAN, aged 64, a Malaysian, was appointed to the Board of CCB on 15 May 2001. He is currently an Independent Director of CCB. He was the Ahli Dewan Undangan Negeri Kawasan Tiram, Ahli Majlis Mesyuarat Kerajaan Negeri (EXCO) and Speaker of Dewan Undangan Negeri. He is the Ahli Parlimen of Tebrau, Ketua UMNO Bahagian Tebrau, Ketua Barisan Nasional Bahagian Tebrau, Setiausaha Badan Perhubungan UMNO Negeri Johor and Setiausaha Barisan Nasional Negeri Johor. He also sits on the Board of Plantation & Development (Malaysia) Berhad and several private companies.

YB. Dato' Haji Mohd. Ali has no personal interest in any business arrangement involving CCB. He has not been convicted of any offences within the past 10 years. He attended three (3) of the six (6) Board Meetings held during the financial year 2002 since his appointment to the Board of CCB.

Profile of Directors (cont'd)

GOOI SEONG CHNEH, aged 48, a Malaysian, was appointed to the Board of CCB on 15 September 1995. He is currently the Chief Executive Officer (construction operation) and an Alternate Director to Gooi Seong Heen of CCB. He graduated with a Bachelor of Science degree from the University of Toronto, Canada in 1975 and obtained a Bachelor's degree in Civil Engineering from the University of Ottawa, Canada in 1980. He is a member of Professional Engineers Association of Alberta, Canada. He was formerly an engineering consultant for Campbell Engineering Consultants, Calgary, Canada for three (3) years from 1981 to 1983. He has extensive experience in construction site management and property development. His experience also includes oil palm and cocoa estate management. He has been responsible for the development and management of oil palm and cocoa estates in Sabah since 1985. He is also a director of KLR and several private companies.

Mr Gooi has no personal interest in any business arrangement involving CCB, except that he is deemed interested in the transactions entered into with SKL Group (other than CCB) which are carried out in the ordinary course of business, by virtue of his directorship and having shares in SKL. He has not been convicted of any offences within the past 10 years. He attended all the Board Meetings held during the financial year 2002.

FAMILY RELATIONSHIPS

Gooi Seong Lim, Gooi Seong Heen, Gooi Seong Chneh, Gooi Seong Gum and Gooi Seow Mee, who are brothers and sister, are the children of Loo Geok Eng.

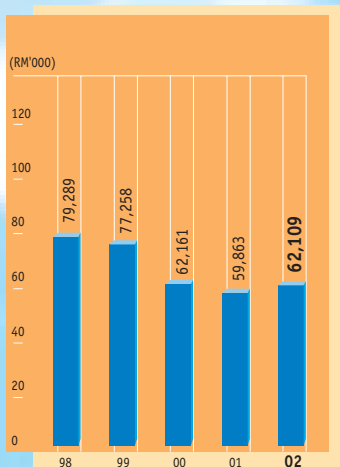
Save for the above, none of the other Directors are related.

Group Structure

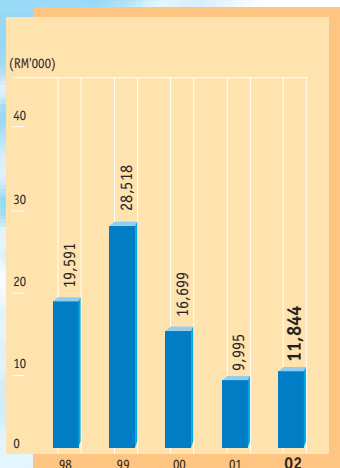


- CDSB Crescendo Development Sdn. Bhd. (204079-D)
- CCC Crescendo Commercial Complex Sdn. Bhd. (414716-A)
- PID Panoramic Industrial Development Sdn. Bhd. (148382-K)
- AMBOK Ambok Resorts Development Sdn. Bhd. (329538-M)
- CE Crescendo Education Sdn. Bhd. (472850-T)
- KTC ACADEMY KTC Academy Sdn. Bhd. (362221-T)
- UNIBASE Unibase Construction Sdn. Bhd. (22898-A)
- UNIBASE CONCRETE Unibase Concrete Industries Sdn. Bhd. (380745-A)
- UNIBASE TRADING Unibase Trading Sdn. Bhd. (456217-U)
- UNIBASE JAYA Unibase Jaya Sdn. Bhd. (388414-H)
- UNIBASE CORPN Unibase Corporation Sdn. Bhd. (343826-P)
- REPUTE VENTURES Repute Ventures Sdn. Bhd. (392908-V)
- REPUTE CONSTRUCTION Repute Construction Sdn. Bhd. (456224-P)
- REPUTE CORPORATION Repute Corporation Sdn. Bhd. (564792-D)
- SPANDECK ENGINEERING Spandeck Engineering (Johor) Sdn. Bhd. (455868-T)

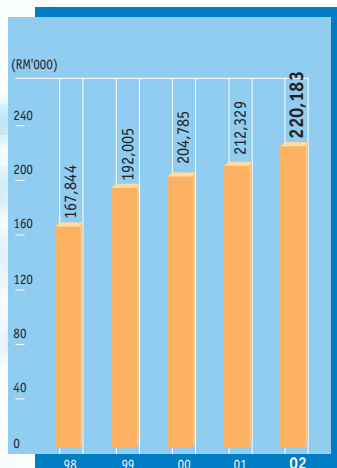
Group Financial Highlights



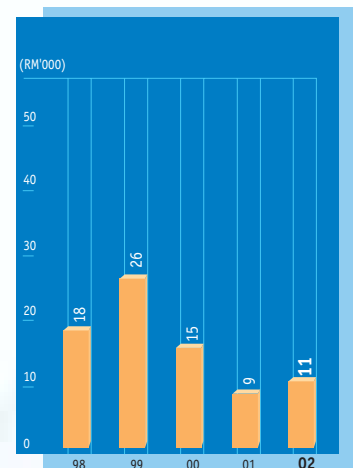
REVENUE



PROFIT AFTER TAX



SHAREHOLDERS' EQUITY



EARNINGS PER SHARE

INCOME STATEMENT (RM'000)

	2002	2001	2000	1999	1998
Revenue	62,109	59,863	62,161	77,258	79,289
Profit before tax	17,747	14,692	21,722	28,375	28,829
Profit after tax	11,844	9,995	16,699	28,518	19,591
Dividend (%)	5.0	5.0	5.0	5.0	10.0

BALANCE SHEET (RM'000)

	2002	2001	2000	1999	1998
Paid-up share capital	108,496	108,496	108,496	108,496	108,496
Shareholders' equity	220,183	212,329	204,785	192,005	167,844
Total assets	245,943	238,364	236,633	232,587	203,429

PER SHARE (SEN)

	2002	2001	2000	1999	1998
Earnings	11	9	15	26	18
Net tangible assets	203	196	189	177	155
Weighted average number of shares in issue ('000)	108,496	108,496	108,496	108,496	108,496

FINANCIAL RATIO (%)

	2002	2001	2000	1999	1998
Return on shareholders' equity (Pre-tax)	8.1	6.9	10.6	14.8	17.2
Return on total assets (Pre-tax)	7.2	6.2	9.2	12.3	14.2

Statement of Corporate Governance

The Board of CCB (“the Board”) is committed to ensure that the highest standards of corporate governance is practised throughout the Company and its subsidiary companies (“the Group”). This is carried out by having in place the processes and structure to direct and manage the businesses and affairs of the Group towards good corporate governance. This enhances business prosperity and corporate accountability with the absolute objective of realising long term shareholder value, whilst taking into account the interest of other stakeholders.

Additionally, the Board acknowledges the responsibility to comply with the Listing Requirements of the KLSE and other regulatory requirements. Steps are currently being taken towards implementation of the provisions on requirements as set out in the Malaysian Code of Corporate Governance (“the Code”) and the Listing Requirements of the KLSE.

Set out below is a description of how the Group applied the Principles of the Code and how the Board has complied with the Best Practices set out in the Code throughout the twelve months ended 31 January 2002.

BOARD OF DIRECTORS

General

The Board plays a primary role in corporate governance by setting out strategic direction of the Group, establishing goals and monitoring the achievement of the goals.

Meetings

The Board meets on a scheduled basis, at least four times a year. Due notice is given for all scheduled meetings. At each meeting the Board considers the financial results of the Group for the immediately preceding quarter, the business performance of the Group, policies and strategic issues affecting the Group’s business and factors imposing potential risks affecting the performance of the Group. Directors from time to time visit the business units to have a thorough understanding of their operation. The Group Managing Director has the principal responsibility of explaining, clarifying and informing matters to the Board.

During the financial year ended 31 January 2002, seven (7) Board meetings were held at Lot 18.02, 18th Floor, Public Bank Tower, No. 19, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor. A majority of the Directors attended all the meetings held during their tenure.

Details of Directors’ attendance at Board Meetings held in the financial year ended 31 January 2002 are set out in page 5 of this Annual Report.

Statement of Corporate Governance (cont'd)

Board Balance

The Board comprises five (5) Executive Directors, three (3) Independent Directors and two (2) Non-executive Directors and an Alternate Director. The Directors collectively have expertise and experience in various fields such as engineering, accounting, taxation, public services, property development, construction site management, plantation and investment. Their expertise, experience and background provide thorough examination and deliberations of various issues and matters affecting the Group. The Company's Independent Directors are persons of high calibre with exposure in various important posts in the government and private sectors and they constitute more than one third (1/3) of the Board membership.

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

There is also balance in the Board with the presence of Independent Directors of calibre necessary to carry sufficient weight in Board decisions. All Directors have an equal responsibility for the Company's operations. However, the role of Independent Directors is particularly important in ensuring strategies proposed by the management are fully discussed and examined and take into account the long term interests, not only of the shareholders, but also employees, customers, suppliers and the communities in which the Group conducts its businesses.

The Board has established three (3) committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee to assist the Board in the execution of its responsibilities. All three committees ("the Board Committees") do not have executive powers but report to the Board on all matters considered and their recommendations thereon. The terms of reference of the three committees have been approved by the Board and, where applicable, comply with the recommendations of the Code and are set out in pages 21 to 26 of this Annual Report.

The Board has also established an ESOS Committee to administer the CCB Employees' Shares Option Scheme in accordance with the objectives and regulations thereof and to determine participation eligibility, option offer, and share allocations and to attend such other matters as may be required. Meetings of the ESOS Committee are held when necessary.

Statement of Corporate Governance (cont'd)

Appointment and Re-election to the Board

All directors appointed by the Board are subject to election by shareholders at the Annual General Meeting after their appointment. One third (1/3) or the nearest one third of the Board members except for the Managing Director and Directors retiring under other Articles or the Companies Act, 1965 requirement retire at regular intervals by rotation and are eligible for re-election. Directors who are above 70 years of age retire at every Annual General Meeting as required under Section 129(2) of the Companies Act, 1965 and are subject to re-appointment by the shareholders of the Company.

The Managing Director is appointed for a period of three years and is only subject to retirement at the end of that period.

Directors' Remuneration

Remuneration of directors are decided by the Board as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of their own remuneration.

It is the Company's policy to review and determine the remuneration for Directors so as to attract and retain the Directors who are needed to run the Company successfully. The remuneration of Executive Directors is structured so as to link rewards to corporate and individual performance. In the case of Independent Directors, the level of remuneration reflects the responsibilities undertaken and the level of experience.

The aggregate Directors' remuneration paid or payable or otherwise made available to all Directors of the Company who served during the financial year are as follows:

Category	Fees (RM'000)	Salaries and Other Emoluments (RM'000)	Benefit-in-kind (RM'000)	Total (RM'000)
Executive Directors	23	581	-	604
Non-executive Directors	220	13	-	233

The number of Directors of the Company who served during the financial year and whose income from the Group falling within the following bands are:

Executive Directors			Number
RM50,000	-	RM100,000	2
RM100,001	-	RM150,000	4
Non-executive Directors			
Below RM50,000			4
RM50,001	-	RM100,000	1

The Directors' fees not exceeding RM250,000 per annum in aggregate have been approved earlier by shareholders. The Board has proposed to increase the limit to an amount not exceeding RM400,000 per annum. The proposed increase is commensurate with the scale of fees adopted by companies of similar standing to attract and retain high calibre directors.

Statement of Corporate Governance (cont'd)

Supply of Information

All Directors will receive the Notice of Board Meeting prior to the Board Meeting. This is issued in sufficient time to enable the Directors to obtain further explanation, where necessary, from Executive Directors and other key personnel in order to be properly briefed before the meeting. All Directors and members of the Board Committees have access to the advice and service of the Company Secretaries.

INVESTORS AND SHAREHOLDERS RELATIONSHIP

The Group values its dialogue with shareholders and recognises that timely and equal dissemination of relevant information be provided to them. In this regard, it strictly adheres to the disclosure requirements of the KLSE.

The Group recognises the need for an independent third party assessment of CCB. In this regard, it conducts briefing on an annual basis to the press on the results, performance and the potential of new developments of the Group. The briefings enable a direct and frank dialogue to be established on the affairs of the Group with persons who are highly focused on business affairs of corporations.

The Annual General Meeting ("AGM") is the principal forum of dialogue with shareholders. Notice of AGM together with a copy of the Group's Annual Report is sent to shareholders at least fourteen (14) days prior to the meeting. Each item of special business included in the notice of meeting is accompanied by an explanation for the proposed resolution. Much effort is undertaken by the Group to produce an Annual Report which is informative with facts and figures, and a statutory report with disclosures and explanatory notes.

At the AGM, the Board presents the progress and performance of the Group as contained in the Annual Report and shareholders are encouraged to participate and are given every opportunity to raise questions or seek more information during the meeting. The Managing Director and Board members are available to respond to all shareholders' queries.

Apart from the AGM and Annual Reports, quarterly announcements and other public information are reported through the KLSE from time to time on significant matters affecting the Group via the KLSE Link announcements.

The financial highlights are disseminated on a quarterly basis to the KLSE and Annual Reports are issued to the shareholders.

The Board also encourages full participation by shareholders at every general meeting of the Company and every opportunity is given to the shareholders to ask question and seek clarification on the business performance of the Group.

The Company has also set up a web-site to link and reach out to all interested parties. Efforts are being taken to update the web-site with comprehensive information on the Group.

ACCOUNTABILITY AND AUDIT

Financial Reporting

For financial reporting through quarterly announcements to the KLSE and the Annual Report to shareholders, the Board has a responsibility to present a fair assessment of the Group's position and prospects. The Audit Committee assists the Board in scrutinising information for disclosure to ensure accuracy and adequacy. The Statement of Directors pursuant to Section 169 of the Companies Act, 1965, is set out in page 38 of this Annual Report.

Statement of Corporate Governance (cont'd)

Internal Control

The Board recognises that an effective internal control system is essential to ensure that the affairs and management of the Group are conducted responsibly with clear lines of control and accountability. The rationale of the system of internal control is to enable the Group to achieve its corporate objective within an acceptable risk profile and effectiveness of internal control has to be viewed in such context since elimination of risk is not absolutely assured.

The Internal Audit Department of the holding company ("IA Department") regularly reports on compliance with internal financial controls and procedures to the Audit Committee. They also ensure that recommendations to improve controls are being followed through by the management.

Information on all employees (excluding daily rated and general workers) is maintained. It contains information on their status and position description. This information on employee status acts as a guide in the manpower planning needs of the Group.

The Board undertakes ongoing reviews on key commercial and financial risks facing the Group's business activities together with more general risks such as those relating to compliance with laws and regulations. The monitoring arrangements in place give reasonable assurance that the structure on control and operations are appropriate to the Group's situation and that there is an acceptable level of risk throughout the Group's business.

Relationship with the Auditors

The Company's External Auditors are elected every year during the AGM. The amount of non-audit fees paid to the External Auditors during the financial year 2002 was RM30,000.

The role of the Audit Committee in relation to the External Auditors is set out in page 23 of this Annual Report.

CONVICTIONS FOR OFFENCES

None of the Directors has been convicted of offences within the past 10 years.

Statement of Internal Control

The Board recognises that controls are an important part of managing risk in an effort to achieve corporate objectives. Procedures have been designed for safeguarding assets against unauthorised use or disposal; for maintaining proper accounting records: for the reliability of financial information used within the business or for publication. Such procedures are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material errors, losses or fraud.

On 27 March 2002, the Board set up a Risk Management Committee (“the RMC”) comprising the Managing Director, several Executive Directors, key management personnel and Head of the IA Department with representatives from each business unit. The RMC will assist the Board to oversee the management of credit, compliance and other operational risks. The RMC reports to the Audit Committee and the Audit Committee then reports to the Board significant changes in the business and external environment which may effect key risks. In addition, the RMC is working towards complying with the guidelines issued by the Task Force on Internal Control. The Board, with the assistance of the Audit Committee and the RMC, is in the process of setting up a formal risk management policy and framework before a full review of significant risks is done.

The Audit Committee in its quarterly meetings with the management will discuss the Board’s attitude towards the various types of risks and as to what risks are generally acceptable by the Board.

There are clear lines of authority, responsibility and accountability within the Company. The staff knows what is expected of them and the discretion that they may exercise in the course of their work.

The staff is provided with the necessary resources to enable the achievement of corporate objectives by ensuring the existence of an adequate system of internal controls and by carrying out risk management activities.

The Company has a formalised recruitment and promotion policy that ensures appropriate persons of calibre are selected to fill positions available.

From an accounting perspective, monthly management accounts are prepared and control accounts are reconciled with the subsidiary records. Asset counts are done on a periodical basis and reconciled with the underlying records. All access to the assets and records of the Company are controlled to safeguard assets and reduce the risk against unauthorised access.

The Group’s performance is monitored through the management accounts that requires all significant expenses to be identified and explained on a quarterly basis. Where budget is prepared the expenditure is compared against it and explanations are sought on material items. In addition, Executive Directors review the quarterly results to monitor the Group’s progress towards achieving its objectives.

The Company’s internal control systems ensure timely, relevant and reliable reports for decision making and management review purposes. The reports enable the Board and management to monitor progress against business objectives.

The Board is of the opinion that the quarterly results and Annual Reports are effective in communicating a balanced and understandable account of the Group’s position.

Individuals may report suspected breaches of laws or regulations or other improprieties to the Managing Director, Chairman of the Audit Committee or the Head of the IA Department.

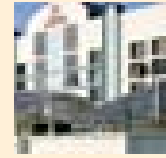
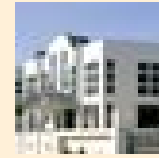
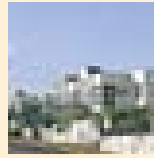
The IA Department carries out the ongoing process of monitoring the effectiveness of the application of policies, processes and activities related to internal control, risk management and governance processes. The IA Department also conducts audit reviews on high risk operational areas on an annual basis to ensure that appropriate action is taken in response to changes in the risk and control assessments.

The IA Department regularly reports on compliance with internal financial controls and procedures to the Audit Committee. They also ensure that recommendations to improve controls are being followed through by the management.

This Statement has been reviewed by the External Auditors and they have reported their observation to the Board.

Statement of Directors' Responsibilities

In Respect of the Audited Financial Statements



Directors are required by the Companies Act, 1965 ("the Act") to prepare financial statements for each financial year to give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and the results, changes in equity and the cash flows of the Group and of the Company for the financial year then ended. As required by the Act and the Listing Requirements of the KLSE, the Financial Statements have been prepared in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Act.

In preparing the financial statements, the Directors have:

- adopted suitable accounting policies and then applied them consistently; and
- made judgements and estimates that are prudent and reasonable.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Act. The Directors are also responsible for safeguarding the assets of the Group and of the Company and, hence, taking reasonable steps for the prevention and detection of fraud and other irregularities.



Audit Committee

1. MEMBERS

The Audit Committee presently consists of the following members:

Chairman	: Gan Kim Guan
Members	: Yeo Jon Tian @ Eeyo Jon Thiam Gooi Seong Heen
Secretaries to the Committee	: Chong Fook Sin Ng Kam May

2. MEETINGS

During the financial year ended 31 January 2002, the Audit Committee held a total of Five (5) meetings. The details of attendance of the Committee members are as follows:

Name	Date				
	29/3/2001	5/5/2001	26/6/2001	27/9/2001	28/12/2001
Gan Kim Guan	-	✓	✓	✓	✓
Gooi Seong Heen	✓	✓	✓	✓	✓
Yeo Jon Tian @ Eeyo Jon Thiam	✓	✓	✓	✓	✓
Mathew K. Mathai (resigned on 29/3/2001)	✓	-	-	-	-

- 2.1 To form a quorum in respect of a meeting of the Committee, the majority of members present must be independent directors.
- 2.2 A minimum of four (4) meetings per year is to be planned, although additional meetings may be called at any time at the Audit Committee Chairman's discretion. An agenda will be sent to all members of the Committee and any other persons who may be required/invited to attend. Quarterly results and annual financial statements reviewed by the Audit Committee before being presented to the Board for approval.
- 2.3 Notwithstanding paragraph 2.2 above, upon request of any member of the Committee, the External Auditors or the Internal Auditors, the Chairman of the Committee shall convene a meeting of the Committee to consider the matters brought to their attention.
- 2.4 Other directors, representatives of the External Auditors, Accountant, Head of the IA Department and members of Senior Management may be invited to attend as determined by the Audit Committee Chairman.
- 2.5 The Chairman shall upon the request of the External Auditors, convene a meeting of the Committee to consider any matter the External Auditors believe should be brought to the attention of the Directors or Shareholders. The External Auditors have the right to appear and be heard at any meeting of the Audit Committee and shall appear before the Committee when required to do so by the Committee.

Audit Committee (cont'd)

TERMS OF REFERENCE

1. Membership

The Audit Committee shall be appointed by the Board from among the Directors of the Company and shall be composed of no fewer than 3 members, the majority of whom shall be independent directors as defined in Chapter 1 of the Listing Requirements of the KLSE.

The quorum, shall be 2 members, a majority of whom shall be independent directors. The Chairman of the Audit Committee shall be elected by the members of the Audit Committee from among their members and shall be an independent director.

The Company Secretary shall be the Secretary of the Committee.

2. Attendance at Meetings

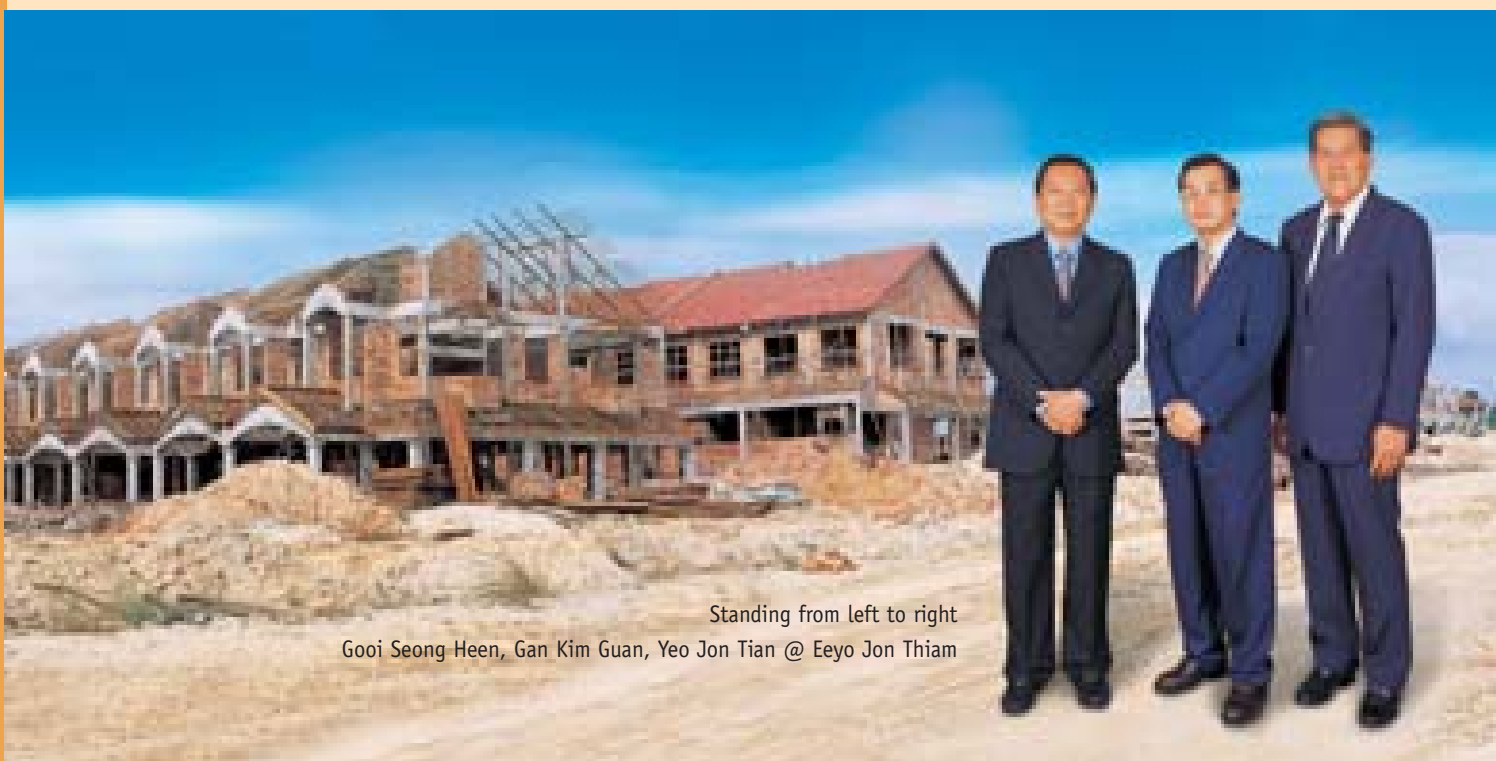
Other Directors and employees of the Company may only attend any particular Audit Committee Meeting at the Audit Committee's invitation, specific to the relevant meeting.

3. Frequency and Procedures of Meetings

(1) Meetings shall be held not less than four times a year.

(2) The Audit Committee shall regulate its own procedures, in particular:

- a) the calling of meetings;
- b) the notice to be given of such meetings;
- c) the voting and proceedings of such meetings;
- d) the keeping of minutes; and
- e) the custody, production and inspection of such minutes.



Standing from left to right
Gooi Seong Heen, Gan Kim Guan, Yeo Jon Tian @ Eeyo Jon Thiam

Audit Committee (cont'd)

4. Functions of Audit Committee

The Audit Committee shall amongst others, discharge the following functions:

- (1) review and report the same to the Board;
 - a. with the External Auditors, the audit plan;
 - b. with the External Auditors, their evaluation of the system of internal controls;
 - c. with the External Auditors, their audit report;
 - d. the assistance given by employees of the Company to the External Auditors;
 - e. the adequacy of the scope, functions and resources of the IA Department and that the IA Department has the necessary authority to carry out their work;
 - f. the internal audit programme and processes and the results of the internal or investigation undertaken and whether or not appropriate action has been taken on the recommendations of the IA Department;
 - g. the quarterly results and year end financial statements, prior to the approval by the Board, focusing particularly on:
 - i. changes in or implementation of major accounting policies;
 - ii. significant and unusual events; and
 - iii. compliance with accounting standards and other legal requirements;
 - h. any related party transactions and conflict of interest situations that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management 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 Auditors are not suitable for re-appointment.
- (2) recommend the nomination of a person or persons as External Auditors.

5. Rights of Audit Committee

The Audit Committee shall, in accordance with the procedures determined by the Board and at the cost of the Company:

- a) have authority to investigate any matter within its terms of reference;
- b) have the resources which are required 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) be able to obtain independent professional or other advice; and
- f) be able to convene meetings with the External Auditors, excluding the attendance of the executive members of the committee, whenever deemed necessary.

Audit Committee (cont'd)

REPORT AND MINUTES

During the year, the Audit Committee has discharged all its duties and responsibilities as set out below:

1. DETAILS OF THE MEETINGS

The principal business of these meetings were:

- a) Meeting with Head of the IA Department
 - ◆ To review and approve the proposed internal audit plan and programme;
 - ◆ To monitor the implementation of the internal audit plan;
 - ◆ To review and approve changes to the internal audit plan;
 - ◆ To review and evaluate the effectiveness of the internal audit procedures;
 - ◆ To consider the findings of the IA Department, obtain necessary explanation from management where deemed necessary and make recommendations to the Board as appropriate;
 - ◆ To ensure that the IA Department has adequate resources and has appropriate standing within the Group.
- b) Before the release of quarterly financial statements,
 - ◆ To review the financial statements for adequate and appropriate disclosures;
 - ◆ To discuss the impact of any changes in accounting or financial reporting policies, significant adjustment, significant unusual transaction and the going concern assumption.
- c) After the completion of the annual audit,
 - ◆ To review the draft financial statements and the audit report, and any significant adjustments required as a result of the audit, significant or unusual transactions and make the necessary recommendation to the Board for the approval of the financial statements; and
 - ◆ To review the nature and impact of any changes in accounting policies adopted by the Group during the financial year.

2. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

During the financial year ended 31 January 2002, the activities of the Audit Committee included:

- a) Review of unaudited quarterly results and the audited financial statements of the Group and of the Company and recommending for approval by the Board, upon being satisfied that inter-alia, the financial reporting and disclosure requirements of the relevant authorities had been complied with. Any significant issues resulting from the audit of the financial statements by the External Auditors have been noted.
- b) Review and approval of the annual internal audit plan for the financial year 2003. In its review of the annual internal audit plan, the Audit Committee reviewed the scope and coverage over the activities of the respective business units of the Group and the basis of assessment and risk rating of the proposed areas of audit.
- c) Review of related party transactions and conflict of interest situations that may arise within the Group.

Remuneration Committee

COMPOSITION OF MEMBERS

1. MEMBERS

The Remuneration Committee presently consists of the following members:

- ♦ Gan Kim Guan
- ♦ Gooi Seong Lim
- ♦ Mathew K. Mathai
- ♦ Yeo Jon Tian @ Eeyo Jon Thiam

Secretaries to the Committee : Chong Fook Sin
Ng Kam May

This committee was established on 27 March 2002.

TERMS OF REFERENCE

1. Membership

The Remuneration Committee shall be appointed by the Board from among the Directors of the Company and shall consist of at least 3 Directors, wholly of or a majority of whom are non-executive directors.

The members of the Remuneration Committee shall elect the Chairman from among their number who shall be a non-executive director.

In order to form a quorum in respect of a meeting of the Remuneration Committee, the members present must be wholly or a majority of whom must be non-executive directors.

The Company Secretary shall be the Secretary of the Remuneration Committee.

2. Frequency of Meeting

Meetings shall be held not less than once a year.

3. Authority

The Remuneration Committee is authorised to draw from outside advice as and when necessary in forming its recommendation to the Board on the remuneration of the Executive Directors in all its forms. Executive Directors should play no part in decision on their own remuneration and should abstain from discussion of their own remuneration.

4. Duty

The duty of this Committee is to recommend to the Board the structure and level of remuneration of Executive Directors.

5. Reporting Procedures

The Company Secretary shall circulate the minutes of the Remuneration Committee to all members of the Board.

Nomination Committee

COMPOSITION OF MEMBERS

1. MEMBERS

The Nomination Committee presently consists of the following members:

- ◆ Gan Kim Guan
- ◆ Mathew K. Mathai
- ◆ Yeo Jon Tian @ Eeyo Jon Thiam

Secretaries to the Committee : Chong Fook Sin
Ng Kam May

This committee was established on 27 March 2002.

TERMS OF REFERENCE

1. Membership

The Nomination Committee shall be appointed by the Board from among the Directors of the Company and shall consist exclusively of a minimum of three (3) non-executive directors, a majority of whom are independent.

The members of the Nomination Committee shall elect the Chairman from among their number who shall be an independent director.

In order to form a quorum in respect of a meeting of the Nomination Committee, the members present must be wholly or a majority of whom must be independent directors.

The Company Secretary shall be the Secretary of the Nomination Committee.

2. Frequency of Meeting

Meetings shall be held not less than once a year.

3. Authority

The Nomination Committee is to recommend new nominees for the Board and the Board Committees and to assess Directors on an on-going basis. The actual decision as to who shall be nominated should be the responsibility of the full Board after considering the recommendations of the Nomination Committee.

4. Duty

The duties of the Nomination Committee shall be: -

- (i) to recommend to the Board, candidates for all directorships and in doing so, preference shall be given to shareholders or existing Board members and candidates proposed by the Managing Director/Chief Executive Officer and, within the bounds of practicability, candidates proposed by any other senior executive or any director or shareholder may be considered.
- (ii) to recommend to the Board, Directors to fill the seats on the Board Committees.
- (iii) To review annually, on behalf of the Board, the required mix of skills, experience and other qualities, including core competencies, which Non-executive Directors should bring to the Board.
- (iv) to carry out annually, on behalf of the Board, the assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual director.

5. Reporting Procedures

The Company Secretary shall circulate the minutes of the Nomination Committee to all members of the Board.

Chairman's Statement

On behalf of the Board of Directors of Crescendo Corporation Berhad, I am pleased to present to you the Annual Report and Audited Financial Statements for the financial year ended 31 January 2002.

FINANCIAL RESULTS

The Group recorded an increase in revenue of RM2.2 million or 3.7% and profit before tax ("PBT") of RM3.1 million or 21.2% as compared to the previous financial year 2001. The revenue and PBT for the financial year 2002 are RM62.1 million and RM17.8 million respectively as compared to RM59.9 million and RM14.7 million respectively for the financial year 2001.

The marginal increase in revenue is mainly contributed by the increase in the sales of medium and low medium cost residential properties priced below RM200,000 each.

The increase in PBT is mainly due to the higher PBT margin from 24.5% in financial year 2001 to 28.6% in financial year 2002 contributed by the higher proportion of sales of factory and double storey terrace houses, with higher profit margin as compared to low and low medium cost flats priced below RM50,000 each.

VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

The actual profit after tax and minority interest of RM11.8 million for the financial year 2002 is higher than the profit estimate of RM10.9 million by RM0.9 million or 8.3% due to higher revenue.

DIVIDENDS

The Board is pleased to recommend for the financial year ended 31 January 2002 a final dividend of 2.5 sen per share, less 28% tax (2001: 2.5 sen per share, less 28% tax), making a total dividend of 5 sen per share, less 28% tax (2001: 5 sen per share, less 28% tax).



Datuk Haji Mohd. Zamani bin Samah
Chairman



CORPORATE DEVELOPMENTS

The Group undertook the following corporate exercises during the financial year 2002:

- i. The proposed acquisition of approximately 1,199.65 acres of land in the Mukim and District of Kota Tinggi and Mukim of Tebrau, District of Johor Baharu, for a total consideration of RM106.8 million to be satisfied in cash. This acquisition would be part financed by the proceeds of RM43.4 million to be raised from the Proposed Renounceable Rights Issue of Irredeemable Convertible Unsecured Loan Stocks ("ICULS") and the balance by bank borrowings of RM50 million and internally generated funds of RM13.4 million respectively. Approvals for the above acquisitions were obtained from the Foreign Investment Committee ("FIC"), the Securities Commission ("SC") and shareholders on 20 November 2001, 28 November 2001 and 8 February 2002 respectively. The conditions precedent for the acquisition were fulfilled on 31 May 2002 and full payment was made on the same day. The SC has granted the Company an extension of time up to 27 August 2002 for the implementation of the ICULS.

The Underwriting Agreement and Trust Deed pertaining to the ICULS were signed on 12 June 2002. The Abridged Prospectus for the ICULS will be issued as soon as possible after all relevant approvals have been received and the ICULS are expected to be listed in the KLSE by August this year.

- ii. The proposed acquisition of 119.13125 acres of land in the Mukim of Tebrau, District of Johor Baharu and 71.4375 acres of land in the Mukim and District of Kota Tinggi and Mukim of Tebrau, District of Johor Baharu at the consideration of RM17.3 million and RM4.0 million respectively to be satisfied in cash from internally generated funds. Approvals for the above acquisitions were obtained from the FIC and the shareholders on 20 November 2001 and 8 February 2002 respectively.
- iii. The proposed establishment of an Employees' Shares Option Scheme ("ESOS") granting every eligible employee and executive director an option to subscribe for new shares in the Company, subject to the By-laws of the ESOS, were approved by the SC and shareholders on 27 November 2001 and 8 February 2002 respectively. The ESOS Committee was set up on 27 March 2002 to address outstanding issues, if any, prior to the implementation of the proposed ESOS and to issue the options to all eligible employees. The SC has granted the Company an extension of time up to 27 June 2002 for the implementation of the ESOS.

- iv. The proposed share buy-back of up to 10% of the total paid up capital of the Company was approved by the shareholders on 28 January 2002. As at 31 May 2002 the Company has not bought-back any share. The Board has proposed to seek shareholders' approval to extend the mandate for share buy-back by another year at the forthcoming Annual General Meeting.

REVIEW OF BUSINESS ACTIVITIES

INDUSTRIAL PROPERTY DEVELOPMENT

The industrial property operation has gone through a turbulent year. The industrial property operation has recorded revenue of RM25.3 million in the year under review as compared to RM31.8 million in the previous financial year. This represents a decrease in revenue of RM6.5 million or 20.4%. Sales of industrial properties were low in the first quarter but picked up gradually in the second and third quarters of the financial year 2002 as the domestic and global economy showed signs of stabilisation and recovery. In the fourth quarter, sales of industrial properties reduced significantly due to the uncertainties caused by the September 11 tragedy in the United States of America.

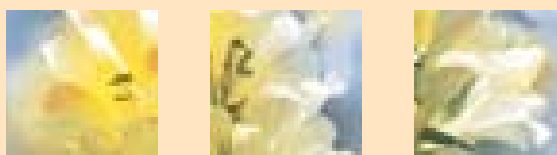
Contribution from the industrial property operation to the Group's revenue reduced to 40.8% as compared to 53.1% in the previous financial year. However, the industrial property operation remained the main contributor for the financial year 2002.

RESIDENTIAL AND COMMERCIAL DEVELOPMENT

The residential property operation recorded revenue of RM23.3 million in the year under review as compared to RM7.6 million in the previous financial year. This represents an increase in revenue of RM15.7 million or more than 200%. The significant increase in revenue is mainly due to the sales of double storey terrace houses.

The profit margin for the residential property sector increased from 15.0% in the financial year 2001 to 35.1% in the financial year 2002 due to the higher proportion of sales of double storey terrace houses, the profit margin for which is higher, as compared to low and low medium flats.

We will be concentrating on the sale of double storey terrace houses and low medium cost flats in the current financial year ending 31 January 2003.





CONSTRUCTION

The construction operation has recorded a significant decrease in PBT from RM3.1 million in the financial year 2001 to RM1.5 million in the financial year 2002. The decrease is mainly due lower construction activity as a large proportion of the contracts in hand was billed in the previous financial year and the new contracts secured during the financial year 2002 are still at the initial stages of construction.

The Group expects the construction operation to perform better in the financial year 2003 as the Group has secured approximately RM20 million worth of contracts from external parties in the financial year 2002. The Group started the construction work at the end of financial year 2002 and expects to complete the project before June 2003.

CORPORATE CITIZEN

The Group is committed to be a responsible corporate citizen and firmly believes that the community is also its stakeholder. The Group is landscaping the open spaces, parks and roads to beautify and green Desa Cemerlang and Taman Perindustrian Cemerlang to support a clean and healthy environment. These beautifying and greening activities are beyond the local authorities' requirements.

To enhance the security and safety of the residents in Desa Cemerlang and Taman Perindustrian Cemerlang, the Group has constructed at its own cost a police post at Desa Cemerlang. On 30 April 2002, the Group also sponsored a Perodua Kancil and presented the mock key to the Chief Police Officer of Johor during the opening ceremony of the police post.

As a caring corporate citizen, the Group believes that improving accessibility to higher education opportunity is the best way to groom the future generation of Malaysia to contribute towards the growth of the nation. The Group is awarding 200 scholarships worth RM600,000 in total to students with excellent results to study for the prestigious University of London Honours Degree Programmes at the Crescendo International College.

DEVELOPMENT AND PROSPECTS

The prospects for property and construction industries appeared good in view of the expansionary fiscal and monetary policies implemented by the Government and the low interest rate loans offered by the banking sector. Furthermore, the increase in domestic consumption, growing signs of stability and improving global economic outlook have boosted sentiment of an imminent economic expansion recovery.

For the financial year 2003, the construction operation is expected to perform better than the financial year 2002 and the residential property operation is expected to be the main contributor to the Group. The Group launched 110 units of double storey terrace houses in April 2002 and will also be launching 6 units of detached factories and 202 units of low medium cost flats in the second half of 2002.

Barring unforeseen circumstances, the Board expects the Group's performance for the financial year ending 31 January 2003 to be satisfactory.

APPRECIATION

On behalf of the Board, I wish to express my appreciation to the Management and Staff for their loyal and dedicated services and to various government authorities and agencies, bankers, customers and business associates for their co-operation and continual support.

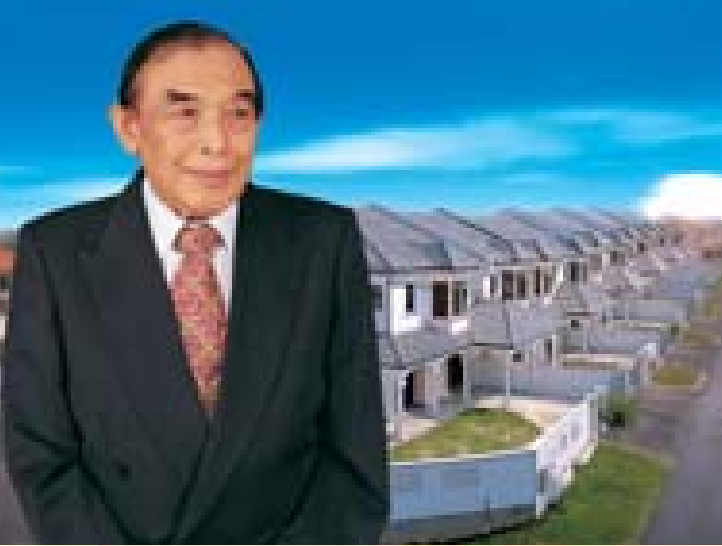
Finally, I wish to thank my fellow Board members for their support and to the shareholders for their confidence in the Board and Management of the Group.

Datuk Haji Mohd. Zamani bin Samah

Chairman

Johor Bahru, Johor

12 June 2002

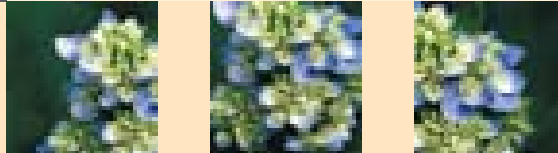


Penyata Pengerusi

Bagi pihak Lembaga Pengarah Crescendo Corporation Berhad, saya dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan Teraudit bagi tahun kewangan berakhir 31 Januari 2002.

Datuk Haji Mohd. Zamani bin Samah

Pengerusi



KEPUTUSAN KEWANGAN

Kumpulan mencatat peningkatan dalam hasil sebanyak RM2.2 juta atau 3.7% dan keuntungan sebelum cukai ("PBT") sebanyak RM3.1 juta atau 21.2% berbanding dengan tahun kewangan 2001 sebelumnya. Hasil dan PBT bagi tahun kewangan 2002 masing-masing adalah RM62.1 juta dan RM17.8 juta berbanding dengan RM59.9 juta dan RM14.7 juta bagi tahun kewangan 2001 sebelumnya.

Peningkatan marginal pada hasil adalah terutamanya disebabkan oleh peningkatan jualan harta kediaman harga sederhana dan rendah yang dijual pada harga dibawah RM200,000 setiap satu.

Peningkatan PBT adalah terutamanya akibat daripada margin PBT yang lebih tinggi daripada 24.5% dalam tahun kewangan 2001 kepada 28.6% dalam tahun kewangan 2002 disumbangkan oleh peratusan jualan yang tinggi bagi bangunan kilang dan rumah teres dua tingkat yang mana margin keuntungan adalah lebih tinggi, berbanding rumah pangsa kos rendah dan sederhana rendah yang dijual pada harga dibawah RM50,000 setiap satu.

PERBEZAAN KEUNTUNGAN SEBENAR BERBANDING DENGAN KEUNTUNGAN RAMALAN

Keuntungan sebenar selepas cukai dan kepentingan minoriti sebanyak RM11.8 juta bagi tahun kewangan 2002 adalah lebih tinggi daripada anggaran keuntungan sebanyak RM10.9 juta dengan kelebihan RM 0.9 juta atau 8.3% akibat daripada hasil yang lebih tinggi.

DIVIDEN

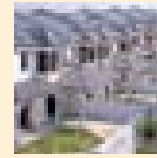
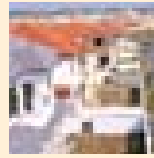
Lembaga dengan sukacita mencadangkan untuk tahun kewangan 2002, dividen akhir sebanyak 2.5 sen sesaham, ditolak 28% cukai (2001: 2.5 sen sesaham, ditolak 28% cukai), menjadikan dividen keseluruhan sebanyak 5 sen sesaham, ditolak 28% cukai (2001: 5 sen sesaham, ditolak 28% cukai).

PERKEMBANGAN KORPORAT

Kumpulan telah melaksanakan usaha-usaha korporat berikut dalam tahun kewangan 2002:

- i) Cadangan pemerolehan lebih kurang 1,199.65 ekar tanah di Mukim dan Daerah Kota Tinggi dan Mukim Tebrau, Daerah Johor Bahru, dengan harga berjumlah RM106.8 juta yang akan dibayar secara tunai. Pemerolehan ini akan sebahagiannya dibiayai daripada hasil pemerolehan yang akan dikumpulkan sebanyak RM 43.4 juta daripada Terbitan Hak Boleh Lepas yang dicadangkan dalam bentuk Stok Pinjaman Tidak Bercagar Boleh Tukar Tidak Boleh Tebus ("ICULS") dan bakinya daripada pinjaman bank sebanyak RM50 juta dan dana janaan dalaman sebanyak RM13.4 juta. Kelulusan-kelulusan bagi pemerolehan-pemerolehan tersebut masing-masing telah diterima daripada Jawatankuasa Pelaburan Asing ("FIC"), Suruhanjaya Sekuriti ("SC") dan pemegang-pemegang saham pada 20 November 2001, 28 November 2001 dan 8 Februari 2002. Syarat-syarat yang dikenakan sebelum pemerolehan telah dipenuhi pada 31 Mei 2002 dan bayaran sepenuhnya telah dibuat pada hari yang sama. SC telah membenarkan Syarikat lanjutan masa sehingga 27 Ogos 2002 untuk melaksanakan ICULS itu.

Perjanjian Penaja Jaminan dan Surat Ikatan Amanah berkaitan terbitan ICULS itu telah ditandatangani pada 12 Jun 2002. Prospektus Ringkas bagi ICULS akan dikeluarkan secepat mungkin selepas semua kelulusan berkenaan diperolehi dan ICULS itu dijangka disenaraikan di Bursa Saham Kuala Lumpur ("KLSE") menjelang Ogos tahun ini.



PERKEMBANGAN KORPORAT (samb.)

- ii) Cadangan pemerolehan 119.13125 ekar tanah di Mukim Tebrau, Daerah Johor Bahru dan 71.4375 ekar tanah di Mukim dan Daerah Kota Tinggi dan Mukim Tebrau, Daerah Johor Bahru masing-masing dengan harga RM17.3 juta dan RM4.0 juta akan dibayar secara tunai daripada dana janaan dalaman. Kelulusan-kelulusan untuk pemerolehan-pemerolehan tersebut telah diterima daripada FIC dan pemegang-pemegang saham masing-masing pada 20 November 2001 dan 8 Februari 2002.
- iii) Cadangan penubuhan Skim Opsyen Saham Pekerja ("ESOS") memberi setiap kakitangan dan pengarah eksekutif yang layak satu opsyen untuk melanggan saham baru dalam syarikat, tertakluk kepada undang-undang kecil berkaitan ESOS, telah diluluskan oleh SC dan pemegang-pemegang saham, masing-masing pada 27 November 2001 dan 8 Februari 2002. Jawatankuasa ESOS telah ditubuhkan pada 27 Mac 2002 untuk membincangkan isu-isu yang belum selesai, jika ada, sebelum pelaksanaan ESOS yang dicadangkan dan untuk mengeluarkan opsyen kepada semua kakitangan yang layak. SC telah meluluskan lanjutan masa hingga 27 Jun 2002 bagi Syarikat melaksanakan ESOS.
- iv) Cadangan pembelian balik saham sehingga 10% keseluruhan modal berbayar Syarikat telah diluluskan oleh pemegang-pemegang saham pada 28 Januari 2002. Setakat 31 Mei 2002, Syarikat belum lagi membuat sebarang pembelian balik mana-mana saham. Lembaga telah bercadang untuk mendapatkan kelulusan daripada pemegang-pemegang saham untuk melanjutkan mandat bagi pembelian balik saham itu setahun lagi di Mesyuarat Agung Tahunan akan datang.

ULASAN AKTIVITI-AKTIVITI PERNIAGAAN

PEMBANGUNAN HARTA PERINDUSTRIAN

Operasi harta perindustrian telah menempuhi tahun yang bergolak. Operasi harta perindustrian telah mencatat hasil sebanyak RM25.3 juta dalam tahun kajian berbanding RM31.8 juta dalam tahun kewangan sebelumnya. Ini melambangkan penurunan hasil sebanyak RM6.5 juta atau 20.4%. Jualan harta perindustrian adalah rendah dalam suku tahun pertama tetapi meningkat secara berperingkat dalam suku tahun kedua dan ketiga tahun kewangan 2002 apabila ekonomi domestik dan global menunjukkan tanda-tanda penstabilan dan pemulihan. Dalam suku tahun keempat, jualan harta perindustrian menurun secara mendadak disebabkan ketidakpastian akibat tragedi 11 September di Amerika Syarikat.

Sumbangan daripada operasi harta perindustrian terhadap jumlah dagangan Kumpulan telah menurun kepada 40.8% berbanding 53.1% dalam tahun kewangan sebelumnya. Walau bagaimanapun, operasi harta perindustrian kekal sebagai penyumbang utama dalam tahun kewangan 2002.

PEMBANGUNAN KEDIAMAN DAN KOMERSIAL

Operasi harta kediaman telah mencatat hasil sebanyak RM23.3 juta dalam tahun kajian berbanding dengan RM7.6 juta dalam tahun sebelumnya. Ini melambangkan peningkatan dalam jumlah dagangan sebanyak RM15.7 juta atau lebih daripada 200%. Peningkatan yang signifikan dalam jumlah dagangan ini sebahagian besarnya disebabkan oleh jualan rumah teres dua tingkat.

PEMBANGUNAN KEDIAMAN DAN KOMERSIAL (samb.)

Margin keuntungan bagi sektor harta kediaman meningkat daripada 15.0% dalam tahun kewangan 2001 kepada 35.1% dalam tahun kewangan 2002 disebabkan peratusan lebih tinggi bagi jualan rumah teres dua tingkat, berbanding dengan rumah pangsa kos rendah dan rendah sederhana.

Kami akan memberikan penumpuan kepada penjualan rumah teres dua tingkat dan rumah pangsa rendah sederhana dalam tahun kewangan berakhir 31 Januari 2003.

PEMBINAAN

Operasi pembinaan telah mencatatkan penurunan signifikan dalam PBT daripada RM3.1 juta dalam tahun kewangan 2001 kepada RM1.5 juta dalam tahun kewangan 2002. Penurunan ini disebabkan terutamanya oleh kurangnya aktiviti pembinaan kerana sebahagian besar kontrak-kontrak sedia ada telah dibilkan dalam tahun kewangan sebelumnya dan kontrak-kontrak baru yang diperolehi dalam tahun kewangan 2002 masih lagi berada dalam peringkat awal pembinaan.

Kumpulan mengharapkan agar operasi pembinaan menunjukkan prestasi lebih baik dalam tahun kewangan 2003 kerana Kumpulan telah memperolehi kontrak-kontrak bernilai hampir RM20 juta daripada parti-parti luar. Kumpulan telah memulakan kerja pembinaan pada hujung tahun kewangan 2002 dan dijangka siap sebelum Jun 2003.

WARGA KORPORAT

Kumpulan adalah komited untuk menjadi warga korporat yang bertanggungjawab dan dengan tegas percaya bahawa masyarakat juga merupakan pemegang kepentingan dalam Syarikat. Syarikat juga sedang membuat beberapa projek landskap di kawasan-kawasan tanah lapang, taman-taman dan jalan raya untuk mempercantik dan menghijaukan Desa Cemerlang dan Taman Perindustrian Cemerlang bagi menyokong persekitaran yang bersih dan sihat. Aktiviti-aktiviti mempercantik dan menghijaukan ini adalah melebihi keperluan-keperluan yang ditetapkan oleh pihak-pihak berkuasa tempatan.

Untuk mempertingkatkan keamanan dan keselamatan penduduk-penduduk Desa Cemerlang dan Taman Perindustrian Cemerlang, Kumpulan telah membina dengan perbelanjaan sendiri sebuah pondok kawalan polis di Desa Cemerlang. Pada 30 April 2002, Kumpulan juga telah menaja sebuah kereta Perodua Kancil dan menyampaikan kunci olok kepada Ketua Polis Johor pada majlis perasmian pondok kawalan polis itu.

Sebagai warga korporat yang penyayang, Kumpulan percaya usaha untuk memudahkan kemasukkan kepada peluang-peluang pendidikan tinggi adalah cara terbaik untuk mengasuh generasi masa depan untuk menyumbang kepada pembangunan negara. Kumpulan sedang menganugerahkan 200 biasiswa yang keseluruhannya bernilai RM600,000 kepada pelajar-pelajar yang mendapat keputusan cemerlang untuk mengikuti Program Ijazah Kepujian Universiti London yang berprestij di Kolej International Crescendo.

PEMBANGUNAN DAN PROSPEK

Prospek bagi industri hartanah dan pembinaan kelihatan agak baik memandangkan dasar fiskal dan kewangan kerajaan yang menggalakkan pengembangan dan kadar faedah yang rendah yang ditawarkan oleh sektor perbankan. Lagi pun, peningkatan dalam penggunaan domestik, tanda-tanda peningkatan kestabilan dan gambaran keseluruhan yang semakin baik bagi ekonomi global telah melonjakkan sentimen bahawa satu pemulihan ekonomi akan berlaku.

Bagi tahun kewangan 2003, operasi pembinaan dijangka mencapai prestasi lebih baik daripada tahun kewangan 2002 dan operasi harta kediaman dijangka menjadi penyumbang utama kepada keuntungan Kumpulan. Kumpulan telah melancarkan 110 unit rumah teres dua tingkat pada April 2002 dan akan melancarkan 6 unit kilang berasingan dan 202 unit rumah pangsa kos rendah sederhana dalam setengah tahun kedua 2002.

Dalam ketiadaan keadaan di luar jangkaan, Lembaga mengharapkan prestasi Kumpulan yang memuaskan bagi tahun kewangan berakhir 31 Januari 2003.

PENGHARGAAN

Bagi pihak Lembaga, saya ingin menyampaikan penghargaan saya kepada Pengurusan dan kakitangan kerana khidmat setia dan dedikasi mereka, serta jabatan-jabatan dan agensi-agensi kerajaan, bank-bank, para pelanggan dan rakan perniagaan kerana kerjasama dan sokongan mereka yang berterusan.

Akhir sekali, saya ingin mengucapkan terima kasih kepada rakan-rakan seperjuangan saya dalam Lembaga kerana sokongan mereka, serta para pemegang saham kerana kepercayaan mereka terhadap Lembaga dan Pengurusan Kumpulan.

Datuk Haji Mohd. Zamani bin Samah

Pengerusi,
Johor Bahru, Johor
12 Jun 2002

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Financial Statements

Directors' Report

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and in the provision of management services to companies in the Group and other related companies.

The subsidiary companies are principally engaged in property development, investment holding, building construction, property investment and management, trading and manufacturing of concrete products, civil engineering works, trading in building materials and providing education services.

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

FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Profit after tax	11,844,111	2,803,212
Minority interests	(84,529)	-
Net profit for the financial year	11,759,582	2,803,212

DIVIDENDS

The dividends paid or declared by the Company since the end of the previous financial year were as follows :

	RM
In respect of the financial year ended 31 January 2001, as shown in the Directors' Report for that financial year, final gross dividend of 2.5 sen on 108,495,930 ordinary shares, less tax, paid on 28 September 2001	1,952,927
In respect of the financial year ended 31 January 2002, interim gross dividend of 2.5 sen on 108,495,930 ordinary shares, less tax, paid on 31 January 2002	1,952,927
	3,905,854

The Directors recommend the payment of a final gross dividend of 2.5 sen per share on 108,495,930 ordinary shares, less tax, amounting to RM1,952,927 subject to the approval of members at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES

During the financial year, there was no issuance of shares made by the Company.

OPTIONS

No option has been granted to any person to take up unissued shares of the Company and no shares have been issued by virtue of any option.

Directors' Report FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

DIRECTORS

The Directors who have held office since the date of the last report are as follows :-

Datuk Haji Mohd. Zamani bin Samah
 Gooi Seong Lim
 Gooi Seong Heen
 Loo Geok Eng (f)
 Gooi Seong Gum
 Gooi Seow Mee (f)
 Yeo Jon Tian @ Eeyo Jon Thiam
 Mathew K. Mathai
 Gan Kim Guan
 YB. Dato' Haji Mohd. Ali bin Hassan
 Gooi Seong Chneh (Resigned as a director and appointed as an alternate director to Gooi Seong Heen on 3.9.2001)

In accordance with the Articles of Association, GOOI SEONG GUM and GOOI SEOW MEE (f) are required to retire by rotation from the Board at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

DATUK HAJI MOHD. ZAMANI BIN SAMAH and LOO GEOK ENG (f), retire pursuant to Section 129 (2) of the Companies Act, 1965 and resolutions will be proposed for their re-appointment as Directors under the provisions of Section 129 (6) of the said Act to hold office until the next Annual General Meeting of the Company.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which the director has a substantial financial interest.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects 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' INTERESTS IN SHARES AND DEBENTURES

None of the Directors who held office at the end of the financial year had, according to the Register of Directors' Shareholdings, any interest in the shares of the Company and its related corporations except as stated below :

	Number of ordinary shares of RM1 each in the Company			
	At 1.2.2001	Bought	Sold	At 31.1.2002
Gooi Seong Lim				
- direct interest	232,292	1,044,734	-	1,277,026
- indirect interest	72,771,065	-	-	72,771,065
Gooi Seong Heen				
- direct interest	307,292	1,044,734	-	1,352,026
- indirect interest	72,771,065	-	-	72,771,065
Loo Geok Eng (f)				
- direct interest	98,000	1,044,734	-	1,142,734
- indirect interest	72,771,065	-	-	72,771,065
Gooi Seong Gum				
- direct interest	3,503,654	-	(2,192,627)	1,311,027
- indirect interest	72,771,065	-	-	72,771,065

Directors' Report FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (cont'd)

	Number of ordinary shares of RM1 each in the Company			
	At 1.2.2001	Bought	Sold	At 31.1.2002
Gooi Seow Mee (f)				
- direct interest	1,320,292	44,734	-	1,365,026
- indirect interest	72,771,065	-	-	72,771,065
Gooi Seong Chneh				
- direct interest	2,247,335	-	(980,309)	1,267,026
- indirect interest	72,771,065	-	-	72,771,065

By virtue of Sharikat Kim Loong Sendirian Berhad owning 70,595,500 shares representing a 65.1% equity interest in the Company, Gooi Seong Lim, Gooi Seong Heen, Loo Geok Eng (f), Gooi Seong Gum, Gooi Seow Mee (f) and Gooi Seong Chneh, are deemed to have interests in the shares of the Company and all the Company's subsidiaries to the extent the Company has an interest.

	Sharikat Kim Loong Sendirian Berhad (Holding company) Number of ordinary shares of RM100 each			
	At 1.2.2001	Bought	Sold	At 31.1.2002
Gooi Seong Lim				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Gooi Seong Heen				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Loo Geok Eng (f)				
- direct interest	1,250	-	-	1,250
Gooi Seong Gum				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Gooi Seow Mee (f)				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Gooi Seong Chneh				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250

No debentures have been issued by the Company or its related corporations.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps :-

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets, other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

Directors' Report FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (cont'd)

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

- (i) which would render the amount written off for bad debts, or the amount of allowance for doubtful debts, in the financial statements of the Group and the Company inadequate to any substantial extent, or
- (ii) which 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 the Company misleading or inappropriate.

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

At the date of this report there does not exist :

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

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

In the opinion of the directors, the results of the operations of the Group and the Company during the financial year ended 31 January 2002 were not 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 the financial year and the date of this report.

HOLDING AND ULTIMATE HOLDING COMPANY

The Directors regard Sharikat Kim Loong Sendirian Berhad, a company incorporated in Malaysia, as the Company's holding and ultimate holding company.

AUDITORS

The auditors Messrs. C S TAN & ASSOCIATES, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the Directors

GOOI SEONG LIM
Director

GOOI SEONG GUM
Director

Dated : 20 May 2002

Statement By Directors PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, **GOOI SEONG LIM** and **GOOI SEONG GUM**, being two of the Directors of **CRESCENDO CORPORATION BERHAD**, do hereby state that in the opinion of the Directors, the financial statements set out on pages 40 to 65 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 January 2002 and of the results, the changes in equity and the cash flows of the Group and of the Company for the financial year ended on that date in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards in Malaysia .

On behalf of the Board,

GOOI SEONG LIM
Director

GOOI SEONG GUM
Director

Dated : 20 May 2002

Statutory Declaration PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, **GOOI SEONG LIM**, being the Director primarily responsible for the financial management of **CRESCENDO CORPORATION BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 40 to 65 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)

)

GOOI SEONG LIM)

at Johor Bahru in the State of Johor this 20 May 2002)

GOOI SEONG LIM
Director

Before me,

Commissioner for Oaths

Report of the Auditors to the Members

of **CRESCENDO CORPORATION BERHAD** (Incorporated in Malaysia)

We have audited the financial statements of **CRESCENDO CORPORATION BERHAD** set out on pages 40 to 65. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and the 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 as at 31 January 2002 and of the results, the changes in equity and the cash flows of the Group and of the Company for the financial year then ended; 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 subsidiary companies have been properly kept in accordance with the provisions of the said Act.

We are satisfied that the financial statements of the subsidiary companies 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 have received satisfactory information and explanations required by us for those purposes.

The auditors' report on the financial statements of the subsidiary companies were not subject to any qualification or did not include any comment under Section 174(3) of the Companies Act, 1965.

C S TAN & ASSOCIATES
Firm Number: AF 1144
Chartered Accountants

TAN CHEE SENG
Approval Number: 1732 / 11 / 03(J)

Dated : 20 May 2002

Balance Sheets AS AT 31 JANUARY 2002

	Note	GROUP		COMPANY	
		2002 RM	2001 RM	2002 RM	2001 RM
NON CURRENT ASSETS					
Property, plant and equipment	3	60,764,708	60,751,331	236,444	62,019
Investment in subsidiaries	4	-	-	125,855,279	125,855,279
Associated company	5	-	1,469,460	-	-
Investments	6	8,273,066	8,423,380	-	-
Land and development expenditure	7	54,453,339	58,023,754	-	-
		123,491,113	128,667,925	126,091,723	125,917,298
CURRENT ASSETS					
Land and development expenditure	7	24,207,329	15,509,249	-	-
Inventories	8	9,332,888	12,788,837	-	-
Amounts due from customers	9	3,652,667	4,078,994	-	-
Tax recoverable		3,629,009	2,329,665	963,153	793,447
Debtors	10	29,150,140	22,029,751	1,338,164	4,264,811
Fixed deposits with licensed banks	11	38,700,000	35,840,000	3,000,000	-
Cash and bank balances	12	13,779,756	17,119,859	316,626	498,061
		122,451,789	109,696,355	5,617,943	5,556,319
CURRENT LIABILITIES					
Creditors	13	17,034,497	17,168,346	1,834,461	495,770
Short term borrowings	14	1,109,466	584,459	-	-
Provision for tax		852,779	1,478,032	-	-
		18,996,742	19,230,837	1,834,461	495,770
Net Current Assets		103,455,047	90,465,518	3,783,482	5,060,549
NON CURRENT LIABILITIES					
Hire purchase creditor	15	-	128,332	-	-
Deferred tax	16	5,063,795	5,062,203	-	-
		5,063,795	5,190,535	-	-
		221,882,365	213,942,908	129,875,205	130,977,847
CAPITAL AND RESERVES					
Share capital	17	108,495,930	108,495,930	108,495,930	108,495,930
Reserves		111,686,740	103,833,012	21,379,275	22,481,917
Shareholders' equity		220,182,670	212,328,942	129,875,205	130,977,847
Minority interests		1,699,695	1,613,966	-	-
		221,882,365	213,942,908	129,875,205	130,977,847

Income Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002

	Note	GROUP		COMPANY	
		2002 RM	2001 RM	2002 RM	2001 RM
REVENUE	22	62,108,612	59,863,494	7,280,592	10,955,306
Cost of sales	22	(40,598,792)	(41,317,144)	-	-
Gross profit		21,509,820	18,546,350	7,280,592	10,955,306
Other operating income		3,214,810	3,313,772	76,033	15,644
Administrative expenses		(5,902,479)	(5,565,299)	(3,312,268)	(3,014,285)
Other operating expenses		(59,516)	(203,610)	-	-
Gain / (Loss) on disposal of investment		513,894	(122,904)	-	-
Diminution in value of shares		-	(1,181,134)	-	-
Profit from operations	23	19,276,529	14,787,175	4,044,357	7,956,665
Finance cost	24	(58,696)	(91,512)	(7,110)	(7,581)
Share of results in associated company		-	(4,000)	-	-
Diminution in value of shares in associated company		(1,470,660)	-	-	-
Profit before tax		17,747,173	14,691,663	4,037,247	7,949,084
Tax	26	(5,903,062)	(4,696,713)	(1,234,035)	(2,276,510)
Profit after tax		11,844,111	9,994,950	2,803,212	5,672,574
Minority interests		(84,529)	(497,794)	-	-
Net profit for the financial year		11,759,582	9,497,156	2,803,212	5,672,574
Earnings per share (sen)					
- basic	27	10.8	8.8	2.6	5.2
Dividends per share (sen)	28	5.0	5.0	5.0	5.0

Consolidated Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002

	Share Capital RM	Non-distributable		Distributable	Total RM
		Share Premium RM	Reserves on Consolidation RM	Retained Profit RM	
Balance as at 1 February 2000					
As previously reported	108,495,930	15,503,920	28,973,700	51,811,163	204,784,713
Prior year adjustment (Note 29)	-	-	-	2,343,512	2,343,512
As restated	108,495,930	15,503,920	28,973,700	54,154,675	207,128,225
Net profit for the financial year	-	-	-	9,497,156	9,497,156
Dividend paid for the financial year					
- 31 January 2000	-	-	-	(2,343,512)	(2,343,512)
- 31 January 2001	-	-	-	(1,952,927)	(1,952,927)
Balance as at 31 January 2001	108,495,930	15,503,920	28,973,700	59,355,392	212,328,942
Balance as at 1 February 2001					
As previously reported	108,495,930	15,503,920	28,973,700	57,402,465	210,376,015
Prior year adjustment (Note 29)	-	-	-	1,952,927	1,952,927
As restated	108,495,930	15,503,920	28,973,700	59,355,392	212,328,942
Net profit for the financial year	-	-	-	11,759,582	11,759,582
Dividend paid for the financial year					
- 31 January 2001	-	-	-	(1,952,927)	(1,952,927)
- 31 January 2002	-	-	-	(1,952,927)	(1,952,927)
Balance as at 31 January 2002	108,495,930	15,503,920	28,973,700	67,209,120	220,182,670

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002

	Share Capital RM	Non-distributable		Distributable	Total RM
		Share Premium RM	Reserves on Consolidation RM	Retained Profit RM	
Balance as at 1 February 2000					
As previously reported	108,495,930	15,503,920	-	3,258,350	127,258,200
Prior year adjustment (Note 29)	-	-	-	2,343,512	2,343,512
As restated	108,495,930	15,503,920	-	5,601,862	129,601,712
Net profit for the financial year	-	-	-	5,672,574	5,672,574
Dividend paid for the financial year					
- 31 January 2000	-	-	-	(2,343,512)	(2,343,512)
- 31 January 2001	-	-	-	(1,952,927)	(1,952,927)
Balance as at 31 January 2001	108,495,930	15,503,920	-	6,977,997	130,977,847
Balance as at 1 February 2001					
As previously reported	108,495,930	15,503,920	-	5,025,070	129,024,920
Prior year adjustment (Note 29)	-	-	-	1,952,927	1,952,927
As restated	108,495,930	15,503,920	-	6,977,997	130,977,847
Net profit for the financial year	-	-	-	2,803,212	2,803,212
Dividend paid for the financial year					
- 31 January 2001	-	-	-	(1,952,927)	(1,952,927)
- 31 January 2002	-	-	-	(1,952,927)	(1,952,927)
Balance as at 31 January 2002	108,495,930	15,503,920	-	5,875,355	129,875,205

Consolidated Cash Flow Statement

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002

	Note	2002 RM	2001 RM
Cash flows from operating activities			
Cash receipts from customers		70,576,597	82,664,001
Cash paid to suppliers and employees		(47,693,921)	(46,802,730)
Cash generated from operations		22,882,676	35,861,271
Interest paid		(58,696)	(84,297)
Tax paid		(7,828,457)	(10,895,333)
Net cash from operating activities		14,995,523	24,881,641
Cash flows from investing activities			
Acquisition of plant and equipment		(960,206)	(1,296,573)
Deposit for purchase of properties		(12,804,338)	-
Expenses incurred relating to proposed corporate exercise		(507,605)	-
Acquisition of investments		(2,344,330)	(4,139,869)
Proceeds from disposal of investments		3,008,538	508,959
Proceeds from disposal of plant and equipment		225,068	267,847
Dividends received		310,421	176,157
Interest received		1,124,099	838,857
Net cash used in investing activities		(11,948,353)	(3,644,622)
Cash flows from financing activities			
Repayment of hire purchase creditor		(146,159)	(33,209)
Hire purchase interest		(18,094)	(7,215)
Proceeds from issuance of shares to minority shareholders of a subsidiary company		-	9,800
Dividend paid		(3,905,854)	(4,296,439)
Net cash used in financing activities		(4,070,107)	(4,327,063)
Net (decrease) / increase in cash and cash equivalents		(1,022,937)	16,909,956
Cash and cash equivalents at the beginning of the financial year		52,451,307	35,541,351
Cash and cash equivalents at the end of the financial year	31	51,428,370	52,451,307

Cash Flow Statement

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002

	Note	2002 RM	2001 RM
Cash flows from operating activities			
Cash receipts from customers		2,051,033	1,650,676
Cash paid to suppliers and employees		(3,291,024)	(3,022,488)
Cash utilised by operations		(1,239,991)	(1,371,812)
Interest paid		(7,110)	(7,581)
Tax paid		(2,675,781)	(2,728,877)
Net cash utilised by operating activities		(3,922,822)	(4,108,270)
Cash flow from investing activities			
Acquisition of plant and equipment		(205,229)	-
Expenses incurred for the proposed corporate exercise		(381,549)	-
Dividend received		9,836,000	9,086,000
Interest received		76,033	15,644
Net cash from investing activities		9,325,255	9,101,644
Cash flow from financing activities			
Advance from / (to) subsidiary companies		1,322,046	(1,371,760)
Dividend paid		(3,905,854)	(4,296,439)
Net cash used in financing activities		(2,583,808)	(5,668,199)
Net increase / (decrease) in cash and cash equivalents		2,818,565	(674,825)
Cash and cash equivalents at the beginning of the financial year		498,061	1,172,886
Cash and cash equivalents at the end of the financial year	31	3,316,626	498,061

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002

1. GENERAL INFORMATION

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

(b) The address of the registered office of the Company is as follows :

Unit No. 203, 2nd Floor,
Block C, Damansara Intan,
No. 1, Jalan SS 20/27,
47400 Petaling Jaya, Selangor.

(c) The address of the principal place of business of the Company is as follows :

Lot 18.02, 18th Floor, Public Bank Tower,
No 19, Jalan Wong Ah Fook,
80000 Johor Bahru, Johor.

(d) Employee information

	GROUP		COMPANY	
	2002	2001	2002	2001
Number of employees at the end of the financial year	89	77	55	50
Staff cost (RM)				
Amount charged to income statement	3,691,321	2,993,076	1,598,521	1,512,986
Amount capitalised in assets	99,743	93,908	-	-
Total	3,791,064	3,086,984	1,598,521	1,512,986

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company are prepared under the historical cost convention (except for those disclosed in the summary of significant accounting policies) and comply with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

The new applicable approved accounting standards adopted in these financial statements is Malaysian Accounting Standards Board (MASB) Standard 19 "Events After Balance Sheet date".

With the exception of MASB Standard 19, there is no change in accounting policy that affects the net profit for the period as a result of the adoption of the above standard in these financial statements as the Group was already following the recognition and measurement principles in this standard.

(b) Subsidiary companies and basis of consolidation

Investment in subsidiary companies is stated at cost. A company is considered as a subsidiary when the company owns directly or indirectly more than one half of the voting power of that company or the company controls the composition of the board of directors or equivalent governing body.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(b) Subsidiary companies and basis of consolidation (cont'd)

The consolidated financial statements include the financial statements of the Company and its subsidiary companies made up to the end of the financial year. The results of the subsidiary companies acquired or disposed off during the financial year are included in the consolidated income statements from the date of their acquisition or up to the date of their disposal. Inter-company transactions, balances and unrealised gains / losses on transactions are also eliminated on consolidation.

Goodwill or reserve arising on consolidation represents the difference between the acquisition cost of shares in the subsidiary companies and the fair value of the attributable net assets acquired as at the date of acquisition. No amortisation is provided on goodwill or reserve on consolidation. The carrying amount is reviewed annually, and goodwill is written down when, in the opinion of the directors, its value has deteriorated or when it ceases to have a useful life.

(c) Associated company

An associated company is a company in which the Group exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associated company but not control over those policies. Investment in associated company are accounted for in the consolidated financial statements by the equity method of accounting.

The Group's share of losses less tax of the associated company is included in the consolidated income statements and is deducted from the cost of investment in the consolidated balance sheet.

(d) Property, plant and equipment

Freehold lands are not depreciated. No amortisation is provided on the leasehold land which has an unexpired term in excess of fifty years.

Freehold land and long leasehold land are stated at cost which included the related expenditure incurred to Balance Sheet date.

Other property, plant and equipment are stated at cost less accumulated depreciation. Depreciation of property, plant and equipment is calculated to write off the cost of the assets on a straight line basis over the estimated useful lives of the assets as follows :

	No. of years
Buildings	10
Equipment, furniture & fittings and renovation	5 - 10
Motor vehicles	5 - 10
Plant and machinery	5 - 10

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. An impairment loss is recognised whenever the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. The impairment loss is charged to income statement.

The Group had adopted the policy to revalue its freehold and leasehold land on a regular basis at least once in every five years.

Surpluses arising from revaluation are credited to revaluation reserve. Any deficit arising from revaluation is charged against revaluation reserve to the extent of a previous surplus held in the revaluation reserve for the same assets. In all other cases, a decrease in carrying amount is charged to income statement.

(e) Investments

Quoted and unquoted investments and golf club membership are stated at cost. Allowance is made for diminution in value where, in the opinion of the directors, there is a decline other than temporary in value of the investments.

The market value of the quoted investments is calculated based on the last transacted prices of these investments quoted in the respective stock exchanges at the balance sheet date.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement; any amount in revaluation reserve relating to that investment is transferred to retained earnings.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) Land and development expenditure

Land and development expenditure are stated at cost plus attributable profits recognised to date based on the percentage of completion method (based on architects' certificates, where applicable) less progress billings to date. Cost is mainly determined on specific identification basis and includes the relevant cost of land, construction and appropriate development overheads attributable to the stage of completion.

Land and development expenditure pertaining to those portions of property development project in which development works are expected to complete within the normal operating cycle of one to two years are classified as current assets.

(g) Inventories

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

Cost of raw materials include all expenses which relate to bringing the inventories to their present location and condition and their costs are determined on a first-in, first-out basis.

Cost of finished goods constitute the average cost of production which includes materials, labour and manufacturing overheads.

Cost of completed properties for sale is determined on specific identification basis and includes land cost, construction cost and related infrastructure expenditure.

(h) Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract as revenue and expenses respectively. The Group uses the percentage of completion method to determine the appropriate amount of revenue and costs to recognise in a given period; the stage of completion is determined based on architects' certificates.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; contract costs are recognised when incurred.

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

The aggregate of the costs incurred and the profit / loss recognised on each contract is compared against the progress billings up to the period end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as amounts due from customers on construction contracts under current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amounts due to customers on construction contracts under current liabilities.

(i) Deferred tax

Deferred tax is provided using liability method for all material timing differences except where no liability is expected to arise in the foreseeable future. However, where timing differences result in net deferred tax benefits, the tax effects will generally be recognised upon actual realisation.

The potential tax saving relating to a tax loss carry forward is only recognised if there is assurance beyond any reasonable doubt that future taxable income will be sufficient for the benefit of the loss to be realised.

Where there is intention to dispose of revalued assets, the deferred tax relating to such assets is recognised through a transfer from the related revaluation surplus. No provision nor disclosure is made of this tax effect where the Group intends to hold such assets for the foreseeable future.

(j) Debtors

Known bad debts are written off and specific allowance is made for debts considered to be doubtful of collection.

(k) Hire purchase transactions

Assets acquired under hire purchase arrangements are capitalised in the financial statements and the corresponding obligations are recorded as liability. Finance charges are allocated to the income statement over the duration of the agreement.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(l) Revenue recognition

Sales are recognised upon delivery of finished goods and customer acceptance or performance of services, net of sales taxes and discounts, and after eliminating sales within the Group.

Sale of development properties is recognised on the percentage of completion method (based on architects' certificates, where applicable). Provision is made for any foreseeable losses.

Sale of completed properties is recognised on the completion and execution of sale and purchase agreement.

Income from long term contracts is recognised on the percentage of completion method (based on architects' certificates, where applicable) where the outcome of the contracts can be reasonably estimated. Provision is made for anticipated losses on individual contracts where costs incurred to date plus estimated costs to completion exceed contract sums.

Interest income is recognised on a time proportion and takes into the account the effective yield on the assets.

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

(m) Dividends

Dividends are accounted for in shareholders' equity as an appropriation of retained earnings in the period when they are formally approved for payment.

(n) Interest capitalisation

Interest incurred on borrowings related to plant and equipment and property development is capitalised during the period when activities to plan, develop and construct the assets are undertaken. Capitalisation ceases when the assets are ready for their intended use.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdraft and short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

3. PROPERTY, PLANT AND EQUIPMENT

	Properties RM	Plant and machinery RM	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Total RM
GROUP					
Net Book Value					
At 1 February 2001	57,615,284	1,062,099	859,334	1,214,614	60,751,331
Additions	-	226,756	222,636	510,814	960,206
Disposals	-	-	(180)	(45,290)	(45,470)
Written off	-	(3,313)	(1,229)	-	(4,542)
Depreciation :					
charged to income statement	(8,907)	(230,072)	(207,779)	(450,059)	(896,817)
At 31 January 2002	57,606,377	1,055,470	872,782	1,230,079	60,764,708
<u>At 31 January 2002</u>					
Cost	57,654,300	1,820,654	1,697,988	3,514,922	64,687,864
Accumulated depreciation	(47,923)	(765,184)	(825,206)	(2,284,843)	(3,923,156)
Net book value	57,606,377	1,055,470	872,782	1,230,079	60,764,708

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

3. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Properties RM	Plant and machinery RM	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Total RM
<u>At 31 January 2001</u>					
Cost	57,654,300	1,601,386	1,482,249	3,470,404	64,208,339
Accumulated depreciation	(39,016)	(539,287)	(622,915)	(2,255,790)	(3,457,008)
Net book value	57,615,284	1,062,099	859,334	1,214,614	60,751,331

Information on properties is as follows :

	Freehold land RM	Long leasehold land RM	Buildings RM	Land and buildings RM
At 1 February 2001	32,777,621	24,787,613	50,050	57,615,284
Depreciation : charged to income statement	-	-	(8,907)	(8,907)
At 31 January 2002	32,777,621	24,787,613	41,143	57,606,377

<u>At 31 January 2002</u>				
Cost	32,777,621	24,787,613	89,066	57,654,300
Accumulated depreciation	-	-	(47,923)	(47,923)
Net book value	32,777,621	24,787,613	41,143	57,606,377

<u>At 31 January 2001</u>				
Cost	32,777,621	24,787,613	89,066	57,654,300
Accumulated depreciation	-	-	(39,016)	(39,016)
Net book value	32,777,621	24,787,613	50,050	57,615,284

	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Total RM
COMPANY			
Net Book Value			
At 1 February 2001	27,679	34,340	62,019
Additions	3,580	201,649	205,229
Depreciation : charged to income statement	(4,550)	(26,254)	(30,804)
At 31 January 2002	26,709	209,735	236,444

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

3. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Total RM
<u>At 31 January 2002</u>			
Cost	45,580	316,115	361,695
Accumulated depreciation	(18,871)	(106,380)	(125,251)
Net book value	26,709	209,735	236,444
<u>At 31 January 2001</u>			
Cost	42,000	114,466	156,466
Accumulated depreciation	(14,321)	(80,126)	(94,447)
Net book value	27,679	34,340	62,019

Certain parcels of freehold land of the subsidiary companies are registered in the name of a related company, Kim Loong Plantations Sdn. Bhd. and the holding company. However, these properties are beneficially held in trust for the respective subsidiary companies.

The freehold land of one of the subsidiary companies is pledged to a financial institution as collateral for the banking facilities granted to the Company and a subsidiary company (Note 14).

Included in the Group's property, plant and equipment are assets acquired under hire purchase financing with net book value of RM138,946 (2001 : RM278,590).

4. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2002 RM	2001 RM
Unquoted shares, at cost	125,855,279	125,855,279

The subsidiary companies which are incorporated in Malaysia are as follows :

Name of companies	Principal activities	Paid up capital	Group's effective equity interest	
			2002 %	2001 %
Panoramic Industrial Development Sdn. Bhd.	Property development and investment holding	8,820,002	100	100
Ambok Resorts Development Sdn. Bhd.	Resort development	100,000	100	100
Crescendo Development Sdn. Bhd.	Property development	45,430,000	100	100
Unibase Construction Sdn. Bhd.	Buildings construction and investment holding	750,000	100	100

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

4. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of companies	Principal activities	Paid up capital	Group's effective equity interest	
			2002 %	2001 %
Unibase Corporation Sdn. Bhd.	Buildings construction	750,000	100	100
Repute Ventures Sdn.Bhd.	Investment holding	100,000	70	70
Repute Construction Sdn. Bhd.	Buildings construction	750,100	60	60
Repute Corporation Sdn. Bhd. #	Buildings construction	2	70	-
Unibase Concrete Industries Sdn. Bhd.	Trading and manufacturing of concrete products	500,000	60	60
Unibase Jaya Sdn. Bhd.	Civil engineering works	750,000	60	60
Unibase Trading Sdn. Bhd.	Trading of building materials	100,000	60	60
Crescendo Education Sdn. Bhd.	Investment holding	2	100	100
KTC Academy Sdn. Bhd.	Providing education services	200,000	60	60
Crescendo Commercial Complex Sdn. Bhd.	Property investment	6	100	100

The audited financial statements for Repute Corporation Sdn. Bhd. are not available as at 31 January 2002 as this subsidiary was incorporated on 20 November 2001. Its first set of audited financial statements will be for the financial period ending 31 January 2003. The company has not commenced operations as at 31 January 2002.

5. ASSOCIATED COMPANY

	GROUP	
	2002 RM	2001 RM
Unquoted shares, at cost		
- ordinary shares	588,000	588,000
- 0.5% redeemable cumulative preference shares	980,000	980,000
Share of loss in associated company	(97,340)	(98,540)
	1,470,660	1,469,460
Less : Diminution in value of shares in associated company	(1,568,000)	-
Add : Reversal of share of post acquisition losses due to write down in cost	97,340	-
	(1,470,660)	-
	-	1,469,460

The Group's share of net tangible assets as at 31 January 2002 is Nil (2001 : RM1,469,460).

The investment in the associated company represents the effective net tangible assets of the investee company at the dates of acquisition.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

5. ASSOCIATED COMPANY (cont'd)

The associated company which is incorporated in Malaysia is as follows :

Name of company	Principal activity	Group's effective equity interest	
		2002	2001
		%	%
Spandek Engineering (Johor) Sdn. Bhd.	Dormant	34	34

The financial statements of this associated company are not audited by C S Tan & Associates.

6. INVESTMENTS

		GROUP	
		2002	2001
		RM	RM
Securities quoted in Malaysia, at cost		13,454,547	13,681,660
Less : Diminution in value of investments		(6,196,902)	(6,796,414)
		7,257,645	6,885,246
Securities quoted outside Malaysia, at cost		87,915	87,915
Less : Diminution in value of investments		(41,030)	(41,030)
		46,885	46,885
Total securities quoted, net of diminution in value of investments	(A)	7,304,530	6,932,131
Market value of securities quoted			
In Malaysia		7,778,867	5,960,637
Outside Malaysia		101,550	89,100
		7,880,417	6,049,737
Securities unquoted			
In Malaysia		735	735
Outside Malaysia		907,801	1,430,514
	(B)	908,536	1,431,249
Golf club membership	(C)	60,000	60,000
Total investments, net of diminution in value of investments	(A)+(B)+(C)	8,273,066	8,423,380

7. LAND AND DEVELOPMENT EXPENDITURE

		GROUP	
		2002	2001
		RM	RM
Freehold land, at cost		28,015,188	29,154,569
Development expenditure		66,349,970	49,597,148
Attributable profits		11,114,641	3,408,446
		105,479,799	82,160,163
Less : Progress billings		(26,819,131)	(8,627,160)
		78,660,668	73,533,003
Less : Non current portion		(54,453,339)	(58,023,754)
Current portion		24,207,329	15,509,249

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

7. LAND AND DEVELOPMENT EXPENDITURE (cont'd)

Certain parcels of the freehold land are registered in the name of the holding company. However, these properties are beneficially held in trust for two of the subsidiary companies, Panoramic Industrial Development Sdn. Bhd. and Crescendo Development Sdn. Bhd.

Certain parcels of the freehold land are pledged to a financial institution as collateral for the overdraft facilities granted to the Company and to two of the subsidiary companies, Panoramic Industrial Development Sdn. Bhd. and Crescendo Development Sdn. Bhd. (Note 14).

Land and development expenditure pertaining to those portions of property development project in which development works are expected to complete within the normal operating cycle of one to two years are classified as current assets.

8. INVENTORIES

	GROUP	
	2002 RM	2001 RM
<u>At cost</u>		
Raw materials for producing concrete products	101,463	32,362
Finished goods for culvert pipe	142,867	152,436
Completed properties for sale	9,088,558	12,604,039
	9,332,888	12,788,837

9. CONSTRUCTION CONTRACTS

	GROUP	
	2002 RM	2001 RM
Contract in progress		
- accumulated contract cost	167,120,800	103,950,009
- accumulated attributable profits	17,498,756	10,579,936
	184,619,556	114,529,945
Less : Progress billings	(180,966,889)	(110,450,951)
Amounts due from customers	3,652,667	4,078,994

There is no amount due to customers for the financial years 2002 and 2001.

Contract in progress included the following items capitalised during the financial year :

Depreciation of property, plant and equipment	146,824	89,455
Hire of equipment	354,999	224,156
Staff costs	99,743	93,908

Included in the Group's progress billings is an amount of RM5,324,445 (2001 : RM5,474,993) being retention sums receivable by the Group.

10. DEBTORS

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Trade debtors	11,449,726	17,068,631	-	-
Other debtors, deposits and prepayments	14,952,031	1,203,056	394,449	-
Amounts owing by related companies (Note 18)	2,748,383	3,758,064	-	17,414
Amounts owing by subsidiary companies (Note 19)	-	-	943,715	4,247,397
	29,150,140	22,029,751	1,338,164	4,264,811

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

10. DEBTORS (cont'd)

Included in the Group's other debtors, deposits and prepayments is an amount of RM12,804,338 (2001 : Nil) representing the 10% deposits paid to the vendors for the acquisitions of lands vide Conditional Sales and Purchase Agreements dated 26 June 2001 and 30 August 2001 respectively. These acquisitions were approved by the shareholders of the Company on 8 February 2002.

11. FIXED DEPOSITS WITH LICENSED BANKS

Included in the Group's fixed deposits with licensed banks is an amount of RM600,000 (2001 : Nil) pledged to a licensed bank as security for the banker's guarantee issued to a government agency.

12. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Cash and bank balances	8,336,117	3,105,840	316,626	498,061
Cash at bank in Housing Development Account	5,443,639	14,014,019	-	-
	13,779,756	17,119,859	316,626	498,061

Cash at bank in Housing Development Account represents monies maintained in accordance with Section 7A of the Housing Developers (Control and Licensing) Act, 1966 and the utilisation is in accordance to the Housing Developers (Housing Development Account) Regulation 1991.

13. CREDITORS

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Trade creditors	11,656,835	9,779,724	-	-
Other creditors and accruals (Note 20)	5,252,663	7,370,449	464,471	493,520
Amounts owing to related companies (Note 18)	43,492	18,173	11,400	-
Amount owing to a subsidiary company (Note 19)	-	-	1,337,601	2,250
Amount owing to the holding company (Note 21)	81,507	-	20,989	-
	17,034,497	17,168,346	1,834,461	495,770

14. SHORT TERM BORROWINGS (SECURED)

	GROUP	
	2002 RM	2001 RM
Bank overdraft	1,051,386	508,552
Hire purchase creditor (Note 15)	58,080	75,907
	1,109,466	584,459

The Company has an overdraft facility of RM5 million which is secured by way of a lien-holder's caveat over certain parcels of the subsidiaries' landbanks included in land and development expenditure and freehold land of a subsidiary company.

The subsidiary companies have banking facilities of RM26 million which are secured by way of a lien-holder's caveat and fixed charges over certain parcels of the subsidiaries' landbanks included in land and development expenditure. These are also secured by corporate guarantees of the Company.

The bank overdraft bears interest ranging from 7.9% to 8.3% per annum and revolving credit bears interest at the average cost of funds of 3.4% per annum.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

15. HIRE PURCHASE CREDITOR

	GROUP	
	2002 RM	2001 RM
Payable within one year	60,500	95,020
Payable between one and two years	-	148,375
	60,500	243,395
Less : Finance charges	(2,420)	(39,156)
	58,080	204,239
Representing hire purchase creditor :		
Due within 12 months (Note 14)	58,080	75,907
Due after 12 months	-	128,332
	58,080	204,239

16. DEFERRED TAX

	GROUP	
	2002 RM	2001 RM
Balance brought forward	5,062,203	5,077,903
Transfer from / (to) income statement (Note 26)	1,592	(15,700)
Balance carried forward	5,063,795	5,062,203
Representing the tax effect of :-		
Revaluation surplus of freehold and long leasehold lands in two of the subsidiary companies	4,838,203	4,838,203
Excess of capital allowances over depreciation	225,592	224,000
	5,063,795	5,062,203

Except as stated above, there are no material timing differences on which deferred tax has not been provided.

The tax effect on the revaluation surplus of freehold and long leasehold lands arising from the acquisition of subsidiary companies, Panoramic Industrial Development Sdn. Bhd. and Ambok Resorts Development Sdn. Bhd. has been provided pursuant to the requirement of the Securities Commission in their letter dated 28 October 1996.

17. SHARE CAPITAL

	GROUP / COMPANY	
	2002 RM	2001 RM
Authorised :		
500,000,000 ordinary shares of RM1 each	500,000,000	500,000,000
Issued and fully paid :		
108,495,930 ordinary shares of RM1 each	108,495,930	108,495,930

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

18. AMOUNTS OWING BY / (TO) RELATED COMPANIES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Amounts owing by related companies :				
Panoramic Housing Development Sdn. Bhd.	2,680,370	3,744,965	-	17,414
Crescendo Technologies Sdn. Bhd.	16,000	8,000	-	-
Unigolf Sdn. Bhd.	12,000	4,000	-	-
Kim Loong Plantations Sdn. Bhd.	-	1,099	-	-
Kim Loong Palm Oil Mills Sdn. Bhd.	8,687	-	-	-
Desa Kim Loong Plantations Sdn. Bhd.	31,326	-	-	-
	2,748,383	3,758,064	-	17,414
Amounts owing to related companies :				
Panoramic Housing Development Sdn. Bhd.	35,043	-	11,400	-
Kim Loong Palm Oil Mills Sdn. Bhd.	8,449	18,173	-	-
	43,492	18,173	11,400	

The amounts owing by / (to) related companies are non-interest bearing, unsecured and have no fixed terms of repayment. The amount owing by Panoramic Housing Development Sdn. Bhd. is trade in nature.

Related companies refer to fellow subsidiary companies of Sharikat Kim Loong Sendirian Berhad, the holding company of the Company.

19. AMOUNTS OWING BY / (TO) SUBSIDIARY COMPANIES

The amounts owing by / (to) subsidiary companies are non-interest bearing, unsecured and have no fixed terms of repayment.

20. OTHER CREDITORS AND ACCRUALS

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Other creditors	365,928	302,346	-	-
Deposits and other prepayments from property buyers	2,561,499	2,730,435	-	-
Accruals				
- Accrued for development or contract costs for work done but not billed by contractors	1,619,378	3,626,899	-	-
- Accrued operating expenditure	705,858	710,769	464,471	493,520
	5,252,663	7,370,449	464,471	493,520

21. AMOUNT OWING TO HOLDING COMPANY

The amount owing to holding company is non-interest bearing, unsecured and has no fixed terms of repayment.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

22. REVENUE AND COST OF SALES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Revenue				
Sales of industrial properties	25,326,008	31,789,000	-	-
Sales of residential / commercial properties	23,347,016	7,567,560	-	-
Construction revenue	9,832,688	16,736,619	-	-
Sale of concrete products	2,891,504	3,178,700	-	-
Management services and others	711,396	591,615	1,987,592	1,869,306
Gross dividend from subsidiary companies	-	-	5,293,000	9,086,000
	62,108,612	59,863,494	7,280,592	10,955,306
Cost of sales				
Cost of industrial properties	17,146,335	19,898,995	-	-
Cost of residential / commercial properties	15,274,957	6,504,396	-	-
Construction cost	5,438,736	12,049,468	-	-
Cost of concrete products	2,537,489	2,864,285	-	-
Management services and others	201,275	-	-	-
	40,598,792	41,317,144	-	-

23. PROFIT FROM OPERATIONS

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
The following items have been charged / (credited) in arriving at profit from operations :				
Auditors' remuneration				
- current year	72,300	70,100	18,000	15,000
- prior year underprovision	5,000	1,500	3,000	-
Bad debts written off	-	13,596	-	-
Depreciation of property, plant and equipment	896,817	832,745	30,804	27,444
Directors' remuneration				
- fees	243,000	74,000	243,000	74,000
- other emoluments	594,000	648,480	594,000	648,480
Hire of equipment	338,999	224,156	-	-
Hire of motor vehicles	-	13,500	-	-
Deferred expenditure written off	-	78,451	-	-
Plant and equipment written off	4,542	15,797	-	-
Rental of premises	402,796	391,033	49,400	-
Staff cost	3,691,321	2,993,076	1,598,521	1,512,986
Gain on disposal of plant and equipment	(179,598)	(45,108)	-	-
Gross dividends from quoted investments	(310,421)	(176,157)	-	-
Interest from fixed deposits	(1,124,099)	(838,857)	(76,033)	(15,644)
Other interest received	(981,958)	(1,623,769)	-	-
Rental income	(469,800)	(440,000)	-	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

24. FINANCE COST

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Bank overdraft interest	40,602	84,297	7,110	7,581
Hire purchase interest	18,094	7,215	-	-
	58,696	91,512	7,110	7,581

25. DIRECTORS' REMUNERATION

	GROUP/COMPANY	
	2002 RM	2001 RM
Executive directors		
fees	23,000	14,000
other emoluments	581,000	648,480
Non-executive directors		
fees	220,000	60,000
other emoluments	13,000	-
	837,000	722,480

	GROUP/COMPANY	
	2002 RM	2001 RM
Representing directors' remuneration :		
fees	243,000	74,000
other emoluments	594,000	648,480
	837,000	722,480

26. TAX

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Current year	5,903,860	4,713,970	1,243,800	2,277,800
Prior year overprovision	(2,390)	(1,557)	(9,765)	(1,290)
Deferred tax (Note 16)	1,592	(15,700)	-	-
	5,903,062	4,696,713	1,234,035	2,276,510

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

26. TAX (cont'd)

The effective rate of tax of the Group and of the Company is higher than the statutory tax rate due to certain expenses disallowed for tax purposes.

The estimated tax credit available under Section 108(6) of the Income Tax Act, 1967, which is subject to agreement by the Inland Revenue Board, is sufficient to frank in full the Company's retained profits as at 31 January 2002 if paid out as dividends.

27. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share of the Group is calculated by dividing the net profit for the financial year by the weighted average number of ordinary shares in issue during the financial year.

	GROUP		COMPANY	
	2002	2001	2002	2001
Net profit for the financial year (RM)	11,759,582	9,497,156	2,803,212	5,672,574
Weighted average number of ordinary shares in issue	108,495,930	108,495,930	108,495,930	108,495,930
Basic earnings per share (sen)	10.8	8.8	2.6	5.2

(b) Diluted earnings per share

There are no diluted earnings per share for the financial years 2002 and 2001.

28. DIVIDENDS

Dividends declared or proposed in respect of the financial year ended 31 January 2001 and 2002 are as follows :

	2002		2001	
	Gross dividend per share Sen	Amount of dividend, less tax RM	Gross dividend per share Sen	Amount of dividend, less tax RM
Interim dividend paid	2.5	1,952,927	2.5	1,952,927
Proposed final dividend	2.5	1,952,927	2.5	1,952,927
	5.0	3,905,854	5.0	3,905,854

At the forthcoming Annual General Meeting, a final gross dividend of 2.5 sen per share (2001 : 2.5 sen per share) on 108,495,930 ordinary shares, less tax, amounting to RM1,952,927 (2001 : RM1,952,927) will be proposed for shareholders' approval. These financial statements do not reflect this final dividend which will be accrued as a liability in the financial year ending 31 January 2003 when approved by shareholders. This represents a change in accounting treatment from that of prior years as explained in Note 29.

29. PRIOR YEAR ADJUSTMENT

During the financial year, the Group changed its accounting policy with respect to the recognition of liabilities in compliance with the new MASB Standard 19 "Events After the Balance Sheet Date". This change in policy has effect on the accounting treatment for provisions as follows :

Dividends (Note 28)

In previous years, dividends were accrued as a liability when proposed by Directors. The Group has now changed this accounting policy to recognise dividends in shareholders' equity in the period in which the obligation to pay it is established in accordance with MASB Standard 19. Therefore, final dividends are now accrued as a liability after approval by shareholders at the Annual General Meeting.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

29. PRIOR YEAR ADJUSTMENT (cont'd)

This change in accounting policy has been accounted for retrospectively and the effect is as follows :

	As previously stated RM	Effect of change of presentation RM	As restated RM
GROUP			
Balance as at 1 February 2000			
Proposed dividend	2,343,512	(2,343,512)	-
Retained profit	51,811,163	2,343,512	54,154,675
Balance as at 31 January 2001			
Proposed dividend	1,952,927	(1,952,927)	-
Retained profit	57,402,465	1,952,927	59,355,392
COMPANY			
Balance as at 1 February 2000			
Proposed dividend	2,343,512	(2,343,512)	-
Retained profit	3,258,350	2,343,512	5,601,862
Balance as at 31 January 2001			
Proposed dividend	1,952,927	(1,952,927)	-
Retained profit	5,025,070	1,952,927	6,977,997

30. SIGNIFICANT INTER-COMPANY AND RELATED PARTY TRANSACTIONS

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
<u>With holding company :</u>				
Sharikat Kim Loong Sendirian Berhad				
Internal audit fees	79,000	-	20,000	-
Rental payment	93,000	98,800	-	-
<u>With subsidiary companies :</u>				
Panoramic Industrial Development Sdn. Bhd.				
Management fee	-	-	(357,800)	(39,124)
Crescendo Development Sdn. Bhd.				
Management fee	-	-	(787,326)	(739,740)
Gross dividend income	-	-	(4,543,000)	(9,086,000)
Unibase Construction Sdn. Bhd.				
Management fee	-	-	(81,101)	(224,436)
Gross dividend income	-	-	(750,000)	-
Unibase Corporation Sdn. Bhd.				
Management fee	-	-	(696,556)	(551,123)
Repute Construction Sdn. Bhd.				
Management fee	-	-	(40,925)	-
Unibase Trading Sdn. Bhd.				
Management fee	-	-	(19,078)	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

30. SIGNIFICANT INTER-COMPANY AND RELATED PARTY TRANSACTIONS (cont'd)

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
<u>With fellow subsidiaries of the holding company :</u>				
Panoramic Housing Development Sdn. Bhd.				
Rental payment	90,200	40,800	49,400	-
Progress billings	(1,467,185)	(4,451,132)	-	-
Management fee	-	(314,883)	-	(314,883)
Kim Loong Palm Oil Mills Sdn. Bhd.				
Sales of goods	(87,657)	-	-	-
Rental income	(6,000)	-	-	-
Unigolf Sdn. Bhd.				
Rental income	(48,000)	(48,000)	-	-
Crescendo Technologies Sdn. Bhd.				
Rental income	(12,000)	(32,000)	-	-
Kim Loong Plantations Sdn. Bhd.				
Disposal of assets	(9,467)	-	-	-
Desa Kim Loong Plantations Sdn. Bhd.				
Sales of goods	(31,326)	-	-	-

The directors are of the opinion that the transactions have been entered into in the normal course of business which are negotiated at arm's length and subject to normal commercial terms.

31. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements comprise the following Balance Sheet amounts :

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
Fixed deposits with licensed banks	38,700,000	35,840,000	3,000,000	-
Cash and bank balances	13,779,756	17,119,859	316,626	498,061
Bank overdraft	(1,051,386)	(508,552)	-	-
	51,428,370	52,451,307	3,316,626	498,061

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

32. CONTINGENT LIABILITIES

	GROUP		COMPANY	
	2002 RM	2001 RM	2002 RM	2001 RM
(i) Corporate guarantees				
- Unsecured				
Issued to bank for facilities granted to subsidiary companies	-	-	26,000,000	26,250,000
Issued to third parties for supplies of goods and services to a subsidiary company	-	-	1,300,000	1,000,000
Amounts utilised :-				
- Unsecured				
Issued to bank for facilities granted to subsidiary companies	-	-	1,301,386	508,600
Issued to third parties for supplies of goods and services to a subsidiary company	-	-	1,300,000	1,000,000
(ii) Bank guarantees				
Issued by a licensed bank in favour of third parties				
- secured	804,665	450,000	-	-
- unsecured	975,000	550,000	-	-
Amounts utilised are as follows :				
- Secured	804,665	450,000	-	-
- Unsecured	975,000	550,000	-	-

The bank guarantees are secured by the fixed deposit of RM600,000 which is registered under the name of a subsidiary company, Repute Construction Sdn. Bhd. (Note 11); a fixed and floating charge over the present and future assets of a subsidiary company, Unibase Trading Sdn. Bhd, and a corporate guarantee of the Company.

33. MATERIAL CAPITAL COMMITMENT

	GROUP	
	2002 RM	2001 RM
Amount approved and contracted for	115,539,043	-
Amount approved but not contracted for	-	-
Total amount approved	115,539,043	-

During the financial year, the subsidiary company, Crescendo Development Sdn. Bhd, acquired approximately 1,390.22 acres of lands with a total purchase consideration of RM128,343,381 of which RM115,539,043 was still outstanding as at the end of the financial year.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

33. MATERIAL CAPITAL COMMITMENT (cont'd)

Details of the acquisitions are as follows :

- (i) 1,199.65 acres of land situated at Mukim and District of Kota Tinggi, Johor and Mukim of Tebrau, District of Johor Baharu, Johor for a total consideration of RM106,768,850 and an additional sum of RM300,000 for three units of bungalow houses situated on and forming part of the land. At the date of this report, the outstanding amount is RM50,000,000.
- (ii) 71.4375 acres of land situated at Mukim and District of Kota Tinggi, Johor and Mukim of Tebrau, District of Johor Baharu, Johor for a total consideration of RM4,000,500. At the date of this report, the outstanding amount is RM3,600,450.
- (iii) 119.13125 acres of land situated at Mukim of Tebrau, District of Johor Baharu, Johor for a total consideration of RM17,274,031.25. At the date of this report, there is no outstanding amount.

Approvals for the above acquisitions were obtained from the Foreign Investment Committee, the Securities Commission, and shareholders on 20 November 2001, 28 November 2001 and 8 February 2002 respectively.

34. SEGMENTAL INFORMATION

	Revenue RM	Profit / (Loss) before tax RM	Gross Assets Employed RM
Major segments by activity :-			
2002			
Property development			
- Industrial properties	25,326,008	9,124,049	148,609,219
- Residential / commercial properties	23,347,016	8,191,635	60,244,824
Construction activities	9,832,688	1,517,585	29,502,938
Manufacture of concrete products	2,891,504	262,632	1,929,318
Management services and others	711,396	(1,348,728)	5,656,603
Total	62,108,612	17,747,173	245,942,902
Major segments by activity :-			
2001			
Property development			
- Industrial properties	31,789,000	11,537,713	141,448,001
- Residential / commercial properties	7,567,560	1,131,506	65,019,644
Construction activities	16,736,619	3,147,192	27,334,169
Manufacture of concrete products	3,178,700	159,000	2,514,311
Management services and others	591,615	(1,283,748)	2,048,155
Total	59,863,494	14,691,663	238,364,280

The inter-segments transactions have been entered into in the normal course of business and on an arms length negotiated terms.

No segmental reporting by geographical segment is provided as the Group only operates in Malaysia.

35. SIGNIFICANT POST BALANCE SHEET EVENT

Employees' Shares Option Scheme ("ESOS")

The proposed establishment of an ESOS granting every eligible employee and executive director an option to subscribe for new shares in the Company, subject to the By-Laws of the ESOS, were approved by the Securities Commission and shareholders on 27 November 2001 and 8 February 2002 respectively. The ESOS Committee was set up on 27 March 2002 to address outstanding issues, if any, prior to the implementation of the proposed ESOS and to issue the options to all eligible employees.

The main features of the ESOS are :

- (i) The total number of new ordinary shares to be issued by the Company under the ESOS shall not exceed 10% of the total issued and paid up ordinary shares of the Company.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 (cont'd)

35. SIGNIFICANT POST BALANCE SHEET EVENT (cont'd)

(ii) The option price under the ESOS is the five (5) days weighted average market price of the shares of the Company at the time the option is granted, subject to a discount of not more than ten percent (10%) which the Company may at its discretion decide to give, or the par value of the shares of the Company of RM1, whichever is the higher.

(iii) The options granted may be exercised at any time before the expiry of the ESOS as notified by the ESOS Committee.

(iv) The basis on which the options may be exercised by virtue of By-Law 7.4 of the ESOS is as follows :

Number of options granted (shares)	Percentage of options exercisable				
	Year 1	Year 2	Year 3	Year 4	Year 5
Below 10,000	100%				
10,000 to less than 50,000	30% ⁽¹⁾	30%	40% ⁽²⁾		
50,000 to less than 100,000	20%	20%	30%	30%	
100,000 and above	20%	20%	20%	20%	20%

Notes :

(1) 30% or 10,000 options, whichever is the higher

(2) 40% or the remaining number of options unexercised

(v) The persons to whom the options are granted have no right to participate by virtue of the options in any shares issue of any other company within the Group.

36. COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with the current year's presentation :

	As previously stated RM	Effect of change of presentation RM	As restated RM
GROUP			
Balance sheet			
Other debtors, deposits and prepayments	3,532,721	(2,329,665)	1,203,056
Tax recoverable	-	2,329,665	2,329,665
Creditors	(17,244,253)	75,907	(17,168,346)
Short term borrowings (secured)	(508,552)	(75,907)	(584,459)
Income statement			
Administrative expenses	5,344,969	220,330	5,565,299
Finance cost	311,842	(220,330)	91,512
Segmental information			
Gross assets employed	238,520,923	(156,643)	238,364,280
COMPANY			
Balance sheet			
Other debtors, deposits and prepayments	793,447	(793,447)	-
Tax recoverable	-	793,447	793,447
Income statement			
Administrative expenses	2,971,992	42,293	3,014,285
Finance cost	49,874	(42,293)	7,581

The reclassifications have been made for better presentation of financial statements and to conform with the holding company's presentation. Included in the reclassifications is the inter-company balances of RM156,643 previously not eliminated in the gross assets employed although eliminated in the consolidated balance sheet, now rectified.

The reclassifications do not have any financial impact on the profit before tax or the financial position of the Group and the Company.

Analysis of Shareholdings as at 5 June 2002

Authorised Share Capital	:	RM500,000,000
Issued and Fully Paid Up Capital	:	RM108,495,930
Class of Share	:	Ordinary shares of RM1.00 each fully paid
Voting Right	:	1 vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No of Shareholders	% of Shareholders	No. of Shares	% of Issued Capital
1 – 999	4	0.06	950	0.00
1,000 – 10,000	6,998	97.38	11,003,050	10.14
10,001 – 100,000	166	2.31	4,192,000	3.86
100,001 – 5,424,795	16	0.22	15,020,430	13.85
5,424,796 and above*	2	0.03	78,279,500	72.15
Total	7,186	100.00	108,495,930	100.00

* 5% and above of Issued Capital

THIRTY LARGEST SHAREHOLDERS

Name of Shareholders	No. of Shares Held	% of Issued Capital
1. Sharikat Kim Loong Sendirian Berhad	70,595,500	65.07
2. Permodalan Nasional Berhad	7,684,000	7.08
3. Lembaga Tabung Haji	4,025,000	3.70
4. Panoramic Housing Development Sdn. Bhd.	2,175,565	2.01
5. Gooi Seow Mee	1,365,026	1.26
6. Gooi Seong Lim	1,277,026	1.18
7. Gooi Seong Chneh	1,267,026	1.17
8. Loo Geok Eng	1,142,734	1.05
9. Gooi Seong Heen	1,129,734	1.04
10. Gooi Seong Gum	1,044,735	0.96
11. Puen Tak Hong	279,000	0.26
12. Malaysia Nominees (Tempatan) Sendirian Berhad -Pledged Securities Account for Gooi Seong Gum(10-00040-000)	266,292	0.25
13. Ng Quek Peng	223,000	0.21
14. Gooi Seong Heen	222,292	0.20
15. DB (Malaysia) Nominee (Asing) Sdn. Bhd. -UBS AG Singapore For Eternal Profits Trading Limited	200,000	0.18
16. Poon A Chang @ Poon A Cheong	169,000	0.16
17. Chong Chi Bin	130,000	0.12
18. Zainah binti Ibrahim	104,000	0.10
19. Tan Pang Kuan	100,000	0.09
20. Amsec Nominees (Asing) Sdn. Bhd. -Millennium Securities Pte Ltd for Lim Chiang How	93,000	0.09
21. Kyang Meng Choon	79,000	0.07
22. Botly Nominees (Tempatan) Sdn. Bhd. -Pledged Securities Account for Teh Teoh Guan	77,000	0.07

Analysis of Shareholdings as at 5 June 2002 (cont'd)

THIRTY LARGEST SHAREHOLDERS (cont'd)

Name of Shareholders	No. of Shares Held	% of Issued Capital
23. Tey Hock Seng	75,000	0.07
24. BIMB Securities Sdn. Bhd. -IVT (D01) for Dato' Dr Abdul Halim Ismail (IVT2)	72,000	0.07
25. Lim Choon Kiat	70,000	0.06
26. Cheng Fabian Hung Kai	70,000	0.06
27. Eng Nominees (Asing) Sdn. Bhd. -OCBC Securities Private Limited for Teo Soon Eng	70,000	0.06
28. Tan Jin Tuan	62,000	0.06
29. JF Apex Nominees (Tempatan) Sdn. Bhd. -Pledged Securities Account for Paragon Pacific Ventures Sdn. Bhd.	61,000	0.05
30. Chong Wee Lung	60,000	0.05

The thirty largest shareholders refer to the thirty securities account holders having the largest number of securities according to the Record of Depositors (without aggregating the shares from different securities accounts belonging to the same person).

SUBSTANTIAL SHAREHOLDERS (As per Register of Substantial Shareholders)

Name of Substantial Shareholders	No. of shares held or beneficially interested in		% of Issued Capital	
	Direct	Indirect	Direct	Indirect
Sharikat Kim Loong Sendirian Berhad	70,595,500	-	65.07	-
Permodalan Nasional Berhad	7,684,000	-	7.08	-
Loo Geok Eng	1,142,734	72,771,065*	1.05	67.07
Gooi Seong Lim	1,277,026	72,771,065*	1.18	67.07
Gooi Seong Heen	1,352,026	72,771,065*	1.25	67.07
Gooi Seong Chneh	1,267,026	72,771,065*	1.17	67.07
Gooi Seong Gum	1,311,027**	72,771,065*	1.21	67.07
Gooi Seow Mee	1,365,026	72,771,065*	1.26	67.07

DIRECTORS' SHAREHOLDINGS (As per Register of Directors' Shareholdings)

Name of Directors	Direct Interest		Indirect Interest	
	Shareholdings	%	Shareholdings	%
Datuk Haji Mohd. Zamani bin Samah	-	-	-	-
Gooi Seong Lim	1,277,026	1.18	72,771,065*	67.07
Gooi Seong Heen	1,352,026	1.25	72,771,065*	67.07
Loo Geok Eng	1,142,734	1.05	72,771,065*	67.07
Gooi Seong Gum	1,311,027**	1.21	72,771,065*	67.07
Gooi Seow Mee	1,365,026	1.26	72,771,065*	67.07
Yeo Jon Tian @ Eeyo Jon Thiam	-	-	-	-
Mathew K. Mathai	-	-	-	-
Gan Kim Guan	-	-	-	-
YB. Dato' Haji Mohd. Ali bin Hassan	-	-	-	-
Gooi Seong Chneh	1,267,026	1.17	72,771,065*	67.07

NOTES:

* Deemed interest by virtue of their interest in Panoramic Housing Development Sdn. Bhd. (2,175,565 shares) and Sharikat Kim Loong Sendirian Berhad (70,595,500 shares).

** 266,292 shares are held in bare trust by Malaysia Nominees (Tempatan) Sendirian Berhad

Particulars of Properties

Description & Location	Existing Use (Status of Development)	Tenure/ Age of Building	Date of Acquisition	Land Area (Acres)	Net Book Value RM'000
Properties held by PID					
1. Lot 340, Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Vacant land approved for residential, commercial and industrial development	Leasehold (999 years commencing from 28.10.1912)	18.11.1996	77.38	24,788
2. Lot Nos. PTD 91814 & 91815 Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Industrial plots (completed)	Freehold (6 years)	18.11.1996	(1) 0.94	867
3. Lot Nos. PTD 115797 Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Industrial plots (completed)	Freehold (4 years)	18.11.1996	(1) 1.56	1,144
4. Lot No. PTD 89358 Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Hawker centre (completed)	Freehold (6 years)	18.11.1996	(1) 2.11	1,606
5. Lot Nos. PTD 89766 & 89768 Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Industrial plots (completed)	Freehold (2 years)	18.11.1996	(1) 0.32	1,280
6. Lot Nos. PTD 89526, 89714 to 89730, 91803, 91807, 91846 to 91865, 91875, 91877, 91879, 91882 to 91907, 91915, 115788 to 115789, 115798, 115801 to 115802. all within Taman Perindustrian Cemerlang, Ulu Tiram, Johor Darul Takzim.	Mixed industrial and commercial plots (development- in-progress)	Freehold	18.11.1996	(1) 55.73	12,481
Properties held by CDSB					
7. Lot Nos. PTD 115193, 115337 & 115464, Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Industrial plots (completed)	Freehold (4 years)	18.11.1996	(1) 4.73	4,192

Particulars of Properties (cont'd)

Description & Location	Existing Use (Status of Development)	Tenure/ Age of Building	Date of Acquisition	Land Area (Acres)	Net Book Value RM'000
Properties held by CDSB					
8. Lot Nos. PTD 115183, 115191, 115196, 115213 to 115241, 115243 to 115244, 115247 to 115266, 115268 to 115272, 115274 to 115275, 115277 to 115335, 115409, 115414 to 115420, 115462, 115477 to 115488, 115511, 153755 to 153759, 153761 to 153765, 153767 to 153773, 153776, 153778, 153780 to 153810, 153812 to 153821 & 153823 to 153824. Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Mixed industrial and commercial plots (development-in progress)	Freehold	18.11.1996	110.38	32,970
9. Lot Nos. PTD 113439, 113442 to 113498, 113502 to 113598, 113943, 114029, 114033, 114035, 114037, 114041, 114901, 114954 to 114975, 114978 to 115000, 115111 to 115112, 153825 to 153875, 153877 to 153937, 153950 to 153951, 153961, 153964, 154001, 154028, 154035, 154041, 154049, 154051, 154056 to 154196, 154199 to 154200 & 154203 to 154263. Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Mixed residential and commercial plots (development-in progress)	Freehold	18.11.1996	(1) 164.25	33,210
10. Lot 1471, 681 and 1468 Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Vacant agricultural land	Freehold	18.11.1996	9.98	5,176
Properties held by Ambok					
11. Lot 960, 1331, 349, 2, 608, 325, 607, 58, 60, 750, 748, 749, 717, 716, 747, 609 & 116, Mukim Tangjung Surat, District of Kota Tinggi, Johor Darul Takzim.	Oil palm estate (zoned for resort development)	Freehold	(2) 18.11.1996	842.90	27,366

Particulars of Properties (cont'd)

Description & Location	Existing Use (Status of Development)	Tenure/ Age of Building	Date of Acquisition	Land Area (Acres)	Net Book Value RM'000
Properties held by Unibase Concrete					
12. Factory building No. 1, Jalan Mahir 1, Taman Perindustrian Cemerlang, 81800 Ulu Tiram, Johor Darul Takzim.	Readymix concrete plant	6 years	(3) 18.11.1996	Not applicable	41
Properties held by CE					
13. PTD 154264 Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Vacant land for commercial buildings	Freehold	11.01.1999	4.11	50
Properties held by CCC					
14. PTD 113438 Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Vacant land for commercial buildings	Freehold	11.01.1999	8.50	195
Total				1,282.89	145,366

Notes:-

- 1) Gross land area based upon land titles held by PID and CDSB as at 31 January, 2002. For PID, the conversion factor from gross to net saleable industrial land area is 0.6992 and for CDSB, the conversion factors from gross to net saleable industrial and residential/commercial land area are 0.6860 and 0.5805 respectively. The conversion factor which is used to compute the net saleable land from the gross saleable land is based on pre-computation areas of all sub-divided lots as stated in qualifying titles (as per approval letters from Pengarah Tanah dan Galian Johor) over the total land areas acquired (as per sale and purchase agreement). The net saleable land area in respect of the gross land area of 55.73 acres under PID is approximately 38.97 acres.
- 2) The oil palm estate which is an unconverted development land zoned for tourism is currently planted with oil palm trees which are due for replanting.
- 3) The building is sited on the freehold land Lot No. PTD 91877 held by PID.

Form of Proxy



I/We, _____
of _____
being (a) member(s) of the abovenamed Company do hereby appoint _____
of _____
or failing whom, _____ of _____

or failing whom, the Chairman of the Meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the Sixth Annual General Meeting of the Company to be held at Meranti Room, LG Level, Eastin Hotel, 13, Section 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 23 July 2002 at 10.00 a.m. and at any adjournment thereof in the manner as indicated below:-

No.	Resolution	For	Against
1.	Adoption of Reports and Audited Financial Statements		
2.	Declaration of final dividend		
3.	Payment of Directors' fees		
4.	Re-appointment of Director: Datuk Haji Mohd. Zamani bin Samah		
5.	Re-appointment of Director: Mdm. Loo Geok Eng		
6.	Re-election of Director: Mr. Gooi Seong Gum		
7.	Re-election of Director: Ms. Gooi Seow Mee		
8.	Re-appointment of Auditors		
9.	Authority to issue shares		
10.	Proposed Share Buy-Back		
11.	Proposed Renewal of Shareholders' Mandate		

(Please indicate with an 'X' in the appropriate box against each resolution how you wish your proxy to vote. If no instruction is given, this Form will be taken to authorise the proxy to vote at his/her discretion.)

Signed this _____ day of _____ 2002 Signature of Member _____

Number of Shares held

NOTES:

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of him.

To be valid, this Form duly completed must be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the time set for holding the meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

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

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Stamp

The Secretary

CRESCENDO CORPORATION BERHAD

Unit No. 203, 2nd Floor, Block C
Damansara Intan
No. 1, Jalan SS 20/27
47400 Petaling Jaya

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