

**APPENDIX III – AUDITED ACCOUNTS OF CCM FOR THE 6 MONTHS ENDED 30 JUNE
2002 TOGETHER WITH THE AUDITORS' REPORT THEREON**



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**Report of the auditors of
Chemical Company of Malaysia Berhad
(Company No. 5136-T)
(Incorporated in Malaysia)
and its subsidiaries**

We have audited the financial statements set out on pages 58 to 93. The preparation of the financial statements is the responsibility of the Company's Directors. Our responsibility is to express an opinion on the financial statements based on our audit.

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

In our opinion the financial statements are properly drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and the Company at 30 June 2002 and the results of their operations and cash flows for the period ended on that date.

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

KPMG
Firm Number: AF 0758
Chartered Accountants

Kuala Lumpur,

Date: **28 OCT 2002**



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Chemical Company of Malaysia Berhad

(Company No. 5136-T)

(Incorporated in Malaysia)

and its subsidiaries**Income statements for the six months ended
30 June 2002**

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		6 months ended 30.6.2002	Year ended 31.12.2001	6 months ended 30.6.2002	Year ended 31.12.2001
Revenue		251,203	497,563	2,867	5,922
Operating profit	2	51,367	22,172	31,589	30,576
Interest income	3	625	1,779	3,036	5,428
Interest expense		(4,309)	(10,593)	(938)	(2,264)
		47,683	13,358	33,687	33,740
Share of profits/(losses) of associates		19	(539)	-	-
Profit before tax		47,702	12,819	33,687	33,740
Taxation	4	(3,755)	(9,508)	(2,655)	(9,383)
Profit after tax		43,947	3,311	31,032	24,357
Minority shareholders' interests		(1,016)	2,399	-	-
Net profit for the year		42,931	5,710	31,032	24,357
Basic earnings per share (sen)	5	12.2	1.6	8.8	6.9
Diluted earnings per share (sen)	5	10.4	-	7.7	-
Gross dividends per share (sen)					
Interim paid Nil (2001 - 3.0 sen per share less 28% tax)		-	3.0	-	3.0
Final proposed and not appropriated in the financial statements (2001 - 6.3 sen per share less 28% tax)		-	6.3	-	6.3
		-	9.3	-	9.3

The notes set out on pages 66 to 93 form an integral part of, and, should be read in conjunction with, these financial statements.

Chemical Company of Malaysia Berhad

(Company No. 5136-T)

(Incorporated in Malaysia)

and its subsidiaries

Balance sheets at 30 June 2002

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		30.6.2002	31.12.2001	30.6.2002	31.12.2001
Property, plant and equipment	6	418,774	431,596	170,145	172,914
Subsidiaries	7	-	-	180,329	180,329
Associates	8	1,873	1,854	119	119
Investments	9	98,904	117,752	39,382	46,249
Development expenditure	10	6,798	6,798	-	-
Current assets					
Inventories	11	103,010	108,041	-	-
Trade and other receivables	12	131,507	132,116	174,559	162,859
Cash and bank balances	13	96,058	48,396	41,062	13,247
		330,575	288,553	215,621	176,106
Current liabilities					
Trade and other payables	14	89,540	88,569	21,997	3,249
Short term borrowings (unsecured)	15	48,338	50,832	-	-
Loans	19	121,042	66,033	50,000	-
Hire purchase creditor		52	50	-	-
Taxation		5,654	7,024	3,015	2,444
		264,626	212,508	75,012	5,693
Net current assets		65,949	76,045	140,609	170,413
		592,298	634,045	530,584	570,024
		=====	=====	=====	=====

Balance sheets at 30 June 2002

(continued)

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		30.6.2002	31.12.2001	30.6.2002	31.12.2001
Financed by:-					
Share capital	16	356,265	356,265	356,265	356,265
Treasury shares	16	(8,668)	(8,668)	(8,668)	(8,668)
Reserves	17	151,520	124,411	182,258	167,203
Shareholders' funds		499,117	472,008	529,855	514,800
Minority shareholders' interests	18	42,655	43,269	-	-
Long term and deferred liabilities					
Loans	19	38,685	98,231	-	50,000
Hire purchase creditor		213	237	-	-
Retirement benefits	20	-	8,134	-	3,957
Deferred taxation	4	11,628	12,166	729	1,267
		50,526	118,768	729	55,224
		592,298	634,045	530,584	570,024
Net tangible assets per share (RM)		1.42	1.34	1.50	1.46

The notes set out on pages 66 to 93 form an integral part of, and, should be read in conjunction with, these financial statements.

Chemical Company of Malaysia Berhad
(Company No. 5136-T)
(Incorporated in Malaysia)
and its subsidiaries

Consolidated statement of changes in equity for the six months ended 30 June 2002

Amounts in RM'000 unless otherwise stated

	←----- Non-distributable -----→				Distributable			
	Share capital	Treasury shares	Capital redemption reserve	Revaluation reserve	Other capital reserve	Foreign translation reserve	Retained profits	Total
At 1 January 2001	356,265	(7,181)	73	66,212	2,982	(92)	79,566	497,825
Net gains and losses not recognised in the income statement - Currency translation differences	-	-	-	-	-	(199)	-	(199)
Repurchased shares	-	(1,487)	-	-	-	-	-	(1,487)
Net profit for the year	-	-	-	-	-	-	5,710	5,710
Final dividend for 2000 (6.3 sen per share, tax exempt)	-	-	-	-	-	-	(22,244)	(22,244)
Interim dividend (3.0 sen per share, less tax)	-	-	-	-	-	-	(7,614)	(7,614)
Overprovision of final dividend for year 2000	-	-	-	-	-	-	17	17
At 31 December 2001	356,265	(8,668)	73	66,212	2,982	(291)	55,435	472,008
Net gains and losses not recognised in the income statement - Currency translation differences	-	-	-	-	-	155	-	155
Net profit for the period	-	-	-	-	-	-	42,931	42,931
Realisation of revaluation reserve	-	-	-	(1,881)	-	-	1,881	-
Final dividend for 2001 (6.3 sen per share, less tax)	-	-	-	-	-	-	(15,977)	(15,977)
At 30 June 2002	356,265	(8,668)	73	64,331	2,982	(136)	84,270	499,117

The notes set out on pages 66 to 93 form an integral part of, and, should be read in conjunction with, these financial statements.

Chemical Company of Malaysia Berhad

(Company No. 5136-T)

(Incorporated in Malaysia)

**Statement of changes in equity for the six months ended
30 June 2002**

Amounts in RM'000 unless otherwise stated

	←----- Non-Distributable -----→				Distributable	
	Share capital	Treasury shares	redemption reserve	Revaluation reserve	Retained profits	Total
At 1 January 2001	356,265	(7,181)	73	56,951	115,663	521,771
Repurchased shares	-	(1,487)	-	-	-	(1,487)
Net profit for the year	-	-	-	-	24,357	24,357
Final dividend for 2000 (6.3 sen per share, tax exempt)	-	-	-	-	(22,244)	(22,244)
Interim dividend (3.0 sen per share, less tax)	-	-	-	-	(7,614)	(7,614)
Overprovision of final dividend for year 2000	-	-	-	-	17	17
At 31 December 2001	356,265	(8,668)	73	56,951	110,179	514,800
Net profit for the period	-	-	-	-	31,032	31,032
Realisation of revaluation reserve	-	-	-	(1,881)	1,881	-
Final dividend for 2001 (6.3 sen per share, less tax)	-	-	-	-	(15,977)	(15,977)
At 30 June 2002	356,265	(8,668)	73	55,070	127,115	529,855

The notes set out on pages 66 to 93 form an integral part of, and, should be read in conjunction with, these financial statements.

Chemical Company of Malaysia Berhad

(Company No. 5136-T)

(Incorporated in Malaysia)

and its subsidiaries

Cash flow statements for the six months ended 30 June 2002

Amounts in RM'000 unless otherwise stated

	Group		Company	
	6 months ended 30.6.2002	Year ended 31.12.2001	6 months ended 30.6.2002	Year ended 31.12.2001
Cash flows from operating activities				
Profit before tax	47,702	12,819	33,687	33,740
Adjustments for:				
Amortisation of research and development expenditure	716	552	-	-
Depreciation	14,905	29,784	467	1,176
Loss on disposal of associates	-	15	-	-
(Gain)/Loss on disposal of investments	(43,025)	780	(27,012)	-
Goodwill written off	-	2,421	-	-
(Gain)/Loss on disposal of property, plant and equipment	(361)	702	(535)	1
Property, plant and equipment written-off	-	3	-	-
Property, plant and equipment written down	3,000	-	-	-
Retirement benefits charge	133	326	103	198
Retirement benefits written back	(7,648)	-	(4,060)	-
Share of (profits)/losses in associates	(19)	539	-	-
Translation adjustment	155	(273)	-	-
Operating profit before working capital changes	15,558	47,668	2,650	35,115
Changes in working capital:				
Inventories	5,031	7,524	-	-
Trade and other receivables	609	1,220	(11,700)	3,274
Trade and other payables	971	(19,895)	18,748	(3,019)
Cash generated from operations	22,169	36,517	9,698	35,370
Payment for retirement benefits	(619)	(483)	-	(99)
Tax paid	(5,662)	(10,686)	(2,622)	(8,716)
Net cash generated from operating activities	15,888	25,348	7,076	26,555

Cash flow statements for the six months ended 30 June 2002

(continued)

Amounts in RM'000 unless otherwise stated

	Group		Company	
	6 months ended 30.6.2002	Year ended 31.12.2001	6 months ended 30.6.2002	Year ended 31.12.2001
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	2,994	356	2,922	-
Proceeds from disposal of investments	61,873	1,778	33,879	-
Purchase of property, plant and equipment	(7,716)	(14,713)	(85)	(193)
Research and development expenditure	(716)	(1,431)	-	-
Net cash generated from/ (used in) investing activities	56,435	(14,010)	36,716	(193)
Cash flows from financing activities				
Dividends paid	(15,977)	(29,841)	(15,977)	(29,841)
Issuance of shares in subsidiaries to minority shareholders	-	11,515	-	-
Payment of dividends to minority shareholders	(1,630)	(5,320)	-	-
Proceeds from loan drawn down	-	90,000	-	50,000
Proceeds from hire purchase creditor	-	298	-	-
Repayment of bonds	-	(150,000)	-	(150,000)
Repayment of loans	(4,537)	(847)	-	-
Payment of hire purchase creditor	(23)	(11)	-	-
Share buy-back	-	(1,487)	-	(1,487)
Short term borrowings	(1,556)	(38,724)	-	-
Net cash used in financing activities	(23,723)	(124,417)	(15,977)	(131,328)
Net increase/(decrease) in cash and cash equivalents	48,600	(113,079)	27,815	(104,966)
Cash and cash equivalents at beginning of period/year	45,766	158,845	13,247	118,213
Cash and cash equivalents at end of period/year	94,366	45,766	41,062	13,247

Cash flow statements for the six months ended 30 June 2002

(continued)

Amounts in RM'000 unless otherwise stated

a) Cash and cash equivalents

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

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Cash and bank balances	12,601	26,638	1,062	997
Short term deposits	83,457	21,758	40,000	12,250
Bank overdrafts	(1,692)	(2,630)	-	-
	<u>94,366</u>	<u>45,766</u>	<u>41,062</u>	<u>13,247</u>
	=====	=====	=====	=====

The notes set out on pages 66 to 93 form an integral part of, and, should be read in conjunction with, these financial statements.

Chemical Company of Malaysia Berhad
(Company No. 5136-T)
(Incorporated in Malaysia)
and its subsidiaries

Notes to the financial statements

Amounts in RM'000 unless otherwise stated

1. Summary of significant accounting policies

The following accounting policies are adopted by the Group and the Company and are consistent with those adopted in previous years and in addition has adopted the following with effect from 1 January 2002:

- (i) MASB 20, Provisions, Contingent Liabilities and Contingent Assets and MASB 21, Business Combination. Comparative figures have not been restated and no prior year adjustment is shown as they had no impact on the financial statements;
- (ii) MASB 22, Segment Reporting which is applied retrospectively. Comparative figures have been changed to conform with the disclosure requirements of MASB 22 in respect of the Group and the Company; and
- (iii) MASB 23, Impairment of Assets which is applied prospectively. The restatement of comparative figures and prior year adjustment are therefore not presented.

MASB 24, Financial Instruments: Disclosure and Presentation, has not been adopted in this set of financial statements.

(a) Basis of accounting

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

1. Summary of significant accounting policies (continued)

(b) Basis of consolidation

The Group financial statements incorporate the financial statements of the Company and all its subsidiaries for the period ended 30 June 2002.

On acquisition of shares in subsidiaries, fair values are attributed to the net assets acquired. The excess of the consideration given over the value of net assets acquired represents goodwill on consolidation and is written off to the income statement in the year that it arises, in line with the Directors' opinion that the balance sheet of the Group and the Company should only reflect tangible assets.

The results of subsidiaries acquired or disposed of during the year are included from the date of acquisition or up to the date of disposal.

Intragroup transactions, balances and unrealised gains on transactions are eliminated; unrealised losses are also eliminated unless cost cannot be recovered.

(c) Associates

An associate is a company in which the Group or the Company has an interest of between 20% to 50% and on whose commercial and financial decisions the Group or the Company exercises significant influence. The Group's interest in associates is accounted for on an equity basis if the effect on the Group's financial statements is considered significant.

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

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

(d) Investments

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

1. Summary of significant accounting policies (continued)

(e) Property, plant and equipment

Land and buildings are stated in the financial statements at cost or Directors' valuation based on open market valuations by professional firms of valuers. Surpluses arising from revaluation are credited to the property revaluation reserve. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount will be charged to the income statement. Additions to land and buildings subsequent to the valuations and other plant and equipment are stated in the financial statements at cost.

The Group revalues its properties at regular intervals of not less than five years.

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

(f) Depreciation

No amortisation is provided on leasehold land with unexpired lease terms of more than fifty years. The effect of this non-amortisation is not material in the context of the Group's and Company's financial statements.

Leasehold land with unexpired lease terms of less than fifty years are amortised in equal instalments over the remaining period of their leases.

Other property, plant and equipment are depreciated on a straight line basis to write off the cost of the assets over the term of their estimated useful lives. The principal annual rates of depreciation used are as follows:

Building and site fixtures	2% to 10%
Plant, machinery and equipment	7 1/2% to 25%
Motor vehicles	25%

(g) Research and development expenditure

Research and development expenditure comprises direct costs and overhead costs incurred in the development of pharmaceutical products. Development costs are capitalised if they are in relation to products which will generate future economic benefits for the company. Capitalised development expenditure is amortised and recognised as an expense on a systematic basis so as to reflect the pattern in which the related economic benefits are recognised over 10 years. Research costs are expensed off when incurred.

1. Summary of significant accounting policies (continued)

(h) Taxation

The taxation charge in the income statements represents taxation at current rates based on profits earned during the year.

The 'liability method' of deferred taxation accounting is adopted by the Group and the Company. Deferred taxation arising from material timing differences between accounting income and taxable income is provided in the financial statements except where it is reasonably probable that the tax effects of these timing differences will continue in the foreseeable future.

No future income tax benefit is carried in respect of tax losses which are not expected to be recouped within a reasonable period of time.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and consists of materials, and where applicable, direct labour and an appropriate proportion of fixed and variable production overheads.

(j) Provisions

A provision is recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation (legal or constructive) as a result of a past event and a reliable estimate can be made of the amount.

(k) Retirement benefits

The Group and the Company contribute to an approved retirement benefit scheme in respect of their contractual obligations to management staff. Any deficit/surplus arising as a result of actuarial valuations will be charged/credited against profits over the estimated remaining service lives of the employees.

The amount charged against profits is calculated with reference to actuarial advice and represents a proper charge to cover the service liabilities and an appropriate proportion of the deficit/surplus.

1. Summary of significant accounting policies (continued)

(l) Translation of foreign currencies

Transactions in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the income statements.

The Group's foreign operations are not considered an integral part of the Company's operations. Accordingly, the assets and liabilities of foreign subsidiary companies have been translated into Ringgit Malaysia at the rate of exchange ruling at the balance sheet date. Income and expense items of foreign subsidiary companies are accounted for based on the average rate of exchange applicable for the year. On consolidation, exchange differences arising from the restatement at year end rates of the opening net investments in overseas subsidiary companies are taken to reserves.

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

1USD :	RM3.80 (2001 - RM3.80)
1SGD :	RM2.15 (2001 - RM2.04)
1CAD :	RM2.51 (2001 - RM2.39)

(m) Capitalisation of borrowing costs

Borrowing costs on expenditure incurred on property, plant and equipment that require a substantial period of time to get ready for their intended use are capitalised. Capitalisation of borrowing costs will cease when the assets are ready for their intended use.

1. Summary of significant accounting policies (continued)

(n) Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments with maturity of three months or less from the date of acquisition, which are readily convertible to known amount of cash and which are subjected to insignificant risk of changes in value and are presented net of bank overdrafts.

(o) Repurchase of shares

When shares are repurchased, consideration paid, including directly attributable costs, is recognised as cost and identified as treasury shares. The excess of sale proceeds over the purchase cost arising from the subsequent resale of the treasury shares on the open market is taken to share premium account.

(p) Revenue recognition

(a) *Goods sold*

Revenue from sale of goods is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

(b) *Services*

Revenue from services is recognised upon the completion of the services.

(c) *Rental/Interest income*

Rental and interest income are recognised in the income statement on an accrual basis.

(d) *Dividend income*

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

1. Summary of significant accounting policies (continued)

(q) Expenses

(a) Operating lease payments

Payment made under operating leases are recognised in the income statement on a straight line basis over the term of the lease.

(b) Financing costs

All interest and other costs incurred in connection with borrowings, other than that capitalised in accordance with Note (m), are expensed as incurred.

2. Operating profit

	Group		Company	
	6 months ended 30.6.2002	Year ended 31.12.2001	6 months ended 30.6.2002	Year ended 31.12.2001
Revenue				
Sale of goods	240,545	480,058	-	-
Services	9,621	15,265	-	-
Rental income	1,037	2,240	2,867	5,922
	251,203	497,563	2,867	5,922
Cost of sales	(208,244)	(407,568)	(432)	(1,064)
Gross profit	42,959	89,995	2,435	4,858
Other operating income	46,896	6,106	30,003	28,037
Distribution cost	(3,675)	(7,617)	-	-
Administrative expenses	(21,424)	(41,237)	(370)	(1,600)
Other operating expenses	(13,389)	(25,075)	(479)	(719)
Operating profit	51,367	22,172	31,589	30,576

2. Operating profit (continued)

	Group		Company	
	6 months ended 30.6.2002	Year ended 31.12.2001	6 months ended 30.6.2002	Year ended 31.12.2001
Operating profit is arrived at after charging/(crediting):				
Allowance for doubtful debts	216	1,446	-	-
Amortisation of research and development expenditure	716	552	-	-
Auditors' remuneration	60	165	8	17
Depreciation and amortisation of property, plant and equipment	14,905	29,784	467	1,176
Directors' remuneration				
- fees	159	279	135	231
- emoluments	837	2,132	224	906
Goodwill written off	-	2,421	-	-
Inventories written down	91	213	-	-
Inventories written-off	57	442	-	-
(Gain)/Loss on disposal of property, plant and equipment	(361)	702	(535)	1
Rental of premises	2,205	3,844	429	785
Operating lease rental	35	69	-	-
Impairment loss on property, plant and equipment	3,000	-	-	-
Property, plant and equipment written off	-	3	-	-
Bad debts written back	-	(95)	-	-
Compensation received for early termination of rental agreement	-	(1,284)	-	(1,284)
Advances to retirement benefit scheme written off	6,434	-	6,434	-
Provision for retirement benefit written back	(7,648)	-	(4,060)	-
Dividends received (gross) from:				
Unquoted subsidiaries	-	-	(4,483)	(26,268)
Shares quoted in Malaysia	(879)	(1,473)	(12)	(127)
Foreign exchange differences - realised	(189)	(420)	-	-
Loss on disposal of associated company	-	15	-	-
(Gain)/Loss on disposal of investments	(43,025)	780	(27,012)	-
Royalty income	(16)	(36)	(96)	(358)
	=====	=====	=====	=====
Benefits provided to Directors:				

The estimated monetary value of benefits provided to Directors during the year by way of usage of the Group's and the Company's assets amounted to RM107,000 (2001 - RM238,000) for the Group and RM29,000 (2001 - RM82,000) for the Company.

3. Interest income

	Group		Company	
	6 months ended 30.6.2002	Year ended 31.12.2001	6 months ended 30.6.2002	Year ended 31.12.2001
Interest receivable from subsidiaries	-	-	2,634	4,616
Interest receivable from associated company:				
Orica-CCM Energy Systems Sdn Bhd	44	64	-	-
Other interest income	581	1,715	402	812
	<u>625</u>	<u>1,779</u>	<u>3,036</u>	<u>5,428</u>
	<u><u>625</u></u>	<u><u>1,779</u></u>	<u><u>3,036</u></u>	<u><u>5,428</u></u>

4. Taxation

	Group		Company	
	6 months ended 30.6.2002	Year ended 31.12.2001	6 months ended 30.6.2002	Year ended 31.12.2001
The charge for tax consists of the following:				
Current tax				
In respect of the profit for the period/ year	4,160	9,754	3,060	5,180
Under provision in respect of previous years	-	147	-	147
Real property gain tax	133	-	133	-
Deferred tax				
(Reversal)/Charge for the period/year	(538)	(343)	(538)	4,056
Over provision in respect of previous years	-	(50)	-	-
	<u>3,755</u>	<u>9,508</u>	<u>2,655</u>	<u>9,383</u>
	<u><u>3,755</u></u>	<u><u>9,508</u></u>	<u><u>2,655</u></u>	<u><u>9,383</u></u>

Subject to the agreement of the Inland Revenue Board, the Group and the Company has recognised deferred taxation in the financial statements on the following items:

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Timing differences on property, plant and equipment	8,345	11,907	-	-
Other timing differences	3,283	259	729	1,267
	<u>11,628</u>	<u>12,166</u>	<u>729</u>	<u>1,267</u>
	<u><u>11,628</u></u>	<u><u>12,166</u></u>	<u><u>729</u></u>	<u><u>1,267</u></u>
Deferred taxation not recognised in the financial statements arising from the revaluation of property which are held for long term use				
	4,007	4,101	2,754	2,848
	<u>4,007</u>	<u>4,101</u>	<u>2,754</u>	<u>2,848</u>
	<u><u>4,007</u></u>	<u><u>4,101</u></u>	<u><u>2,754</u></u>	<u><u>2,848</u></u>

4. Taxation (continued)

Subject to the agreement of the Inland Revenue Board, the Group has potential deferred tax benefits not taken up in the financial statements under the liability method in respect of the following items:-

	Group	
	30.6.2002	31.12.2001
Unutilised tax losses	29,403	25,961
Other timing differences	12,457	12,466
	<u>41,860</u>	<u>38,427</u>
	=====	=====

5. Earnings per share

	Group		Company	
	6 months ended	Year ended	6 months ended	Year ended
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Basic Earnings Per Share:				
Profit after tax and minority shareholders' interests	42,931	5,710	31,032	24,357
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
Issued ordinary shares at beginning of the period/year ('000)	347,597	353,074	347,597	353,074
Effects of shares repurchased ('000)	-	(447)	-	(447)
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
Weighted average number of shares ('000)	347,597	352,627	347,597	352,627
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
Basic earnings per share (sen)	12.3	1.6	8.9	6.9
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

Diluted earnings per share for year ended 31 December 2001 is not disclosed as the effect is anti-dilutive.

Diluted earnings per share for six months ended 30 June 2002 is calculated as follows:

	Group	Company
Profit after tax and minority shareholders' interests	42,931	31,032
After tax effect of notional interest savings	3,132	3,132
	<u>46,063</u>	<u>34,164</u>
	=====	=====
Weighted average number of shares as above	347,597	347,597
Effect of warrants	88,982	88,982
	<u>436,579</u>	<u>436,579</u>
	=====	=====
Diluted earnings per share (sen)	10.6	7.8
	<u>=====</u>	<u>=====</u>

6. Property, plant and equipment

Group	Freehold land and buildings	Long term leasehold land and buildings	Short term leasehold land and buildings	Plant machinery and equipment	Total
<i>Cost or valuation</i>					
At 1 January 2002	64,171	245,226	1,840	367,696	678,933
Additions	73	1,108	-	6,535	7,716
Disposals	(2,445)	-	-	(956)	(3,401)
At 30 June 2002	61,799	246,334	1,840	373,275	683,248
Representing items at:					
Cost	12,959	69,691	1,840	373,275	457,765
Directors' valuation - 2000	48,840	176,643	-	-	225,483
	61,799	246,334	1,840	373,275	683,248
<i>Accumulated depreciation and impairment loss</i>					
At 1 January 2002	814	26,387	498	219,638	247,337
Charge for the period	35	826	51	13,993	14,905
Disposals	(60)	-	-	(708)	(768)
Impairment loss for the period	-	3,000	-	-	3,000
At 30 June 2002	789	30,213	549	232,923	264,474
<i>Net book value</i>					
At 30 June 2002	61,010	216,121	1,291	140,352	418,774
At 31 December 2001	63,357	218,839	1,342	148,058	431,596
Depreciation charge for the year ended 31 December 2001	66	3,151	306	26,261	29,784

6. Property, plant and equipment (continued)

Company	Freehold land and buildings	Long term leasehold land and buildings	Plant machinery and equipment	Total
<i>Cost or valuation</i>				
At 1 January 2002	51,434	132,505	5,425	189,364
Additions	73	-	12	85
Disposals	(2,445)	-	(35)	(2,480)
At 30 June 2002	49,062	132,505	5,402	186,969
Representing items at:				
Cost	222	-	5,402	5,624
Directors' valuation - 2000	48,840	132,505	-	181,345
	49,062	132,505	5,402	186,969
<i>Accumulated depreciation</i>				
At 1 January 2002	810	11,974	3,666	16,450
Charge for the period	29	206	232	467
Disposals	(60)	-	(33)	(93)
At 30 June 2002	779	12,180	3,865	16,824
<i>Net book value</i>				
At 30 June 2002	48,283	120,325	1,537	170,145
At 31 December 2001	50,624	120,531	1,759	172,914
Depreciation charge for the year ended 31 December 2001	57	418	701	1,176

Land and buildings are stated at directors' valuation based on valuations by independent professional valuers on the open market basis conducted in November 2000.

6. Property, plant and equipment (continued)

Had the land and buildings been carried at historical cost less accumulated depreciation, the carrying amount of the revalued assets that would have been included in the financial statements at the end of the period/year would be as follows:

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Freehold land and buildings	14,122	14,581	14,122	14,581
Long term leasehold land and buildings	72,428	72,746	55,260	55,467
	<u>86,550</u>	<u>87,327</u>	<u>69,382</u>	<u>70,048</u>
	=====	=====	=====	=====

Land and buildings of the Group with a carrying value of RM30.1 million (2001 - RM30.6 million) are charged to banks as security for borrowings.

7. Subsidiaries

	Company	
	30.6.2002	31.12.2001
Shares in unquoted companies, at cost	180,329	180,329
	=====	=====

Details of the subsidiaries are as follows:

Subsidiary companies	Principal activities	Country of incorporation	Effective ownership interest	
			30.6.2002 %	31.12.2001 %
CCM Fertilizers Sdn. Bhd. and its subsidiaries:	Manufacture and marketing of fertilizers	Malaysia	50.1	50.1
Max Agriculture Sdn. Bhd.	Rental of land and building	Malaysia	50.1	50.1
CCMF Agronomic and Technical Services Sdn. Bhd.*	Dormant	Malaysia	50.1	50.1

7. Subsidiaries (continued)

Subsidiary companies	Principal activities	Country of incorporation	Effective ownership interest	
			30.6.2002 %	31.12.2001 %
CCM Chemicals Sdn. Bhd. and its subsidiaries:	Manufacture and marketing of chlor-alkali products and marketing of chemicals	Malaysia	80.0	80.0
CCM Chemtrans Sdn. Bhd.	Dormant	Malaysia	80.0	80.0
CCM Watercare Sdn. Bhd.	Marketing of water treatment products	Malaysia	80.0	80.0
CCM Pharma Sdn. Bhd.	Manufacture of pharmaceutical and healthcare products	Malaysia	100.0	100.0
Columbia Pacific Healthcare Sdn. Bhd. and its subsidiaries:	Development and operation of medical centres and other related medical services and centres	Malaysia	51.0	51.0
Columbia Pacific Healthcare Management Sdn. Bhd.	Management of healthcare facilities	Malaysia	51.0	51.0
CPH Extended Care Sdn. Bhd.	Operation of healthcare facilities	Malaysia	51.0	51.0
CPH Imaging Sdn. Bhd.	Operation of magnetic resonance imaging centre	Malaysia	51.0	51.0
CPH Mont Kiara Internal Care Sdn. Bhd.	Dormant	Malaysia	75.5	75.5
CPH Seremban Acute Care Sdn. Bhd.**	Operation of healthcare facilities	Malaysia	49.6	49.6
Pelangi Atlantik Sdn. Bhd.	Dormant	Malaysia	75.5	75.5
Tunas Idaman Sdn. Bhd.	Dormant	Malaysia	51.0	51.0

7. Subsidiaries (continued)

Subsidiary companies	Principal activities	Country of incorporation	Effective ownership interest	
			30.6.2002 %	31.12.2001 %
Prima Health Pharmacy (Retail) Sdn. Bhd.	Marketing and retailing of pharmaceutical and healthcare products	Malaysia	100.0	100.0
Tekan Maju Sdn. Bhd. and its subsidiaries:	Investment holding	Malaysia	100.0	100.0
Euphorex Corporation Sdn. Bhd.	Investment holding	Malaysia	100.0	100.0
Kibaran Kemas Sdn. Bhd.	Investment holding	Malaysia	100.0	100.0
Liberal Wira Sdn. Bhd.	Investment holding	Malaysia	100.0	100.0
Orineum Corporation Sdn. Bhd.	Investment holding	Malaysia	100.0	100.0
Perconic Resources Sdn. Bhd.	Investment holding	Malaysia	100.0	100.0
Usaha Progresif Sdn. Bhd.	Investment holding	Malaysia	100.0	100.0
Upha Pharmaceutical Manufacturing (M) Sdn. Bhd.	Manufacture of pharmaceutical and healthcare products	Malaysia	100.0	100.0
Upha Corporation (M) Sdn. Bhd. and its subsidiaries:	Marketing of pharmaceutical and healthcare products	Malaysia	100.0	100.0
Ho Han Medical Company Sdn. Bhd.	Manufacture and marketing of pharmaceutical and healthcare products	Malaysia	100.0	100.0

7. Subsidiaries (continued)

Subsidiary companies	Principal activities	Country of incorporation	Effective ownership interest	
			30.6.2002 %	31.12.2001 %
Sentosa Pharmacy Sdn. Bhd.	Marketing of pharmaceutical and healthcare products	Malaysia	61.7	61.7
Unique Pharmacy (Ipoh) Sdn. Bhd.	Marketing of pharmaceutical and healthcare products	Malaysia	73.3	73.3
Unique Pharmacy (Penang) Sdn. Bhd.	Marketing of pharmaceutical and healthcare products	Malaysia	72.0	72.0
Negeri Pharmacy Sdn. Bhd.	Marketing of pharmaceutical and healthcare products	Malaysia	87.6	87.6
Envirochem Consultants Sdn. Bhd.	Provision of technical expertise and services on environmental protection	Malaysia	100.0	100.0
Danau Insas Sdn. Bhd.	Investment holding	Malaysia	100.0	100.0
Innovax Sdn. Bhd. (formerly known as Vizai Corporation Sdn. Bhd.)	Research and development of pharmaceutical products	Malaysia	100.0	-
CCM Investment Limited	Investment holding	British Virgin Islands	100.0	100.0
CCM Holdings Pte. Ltd.*	Marketing of chlor-alkali products and chemicals	Singapore	80.0	80.0

* Not audited by KPMG

** Subsidiary as a result of management control

8. Associates

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Unquoted ordinary shares in Malaysia, at cost	4,927	4,927	119	119
Group's share of post acquisition profits less losses	(3,054)	(3,073)	-	-
	<u>1,873</u>	<u>1,854</u>	<u>119</u>	<u>119</u>
	=====	=====	=====	=====
Group share of net assets	1,873	1,854		
	=====	=====		

The associates are as follows:

Associates	Principal activities	Country of incorporation	Effective ownership interest	
			30.6.2002 %	31.12.2001 %
CPH (Sarawak) Sdn. Bhd.	Operation of healthcare facilities	Malaysia	20.4	20.4
Orica-CCM Energy Systems Sdn. Bhd.	Marketing of explosives	Malaysia	36.0	36.0
Usaha Kimia (Malaysia) Sdn. Bhd.	Marketing of chlor-alkali and chemical products	Malaysia	30.0	30.0

9. Investments

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
At cost				
Quoted shares				
- in Malaysia	36,177	51,012	14,445	17,123
- outside Malaysia	62,727	66,740	24,937	29,126
	<u>98,904</u>	<u>117,752</u>	<u>39,382</u>	<u>46,249</u>
	=====	=====	=====	=====
Market value of quoted shares:				
- in Malaysia	47,096	62,603	8,912	10,745
- outside Malaysia	155,029	345,135	67,722	182,980
	=====	=====	=====	=====

10. Development expenditure

	Group	
	30.6.2002	31.12.2001
Cost		
Balance at 1 January	8,224	6,793
Incurred during the period/year	716	1,431
	<u> </u>	<u> </u>
Balance at 30 June 2002/31 December 2001	8,940	8,224
	<u>=====</u>	<u>=====</u>
Accumulated amortisation		
Balance at 1 January	1,426	874
Amortisation charge for the period/year	716	552
	<u> </u>	<u> </u>
Balance at 30 June 2002/31 December 2001	2,142	1,426
	<u>=====</u>	<u>=====</u>
Net book value		
At 30 June 2002/31 December 2001	6,798	6,798
	<u>=====</u>	<u>=====</u>

11. Inventories

	Group	
	30.6.2002	31.12.2001
Raw materials		
At cost	15,373	10,391
At net realisable value	3,385	3,266
Work-in-progress - At cost	2,714	3,291
Finished products		
At cost	51,590	67,067
At net realisable value	14,432	6,887
Spares and consumables - At cost	15,516	17,139
	<u> </u>	<u> </u>
	103,010	108,041
	<u>=====</u>	<u>=====</u>

12. Trade and other receivables

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Trade receivables	112,827	108,545	-	-
Less: Allowance for doubtful debts	(9,045)	(8,562)	-	-
	<u>103,782</u>	<u>99,983</u>	<u>-</u>	<u>-</u>
Other receivables	25,181	28,880	8,326	14,497
Amounts owing by subsidiaries	-	-	166,161	148,327
Amounts owing by associated companies	2,544	3,253	72	35
	<u>131,507</u>	<u>132,116</u>	<u>174,559</u>	<u>162,859</u>
	=====	=====	=====	=====

Other receivables include:

- a) an amount owing by Chemical Company of Malaysia Group Retirement Scheme of RM6.6 million (2001 - RM13.3 million) to the Group and RM3.4 million (2001 - RM9.9 million) to the Company.
- b) a sum of RM3.226 million (2001 - RM3.226 million) for the Group and Company in respect of a non-refundable option deposit to acquire a controlling stake in a manufacturing company. The Company intends to transfer the option agreement to a third party without incurring additional cost.

The amounts owing by subsidiaries are unsecured, bear interest at rates of up to 10% (2001 – up to 10%) per annum and have no fixed terms of repayment.

Amounts owing by associated companies represents balances arising from trade transactions.

13. Cash and bank balances

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Cash and bank balances	12,601	26,638	1,062	997
Short term deposits with				
- licensed banks	66,757	14,008	23,300	4,500
- licensed finance companies	11,800	4,800	11,800	4,800
- discount houses	4,900	2,950	4,900	2,950
	<u>96,058</u>	<u>48,396</u>	<u>41,062</u>	<u>13,247</u>
	=====	=====	=====	=====

14. Trade and other payables

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Trade payables	64,843	62,230	-	-
Other payables and accruals	24,697	26,339	2,234	2,248
Amounts owing to subsidiaries	-	-	19,763	1,001
	<u>89,540</u>	<u>88,569</u>	<u>21,997</u>	<u>3,249</u>
	=====	=====	=====	=====

The amounts owing to subsidiaries are unsecured, interest free and have no fixed terms of repayment.

15. Short term borrowings (unsecured)

	Group	
	30.6.2002	31.12.2001
Bank overdraft	1,692	2,630
Bankers acceptances	46,646	48,202
	<u>48,338</u>	<u>50,832</u>
	=====	=====

The bank overdraft bears interest at rates ranging from 6.65% to 7.40% (2001 - 6.65% to 7.95%) per annum.

The bankers acceptances bear interest at rates ranging from 2.72% to 3.50% (2001 - 2.97% to 4.5%) per annum.

16. Share capital

	Group and Company	
	30.6.2002	31.12.2001
Authorised:		
500,000,000 ordinary shares of RM1 each	500,000	500,000
	=====	=====
Issued and fully paid:		
356,265,000 ordinary shares of RM1 each	356,265	356,265
	=====	=====

On 8 February 1996, the Company issued RM150,000,000 nominal amount of 3% Redeemable Non-Guaranteed Unsecured Bonds 1996/2001 together with 44,539,350 (adjusted to 89,078,700 after the bonus issue) detachable warrants at 100% of the nominal value of the bonds to Bumiputra Merchant Bankers Berhad as primary subscriber.

On 26 April 1996, the primary subscriber offered for sale 44,539,350 (adjusted to 89,078,700 after the bonus issue) warrants at an offer price of RM0.851 (adjusted to RM0.426 after the bonus issue) per warrant on a non-renounceable basis to the shareholders of the Company on the basis of one warrant for every four existing ordinary shares held.

These warrants confer upon the registered holder the right to subscribe for one ordinary share ('New Share') of RM1.00 each in the Company at an exercise price of RM5.90 (adjusted to RM2.95 after the bonus issue) for each New Share, subject to adjustments under certain circumstances in accordance with the Deed Poll dated 5 February 1996, at any time during the period of three (3) years and nine (9) months commencing from the date of the first anniversary of issue of the warrants.

The Company obtained approval from the shareholders and warrant holders at an extraordinary general meeting and warrant holders' meeting held on 22 April 1999 to extend the duration and exercise period of the Company's warrants to ten (10) years, up to and including 7 February 2006.

The shareholders of the Company, by a special resolution passed at the annual general meeting held on 23 April 1998, approved the Company's plan to purchase its own shares. The directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the share buy-back scheme can be applied in the best interest of the Company and its shareholders.

During the period, the Company did not purchase any (2001 - 837,000) of its issued and paid up shares from the open market. In 2001, the average price paid for the shares purchased was RM1.77 per share. The repurchase transactions were financed by internally generated funds. The shares purchased are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act 1965. Treasury shares have no rights to voting, dividends and participation in other distribution. No (2001 - Nil) treasury shares were sold during the period.

17. Reserves

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Non-distributable				
Capital redemption reserve	73	73	73	73
Revaluation reserve	64,331	66,212	55,070	56,951
Other capital reserve	2,982	2,982	-	-
Foreign translation reserve	(136)	(291)	-	-
Distributable				
Retained profits	84,270	55,435	127,115	110,179
	<u>151,520</u>	<u>124,411</u>	<u>182,258</u>	<u>167,203</u>
	=====	=====	=====	=====

Subject to agreement with the Inland Revenue Board, the Company has sufficient tax credit under Section 108 of the Income Tax Act, 1967 ('the Act') to frank the payment of dividends out of its retained profits at 30 June 2002 up to only approximately RM110 million (2001 - RM111 million). In addition, the Company has tax exempt income of approximately RM20 million (2001 - RM19 million) to frank tax exempt dividends, of which, RM11 million arose from the waived income of 1999 pursuant to the Income Tax (Amendments) Act, 1999 which was gazetted on 8 July 1999.

18. Minority shareholders' interests

This consists of minority shareholders' proportion of share capital and reserves of subsidiaries, net of their share of subsidiary's goodwill on consolidation and amortisation of goodwill charged to the minority shareholders. A minority shareholder has been allocated his share of subsidiary's losses that exceed his cost of investment as he has given his commitment to the Group that he will continue to provide financial support to this subsidiary.

19. Loans

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Repayable within twelve months				
Term loans in US Dollars (USD)	53,200	53,200	-	-
Term loans in Ringgit Malaysia (RM)	66,152	10,833	50,000	-
Revolving loan	1,690	2,000	-	-
	<u>121,042</u>	<u>66,033</u>	<u>50,000</u>	<u>-</u>
	=====	=====	=====	=====
Repayable after twelve months				
Term loans in Ringgit Malaysia	38,685	98,231	-	50,000
	<u>38,685</u>	<u>98,231</u>	<u>-</u>	<u>50,000</u>
	=====	=====	=====	=====

The details of term loans obtained by the Group are as follows:

Principal Amount	Interest Rate	Repayment Terms
USD3 million unsecured	SIBOR+1.0%	The loan is repayable in November 2002.
USD11 million unsecured	SIBOR+0.9%	The loan is repayable in December 2002.
RM12 million secured	8.75%	The loan is repayable over one hundred and eighty monthly instalments commencing April 2000.
RM3.4 million secured	8.75%	The loan is repayable over one hundred and eighty monthly instalments commencing June 2000.
RM5 million secured	10%	The loan is repayable in twenty five half yearly instalments commencing October 2000.
RM50 million unsecured	Cost of funds +0.5%	The Company's loan is repayable in 2003.
RM20 million unsecured	4.5%	The loan is repayable over eleven quarterly instalments commencing June 2002.
RM20 million unsecured	4.5%	The loan is repayable over ten quarterly instalments commencing June 2002.

The above USD unsecured loans taken by a subsidiary are guaranteed by the Company.

The above RM secured loans drawn down by a subsidiary are secured against its land and building and is guaranteed by another subsidiary.

The revolving loan of RM1.7 million drawn down by a subsidiary bears interest from 5.9% to 6.15% (2001 - 6% to 6.35%) per annum and is secured against land and building of that subsidiary.

20. Retirement benefits

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
At 1 January	8,134	8,291	3,957	3,858
Charge for the period/year	133	326	103	198
Transfers	-	-	-	(99)
Payments	(619)	(483)	-	-
Write back	(7,648)	-	(4,060)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 June 2002/31 December 2001	-	8,134	-	3,957
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

The Company and its subsidiaries had participated in the CCM Group Retirement Benefit scheme which is an approved defined benefit scheme established under Section 150 of the Income Tax Act, 1967. The last actuarial valuation was carried out in April 2001 with reference date as of 31 December 2000. Taking into consideration the scheme assets and liabilities and the provisions made there was a surplus relative to the actuarially determined value of employees' vested benefits at 31 December 2000 of RM0.4 million in respect of the Company and its subsidiaries.

The principal assumptions used in the actuarial valuation are:

- (a) investment returns would be 6% per annum; and
- (b) salary increase rates are equivalent to 6.24% per annum over the period from age 29 to 55 and 4.71% per annum over the period from age 37 to 55.

Subsequent to the balance sheet date, the Board has approved the dissolution of the retirement benefit scheme.

21. Employee information

	Group		Company	
	6 months ended 30.6.2002	Year ended 31.12.2001	6 months ended 30.6.2002	Year ended 31.12.2001
Staff costs	19,229	47,586	1,510	3,517
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

The number of employees of the Group and of the Company (including Directors) at the end of the period/year was 1,229 (2001 - 1,266) and 28 (2001 - 29) respectively.

22. Related parties

Controlling related party relationships are as follows:

- (a) Its subsidiaries as disclosed in Note 7.
- (b) Its associates as disclosed in Note 8.

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

	Group		Company	
	6 months ended 30.6.2002	Year ended 31.12.2001	6 months ended 30.6.2002	Year ended 31.12.2001
Shared costs received from subsidiaries	-	-	2,208	4,370
Rental income on land and buildings received from subsidiaries	-	-	1,830	3,682
Sale of products to associate, Usaha Kimia (Malaysia) Sdn. Bhd.	2,568	5,515	-	-
	=====	=====	=====	=====

The Directors of the Company are of the opinion that the transactions with subsidiaries/associates have been entered into in the normal course of business under negotiated terms.

23. Segment information

Segment information is presented in respect of the Group's business segments.

Inter-segment pricing is determined based on negotiated terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

All geographical segments are mostly Malaysian based.

Business segments

The Group comprises the following main business segments:

Fertilizers	Manufacture and marketing of fertilizers
Chemicals	Manufacture and marketing of chlor-alkali products, chemicals and water treatment products.
Healthcare	Development and operation of medical centres and other related medical services and centres, and manufacture and marketing of pharmaceutical and healthcare products.
Others	Investment holding

23. Segmental information (continued)

	Fertilizers		Chemicals		Healthcare		Others		Eliminations		Consolidated	
	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001
Business Segments												
Revenue from external customers	95,976	165,513	106,164	235,309	48,026	94,501	1,037	2,240			251,203	497,563
Inter-segment revenue	1,875	2,810	7,302	16,348	-	-	1,830	3,682	(11,007)	(22,840)	-	-
Total revenue	97,851	168,323	113,466	251,657	48,026	94,501	2,867	5,922	(11,007)	(22,840)	251,203	497,563
Segment result	4,498	1,681	4,996	16,601	930	1,531	45,426	31,048	(4,483)	(28,689)	51,367	22,172
Unallocated expenses												
Operating profit											51,367	22,172
Interest expense											(4,309)	(10,593)
Interest income											625	1,779
Share of profit/(loss) of associates					19	(539)					19	(539)
Profit before taxation											47,702	12,819
Segment assets	106,522	108,374	218,313	231,706	167,377	169,621	555,047	536,101	(192,208)	(201,103)	855,051	844,699
Investment in associates					1,754	1,735	119	119			1,873	1,854
Total assets											856,924	846,553

23. Segmental information (continued)

	Fertilizers		Chemicals		Healthcare		Others		Eliminations		Consolidated	
	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001	6 months ended 30.6.2002	Year ended 2001
Segment liabilities	31,202	33,282	32,938	30,825	21,662	23,187	2,383	6,410	1,355	2,999	89,540	96,703
Unallocated liabilities											268,267	277,842
Total liabilities											<u>357,807</u>	<u>374,545</u>
Capital expenditure	714	3,907	5,626	2,973	2,007	9,071	85	193			8,432	16,144
Depreciation and amortisation	970	2,156	9,169	17,767	4,981	9,169	501	1,244			15,621	30,336
Non-cash expense other than depreciation							3,000	-			3,000	-

24. Commitments

	Group		Company	
	30.6.2002	31.12.2001	30.6.2002	31.12.2001
Capital commitments not provided for in the financial statements:				
Approved and contracted for	5,582	1,494	-	-
Approved and not contracted for	2,782	9,176	-	-
	<u>8,364</u>	<u>10,670</u>	<u>-</u>	<u>-</u>
	=====	=====	=====	=====

25. Contingent liabilities

	Company	
	30.6.2002	31.12.2001
Loan guarantee given for a subsidiary	53,200	53,200
	=====	=====

26. Event subsequent to the balance sheet date

- (i) On 17 September 2002, the Company has announced the following proposals:
- Proposed issue of RM200 million nominal amount 7-year 3% per annum fixed rate bonds with up to 111,311,875 detachable warrants at 100% of the nominal amount of the bonds to the co-primary subscribers structured on a "bought deal" basis.
 - Proposed offer for sale by AmMerchant Bank Berhad as the primary subscriber of the provisional rights to allotment of up to 111,311,875 warrants in the Company to the shareholders at an indicative offer price of between RM0.3580 to RM0.4474 per warrant on a renounceable basis of one (1) warrant for every four (4) existing ordinary shares held at a date to be determined.
- (ii) The Company has on 11 September 2002 announced that it has proposed to establish an employee share option scheme ("ESOS") of up to 5% of the issued and paid-up share capital of the Company.
- (iii) The Directors have recommended on 8 August 2002, an interim dividend of 3.0 sen per share, less 28% tax totalling RM7.608 million.