

Reports & Accounts

Director's Report	14
Income Statements	17
Balance Sheets	18
Statement of Changes in Equity	19
Cashflow Statements	20
Notes to Financial Statements	22
Statement by Directors	35
Statutory Declaration	35
Report of Auditors	36
Financial Highlights	37
Summarised Balance Sheets	38
Five Years Financial Highlights	39
Analysis of Shareholdings	40
Particulars of Group Properties	42

01

■ Directors' Report

The Directors present their report together with the audited financial statements of the Group and of the Company for the year ended 31 December 2001.

Principal Activities

The principal activities of the Group and of the Company are the manufacturing and sale of ceramic wares, ceramic formers, pipes, rental of properties and general trading.

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

Results

In RM	Group	Company
(Loss)/profit before taxation	(143,943)	631,043
Taxation	(736,486)	(424,692)
(Loss)/profit after taxation	(880,429)	206,351
Retained profits brought forward	9,525,316	4,041,877
Retained profits carried forward	8,644,887	4,248,228

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

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

Directors

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

Goh Tai Seng	
Goh Tai Hee @ Goh Tai He	
Tan Ah Cheun	
Haji Mohamed Amin Bin Haji Mohamed	
Dato' Haji Mohd Sarit Bin Haji Yusoh	
Wan Shalihudin Bin Wan Ibrahim	
Brig Jen (Rtd) Dato' Mior Azam Bin Mior Safi	(Appointed on 24.09.01)
Dato Haji Mohd Yusof Bin Haji Mohamed	
<i>(Alternate Director to Haji Mohamed Amin Bin Haji Mohamed)</i>	
Mej Jen (B) Datuk Jelani Bin Haji Asmawi	(Demised on 20.04.01)

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

■ Directors' Report (contd)

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

Name of Directors of this Company	Name of Company in which interest is held	As at 1.1.01	No. of Ordinary Shares of RM1		As at 31.12.01
			Addition During the year	Disposal	

Direct interest:

Goh Tai Seng	Goh Ban Huat Berhad	315,322	–	–	315,322
Goh Tai Hee @ Goh Tai He	Goh Ban Huat Berhad	320,896	–	–	320,896
Tan Ah Cheun	Goh Ban Huat Berhad	1,176,125	–	–	1,176,125
Haji Mohamed Amin Bin Haji Mohamed	Goh Ban Huat Berhad	7,000	–	–	7,000
Wan Shalihudin Bin Wan Ibrahim	Goh Ban Huat Berhad	5,629,000	–	–	5,629,000

Deemed interest:

Goh Tai Seng	Goh Ban Huat Berhad	21,293,068	–	–	21,293,068
Goh Tai Hee @ Goh Tai He	Goh Ban Huat Berhad	21,293,068	–	–	21,293,068

Since the end of previous financial year, no Director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in the Group financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest required to be disclosed by Section 169(8) of the Companies Act, 1965 except for Goh Tai Seng who may be deemed to derive a benefit by virtue of those transactions, contracts and agreements for the supply of certain raw materials between the companies in the Group and companies in which the above mentioned Director is deemed to have an interest. However, these transactions were not significant.

Employees' Share Option Scheme ("ESOS")

Pursuant to the Scheme, which commenced on 15 December 2000, options to subscribe for 6,191,000 ordinary shares of RM1.00 each in the Company were granted to eligible executive employees and full-time Executive directors of the Group. The Directors Mr. Goh Tai Seng, Mr. Goh Tai Hee @ Goh Tai He and Mr. Tan Ah Cheun were offered in total and they have accepted options to subscribe for 1,500,000 ordinary shares of RM1.00 each at an option price of RM1.11 per share. No options have been exercised up to the date of this report.

The main features of the Company's ESOS are as follows:

- Eligible persons are executive employees and full-time Executive directors of the Group who have been confirmed in the employment of the Group for at least one year before the offer date.
- The total number of shares to be offered under the Scheme shall not exceed 10% of the issued share capital of the Company.
- The maximum entitlement of eligible employees and full-time directors under the ESOS ranges from 72,000 to 500,000 ordinary shares.
- The price at which the Grantee is entitled to subscribe for the new shares shall be set based on five days weighted average market price preceding the offer date, subject to a discount of not more than 10% if any or the par value of the shares, whichever is higher.
- The Scheme shall continue to be in force for a period of five years commencing from 15 December 2000.

■ Directors' Report (contd)

Other Statutory Information

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

Auditors

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

On behalf of the Board,

GOH TAI HEE @ GOH TAI HE

TAN AH CHEUN

} Directors

Kuala Lumpur, Malaysia
24 April 2002

■ Income Statements for the year ended 31 december 2001

In RM	Note	Group 2001	Group 2000	Company 2001	Company 2000
Revenue	2	53,131,089	45,927,150	3,175,432	3,360,719
Cost of sales		(36,533,190)	(34,992,780)	–	–
Gross Profit		16,597,899	10,934,370	3,175,432	3,360,719
Other Operating Income		56,862	13,165	4,350,105	3,641,975
Distribution Costs		(4,421,654)	(4,449,175)	–	–
Administration Expenses		(4,357,299)	(6,686,389)	(976,332)	(2,633,357)
Other Operating Expenses		(1,621,887)	(1,846,681)	(1,578,241)	(1,665,665)
Profit/(Loss) From Operations	3	6,253,921	(2,034,710)	4,970,964	2,703,672
Finance Cost	4	(6,397,864)	(5,823,056)	(4,339,921)	(3,567,818)
(Loss)/Profit Before Taxation		(143,943)	(7,857,766)	631,043	(864,146)
Taxation	5	(736,486)	(577,169)	(424,692)	(312,000)
(Loss)/Profit After Taxation		(880,429)	(8,434,935)	206,351	(1,176,146)
Basic Loss Per Share	6				
- Pre Tax (Sen)		0.23	12.89		
- Post Tax (Sen)		1.42	13.83		
Fully Diluted Loss Per Share	6				
- Pre Tax (Sen)		0.24	12.89		
- Post Tax (Sen)		1.44	13.83		

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

■ Balance Sheets as at 31 december 2001

In RM	Note	Group		Company	
		2001	2000	2001	2000
Property, Plant and Equipment	7	112,779,499	115,973,041	34,755,534	35,386,471
Investments	8	2,084,930	2,084,930	1,205,213	1,205,213
Goodwill On Consolidation		265,620	265,620	–	–
Subsidiary Companies	9	–	–	30,848,115	30,848,115
Expenditure Carried forward	10	80,999	101,000	–	–
Current Assets					
Inventories	11	52,631,207	48,970,314	–	–
Debtors	12	34,433,525	30,421,937	1,289,651	1,391,705
Amounts due from subsidiaries	13	–	–	113,850,698	109,349,920
Cash and bank balances		353,540	970,661	3,777	15,020
		87,418,272	80,362,912	115,144,126	110,756,645
Total Assets		202,629,320	198,787,503	181,952,988	178,196,444
Current Liabilities					
Bank borrowings	14	51,788,347	57,241,666	51,788,347	53,455,817
Creditors	15	23,357,231	17,510,779	1,960,761	1,624,226
Amounts due to subsidiaries	13	–	–	6,454,219	5,737,468
Taxation		2,889,724	2,515,296	778,570	353,878
		78,035,302	77,267,741	60,981,897	61,171,389
Deferred Taxation	16	365,000	150,000	–	–
Long Term Liabilities	17	31,536,482	27,796,797	31,536,482	27,796,797
Total Liabilities		109,936,784	105,214,538	92,518,379	88,968,186
Net Worth		92,692,536	93,572,965	89,434,609	89,228,258
Financed By:					
Share Capital	18	61,919,011	61,919,011	61,919,011	61,919,011
Share Premium		16,966,462	16,966,462	16,966,462	16,966,462
Revaluation Reserve		4,043,820	4,043,820	4,043,820	4,043,820
Capital Reserves		1,118,356	1,118,356	2,257,088	2,257,088
Retained Profits	19	8,644,887	9,525,316	4,248,228	4,041,877
Shareholders' Funds		92,692,536	93,572,965	89,434,609	89,228,258

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

■ Statement of Changes in Equity for the year ended 31 december 2001

In RM	Share capital	Share premium	Revaluation reserve	Capital reserves	Retained profits	Total
Group						
At 1 January 2000	56,290,011	14,489,702	4,043,820	1,118,356	17,960,251	93,902,140
Issue of shares	5,629,000	2,476,760	–	–	–	8,105,760
Loss for the year	–	–	–	–	(8,434,935)	(8,434,935)
At 31 December 2000	61,919,011	16,966,462	4,043,820	1,118,356	9,525,316	93,572,965
Loss for the year	–	–	–	–	(880,429)	(880,429)
At 31 December 2001	61,919,011	16,966,462	4,043,820	1,118,356	8,644,887	92,692,536
Company						
At 1 January 2000	56,290,011	14,489,702	4,043,820	2,257,088	5,218,023	82,298,644
Issue of shares	5,629,000	2,476,760	–	–	–	8,105,760
Loss for the year	–	–	–	–	(1,176,146)	(1,176,146)
At 31 December 2000	61,919,011	16,966,462	4,043,820	2,257,088	4,041,877	89,228,258
Profit for the year	–	–	–	–	206,351	206,351
At 31 December 2001	61,919,011	16,966,462	4,043,820	2,257,088	4,248,228	89,434,609

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

■ Cash Flow Statements for the year ended 31 december 2001

In RM	Group		Company	
	2001	2000	2001	2000
Cash Flows From Operating Activities				
(Loss)/profit before taxation	(143,943)	(7,857,766)	631,043	(864,146)
Adjustments for:				
Amortisation of expenditure carried forward	20,001	28,999	–	–
Depreciation of property, plant and equipment	5,105,057	5,447,446	630,937	834,913
Deferred expenditure written off	–	470,569	–	–
Interest expense	6,397,864	5,823,056	4,339,921	3,567,818
Loss on sale of property, plant and equipment	–	44,637	–	–
Provision for doubtful debts	–	749,982	–	749,982
Operating profit before working capital changes	11,378,979	4,706,923	5,601,901	4,288,567
Working capital changes:				
Inventories	(3,660,893)	(8,556,899)	–	–
Debtors	(4,011,588)	(3,260,893)	102,054	(146,749)
Creditors	5,846,452	(773,412)	336,535	197,210
Subsidiary companies	–	–	(3,784,027)	(45,532,480)
Cash generated from/(used in) operating activities	9,552,950	(7,884,281)	2,256,463	(41,193,452)
Income tax paid	(147,058)	(366,754)	–	(363,950)
Income tax refunded	–	41,050	–	–
Interest paid	(6,397,864)	(5,823,056)	(4,339,921)	(3,567,818)
Net cash generated from/(used in) operating activities	3,008,028	(14,033,041)	(2,083,458)	(45,125,220)
Cash Flows From Investing Activities				
Proceeds from sale of property, plant and equipment	–	40,000	–	–
Purchase of property, plant and equipment	(1,911,515)	(1,865,412)	–	(4,976)
Purchase of investment property	–	(121,953)	–	(121,953)
Purchase of quoted shares	–	(1,220)	–	(1,220)
Subscription for additional shares in a subsidiary company	–	–	–	(1,000,000)
Net cash used in investing activities	(1,911,515)	(1,948,585)	–	(1,128,149)

■ Cash Flow Statements for the year ended 31 december 2001 (contd)

In RM	Group		Company	
	2001	2000	2001	2000
Cash Flows From Financing Activities				
Dividend paid	–	(810,576)	–	(810,576)
Drawdown/(repayment) of revolving credits	1,990,289	(37,277,296)	1,990,289	(25,875,000)
Proceeds from issuance of share capital	–	8,105,760	–	8,105,760
Repayment of term loans	(2,589,849)	(5,935,931)	(2,113,649)	(1,326,111)
Term loans drawdown	–	34,976,242	–	34,976,242
	(599,560)	(941,801)	(123,360)	15,070,315
Net cash (used in)/generated from financing activities	(599,560)	(941,801)	(123,360)	15,070,315
Net Increase/(Decrease) In Cash And Cash Equivalents	496,953	(16,923,427)	(2,206,818)	(31,183,054)
Cash And Cash Equivalents At Beginning Of Year	(47,941,471)	(31,018,044)	(45,587,463)	(14,404,409)
Cash And Cash Equivalents At End Of Year (Note A)	(47,444,518)	(47,941,471)	(47,794,281)	(45,587,463)

Note A

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and balances with banks, investment in the money market instruments and short term bank borrowings (excluding term loan). Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

In RM	Group		Company	
	2001	2000	2001	2000
Cash and bank balances	353,540	970,661	3,777	15,020
Bank overdrafts	(36,738,058)	(39,027,132)	(36,738,058)	(36,832,483)
Bankers' acceptances	(11,060,000)	(9,885,000)	(11,060,000)	(8,770,000)
	(47,444,518)	(47,941,471)	(47,794,281)	(45,587,463)

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

1 Significant Accounting Policies

a Basic of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention modified to include revaluation of certain assets and comply with applicable approved accounting standards issued by Malaysian Accounting Standards Board (MASB). The Group and the Company have applied certain transitional provisions as allowed by MASB Standard No. 15, Property, Plant and Equipment, by virtue of which a reporting enterprise is allowed to retain revalued amounts on the basis of their previous revaluations (subject to continuity in depreciation policy and the requirement to write an asset down to its recoverable amount), if it does not further revalue its property, plant and equipment.

b Basis of Consolidation

An investee company is considered a subsidiary company if more than 50% of the issued capital is held for long term investment.

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries made up to 31 December 2001 under the acquisition method of accounting.

The differences between the purchase price over the value of the net assets of subsidiary companies at the respective dates of acquisition are included in the consolidated balance sheet as goodwill arising on consolidation or reserve on consolidation. Goodwill is not amortised unless in the opinion of the Directors that there is no continuing value, in which case the goodwill is written off to the consolidated income statement to the extent of the diminution in value.

c Property, Plant and Equipment, and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.

Freehold land is not amortised. Leasehold properties are amortised over the remaining periods of the respective leases. Other property, plant and equipment are depreciated over their estimated useful lives on a straight line basis.

The principal annual rates used are as follows:

Freehold buildings	2% - 5%
Plant and machinery	5% - 10%
Motor vehicles	10% - 20%
Furniture, fittings and equipment	10% - 20%
Factory equipment and fittings	10%

d Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by standard costing.

Cost of raw material and work-in-progress is determined on specific identification per unit and includes the cost of materials and incidentals in bringing the inventories into store.

Cost of finished products include direct cost of materials, direct labour, fixed and variable factory overheads.

e Foreign Currencies

Transactions in foreign currencies are recorded in Ringgit Malaysia at rates of exchange approximating those ruling at transaction dates and where settlement had not taken place at the balance sheet date, at the approximate rates ruling at that date. All exchange differences are dealt with through the income statements.

The closing foreign exchange rates used in the financial statements are:

RM1.00 : AUD0.52
RM1.00 : EURO0.30
RM1.00 : GBP0.18
RM1.00 : NZD0.63
RM1.00 : SGD0.49
RM1.00 : USD0.26

■ Notes to the Financial Statements 31 december 2001 (contd)

1 Significant Accounting Policies (contd)

f Deferred Taxation

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

g Investments

Investments in unquoted subsidiaries, which are eliminated on consolidation, are stated at cost. Other investments in unquoted corporations are stated at cost. Provision for diminution in value is made when the Directors are of the opinion that there is a permanent impairment in the value of the investments.

Dividends from subsidiaries are included in the income statement of the Company when declared or proposed. Dividends from other investments are included in the income statements as and when received.

h Expenditure Carried Forward

Expenditure carried forward are written off to the income statements as and when incurred except that development expenditure relating to specific projects with commercial viability and for which there is a clear indication of the marketability of the products being developed, is carried forward. Such expenditure is amortised over the period in which the benefits are expected to be derived commencing in the period in which the related sales are first made.

i Debtors

Debtors are valued at anticipated realisable value. Provision for doubtful debts is based on an individual evaluation of debtors or groups of debtors.

j Cash and Cash Equivalents

The statement of cash flows, prepared using the indirect method, classifies changes in cash and cash equivalents according to operating, investing and financing activities. For the purpose of cash flow statements, cash and cash equivalents comprise cash and bank balances, and short-term, highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash with insignificant risk of changes in value.

k Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the income statements.

l Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and/or the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

i Sale of goods

Revenue is recognised upon delivery of goods, net of discounts, allowances and applicable indirect taxes.

ii Rental income

Revenue is recognised as the rental accrues unless collectibility is in doubt.

2 Revenue

Revenue of the Company comprise income from rental of property.

Revenue of the Group includes the invoiced value of goods sold after allowing for sales discounts and returns. For consolidated financial statements, revenue excludes intra-group transactions.

Revenue during the year was derived from continuing activities and is analysed as follows:

In RM	Group		Company	
	2001	2000	2001	2000
Rental of property	2,399,752	2,585,039	3,175,432	3,360,719
Trading	50,731,337	43,342,111	–	–

■ Notes to the Financial Statements 31 december 2001 (contd)

3 Profit/(Loss) From Operations

In RM	Group		Company	
	2001	2000	2001	2000
a This is stated after charging:				
Auditors' remuneration				
- Current year	77,000	70,500	15,000	15,000
- Underprovision in prior year	–	15,500	–	3,000
Amortisation of expenditure carried forward	20,001	28,999	–	–
Deferred expenditure written off	–	470,569	–	–
Depreciation of property, plant and equipment	5,105,057	5,447,446	630,937	834,913
Directors' remuneration				
- Fee	15,000	15,000	15,000	15,000
- Emoluments	580,812	579,120	580,812	579,120
Hire of equipment and machinery	240,437	268,739	–	–
Loss on foreign exchange	–	44,375	–	–
Loss on sale of property, plant and equipment	–	44,637	–	–
Provision for doubtful debts	–	749,982	–	749,982
Rental of forklifts	200,316	–	–	–
Rental of premises	25,100	85,500	–	–
and crediting:				
Gain on foreign exchange	(28,409)	–	–	–
b Employee information:				
Staff costs	8,322,586	8,769,381	275,730	268,837

The total numbers of employees of the group and of the Company (including directors) at year end were 543 (2000 : 598) and 30 (2000 : 26) respectively.

c The aggregate remuneration of the Directors of the Company is as follows:

In RM	Group		Company	
	2001	2000	2001	2000
Executive Directors				
- Emoluments	580,812	579,120	580,812	579,120
Non-executive Directors				
- Fees	15,000	15,000	15,000	15,000

The number of directors of the Group and of the Company whose total remuneration fell within the following ranges:

	Number of Directors			
	2001		2000	
	Executive directors	Non-executive directors	Executive directors	Non-executive directors
Range of remuneration (RM)				
1 - 50,000	–	5	–	5
150,000 - 200,000	2	–	2	–
200,000 - 250,000	1	–	1	–

■ Notes to the Financial statements 31 december 2001 (contd)

4 Finance Cost

In RM	Group		Company	
	2001	2000	2001	2000
Interest expense				
- bankers' acceptances	542,511	369,286	542,511	126,407
- bank overdrafts	2,824,503	1,743,608	1,875,140	1,265,406
- long term loans	2,296,243	930,486	1,885,941	695,405
- revolving credits	687,209	2,738,462	36,329	1,480,600
- others	47,398	41,214	-	-
	6,397,864	5,823,056	4,339,921	3,567,818

5 Taxation

In RM	Group		Company	
	2001	2000	2001	2000
Malaysian taxation based on the profit for the year:				
- current	521,486	577,169	424,692	312,000
Deferred taxation:				
- current	215,000	-	-	-
	736,486	577,169	424,692	312,000

The current year taxation charge of the Group and the Company are high as certain expenses were not allowed for tax purpose and the absence of group tax relief.

The estimated timing differences and incentives that were not dealt with in the group financial statements are as follow:

In RM	Group	
	2001	2000
Unutilised reinvestment allowance	26,612,442	25,573,570
Unabsorbed capital allowance	18,694,114	18,142,930
Unabsorbed tax losses	7,685,035	6,961,213
Revalued property, plant and equipment	(202,191)	(202,191)

6 Loss Per Share

a Basic loss per share

Basic loss per share of the Group has been computed by dividing the net loss before and after taxation by the weighted average number of shares in issue during the year.

In RM	Group	
	2001	2000
Loss before taxation	143,943	7,857,766
Loss after taxation	880,429	8,434,935
Weighted average number of ordinary shares in issue	61,919,011	60,980,844
Basic loss per share		
- Pre tax (Sen)	0.23	12.89
- Post tax (Sen)	1.42	13.83

■ Notes to the Financial Statements 31 december 2001 (contd)

6 Loss Per Share (contd)

b Diluted loss per share

For diluted loss per share, the weighted number of ordinary shares in issue has been adjusted to assume conversion of all options on 1 January 2001 or the first date exercisable, whichever is later.

Diluted loss per share is calculated by dividing the net loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of dilutive options on the assumption all options were exercised on the first day of the financial year, or on the date granted if later.

In RM	Group 2001
Loss before taxation	143,943
Loss after taxation	880,429
Weighted average number of ordinary shares in issue	61,919,011
Adjustment for share options	(893,546)
Weighted average number of ordinary shares for diluted loss per share	<u>61,025,465</u>
Diluted loss per share	
- Pre tax (Sen)	0.24
- Post tax (Sen)	<u>1.44</u>

In the previous financial year, since diluted loss per share of the Group is decreased when taking the share options into account, the share options are anti-dilutive and are ignored in the calculation of diluted loss per share. Therefore, diluted loss per share of the Group equals basic loss per share.

■ Notes to the Financial Statements 31 december 2001 (contd)

7 Property, Plant And Equipment

Group

In RM	As at 1.1.01	Additions	As at 31.12.01
Cost/Valuation			
Freehold land and buildings	76,145,579	1,554	76,147,133
Long term leasehold land	72,262	–	72,262
Short term leasehold land	970,795	–	970,795
Plant and machinery	80,537,002	1,515,878	82,052,880
Factory equipment and fittings	4,727,455	307,408	5,034,863
Furniture, fittings and equipment	2,744,958	43,757	2,788,715
Motor vehicles	5,545,081	42,918	5,587,999
	170,743,132	1,911,515	172,654,647

In RM	As at 1.1.01	Charge for the year	As at 31.12.01
Accumulated Depreciation			
Freehold land and buildings	13,477,347	927,331	14,404,678
Long term leasehold land	9,852	821	10,673
Short term leasehold land	264,772	22,064	286,836
Plant and machinery	31,118,037	3,433,436	34,551,473
Factory equipment and fittings	3,119,615	311,891	3,431,506
Furniture, fittings and equipment	2,273,130	164,219	2,437,349
Motor vehicles	4,507,338	245,295	4,752,633
	54,770,091	5,105,057	59,875,148

Net Book Value

Freehold land and buildings	61,742,455	62,668,232
Long term leasehold land	61,589	62,410
Short term leasehold land	683,959	706,023
Plant and machinery	47,501,407	49,418,965
Factory equipment and fittings	1,603,357	1,607,840
Furniture, fittings and equipment	351,366	471,828
Motor vehicles	835,366	1,037,743
	112,779,499	115,973,041

■ Notes to the Financial Statements 31 december 2001 (contd)

7 Property, Plant And Equipment (contd)

Company

In RM	As at 1.1.01	Additions	As at 31.12.01
Cost/Valuation			
Freehold land and buildings	46,605,051	–	46,605,051
Long term leasehold land	72,262	–	72,262
Short term leasehold land	970,795	–	970,795
	47,648,108	–	47,648,108

In RM	As at 1.1.01	Charge for the year	As at 31.12.01
Accumulated Depreciation			
Freehold land and buildings	11,987,013	608,052	12,595,065
Long term leasehold land	9,852	821	10,673
Short term leasehold land	264,772	22,064	286,836
	12,261,637	630,937	12,892,574

In RM	2001	2000
Net Book Value		
Freehold land and buildings	34,009,986	34,618,038
Long term leasehold land	61,589	62,410
Short term leasehold land	683,959	706,023
	34,755,534	35,386,471

In RM	Group		Company	
	2001	2000	2001	2000
Analysis of cost and valuation:				
Cost	127,663,728	125,752,213	2,657,189	2,657,189
At 1989 valuation	44,990,919	44,990,919	44,990,919	44,990,919
	172,654,647	170,743,132	47,648,108	47,648,108

The land and buildings of the Company were revalued in 1989 based on the valuation reports of an independent firm of professional valuers. The valuation was arrived at on an open market value basis. These assets have continued to be stated on the basis of their 1989 valuations as allowed by the transitional provisions adopted by the Malaysian Accounting Standards Board (MASB) Standard No. 15, Property, Plant and Equipment.

The Company is unable to disclose the carrying amounts of the revalued property, plant and equipment, had they been carried at cost, due to the absence of historical records.

All assets of the Group and of the Company have been pledged to financial institutions for bank facilities granted to the Company.

■ Notes to the Financial Statements 31 december 2001 (contd)

8 Investments

In RM	Group		Company	
	2001	2000	2001	2000
At cost:				
- Transferable club membership	219,595	219,595	170,000	170,000
- Investment property	1,804,413	1,804,413	1,032,993	1,032,993
- Unquoted shares	58,702	58,702	–	–
- Quoted shares	2,220	2,220	2,220	2,220
	<u>2,084,930</u>	<u>2,084,930</u>	<u>1,205,213</u>	<u>1,205,213</u>
Market value of quoted shares	<u>1,820</u>	<u>1,660</u>	<u>1,820</u>	<u>1,660</u>

9 Subsidiary Companies

In RM	Company	
	2001	2000
Unquoted shares at cost	<u>30,848,115</u>	<u>30,848,115</u>

The subsidiaries of the Company are as follows:

	Country of Incorporation	Percentage of Equity Held		Principal Activities
		2001 %	2000 %	
GBH Ceramics Sdn. Bhd.	Malaysia	100	100	Manufacturing and trading of vitrified clay pipes
GBH Trading Sdn. Bhd.	Malaysia	100	100	General trading of ceramic wares, tap wares, pipes and general bathroom wares
GBH Bathroom Products Sdn. Bhd.	Malaysia	100	100	Manufacture and trading of ceramic wares
GBH Porcelain Sdn. Bhd.	Malaysia	100	100	Manufacture and trading of formers
GBH Crown Lynn Sdn. Bhd.	Malaysia	100	100	Manufacture and trading of ceramic tablewares
GBH Clay Pipes Sdn. Bhd.	Malaysia	100	100	Manufacture and trading of vitrified clay pipes
GBH Australia Pty. Ltd.	Australia	100	100	Dormant

■ Notes to the Financial Statements 31 december 2001 (contd)

10 Expenditure Carried Forward

In RM	2001	Group 2000
At cost:		
Preliminary expenses	–	4,000
Pre-operating expenses	–	482,938
Development expenditure	121,000	121,000
	121,000	607,938
Accumulated amortisation	(40,001)	(36,369)
Write-off	–	(470,569)
	80,999	101,000

11 Inventories

In RM	2001	Group 2000
At cost:		
- Raw materials	847,452	1,815,184
- Work-in-progress	1,544,464	3,453,891
- Finished products	48,609,483	42,006,986
- Maintenance inventories	1,429,778	1,477,033
- Consumables	200,030	217,220
	52,631,207	48,970,314

The inventories have not been subject to any provision or write-downs and are therefore entirely stated at cost.

12 Debtors

In RM	2001	Group 2000	Company 2001	Company 2000
Trade debtors	31,976,395	27,904,082	784,911	751,487
Other debtors	2,457,130	2,517,855	504,740	640,218
	34,433,525	30,421,937	1,289,651	1,391,705
Details of trade debtors are as follows:				
Trade debtors	36,571,229	32,498,916	2,653,572	2,620,148
Provision for doubtful debts	(4,594,834)	(4,594,834)	(1,868,661)	(1,868,661)
	31,976,395	27,904,082	784,911	751,487

Included in trade and other debtors of the Group are amounts totalling RM8,090,753 and RM348,417 respectively, which have been outstanding for more than 3 years.

In determining the amount to provide for doubtful trade and other debts, the Directors have given due consideration to the current information available to assess the likelihood of bad debts arising. Although uncertainties exist with regard to the recovery of long overdue debts and claims, the Directors deemed the existing provision as adequate.

■ Notes to the Financial Statements 31 december 2001 (contd)

13 Amounts Due From/To Subsidiaries

Subsidiaries in these financial statements refer to the subsidiary companies of Goh Ban Huat Berhad.

The amounts due from subsidiaries are unsecured, have no fixed terms of repayment and bear interest at 6.0% to 8.3% (2000: 6.0% to 8.3%) per annum.

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

14 Bank Borrowings

In RM	Group		Company	
	2001	2000	2001	2000
Secured				
- Bank overdrafts	36,738,058	35,907,826	36,738,058	35,048,360
- Bankers' acceptance	6,967,000	7,415,000	6,967,000	6,300,000
- Term loan (Note 17)	–	5,853,334	–	5,853,334
Unsecured				
- Bank overdrafts	–	3,119,306	–	1,784,123
- Bankers' acceptance	4,093,000	2,470,000	4,093,000	2,470,000
- Revolving credit financing	3,990,289	2,000,000	3,990,289	2,000,000
- Term loan (Note 17)	–	476,200	–	–
	51,788,347	57,241,666	51,788,347	53,455,817

The bank borrowings bear interest at rates ranging from 7.90% to 8.30% per annum (2000: 7.55% to 8.30%).

The securities provided on the secured bank borrowings are as follows:

- i by way of fixed and floating charge over the assets, both present and future of the Group; and
- ii by corporate guarantees amounting to RM9.14 million from two subsidiaries, GBH Bathroom Products Sdn. Bhd. and GBH Porcelain Sdn. Bhd.

15 Creditors

In RM	Group		Company	
	2001	2000	2001	2000
Trade creditors	17,293,873	13,634,893	11,608	11,608
Other creditors	6,046,358	3,858,886	1,934,153	1,597,618
Amount due to Directors	17,000	17,000	15,000	15,000
	23,357,231	17,510,779	1,960,761	1,624,226

16 Deferred Taxation

The deferred taxation arose as a result of:

In RM	Group	
	2001	2000
Excess of net book value over tax written down value	365,000	150,000

■ Notes to the Financial Statements 31 december 2001 (contd)

17 Long Term Liabilities

In RM	Group		Company	
	2001	2000	2001	2000
Term Loans (secured)	31,536,482	34,126,331	31,536,482	33,650,131
Less: Amount repayable within 12 months (Note 14)	–	(6,329,534)	–	(5,853,334)
	31,536,482	27,796,797	31,536,482	27,796,797

The repayment of the term loans is as follows:

Within two years	3,414,445	5,853,334	3,414,445	5,853,334
After two years but within five years	17,560,002	17,560,002	17,560,002	17,560,002
After five years	10,562,035	4,383,461	10,562,035	4,383,461
	31,536,482	27,796,797	31,536,482	27,796,797

The term loans are secured as follows:

- I by way of fixed and floating charge over the assets, both present and future of the Group; and
- II by corporate guarantees amounting to RM9.14 million from two subsidiaries, GBH Bathroom Products Sdn. Bhd. and GBH Porcelain Sdn. Bhd.

The term loans bear interest at 1.5% per annum above the lending banks' base lending rate.

During the financial year, the lending banks have approved two years deferment on the term loans principal repayment and are now repayable over eight years commencing 1 September 2000.

18 Share Capital

In RM	Group / Company	
	2001	2000
Authorised:		
100,000,000 ordinary shares of RM1 each	100,000,000	100,000,000
Issued and fully paid:		
61,919,011 ordinary shares of RM1 each	61,919,011	61,919,011

19 Retained Profits

Subject to the agreement of the Inland Revenue Board, the Company has sufficient tax credit to distribute all its retained profits by way of dividends without incurring additional tax liability. The Company can distribute tax exempt dividend from its estimated tax exempt account of RM 2,400,000 (2000 : RM 2,400,000).

20 Lease Commitments

Future minimum rentals under non-cancellable operating leases are as follows as of 31 December:

In RM	Group	
	2001	2000
Within one year	303,180	–
After one year but not more than five years	1,018,954	–

■ Notes to the Financial Statements 31 december 2001 (contd)

21 Significant Related Party Transactions

In RM	Company	
	2001	2000
Transactions with subsidiary companies:		
Interest income receivable		
- GBH Bathroom Products Sdn. Bhd.	2,463,781	1,967,283
- GBH Ceramics Sdn. Bhd.	1,788,772	1,537,582
- GBH Crown Lynn Sdn. Bhd.	61,552	124,511
- GBH Porcelain Sdn. Bhd.	–	1,599
Rental income receivable		
- GBH Ceramics Sdn. Bhd.	480,000	480,000
- GBH Crown Lynn Sdn. Bhd.	147,840	147,840
- GBH Porcelain Sdn. Bhd.	147,840	147,840

The Directors are of the opinion that these transactions are based on terms determined on a commercial basis. At year end, the balances unpaid were within normal trade credit terms.

22 Segment Information

The Group operates predominantly in three industry segments. Intercompany revenue is made at cost plus certain margin.

Financial information by industry segment is as follows:

In RM	2001	2000
Revenue from customers outside the Group:		
Manufacturing	50,731,337	43,342,111
Properties	2,399,752	2,585,039
	<u>53,131,089</u>	<u>45,927,150</u>
Intercompany Revenue:		
Manufacturing	119,535	170,703
Trading	3,252,473	2,707,317
Properties	775,680	775,680
	<u>4,147,688</u>	<u>3,653,700</u>
Total Revenue	57,278,777	49,580,850
Elimination of intercompany revenue	<u>(4,147,688)</u>	<u>(3,653,700)</u>
Net revenue	<u>53,131,089</u>	<u>45,927,150</u>

■ Notes to the Financial Statements 31 december 2001 (contd)

22 Segment Information (contd)

In RM	2001	2000
Profit/(loss) before taxation:		
Manufacturing	(799,251)	(7,061,654)
Trading	24,265	68,034
Properties	631,043	(864,146)
Loss before taxation	(143,943)	(7,857,766)
Assets Employed:		
Manufacturing	128,067,066	127,118,199
Trading	6,194,344	4,680,715
Properties	68,367,910	66,988,589
	202,629,320	198,787,503

Information on the Group's operations by geographical segments is not presented as the overseas subsidiary's operations is not significant to the Group.

23 Comparative Figures

The comparatives relating to account balances with subsidiary companies totalling RM103,612,452, previously included in subsidiary companies on the face of the balance sheet, have been reclassified to amounts due from/to subsidiary companies to conform with current year's presentation.

■ **Statement by Directors** Pursuant to Section 169(15) of the Companies Act, 1965

We, GOH TAI HEE @ GOH TAI HE and TAN AH CHEUN, being two of the Directors of GOH BAN HUAT BERHAD, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 17 to 34 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of:

- i the financial position of the Group and of the Company as at 31 December 2001 and of the results of the business of the Group and of the Company for the year then ended; and
- ii the cash flows of the Group and of the Company for the year ended 31 December 2001.

On behalf of the Board,

GOH TAI HEE @ GOH TAI HE

TAN AH CHEUN

Kuala Lumpur, Malaysia
24 April 2002

} Directors

■ **Statutory Declaration** Pursuant to Section 169(16) of the Companies Act 1965

I, LAI YENN JYE, being the person primarily responsible for the financial management of GOH BAN HUAT BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 17 to 34 are in my opinion correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed LAI YENN JYE
at Kuala Lumpur in the Federal Territory
on 24 April 2002

Lai Yenn Jye (MIA 16863)

Before me,
Zainal Abidin Bin Md. Noor (PPN)
Commisioner For Oaths (No. W254)

■ Report of the Auditors to the members of Goh Ban Huat Berhad

We have audited the financial statements set out on pages 17 to 34. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion:

- a the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - i the financial position of the Group and of the Company as at 31 December 2001 and of the results and the cash flows of the Group and of the Company for the year then ended; and
 - ii the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company;
- b the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiaries for which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

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

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

In forming our opinion on the financial statements of the Group and of the Company, we have considered the adequacy of the disclosure in Note 12 to the financial statements of the Group and of the Company concerning the recoverability of the trade and other debts. In view of the significance of this uncertainty in relation to provision for doubtful debts, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

ERNST & YOUNG AF: 0039
Chartered Accountants

Yeo Eng Seng 1212/12/02(J)
Partner

Kuala Lumpur, Malaysia
24 April 2002

■ Financial Highlights for the year ended 31 december 1997 to 31 december 2001

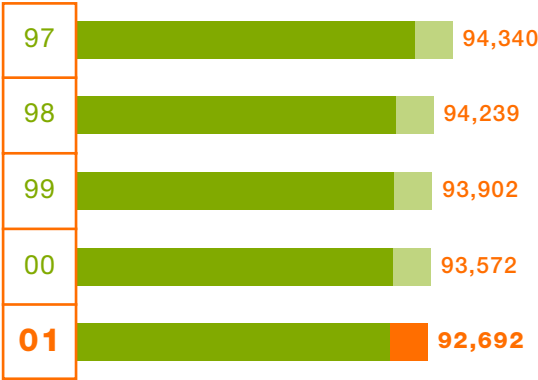
In RM'000	1997	1998	1999	2000	2001
Group Turnover	58,137	52,038	47,374	45,927	53,131
Group Profit Before Tax	1,160	688	207	(7,858)	(144)
Taxation	(456)	21	266	(577)	(736)
Profit After Tax	704	709	473	(8,435)	(880)
Minority Interest	–	–	–	–	–
	704	709	473	(8,435)	(880)
Extraordinary Items	–	–	–	–	–
Profit Attributable To Shareholder	704	709	473	(8,435)	(880)
Net Dividend	811	811	811	–	–
Gross Earning Per Share (Sen)	1.30	1.30	0.80	(13.80)	(1.42)
Net Earning Per Share (Sen)	1.30	1.30	0.80	(13.80)	(1.42)
Gross Dividend Rate Per Share (%)	2.00	2.00	2.00	–	–

■ Summarised Balance Sheets as at 31 december 1997 to 31 december 2001

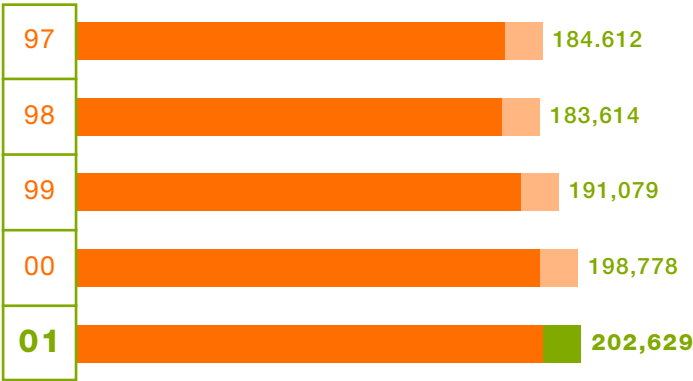
In RM'000	1997	1998	1999	2000	2001
Fixed Assets	129,299	124,678	119,640	115,973	112,779
Other Investments	1,021	1,962	1,962	2,085	2,085
Goodwill On Consolidation	265	265	265	265	265
Net Current Assets/(Liabilities)	(25,425)	(28,636)	(27,339)	3,196	9,464
	105,160	98,269	94,528	121,519	124,593
Financed By:					
Share Capital	56,290	56,290	56,290	61,919	61,919
Share Premium	14,490	14,490	14,490	16,966	16,966
Reserves	23,560	23,459	23,122	14,687	13,807
	94,340	94,239	93,902	93,572	92,692
Minority Interest	–	–	–	–	–
Deferred And Long Term Liabilities	10,820	4,030	626	27,947	31,901
	105,160	98,269	94,528	121,519	124,593
Share Capital	56,290	56,290	56,290	61,919	61,919
Shareholders' Fund	94,340	94,239	93,902	93,572	92,692
Net Tangible Assets Per Share(RM)	1.67	1.67	1.66	1.51	1.49

■ Five Years Financial Statements

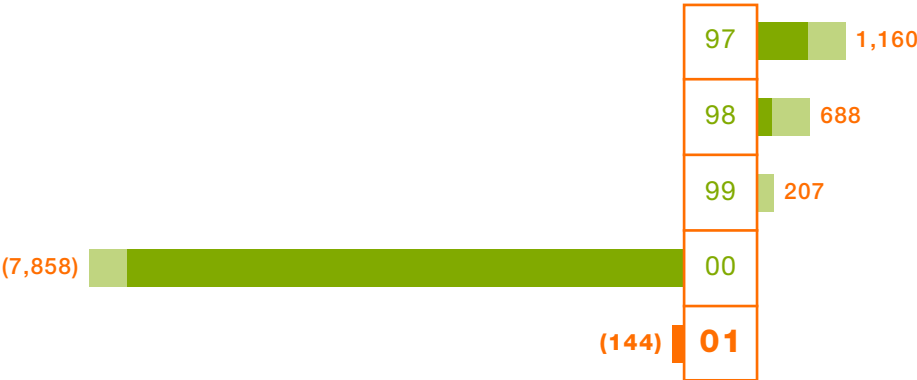
Shareholder's Fund In RM'000



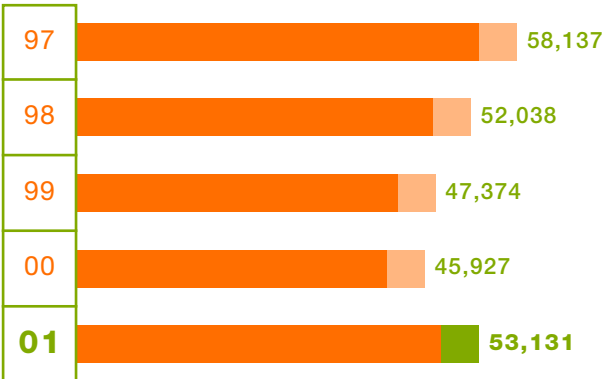
Total Assets In RM'000



Profit Before Tax In RM'000



Turnover In RM'000



■ Analysis of Shareholdings

The Company has 2,657 shareholders as at 30 April 2002. There are only one class of shares namely, ordinary shares of RM1.00 each and the voting rights for these shares are one vote per ordinary share.

Distribution of Shareholders

Size of Shareholdings	No of Shareholders	%	No of Shares	%
Less than 1,000	249	9.37	83,552	0.13
1,000 – 10,000	2,185	82.24	5,820,456	9.40
10,001 – 100,000	185	6.96	5,370,024	8.67
100,001 to less than 5% of issued shares	34	1.28	12,918,911	20.87
5% and above of issued shares	4	0.15	37,726,068	60.93
Total	2,657	100.00	61,919,011	100.00

List of Thirty Largest Shareholders as at 30 April 2002

No	Shareholders' Name	No of Ordinary Shares of RM1.00 each	Percentage of Issued capital %
1	AllianceGroup Nominees (Tempatan) Sdn Bhd (Pledged Sec. Acc. For Ceramtec Sdn Bhd)	11,420,286	18.44
2	Lembaga Tabung Angkatan Tentera	11,260,000	18.19
3	Ceramtec Sdn Bhd	9,872,782	15.94
4	AllianceGroup Nominees (Tempatan) Sdn Bhd (Pledged Acc. For Wan Shalihudin Bin Wan Ibrahim)	5,173,000	8.35
5	Goh Soon Eng	1,244,254	2.01
6	Tan Ah Cheun	1,176,125	1.90
7	Chew Boon Seng	1,134,000	1.83
8	Tan Guat Poh	1,087,250	1.76
9	Lau Siew Kian	800,000	1.29
10	Goh Tye Nam	691,456	1.12
11	Lim Siew Sooi	687,000	1.11
12	Tan Lai Ming	500,000	0.81
13	Wong Hok Yim	441,000	0.71
14	Tan Han Chuan	440,000	0.71
15	Hong Leong Finance Berhad (Pledged Sec. Acc. For Lee Teck Yuen)	385,000	0.62
16	Goh Tai He	320,896	0.52
17	Goh Tai Seng	315,322	0.51
18	Bank Simpanan Nasional	289,000	0.47
19	Cartaban Nominees (Asing) Sdn Bhd (Credit Agricole Indosuez Lausanne for Suckchai Nganthavee)	286,000	0.46
20	Goh Leong Chuan	280,000	0.45
21	Then Yen Sun	270,000	0.44
22	Chen Seong Fook	267,500	0.43
23	Alpha Dynamics Sdn Bhd	261,250	0.42
24	Chan Wan Moi	259,000	0.42
25	Ong Huey Peng	251,000	0.41
26	Mayban Securities Nominees (Asing) Sdn Bhd (UOB-Kay Hian Pte Ltd for Singatronics Investment Pte Ltd)	250,000	0.40
27	Chua Shiok Hoon	235,000	0.38
28	SJ Sec Nominees (Tempatan) Sdn Bhd (Pledged Sec. Acc. For Tan Saw Sim)	182,000	0.29
29	Tan Chong Pen	176,000	0.28
30	Yap Shing @ Yap Sue Kim	165,000	0.27
		50,120,121	80.94

■ Analysis of Shareholdings (contd)

Substantial Shareholdings as at 30 April 2002 (as per Register of Substantial Shareholders)

No	Shareholders' Name	Direct Interest	%	Indirect Interest	%
1	Lembaga Tabung Angkatan Tentera	11,260,000	18.19	–	–
2	Ceramtec Sdn Bhd	21,293,068	34.39	–	–
3	Goh Tai Seng	315,322	0.51	21,293,068	34.39 *
4	Goh Tai He	320,896	0.52	21,293,068	34.39 *
5	Wan Shalihudin Bin Wan Ibrahim	5,629,000	9.09	–	–
6	Goh Tye Nam	691,456	1.12	21,293,068	34.39 *

Note : * Deemed interest by virtue of his shareholdings in Ceramtec Sdn Bhd under Section 6A(4) of the Companies Act, 1965

Directors' Shareholdings as at 30 April 2002 (as per Register of Director's Shareholdings)

No	Name	Direct Interest	%	Indirect Interest	%
1	Goh Tai Seng	315,322	0.51	21,293,068	34.39 *
2	Goh Tai He	320,896	0.52	21,293,068	34.39 *
3	Tan Ah Cheun	1,176,125	1.90	–	–
4	Dato' Haji Mohd Sarit Bin Haji Yusoh	–	–	–	–
5	Haji Mohamed Amin Bin Haji Mohamed	7,000	0.01	–	–
6	Wan Shalihudin Bin Wan Ibrahim	5,629,000	9.09	–	–
7	Dato' Haji Mohd Yusof Bin Haji Mohamed (Alternate Director to Haji Mohamed Amin Bin Haji Mohamed)	–	–	–	–
8	Brig Jen (Rtd) Dato' Mior Azam Bin Mior Safi	–	–	–	–

Note : * Deemed interest by virtue of his shareholdings in Ceramtec Sdn Bhd under Section 6A(4) of the Companies Act, 1965

■ Particulars of Group Properties

The Properties included in land and buildings at 31 December 2001 are indicated below.

Location/Address (All Mukim of Batu Federal Territory Kuala Lumpur	Land Area (Sq Meter)	Tenure	Existing Use	Approximate Age of Buildings (Years)	NBV of Properties in existing state (RM)
Lot 46260 (formerly known as Lot P.T. 555)	706	Leasehold (Expiring 05/09/2033)	Storage Yard	29	138,095
Lot 46261 (formerly known as Lot P.T. 556)	2,831	Leasehold (Expiring 05/09/2033)	Storage Yard	24	545,864
Lot 46262 (formerly known as Lot P.T. 6049)	260	Leasehold (Expiring 27/08/2077)	Storage Yard	29	61,589
Lot 1470	15,862	Freehold	Factory Land & Building	28	5,285,372
Lot 2983	4,044	Freehold	Factory Land & Building	53	1,443,802
Lot 3680	5,481	Freehold	Office Building & Resident Bungalow	53	1,956,676
Lot 2984	26,362	Freehold	Factory Land & Building & Warehouse for Rental	53	12,360,614
Lot 4397	545	Freehold	Factory Land & Building & Warehouse for Rental	53	162,846
Lot 38755	93	Freehold	Access Road	59	27,645
Lot 4722	1,898	Freehold	Warehouse for Rental	33	567,062
Lot 32661	38,307	Freehold	Warehouse for Rental	33	12,212,838
Lot P.T. 15519	23,446	Freehold	Factory Land & Building	8	27,725,600
119,835					62,488,003

Form of Proxy

I/We :
(Full Name in Capital Letters)

of :
(Address)

being a member/members of **GOH BAN HUAT BERHAD**, hereby appoint :

(Full Name)

NRIC No :

of :
(Address)

or failing him :
(Full Name)

NRIC No :

of :
(Address)

as my/our proxy to vote for me/us on my/our behalf at the Fifty-Fifth Annual General Meeting of the Company to be held at Bunga Kenanga, Level 3, Pan Pacific Hotel Kuala Lumpur, Jalan Putra, 50746 Kuala Lumpur on Friday, 28 June 2002 at 3.00 p.m. and at any adjournment thereof.

The proportion of my/our holding to be represented by my/our proxies are as follows:
(The next paragraph should be completed only when two proxies are appointed)

Number of shares held:

First proxy (1) % Second proxy (2) %

Resolutions	For	Against
Resolution 1		
Resolution 2		
Resolution 3		
Resolution 4		
Resolution 5		
Resolution 6		
Resolution 7		

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

Dated this day of 2002

Number of Ordinary Shares Held

Signature(s)/Common Seal of Shareholders
(*Delete if not applicable)

Notes

- 1

A member of the Company entitled to attend and vote at the Fifty-Fifth Annual General Meeting is entitled to appoint a proxy/proxies, to attend and vote in instead of him. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 need not be complied with.
- 2

Where a member appoints two or more proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- 3

The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- 4

The instrument appointing a proxy must be deposited at 238, Jalan Segambut, 51200 Kuala Lumpur at least forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.

Explanatory notes on special business of the Agenda

- 5

The Ordinary Resolution proposed under item 6 is in line with the Company's expansion plan which may involve the issue of new shares. Under Section 132D of the Companies Act, 1965, the Directors would have to call for a general meeting to approve the issue of new shares even though the number of shares involved is less than 10% of the issued share capital of the Company for the time being. In order to avoid any delay and costs involved in convening a general meeting, it is thus considered appropriate to seek the shareholders' approval for Directors of the Company to issue shares in the Company up to an aggregate amount of not exceeding 10% of the issued share capital of the Company for the time being for such purposes as they consider would be in the best interest of the Company and also to empower Directors to obtain approval from the Kuala Lumpur Stock Exchange for the listing of and quotation for additional shares issued. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

Fold along this line (1)

Stamp

The Company Secretary
GOH BAN HUAT BERHAD
238 Jalan Segambut
51200 Kuala Lumpur
Malaysia

Fold along this line (2)