



Cheng Ping Keat
Group CEO

Group CEO's Review of Operations

Financial review

The Group recorded revenue of RM138.14 million for the year ended December 31, 2003, dropping 13 per cent over the previous year. The drop in revenue translated to a lower profit before tax of RM3.9 million, a 7 per cent decrease over the previous year.

While external conditions such as SARS and the Iraq war were unanticipated events, the performance of the Company and its group of companies was reflective of key strategic business initiatives that were carried out in the last financial year. These initiatives included - a company-wide restructuring that saw the consolidation of certain key operations such as manufacturing into one cohesive unit; increased investment in advertising and promotions spending; and the addition of manpower for offices in Singapore and Dubai to better serve our customers.

That said, the Company is committed to investing in the future of the "Khind" brand.

In this regard, the Company and its subsidiaries will be committing funds over the next two years in our branding campaign to ensure that "Khind - A World Brand...From Malaysia," becomes well-known amongst Malaysians, and our international customers.

Khind is confident that the planned strategic business initiatives and increased investment in our branding campaign are expected to yield positive results in the next financial year.

Manufacturing operations

In our highly competitive environment, Khind continued to restructure and streamline operations to maximise efficiency, productivity and cost-effectiveness. These qualities become increasingly important in today's knowledge-based economy.

In pursuit of total quality and excellence in manufacturing, the Group successfully obtained ISO9001 : 2000 in the year 2003.