



NATIONWIDE EXPRESS COURIER SERVICES BERHAD
(133096-M)

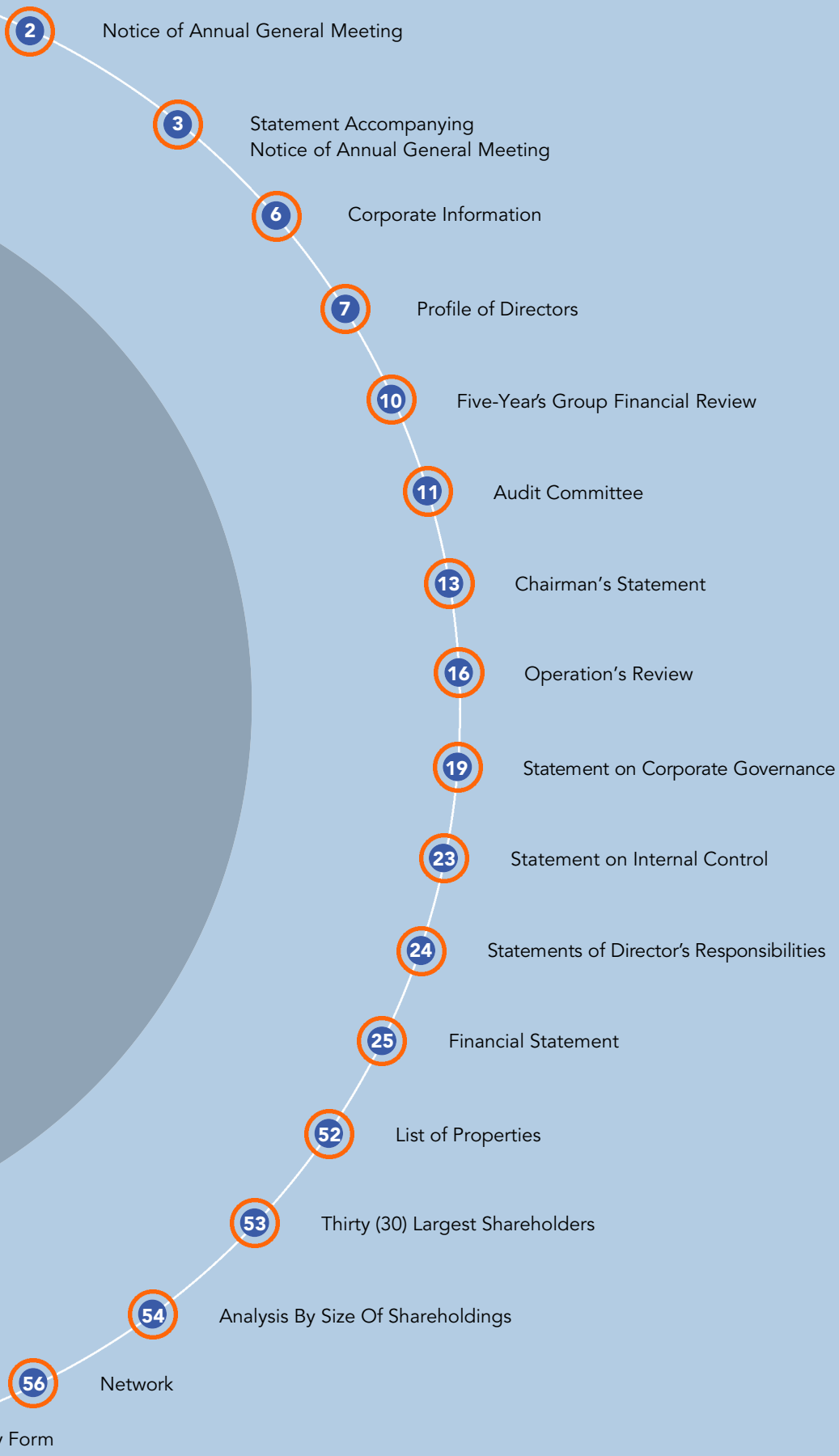
**NATIONWIDE EXPRESS
COURIER SERVICES
BERHAD** (133096-M)

Head Office

Lot 6 & 7, Jalan Utas 15/7
Section 15, 40000 Shah Alam
Tel: 03-5512 1000 (General)
03-5512 8000 (Pick-up Hotline)
03-5512 7000 (Customer Service)
Fax: 03-5031 8892 (General)
03-5031 8896 (Customer Service)



Contents



2	Notice of Annual General Meeting
3	Statement Accompanying Notice of Annual General Meeting
6	Corporate Information
7	Profile of Directors
10	Five-Year's Group Financial Review
11	Audit Committee
13	Chairman's Statement
16	Operation's Review
19	Statement on Corporate Governance
23	Statement on Internal Control
24	Statements of Director's Responsibilities
25	Financial Statement
52	List of Properties
53	Thirty (30) Largest Shareholders
54	Analysis By Size Of Shareholdings
56	Network
	Proxy Form

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN

that the Sixteenth Annual General Meeting of Nationwide Express Courier Services Berhad will be held at Function Room 1, Kuala Lumpur Golf & Country Club, No. 10, Jalan 1/70D Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 4th September 2002 at 10.00 a.m. to transact the following business:-

1. To receive and adopt the Audited Accounts for the year ended 31 March 2002, and the Reports of the Directors and Auditors thereon.

Resolution 1

2. To sanction the declaration of a final dividend of 10% (less 28% tax).

Resolution 2

3. To approve the payment of Directors' fees.

Resolution 3

4. To re-elect the following Directors retiring under Article 64 of the Articles of Association of the Company :-

- i) Ahmad Riza bin Basir

Resolution 4

- ii) Bazlan bin Osman

Resolution 5

- iii) Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad

Resolution 6

5. To re-elect the following Director, who retires in accordance with Section 129(2) of the Companies Act, 1965:-

- i) Tan Sri Dato' (Dr) Arshad bin Ayub

Resolution 7

6. To re-appoint Messrs. Arthur Andersen & Co. as auditors of the Company under the name of Messrs. Hanafiah Raslan & Mohamed and to authorise the Directors to fix their remuneration.

Resolution 8

7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

NOTICE OF BOOK CLOSURE

NOTICE IS ALSO HEREBY GIVEN that subject to the approval of the shareholders, a Final Dividend of 10% (less Malaysian Income Tax of 28%) in respect of the financial year ended 31 March 2002 will be paid on 24 September 2002 to shareholders whose names appear in the Company's Record of Depositors on 9 September 2002.

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

- a) Shares transferred into the Depositor's Securities Account before 12.30 p.m. on 9 September 2002, in respect of ordinary transfers; and
- b) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

BY ORDER OF THE BOARD

MD JUNID BIN MD YUSOF
ABU ZAHREN BIN MD YUSOF
Company Secretaries

Kuala Lumpur
13 August 2002

NOTES:

1. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy may but need not be a member of the Company.
2. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney and in the case of a corporation, the instrument appointing a proxy or proxies must be under seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur, not less than 48 hours before the time for holding the meeting or any adjournment thereof.



Statement Accompanying Notice of Annual General Meeting

1. DIRECTORS STANDING FOR RE-ELECTION

- (i) Retiring under Article 64 of the Articles of Association of the Company: -
 - Ahmad Riza bin Basir
 - Bazlan bin Osman
 - Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad
- (ii) Retiring in accordance with Section 129(2) of the Companies Act, 1965: -
 - Tan Sri Dato' (Dr) Arshad bin Ayub

2. DETAILS OF ATTENDANCE OF DIRECTORS AT BOARD MEETINGS (Total of 5 meetings held)

Name of Directors	Date of Appointment	Attendance
Dato' Dr. Mohd Noor bin Ismail	02-10-1993	5/5
Wan Mohamed Den bin Wan Mohamed Zin	21-09-2000	5/5
Rozilawati binti Haji Basir	01-09-2000	5/5
Tan Sri Dato' (Dr) Arshad bin Ayub	18-11-1993	3/5
Ahmad Riza bin Basir	27-08-1993	4/5
Eddy Chieng Ing Huong	18-11-1993	5/5
Bazlan bin Osman	06-10-1994	3/5
Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad	29-03-1995	4/5

3. DETAILS OF GENERAL MEETINGS HELD DURING THE FINANCIAL YEAR ENDED 31 MARCH 2002

(i) 15TH ANNUAL GENERAL MEETING

Date : 3 September 2001
Time : 2.30 p.m.
Venue : Function Room 1, Kuala Lumpur Golf & Country Club, No. 10, Jalan 1/70D,
Off Jalan Bukit Kiara, 60000 Kuala Lumpur.

(ii) EXTRAORDINARY GENERAL MEETING

Date : 3 September 2001
Time : 3.00 p.m.
Venue : Function Room 1, Kuala Lumpur Golf & Country Club, No. 10, Jalan 1/70D,
Off Jalan Bukit Kiara, 60000 Kuala Lumpur.

4. DIRECTORS' SHAREHOLDINGS IN THE COMPANY & ITS SUBSIDIARIES

Name of Directors	The Company		The Subsidiaries
	Direct	Indirect	
Dato' Dr. Mohd Noor bin Ismail	22,500	25,761,601 ^(a)	*
Wan Mohamed Den bin Wan Mohamed Zin	0	0	—
Rozilawati binti Haji Basir	0	25,761,601 ^(a)	*
Tan Sri Dato' (Dr) Arshad bin Ayub	85,500	434,250 ^(b)	—
Ahmad Riza bin Basir	22,500	25,761,601 ^(a)	*
Eddy Chieng Ing Huong	4,552,017	1,062,632 ^(c)	—
Bazlan bin Osman	0	0	—
Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad	10,000	0	—

* By virtue of their shareholdings in shares of the Company, they are also deemed interested in all shares of the Company's subsidiaries to the extent that the Company has an interest.

^(a) Deemed interested via their substantial shareholding in Fima Makmur Sdn Bhd which is the holding company of Utas Usaha Sdn Bhd.

^(b) Deemed interested through Zalaraz Sdn Bhd.

^(c) Deemed interested by virtue of shares held via his spouse, Madam Choi Yoke Lan.

5. FAMILY RELATIONSHIPS OF DIRECTORS AND/OR MAJOR SHAREHOLDERS

None of the Directors who are standing for re-election has family relationships to one another except Rozilawati binti Haji Basir, who is a sister to Ahmad Riza bin Basir and a daughter of Tan Sri Dato' Haji Basir bin Ismail, an indirect major shareholder of Utas Usaha Sdn Bhd.

6. CONFLICT OF INTEREST

Save for that disclosed in the section on Related Party Transactions, none of the Directors has any conflict of interest with the Company and its subsidiaries.

7. LIST OF CONVICTIONS FOR OFFENCES WITHIN THE PAST 10 YEARS OTHER THAN TRAFFIC OFFENCES

None of the Directors have been convicted of any offences within the past 10 years other than traffic offences.

8. PROVISION ON RETIREMENT BY ROTATION OF MANAGING DIRECTOR/EXECUTIVE DIRECTOR

In accordance with Article 64 of the Company's Articles of Association, at the first annual general meeting of the Company all the Directors shall retire from office and at the annual general meeting in every subsequent year, one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest one-third shall retire from office.

9. DIRECTORS REMUNERATION

	Company	
	2002	2001
	RM'000	RM'000
Directors of the Company		
Executive:		
Salaries and other emoluments	369	189
Bonus	54	27
Benefits-in-kind	27	27
	<u>450</u>	<u>243</u>
Non-Executive:		
Fees	<u>119</u>	<u>113</u>
Other Directors:		
Non-Executive:		
Fees	<u>–</u>	<u>–</u>
Total excluding benefits-in-kind	<u>542</u>	<u>329</u>

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

	Number of Directors	
	2002	2001
Executive Directors:		
RM150,000 - RM200,000	1	2
RM200,000 - RM250,000	<u>1</u>	<u>–</u>
Non-Executive Directors:		
Below RM25,000	<u>6</u>	<u>6</u>

10. OTHER INFORMATION

- Utilisation Of Proceeds**
 No proceeds were raised by the Company from any corporate exercise during the financial year.
- Share Buy-Backs**
 There were no share buy-backs during the financial year.
- Options, Warrants Or Convertible Securities**
 There were no other issues or exercise of options, warrants or convertible securities during the financial year.
- American Depositary Receipt (ADR)/Global Depositary Receipt (GDR) Programmes**
 During the financial year, the Company did not sponsor any ADR or GDR programmes.
- Imposition Of Sanctions/Penalties**
 There were no public imposition of sanctions or penalties imposed on the Company and its subsidiaries, Directors or management by the regulatory bodies during the financial year.
- Non-Audit Fees**
 There were no non-audit fees paid to the external auditors during the financial year.
- Variation in Results**
 The Company did not release any profit estimate, forecast or projection for the financial year.
- Profit Guarantees**
 During the financial year, there were no profit guarantees given by the Company.
- Material Contracts And Contracts Relating To Loans**
 There were no material contracts and contracts relating to loans entered into by the Company and its subsidiaries which involve the Directors or substantial shareholders entered into since the previous financial year ended 31 March 2001.



Corporate Information

BOARD OF DIRECTORS

YBhg Dato' Dr. Mohd Noor bin Ismail

Non-Independent, Non-Executive Chairman

Encik Wan Mohamed Den bin Wan Mohamed Zin

Senior Executive Director/
Chief Executive Officer

Cik Rozilawati binti Haji Basir

Executive Director, Business Development

YBhg Tan Sri Dato' (Dr) Arshad bin Ayub

Independent, Non-Executive Director

Encik Ahmad Riza bin Basir

Non-Independent, Non-Executive Director

Encik Eddy Chieng Ing Huang

Non-Independent, Non-Executive Director

Encik Bazlan bin Osman

Independent, Non-Executive Director

YBhg Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad

Independent, Non-Executive Director

AUDIT COMMITTEE

YBhg Tan Sri Dato' (Dr) Arshad bin Ayub

Chairman
Independent, Non-Executive Director

YBhg Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad

Member
Independent, Non-Executive Director

Encik Bazlan bin Osman

Member
Independent, Non-Executive Director

COMPANY SECRETARIES

Encik Md Junid bin Md Yusof
(LS 01750)

Encik Abu Zahren bin Md Yusof
(LS 006986)

REGISTERED OFFICE

Suite 4.1, Level 4,
Block C, Plaza Damansara
No. 45, Jalan Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur
Tel : 03 -2092 1211
Fax : 03 -2092 5923

REGISTRARS & TRANSFER OFFICE

Malaysian Share Registration Services
Sdn. Bhd.
7th Floor, Exchange Square
Bukit Kewangan
50200 Kuala Lumpur
Tel : 03 -2026 8099
Fax : 03 -2026 3736

PRINCIPAL BANKERS

Malayan Banking Berhad
HSBC (M) Berhad
Public Bank Berhad

AUDITORS

Arthur Andersen & Co.

STOCK EXCHANGE LISTING

Kuala Lumpur Stock Exchange
Second Board



Profile of Directors

YBHG DATO' DR. MOHD NOOR BIN ISMAIL

**Non-Executive Chairman,
Non-Independent Director
Diploma in Agriculture
(Universiti Putra Malaysia – formerly
known as Universiti Pertanian Malaysia)
B.Sc and M.Sc
(Louisiana State University (LSU), USA)
Doctor of Business Administration
(DBA) (UK)
Advanced Management Program (AMP,
Harvard Business School, USA)
69 years of age – Malaysian**

Dato' Dr. Mohd Noor was appointed Chairman and Director of the Company on 2 October 1993.

Dato' Dr. Mohd Noor began his career as an Agricultural Assistant with the Department of Agriculture, Johor from 1955 to 1967. From 1967 to 1983, he was with Universiti Putra Malaysia. In 1974, he was appointed a Professor of the University and from 1975 until he retired in 1983, he served as the Deputy Vice Chancellor of the University. He joined Kumpulan Fima Berhad as Managing Director. In 1991, he was appointed as Executive Director of Kumpulan Fima Berhad, a position he still holds.

He is also a Non-Executive Director of Fima Corporation Berhad, Ladang Perbadanan-Fima Berhad and British American Tobacco (M) Berhad.

He served as a Board member of the Malaysian Rubber Research and Development Council, Malaysian Rubber Producers Council, Universiti Putra Malaysia Council and was the Chairman of Malaysia Pineapple Industries Board. Currently, he is a Board member of Malaysian Agricultural Research and Development Institute (MARDI), Universiti Pendidikan Sultan Idris (UPSI) Malaysia, Programme Advisory Committee of Palm Oil Board (PAC) and a member of Majlis Penyelarasan Sektor Awam-Swasta Pertanian Negara.

He has attended all 5 board meetings held for during the financial year. He has no family relationship with any Director and/or major shareholder. Save for that disclosed in the section on Related Party Transactions, he has no conflict of interest with Nationwide and no convictions for any offences within the past 10 years other than traffic offences.

WAN MOHAMED DEN BIN WAN MOHAMED ZIN

**Senior Executive Director/
Chief Executive Officer
Bachelor of Economics (Universiti Malaya)
50 years of age – Malaysian**

Wan Mohamed Den joined the Board as Senior Executive Director/Chief Executive Officer on 21 September 2000.

Upon graduation, he joined Malayan Banking Berhad (Maybank) and served the bank's various branches, both locally and in Brunei Darussalam (1985-1990). He left Maybank in February 1994 and joined South East Asia Development Corporation Berhad where he was seconded to Malaysia Credit Finance Berhad as Assistant General Manager, Marketing Department. In October 1994, he joined Kumpulan Fima Berhad as Vice President of Logistics. He served as Vice Chairman of the Brunei Association of Banks from 1988 to 1989 and President of the Malaysian Association of Courier Services from 1995 to 1997. In March 2002, he was re-appointed as the President of Association of Malaysian Express Carriers (formerly known as Malaysian Association of Courier Services).

In 1994, he was made Chief Executive Officer of the Company prior to assuming his present position.

He has attended all 5 board meetings held for during the financial year. He has no family relationship with any Director and/or major shareholder. Save for that disclosed in the section on Related Party Transactions, he has no conflict of interest with Nationwide and no convictions for any offences within the past 10 years other than traffic offences.

ROZILAWATI BINTI HAJI BASIR

**Executive Director, Business Development
Bachelor of Arts (Hons) & Degree in Law
(University of Hertfordshire,
United Kingdom)
Masters in Business Administration
(University of Bristol, United Kingdom)
31 years of age – Malaysian**

Rozilawati was appointed a Director on 1 September 2000 and on 21 September assumed the position of Executive Director, Business Development.

Her working experience has mainly been in the areas of corporate strategy, marketing, development of new businesses and entrepreneurship.

She has held posts in management consultancy, teaching and business consultancy both in Malaysia and in the UK. She was appointed an Executive Director of Fima Makmur Sdn Bhd the holding company of Kumpulan Fima Berhad and Utas Usaha Sdn Bhd in 1997, a position she still holds.

She is also a Director of Syarikat Kayu Wangi Berhad and several private limited companies in the Kumpulan Fima Berhad Group of Companies.

She has attended all 5 board meetings held for during the financial year. She is the sister of Ahmad Riza bin Basir and daughter of Tan Sri Dato' Haji Basir bin Ismail, an indirect major shareholder of Utas Usaha Sdn Bhd, a major shareholder of Nationwide. Save for that disclosed in the section on Related Party Transactions, she has no conflict of interest with Nationwide and no convictions for any offences within the past 10 years other than traffic offences.

YBHG TAN SRI DATO' (DR) ARSHAD BIN AYUB

Independent, Non-Executive Director
Diploma in Agriculture
(College of Agriculture)
Bachelor of Science (Hons)
(University College of Wales,
Aberystwyth, United Kingdom)
Diploma in Business Administration
(Management Development Institute
(IMEDE) Lausanne, Switzerland)
74 years of age – Malaysian

Tan Sri Dato' (Dr) Arshad was appointed an Independent, Non-Executive Director of the Company from 30 January 1985 to 27 August 1993. On 18 November 1993, he was re-appointed to the same post.

He had previously served as a member of numerous bodies in the fields of education, planning, finance, regional development, agriculture and sciences and was the first Director of Universiti Teknologi Mara from 1965 to 1975. His extensive working experience which led to holding senior positions with various Ministries in the Malaysian Government, from 1951 to 1983, including his appointment as Deputy Governor of Bank Negara Malaysia from 1975 to 1977. His last position in the Government was Secretary-General, Ministry of Land & Regional Development, Ministry of Agriculture and Primary Industries. Tan Sri Dato' (Dr)

Arshad had also served as chairman of Malaysia Rubber Export Promotion Council, president of Malaysia Rubber Products Manufacturers Association and a Board member of Lembaga Getah Malaysia (LGM).

Tan Sri Dato' (Dr) Arshad is also a Director of Kulim Malaysia Bhd, Rumpun Hijau Capital Bhd, Tomypak Holdings Bhd, Audrey International (M) Bhd, Sindora Bhd, KPJ Healthcare Bhd and Top Glove Corporation Bhd.

He has attended 3 out of 5 board meetings held for during the financial year. He has no family relationship with any Director and/or major shareholder. Save for that disclosed in the section on Related Party Transactions, he has no conflict of interest with Nationwide and no convictions for any offences within the past 10 years other than traffic offences.

AHMAD RIZA BIN BASIR

Non Independent, Non-Executive Director
Bachelor of Arts in Law (Hons),
(University of Hertfordshire, Hertford,
United Kingdom)
Barrister At Law (Lincoln's Inn), London
42 years of age – Malaysian

A lawyer by training, Ahmad Riza was appointed to the Board on 27 August 1993.

He is also the Executive Chairman of Fima Corporation Berhad and Chairman of Syarikat Kayu Wangi Berhad. His directorships in other public listed companies includes Director of Kumpulan Fima Berhad, KESM Industries Berhad, Ladang Perbadanan-Fima Berhad, Jerneh Asia Berhad, John Hancock Life Assurance (M) Berhad and United Plantations Berhad.

He has attended 4 out of 5 board meetings held for during the financial year. He is the brother of Rozilawati binti Basir and son of Tan Sri Dato' Basir bin Ismail, an indirect major shareholder of Utas Usaha Sdn Bhd, a major shareholder of Nationwide. Save for that disclosed in the section on Related Party Transactions, he has no conflict of interest with Nationwide and no convictions for any offences within the past 10 years other than traffic offences.

EDDY CHIENG ING HUONG

Non Independent, Non-Executive Director
Bachelor of Commerce
(University of New South Wales,
Australia)
Chartered Accountant (Sydney, Australia)
45 years of age – Malaysian

Eddy Chieng, a Chartered Accountant by profession, was the Managing Director of the Company from 9 January 1985 to 30 March 1991 and, a Non-Executive Director till August 1993. On 18 November 1993, he was re-appointed as a Non-Independent, Non-Executive Director of the Company.

He is a member of the Institute of Chartered Accountants, Australia and since 1983, also a member of the Malaysian Institute of Accountants (MIA).

He has had extensive senior management working experience both in Malaysia and Australia. He was the Managing Director of Equity & Property Investment Corporation Limited from November 1994 to October 1998 and a Director of Hillgrove Gold NL from April 1995 to June 1999. Both companies are listed on the Australian Stock Exchange. He was also the Executive Director of OSK Holdings Berhad, a company listed on the Main Board of the Kuala Lumpur Stock Exchange, from February 1996 to December 1998.

Since March 1999, he is Senior Vice President, Business Development of Hwang-DBS Securities Berhad which is involved in stockbroking, corporate finance and equity research. Aside from being Managing Director of his private group of companies, he is also Chairman/Director of Selangor Dredging Berhad. His current directorships in several Main Board listed companies on the Kuala Lumpur Stock Exchange include Nylex (Malaysia) Berhad, Ancom Berhad and QL Resources Berhad. He is also an adviser to the board of a number of public and private companies.

He has attended all 5 board meetings held for during the financial year. He has no family relationship with any Director and/or major shareholder. He is a substantial shareholder of Nationwide. Save for that disclosed in the section on Related Party Transactions, he has no conflict of interest with Nationwide and no convictions for any offences within the past 10 years other than traffic offences.

BAZLAN BIN OSMAN

Independent, Non-Executive Director
Diploma in Accounting
(Polytechnic of North London, United Kingdom (now known as University of North London))
Chartered Association of Certified Accountants (CAACA)
38 years of age – Malaysian

Bazlan was appointed to the Board on 6 October 1994.

He is a Fellow of the Association of Chartered Certified Accountants (UK) and a member of the Malaysian Institute of Accountants (MIA). He started his working career in 1986 with Messrs

Hanafiah Raslan & Mohamad. Prior to his present position as Senior Vice President of the Corporate Finance & Treasury Division of Technology Resources Industries Berhad, he was with Sime Darby Group, American Express (M) Sdn Bhd and Kumpulan Fima Berhad.

He has attended 3 out of 5 board meetings held for during the financial year. He has no family relationship with any Director and/or major shareholder. Save for that disclosed in the section on Related Party Transactions, he has no conflict of interest with Nationwide and no convictions for any offences within the past 10 years other than traffic offences.

YBHG TAN SRI DATO' DR. HAJI ABDULLAH SANUSI BIN AHMAD
Independent, Non-Executive Director
Bachelor of Arts (Hons)
(University of Malaya)
Masters in Public Administration
(University of Pittsburgh, USA)
PhD. in Public Administration (University of Southern California, USA)
66 years of age – Malaysian

Tan Sri Dato' Dr. Hj Abdullah Sanusi joined the Board on 29 March 1995.

In 1961, he started his career in the government service as Assistant District Officer of Jelebu, Negeri Sembilan. Over the years, he held various positions in the government service. He hold the distinction of being the founder Director of the National Institute of Public Administration, Malaysia in 1971 and; founder Director-General of Malaysian Administrative Modernization and Manpower Planning Unit (MAMPU), Prime Minister's Department in 1977. His last posting in the government service was as Secretary-General, Ministry of Public Enterprises, from 1981

to 1986, following which he joined Petroliaam Nasional Berhad (PETRONAS) as Vice-President, Human Resource Management, a post he held from 1986 to 1994. In March 1994, he was appointed as Vice Chancellor of UM, a position he held for six years.

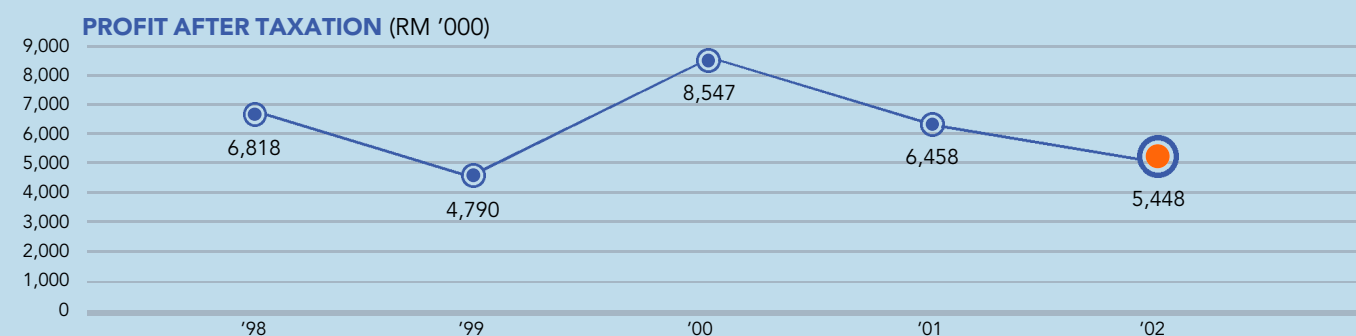
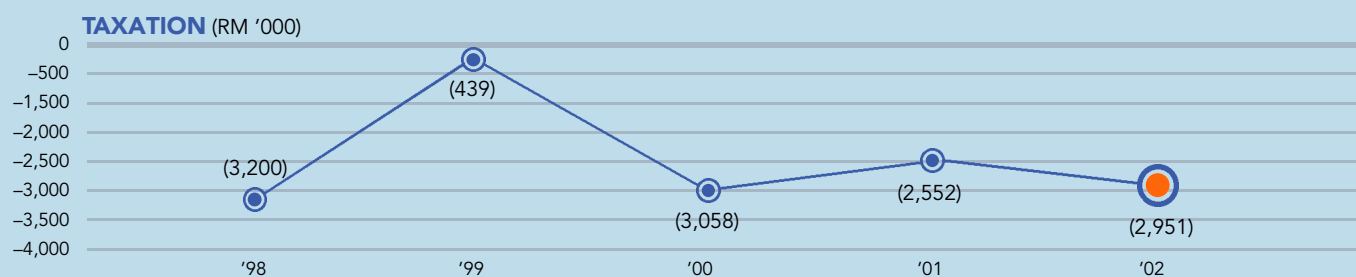
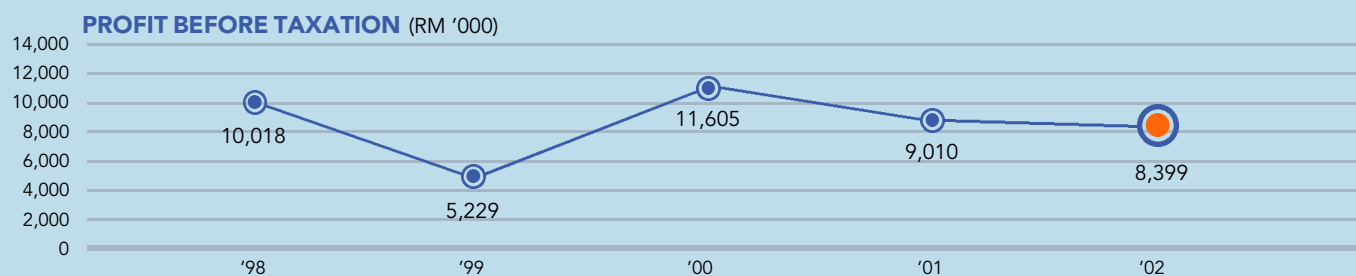
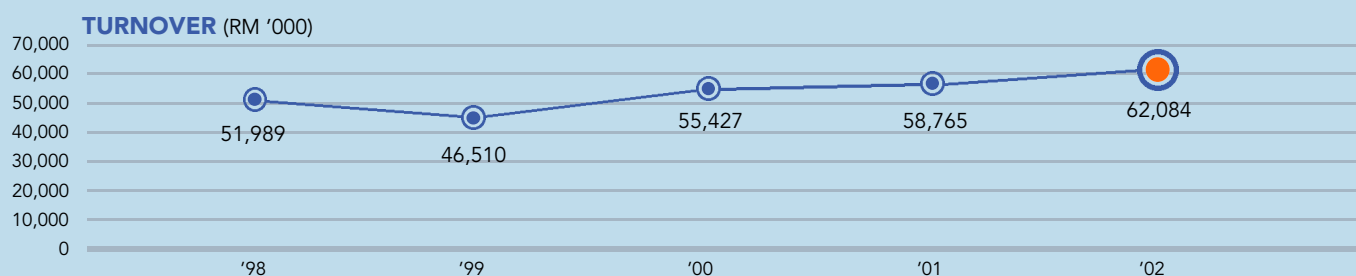
Tan Sri Dato' Dr. Hj Abdullah Sanusi was awarded an Honorary Doctorate by Northeastern University, USA in June 1993; and an Honorary Doctorate of Economy by University of Malaya in August 2000, a Fellow of the National Institute of Public Administration, Malaysia by Institut Tadbiran Awam Negara Malaysia in May 2001 and an Honorary Doctorate by Heroit-Watt University, Scotland in July 2001.

Currently, he is Group Executive Chairman of Multimedia Technology Enhancement Operations Sdn Bhd (METEOR Sdn Bhd) and Chairman of I.C.C Consultants. He is also a Board Member of the State Economic Development Corporation, Negeri Sembilan and Lembaga Tabung Angkatan Tentera. Tan Sri Dato' Dr. Hj Abdullah Sanusi was recently appointed President of Universiti Terbuka Malaysia (Open University Malaysia).

He has attended 4 out of 5 board meetings held for during the financial year. He has no family relationship with any Director and/or major shareholder. Save for that disclosed in the section on Related Party Transactions, he has no conflict of interest with Nationwide and no convictions for any offences within the past 10 years other than traffic offences.

Five-Years Group Financial Review

Year Period Ended	31/3/98	31/3/99	31/3/00	31/3/01	31/3/02
Turnover (RM '000)	51,989	46,510	55,427	58,765	62,084
Profit Before Taxation (RM '000)	10,018	5,229	11,605	9,010	8,399
Taxation (RM '000)	(3,200)	(439)	(3,058)	(2,552)	(2,951)
Profit After Taxation (RM '000)	6,818	4,790	8,547	6,458	5,448
Net Earnings Per Share (Sen)	35.7	25.1	44.8	15.0	12.7
Gross Dividend (%)	15	15	28	20	15.3





Audit Committee

MEMBERS OF AUDIT COMMITTEE

YBhg Tan Sri Dato' Dr. Arshad bin Ayub
Chairman/Independent, Non-Executive Director

YBhg Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad
Member/Independent, Non-Executive Director

Encik Bazlan bin Osman
Member/Independent, Non-Executive Director

TERMS OF REFERENCE OF AUDIT COMMITTEE

CONSTITUTION

The Board constitutes and establishes an Audit Committee with authority, responsibilities and specific duties as described below.

COMPOSITION

The Committee comprises of directors of the Company and that the majority of the members shall be independent of management and free from any relationship that in the opinion of the Board, would interfere with the exercise of independent judgement as a committee member.

The members of an Audit Committee shall elect a Chairman from among their members.

If a member resigns, dies or ceases to be a member with the result that the number is reduced below 3, the Board shall within 3 months appoint new members required to make up the minimum number. The maximum number shall be 5.

RESPONSIBILITIES

The functions of an Audit Committee shall be to:

- Review with the external auditors
 - the audit plan
 - their evaluation of the system of internal accounting control
 - the audit report on the financial statement
- Review the assistance given by the Company's officers to the auditors.
- Review the scope and results of the internal audit procedures.
- Review the financial statements submitted by the management and thereafter to submit them to the Board of Directors.
- Review any significant related party transactions that may arise within the Company or Group.
- Give recommendations to the Board concerning the appointment and remuneration of the external auditors.
- Consider any matter the auditors wish to bring to the attention of the directors or shareholders.
- Review arrangements established by management information for compliance with any regulatory or other external reporting requirements.

- Review the effectiveness of management information and other systems of control within the Company.
- Review the accounting policies adopted, any changes in accounting principles or practices and the level of prudence applied in areas requiring judgement.
- Review interim financial information and press releases relating to financial matters of importance.
- Review any significant transactions which are not a normal part of the Company's business.
- Confirm that management has placed no restrictions on the scope of the audit.
- Review the effectiveness of the internal audit function.
- Review the coordination of audit between the external and internal auditors.

MEETINGS

The Committee shall meet on at least four (4) occasions each year.

ATTENDANCE

Members of the Committee are to be present at all meetings. The quorum for the meeting shall be 2. The Chairman may request that members of management, the internal auditors and representatives of the external auditors to be present at meetings of the Committee.

Four meetings were held during the financial year. The records of attendance are as follows:

AUDIT COMMITTEE MEMBERS	NO.	24 MAY 01	21 AUG 01	13 NOV 01	15 FEB 02
Tan Sri Dato' Dr. Arshad bin Ayub	4/4	Present	Present	Present	Present
Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad	3/4	Present	Present	Absent	Present
Bazlan bin Osman	3/4	Present	Absent	Present	Present

MINUTES

- The Company Secretary shall be the Secretary to the Committee.
- Minutes of each meeting shall be prepared and sent to committee members and the Company directors who are not members.

During the financial year, the following audits were conducted:

TYPE OF AUDIT	ENTITIES AUDIT
Compliance with operations and internal control procedures	<ul style="list-style-type: none"> • 27 Branches • 1 Head Office Department
Review of work processes	<ul style="list-style-type: none"> • 4 Head Office Departments
Investigations	<ul style="list-style-type: none"> • 2 Branches

FINDINGS AND RECOMMENDATIONS

The Audit Committee shall report its findings and recommendations to the Board but the Committee itself shall have no executive powers with respect to those findings and recommendations.

Key issues, including management's feedbacks and audit recommendations were highlighted to the Audit Committee. The external auditors have reviewed and endorsed the key issues and management's feedbacks.

Future Internal Audit Plans were reviewed and approved for execution by the Audit Committee to ensure best practices by the Company. The external auditors have given their views on the nature, scope and approach of future audits to the Committee.

INTERNAL AUDIT ACTIVITIES REPORT

The Internal Audit Department was established on 1 June 1999. At present, there are six personnel in the Department. Its principal functions are to conduct review of operations and procedures, and subsequently highlight findings and suggest recommendations to the Committee for further improvement.

The quarterly and year-end financial statements were reviewed by the Audit Committee before submitting to the Board. Attention was given on the compliance to MASBs.

Chairman's Statement



On behalf of the Board of Directors of Nationwide Express Courier Services Berhad ("Nationwide Express"), I am pleased to present the Annual Report and Audited Accounts of the Company for the financial year ended 31 March 2002.

FINANCIAL AND BUSINESS PERFORMANCE

The world economy after the 11 September 2001 incident in the United States of America was seen to have indirectly affected Malaysian economic activities to a considerable extent. Under such an uncertain and gloomy economic situation, Nationwide Express experienced an extremely challenging task to generate a strong growth. We achieved an increase turnover of 5.63% from RM58.77 million to RM62.08 million. However, pre-tax profit was 6.77% lower at RM8.40 million compared to the previous year's pre-tax profit of RM9.01 million. The post-tax profit correspondingly decreased by 15.63% to RM5.45 million from RM6.46 million recorded in the previous financial year.

The financial year's performance of Nationwide Express had therefore reflected the challenging business environment of the country in general

and courier services industry in particular. The reduced margin was mainly contributed by the increase in operational costs, severe price competition and a more stringent policy of provision for doubtful debts.

The current financial year marked the increase in Nationwide Express authorised share capital from RM20,000,000 to RM100,000,000 by the creation of an additional 80,000,000 ordinary shares of RM1.00 each on 3 September 2001. Nationwide Express issued and paid-up share capital was also increased from RM19,082,000 to

RM42,934,500 by way of issuance of 23,852,500 ordinary shares of RM1.00 each via bonus issue on the basis of five (5) new ordinary shares of RM1.00 each for every four (4) existing ordinary shares. The bonus issue was issued via capitalisation of the retained profits.

Nationwide Express Freight Forwarders Sdn Bhd, a wholly owned subsidiary has also increased its authorised share capital from RM200,000 to RM1,000,000 through the creation of 800,000 ordinary shares of RM1.00 each on 26 March 2002. It's issued and paid-up share capital was increased from RM200,000 to RM500,000 by way of the issuance of 300,000 ordinary shares of RM1.00 each via capitalisation of the advance from the holding company, Nationwide Express.

DIVIDENDS

An interim dividend of 3% less taxation and 2.3% tax exempt (2001: 5% tax exempt and 5% less 28% tax) amounting to RM1,914,878.70 (2001: RM1,641,052.00) was declared and paid during the current financial year. The Board of Directors is recommending a final dividend of 10% less 28% tax (2001: 10% less 28% tax) amounting to RM3,091,284.00 (2001: RM1,373,904.00) making a total of 15.3% (inclusive of interim dividend of 3% less tax and 2.3% tax exempt) amounting to RM5,006,162.70 for the financial year ended 31 March 2002.

INDUSTRY TREND AND DEVELOPMENT

The courier services business refers to services rendered by companies specializing in the speedy pickup and door-to-door delivery of time sensitive documents and parcels, i.e. within 24 hours for Peninsular Malaysia and within 48 hours for East Malaysia. The industry is also commonly described as express delivery due to its time-sensitiveness.

Courier services started in Malaysia about 29 years ago, with DHL Worldwide Express setting foot in Malaysia in 1973 followed by TNT in 1976, UPS in 1988 and FedEx in 1993. The industry then was fully dominated by international courier companies.

The late 1970s and early 1980s witnessed the emergence of numerous local courier companies in Malaysia. City-Link Express started its operation in 1978 followed by Nationwide Express in 1985. Skynet, ABX, OCS, Speedmail, Beukhen & Pokhrell, GD Express, Malaysian Express and Consol Express followed soon after. Pos Malaysia

Berhad started its courier arm under the name of "Poslaju" in 1986. More players emerged during late 1980s and early 1990s. Todate there are 112 registered courier companies in Malaysia supported by more than 350 agents. However, the majority of them are localised operators, while a number of them remained inactive.

The shift of the country's economy from a commodity based to manufacturing and services based gave rise to the growth in the number of courier companies in Malaysia. In the early stages, the activities of courier companies were mainly confined to the handling of business documents for international destinations, while the domestic consignments were mostly handled by postal services, operators of lorries, taxis and buses.

The increase in demand for courier services during the mid-1980s was mainly due to the influx of foreign direct investment. The industry began with the delivery of small packages comprising of samples, parts and emergency items. Thereafter, the industry's activities widened to cover the handling of highly specialised, time-sensitive express freight and distribution logistics of the manufacturing and services sectors. The courier services industry is largely dependent on the overall economic growth, foreign investments, level of international trade and the size and growth of the services and manufacturing sectors.

The 1997 downturn of the Asian economy and the prolonged effect of global economic uncertainty caused by the September 11th incident in the United States of America has to a certain extent, affected the demand for courier services. The market for year 2002 is estimated to be RM690 million (source : Association of Malaysian Express Carriers).

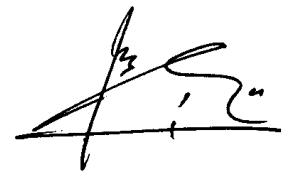
OUTLOOK

The outlook of the courier industry will still be positive. We expect a further growth in our business. With our strong image and extensive capacity to provide efficient services, well-positioned network, supported by dedicated and hardworking workforce, we are confident that our overall long-term strategies will be achieved.

To maintain our competitive strength, cost control will be one of our main focus to address. Upon our appointment as a Sales Agent for MAS, we have started to immediately handle East Malaysian sector ourselves. The commencement of our international business is a step to implement our New Business Development Strategy planned earlier. The venture in this area was designed to meet the demands of our clients and market globalisation. Strategic tie-ups with the main international players have been concluded. Co-branding with reputable companies in Malaysia has been pursued to enhance market visibility and penetration. Nationwide Express anticipates that the results for the coming financial year will remain satisfactory.

ACKNOWLEDGEMENT

The financial year ended March 31, 2002 had been another challenging year for Nationwide Express. The satisfactory performance of Nationwide Express is a manifestation of continuous hard work and commitment of our staff, and the unwavering support from our valued clients throughout the year. I wish to sincerely express my deepest appreciation to all of them and hope that we will do better this year.



DATO' DR MOHD NOOR BIN ISMAIL
Non-Independent, Non-Executive
Chairman



BUSINESS AND OPERATION

Nationwide Express was incorporated on 9 January 1985 and began its operation with the initial set-up of 16 branches located at major towns in Malaysia. To-date, Nationwide Express has a total of 108 outlets, comprising of 46 branches and 61 agents throughout Malaysia and Negara Brunei Darussalam. Our wholly owned subsidiaries include Nationwide Express Courier Pte Ltd in Singapore, established in 1988 and Nationwide Express Freight Forwarders Sdn Bhd, which commenced business in 1995.

Nationwide Express principally provides express delivery services for time-sensitive items between locations. This principal activity is complemented by

freight forwarding business and logistics handled by our wholly owned subsidiary, Nationwide Express Freight Forwarders Sdn Bhd.

Although the bulk of Nationwide Express business is domestic, we have established strategic tie-ups with international courier companies in Malaysia to meet our clients needs for international destinations.

Nationwide Express' main hub and Head Office is located on a 5 acre site at Shah Alam which is within easy access to highways, to which connects the





entire Peninsular Malaysia and the new KLIA airport at Sepang. Presently, the hub handles courier materials in excess of 29,000 pieces per day, but is capable of doubling its present capacity with equal efficiency in view of our existing infrastructure.

Our total facilities can support over 15,000 active institutional customers, ranging from financial, direct selling, pharmaceutical, IT related vendors, communication, automotive, electronics, optical and various other businesses. With a broad-based clientele portfolio without being dependent on any particular sector, Nationwide Express hopes to be able to cushion any sudden blows on the general economy of the country.

DELIVERY SYSTEM

Nationwide Express uses primarily two modes of transportation, i.e. ground and air linehaul. In Peninsular Malaysia and Singapore consignments are mainly moved using our own ground linehaul facilities, with some transshipment consignments transported by air. Transportation by air basically supports our efficient pick-up and delivery operation.

The operation of the current ground linehaul network managed by Nationwide Express provides a total control of the movement of consignments in order to ensure the highest level of quality services to our clients.

Shipments between West and East Malaysia and to other destinations in Sabah and Sarawak are served by commercial airlines. Whilst the bulk of the intra East Malaysia consignments are by air and ground linehaul, remote locations inaccessible by air and ground are serviced by river transportation.

Nationwide Express maintains more than 190 vehicles ranging from the small 1 ton to 16 ton vehicles. Pick-ups and deliveries of documents and smaller consignments are handled by a fleet of more than 400 motorcycle couriers.

STRONG AND DEDICATED WORK FORCE

The nature of the courier industry requires a strong and disciplined work force. This is more pronounced as the couriers, which are the focus of our business operation work in an "open-environment". Highly motivated and disciplined couriers would ensure a continuous good level of services provided to our clients.

Apart from specific criteria on staff recruitment continuous training, both formal and on-the-job, are conducted to enhance their skill and attitude. In order to meet the above target, Nationwide Express training fund exceeds 3% of its total payroll. Besides training the

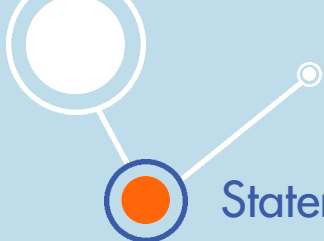
couriers, Nationwide Express training program also includes managers and supervisors, marketing personnel, customer service staff and finance.

INFORMATION TECHNOLOGY

With the successful implementation of Nationwide Integrated Computerised Application System (NICAS) at Johor Bahru, Nationwide Express has begun to rollover similar system countrywide beginning with other locations such as Penang, Ipoh, Kuantan, Kuching, Kota Kinabalu and Singapore. It is planned that Nationwide Express operations will be fully integrated in the immediate future.

The investment in information system will finally replace the existing manual operations which will provide the means towards achieving efficiency and productivity.





Statement on Corporate Governance

The Board of Directors of Nationwide Express Courier Services Berhad (NECSB) is committed to ensure that the highest standards of Corporate Governance (Code) are practised throughout the Group as a fundamental part of discharging its responsibilities to safeguard shareholders' investment and ultimately enhance shareholders' value.

In view of this, NECSB has taken steps to ensure compliance with the Code as follows:

1. BOARD OF DIRECTORS

1.1 The Board

An effective Board leads and controls the Group. The Board meets at least four (4) times a year, with additional meeting convened as necessary. Members of the Board have the necessary skill and experience to bring an independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

During the twelve months ended 31 March 2002, five (5) Board meetings were held. A majority of the Directors attended all the Board meetings held during tenure.

The Board has set up an Executive Committee (Exco) to assist the Board in the day-to-day operations of the Group. The Exco operates under clearly defined terms of reference. The Exco comprises four directors chaired by one of the Directors. The Exco deals with a wide range of matters, including review of monthly financial results and forecasts, proposals for capital expenditure and major operating

issues which arise out of the ordinary course of business. The Exco reviews acquisitions, disposals and investments, budgets and long range plans before they are submitted to the Board. The Exco also reviews a report issued for each meeting by the Finance Department on borrowings and other financial matters. In financial year 2002, the Exco met three (3) times.

The Board has also delegated specific responsibilities to 2 subcommittees, namely Audit and Remuneration Committees. These subcommittees have the authority to examine particular issues and report back to the Board with their recommendation. The ultimate responsibility for the final decision on all matters, however, lies entirely with the Board.

1.2 Board Composition And Balance

At the date of this statement, the Board consists of eight (8) members, comprising six (6) Non-Executive and two (2) Executives. Three (3) of the Non-Executives are independent. A brief profile of each Director is presented on pages 7 to 9 of this annual report.

There is a clear division of responsibility between the [Non Executive Chairman and the Senior Executive Director/Chief Executive Officer] to ensure that there is a balance of power and authority.

There is also balance in the Board because of the presence of independent non-executive Directors of the calibre necessary to carry sufficient weight in Board decisions. Although all the Directors have an equal responsibility for the Group's operations, the role of these independent non-executive Directors is particularly important in ensuring that the strategies proposed by the executive management are fully discussed and examined, and take account of the long term interests, not only of the shareholders, but also of employees, customers, suppliers, and the many communities in which the Group conducts business.

The Board has identified **Tan Sri Dato' (Dr) Arshad bin Ayub** as the senior independent non-executive director available for communication of any concerns of the stakeholders where it would not be appropriate to be dealt with by the Non-Executive Chairman or Senior Executive Director/Chief Executive Officer.

Whilst the Company has a holding company, the investment of minority shareholders is fairly reflected through Board representation.

1.3 Supply Of Information

Each Board member receives monthly operating results, including a comprehensive review and analysis. Prior to each Board meeting, Directors are sent an agenda and a full set of Board papers which include the information relevant to the issues of the meetings covering the areas of strategic, financial, operational and regulatory compliance matters for each agenda to be discussed at the meeting. This is issued in sufficient time to enable the Directors to obtain further explanations, where necessary, in order to be briefed properly before the meeting.

In addition, the Board also review and approve all corporate announcements including the announcement of the quarterly financial results prior to releasing them to the KLSE.

The Board as a whole determines, whether as a full Board or in their individual capacity, to take independent professional advice, where necessary and in appropriate circumstances, in furtherance of their duties, at the Group expense.

All Directors have direct access to the advice and services of the Group Company Secretary who is responsible for ensuring that Board procedures are followed.

1.4 Appointments of the Board and Re-election

As a matter of best practice, the Malaysian Code on Corporate Governance recommends a formal procedure for appointments to the Board, with the delegation of the Board's authority to a Nomination Committee to evaluate and recommend candidates to the Board. The Code, however, states that this procedure may be performed by the Board as a whole. The Board intends to formalise a Nomination Committee in due course.

All Directors are subject to retirement and re-election by shareholders at least once every 3 years in accordance with the Company's Articles of Association.

All the Directors have attended the Mandatory Accreditation Training Programme prescribed by the KLSE.

2. DIRECTORS' REMUNERATION

2.1 Remuneration Policy and Procedure

The Remuneration Committee comprises the following:-

1. YBhg Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad
 - Chairman (Independent, Non-Executive Director)

- (2) Bazlan bin Osman
 - Member (Independent, Non-Executive Director)
- (3) Wan Mohamed Den bin Wan Mohamed Zin
 - Member (Senior Executive Director/Chief Executive Officer)
- (4) Rozilawati binti Haji Basir
 - Member (Executive Director, Business Development)

The Remuneration Committee of the Board had 1 meeting in the period, which was attended by all members.

The Remuneration Committee reviews and approves the annual salaries, incentive arrangements, service arrangements and other employment conditions for the executive Directors.

The remuneration for the non-executive Directors is determined by the Board during which the interested Directors will abstain from deliberating.

The Company pays its Directors annual fees, which are approved by the shareholders. In addition members of the Board Committees are paid allowances for each meeting they attend.

Remuneration Package

The remuneration package of Directors is as follows:-

- Basic Salaries and Fees**

The Remuneration Committee recommends to the Board the basic salary (which is inclusive of statutory employer contributions to the Employees Provident Fund) for the Executive Directors after taking into account their performance, the inflation price index and information from independent sources on the rates of salary for similar jobs in a selected group of comparable companies.

- Annual Incentive (Bonus Scheme)**

The Group sets up a bonus scheme for all employees including the Executive Directors. The criteria for the scheme are dependent upon the financial performance of the Company. Bonuses payable to Executive Directors are reviewed by the Remuneration Committee and approved by the Board.

- Retirement Plan**

Contributions are made to the Employees Provident Fund the national mandatory defined contribution plan in respect of all Malaysian resident Executive Directors.

- Other Benefits**

Other benefits include car and driver and medical coverage for the Directors.

2.2 Directors' Remuneration

Directors of the Company
Executive:

Salaries and other
emoluments
Bonus
Benefits-in-kind

Non-Executive:
Fees

Other Directors:

Non-Executive:
Fees

Total excluding
benefits-in-kind

Company
2002 **2001**
RM'000 **RM'000**

369	189
54	27
27	27
<hr/>	<hr/>
450	243
<hr/>	<hr/>
119	113
<hr/>	<hr/>
–	–
<hr/>	<hr/>
542	329
<hr/>	<hr/>

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

No. of Directors
2002 **2001**

Executive directors:
RM150,000 - RM200,000
RM200,000 - RM250,000

Non-Executive directors:
Below RM25,000

1	2
1	–
6	6

3. SHAREHOLDERS

3.1 Dialogue Between the Company and Investors

As part of the Board's responsibility in developing and implementing an investor relations programme, discussions were held between the Executive Directors and analyst/investors throughout the year. Presentation based on permissible disclosures are made to explain the Group's performance and major development programmes. Price-sensitive information about the Group is, however, not disclosed in these exchanges until after the prescribed announcement to the KLSE has been made.

In addition, the annual and interim reports, together with the Company's earnings announcements, share price information, and other extensive information about the Company are available on <http://www.nationwidexpress.com>

3.2 Annual General Meeting

The Annual General Meeting is the principal forum for dialogue with shareholders. Notice of the Annual General Meeting and annual reports are sent out to shareholders at least 21 days before the date of the meeting.

Beside the usual agenda for the Annual General Meeting, the Board presents the progress and performance of the business as contained in the annual report and provides opportunities for shareholders to raise questions pertaining to the business activities of the Group. All Directors are available to provide responses to questions from the shareholders during these meetings.

For re-election of Directors, the Board ensures that full information is disclosed through the notice of meeting regarding Directors who are retiring and who are willing to serve if re-elected.

Items of special business included in the notice of the meeting will be accompanied by an explanatory statement to facilitate full understanding and evaluation of the issues involved.

4. ACCOUNTABILITY AND AUDIT

4.1 Financial Reporting

For financial reporting through quarterly reports to KLSE and the annual report to shareholders, the Directors have a responsibility to present a fair statement of the Group's position and prospects. The Audit Committee assists the Board in scrutinising information for disclosure to ensure accuracy, adequacy and completeness. The Statement by Directors pursuant to Section 169 of the Companies Act 1965 is set out on page 31 of this annual report.

4.2 Internal Controls

Information on the group's internal control is presented in the Statement on Internal Control laid out on page 23.

4.3 Relationship with Auditors

The role of the Audit Committee in relation to the external auditors is disclosed in the Report on Audit Committee set out on pages 11 to 12. The Company has always maintained a close and transparent relationship with its auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia.

4.4 Statement of Compliance with the Best Practices of the Code

The Company is committed to achieving high standards of Corporate Governance throughout the Group and to the highest level of integrity and ethical standards in all its business dealings. The Board considers that it has complied throughout the financial year with the Best Practices as set out in the Code, except for the establishment of the Nomination Committee, which will be addressed in due course.

Statement made in accordance with the resolution of the Board of Directors dated 15 July 2002.

DATO' DR MOHD NOOR BIN ISMAIL
Non-Independent, Non-Executive
Chairman



Statement on Internal Control

RESPONSIBILITY

The Board has overall responsibility for the Group's system of internal control and for reviewing its effectiveness whilst the role of management is to implement the Board's policies on risk and control.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives.

In pursuing these objectives, internal controls can only provide reasonable and not absolute assurance against material misstatement or loss.

KEY PROCESSES

The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group, which has been in place for the financial year under review and up to date of approval of the annual report and financial statements.

The process is regularly reviewed by the Board and is in accordance with the guidance as contained in the publication - Statement of Internal Control: Guidance for Directors of Public Listed Companies.

The key processes that the Directors have established in reviewing the adequacy and integrity of the system of internal control, are as follows:

- The Group's management operates on a risk management process that identifies the key risks by line of business and key functional activities.
- The Board receives and reviews regular reports from the management of various lines of business, on the key operating statistics, legal, environmental and regulatory matters.
- There is a comprehensive budgeting and forecasting system. Each line of business submits a business plan annually for approval by the Board. The results of the lines of business are reported monthly and variances are analysed against budget and acted on in a timely manner. Forecasts are revised on half-yearly basis, taking into account significant business risks.
- The Group's internal audit department, reporting to the Audit Committee performs regular reviews of business processes to assess the effectiveness of internal controls and highlight significant risks impacting the Group. The Audit Committee conducts annual review on the adequacy of the internal audit department's scope of work and resources.
- The Audit Committee, on behalf of the Board, regularly reviews and holds discussions with management on the action taken on internal control issues identified in reports prepared by the Group Internal Audit Department, the external auditors and the Management.
- There is a framework for investment appraisal covering the acquisition or disposal of any business, acceptance of projects, application for capital expenditure and approval on borrowings. Post implementation reviews are conducted and reported to the Board.
- The professionalism and competence of staff is maintained through a rigorous recruitment process, a performance appraisal system and a wide variety of training and development programmes.

Statement made in accordance with the resolution of the Board of Directors dated 15 July 2002.

DATO' DR MOHD NOOR BIN ISMAIL
Non-Independent, Non-Executive
Chairman



Statements of Director's Responsibilities in Relation to the Audited Financial Statements

Companies Act, 1965 requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year and of the results of the Group and the Company for the financial year then ended. In preparing those financial statements, the Directors are required to :

- select appropriate accounting policies and apply them consistently, subject to any material departures being disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained statements; and
- prepare the financial statements on the going concern basis, unless they consider that to be inappropriate.

of appropriate systems of internal control with a view to the prevention and detection of fraud and other irregularities.

The Directors are required to prepare the financial statements and to provide the auditors with every opportunity to take whatever steps and undertake whatever inspections they consider to be appropriate for the purpose of enabling them to give their audit report.

The Directors consider that they have pursued the actions necessary to meet their responsibilities as set out in this statement.

The Directors are responsible for ensuring that the Company keeps sufficient accounting records to disclose with reasonable accuracy the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the Companies Act, 1965. They are also responsible for taking reasonable steps to safeguard the assets of the Group and the Company, and in that context to have proper regard to the establishment

Financial Statement

26	Directors' Report
31	Statement By Directors
31	Statutory Declaration
32	Auditors' Report
33	Balance Sheets
34	Income Statements
35	Statements Of Changes in Equity
36	Cash Flow Statements
38	Notes To The Financial Statements



Directors' Report

The directors hereby submit their report together with the audited financial statements of the Group and the Company for the financial year ended 31 March, 2002.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of providing express courier services.

The principal activities of the subsidiaries are described in Note 4 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
Net profit for the year	<u>5,448</u>	<u>5,172</u>

DIVIDENDS

The amount of dividends paid or declared by the Company since 31 March, 2001 were as follows:

	RM'000
In respect of the financial year ended 31 March, 2002	
Interim ordinary dividends of 2.3% tax exempt and 3% less 28% taxation paid on 21 February, 2002	<u>1,915</u>
Proposed final ordinary dividend at 10% less 28% taxation	<u>3,091</u>
In respect of the financial year ended 31 March, 2001	
Interim ordinary dividends of 5% tax exempt and 5% less 28% taxation paid on 31 January, 2001	<u>1,641</u>
Ordinary final dividend of 10% less 28% taxation paid on 1 October, 2001	<u>1,374</u>

RESERVES AND PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the income statements and balance sheets were made out, the directors took reasonable steps to ascertain that 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 there were no known bad debts and that adequate provision had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances that would require any amount to be written off as bad debts or render the amount of provision for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the income statements and balance sheets were made out, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group or the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group or the Company which has arisen since the end of the financial year.

No contingent 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, in the opinion of the directors, will or may substantially affect the ability of the Group or the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SHARE CAPITAL

During the year, the Company increased its:

- (a) authorised share capital from RM20,000,000 to RM100,000,000 through the creation of 80,000,000 ordinary shares of RM1 each; and
- (b) issued and paid-up share capital from RM19,082,000 to RM42,934,500 by way of the issuance of 23,852,500 ordinary shares of RM1 each via bonus issue, on the basis of five (5) new ordinary shares of RM1 each for every four (4) existing ordinary shares held. The bonus issue was issued via capitalisation of the retained profits.

DIRECTORS

The directors who served since the date of the last report are:

Dato' Dr. Mohd Noor bin Ismail
Wan Mohamed Den bin Wan Mohamed Zin
Rozilawati binti Haji Basir
Tan Sri Dato' (Dr.) Arshad bin Ayub
Ahmad Riza bin Basir
Eddy Chieng Ing Huong
Bazlan bin Osman
Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad

In accordance with the Company's Articles of Association, Ahmad Riza bin Basir, Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad and Bazlan bin Osman retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-election.

Tan Sri Dato' (Dr.) Arshad bin Ayub retires pursuant to Section 129(2) of the Companies Act, 1965 and a resolution is being proposed for his re-appointment as director under the provision of Section 129(6) of the said Act to hold office until the next Annual General Meeting of the Company.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party with the object of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

Company	Number of Ordinary Shares of RM1 Each			
	1 April, 2001	Bought/ Bonus Issue	Sold	31 March, 2002
Direct				
Dato' Dr. Mohd Noor bin Ismail	10,000	12,500	–	22,500
Tan Sri Dato' (Dr.) Arshad bin Ayub	38,000	47,500	–	85,500
Eddy Chieng Ing Huong	2,023,119	2,528,898	–	4,552,017
Ahmad Riza bin Basir	10,000	12,500	–	22,500
Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad	–	10,000	–	10,000
Indirect				
Dato' Dr. Mohd Noor bin Ismail	11,449,600	14,312,001	–	25,761,601
Tan Sri Dato' (Dr.) Arshad bin Ayub	216,000	218,250	–	434,250
Eddy Chieng Ing Huong	472,281	590,351	–	1,062,632
Ahmad Riza bin Basir	11,449,600	14,312,001	–	25,761,601
Rozilawati binti Haji Basir	11,449,600	14,312,001	–	25,761,601
Ultimate Holding Company – Fima Makmur Sdn. Bhd.				
Direct				
Dato' Dr. Mohd Noor bin Ismail	500,000	–	–	500,000
Indirect				
Ahmad Riza bin Basir	3,050,000	–	–	3,050,000
Rozilawati binti Haji Basir	2,550,000	–	–	2,550,000

Dato' Dr. Mohd Noor bin Ismail, Ahmad Riza bin Basir and Rozilawati binti Haji Basir by virtue of their interests in the Company are also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

None of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

AUDITORS

Our auditors, Arthur Andersen & Co., retire and have indicated their willingness to accept re-appointment under the name of Hanafiah Raslan & Mohamad. A resolution to this effect will be proposed at the forthcoming Annual General Meeting.

Signed on behalf of the Board
in accordance with a resolution
of the directors

DATO' DR. MOHD NOOR BIN ISMAIL

TAN SRI DATO' (DR.) ARSHAD BIN AYUB

Kuala Lumpur
Dated: 31 May, 2002



Statement By Directors

We, DATO' DR. MOHD NOOR BIN ISMAIL and TAN SRI DATO' (DR.) ARSHAD BIN AYUB, being two of the directors of NATIONWIDE EXPRESS COURIER SERVICES BERHAD, do hereby state that, in the opinion of the directors, the financial statements set out on pages 33 to 51 give a true and fair view of the state of affairs of the Group and the Company as at 31 March, 2002 and of their results and their cash flows for the year then ended and have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia.

Signed on behalf of the Board
in accordance with a resolution
of the directors

DATO' DR. MOHD NOOR BIN ISMAIL

TAN SRI DATO' (DR.) ARSHAD BIN AYUB

Kuala Lumpur
Dated: 31 May, 2002

Statutory Declaration

I, WAN MOHAMED DEN BIN WAN MOHAMED ZIN, the director primarily responsible for the financial management of NATIONWIDE EXPRESS COURIER SERVICES BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 33 to 51 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed WAN MOHAMED DEN BIN)
WAN MOHAMED ZIN at Kuala Lumpur)
in Wilayah Persekutuan on 31 May, 2002) **WAN MOHAMED DEN BIN WAN MOHAMED ZIN**

Before me:

Commissioner for Oaths

PAISAH MURIDAN
W187

To the Shareholders of
NATIONWIDE EXPRESS COURIER SERVICES BERHAD

We have audited the financial statements set out on pages 33 to 51. 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 approved Standards on Auditing in Malaysia. Those 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 the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been prepared in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia and give a true and fair view of:
 - (i) the state of affairs of the Group and the Company as at 31 March, 2002 and of their results and their cash flows 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; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries 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 financial statements of the Company 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 these purposes.

The audit reports on the financial statements of the subsidiaries were not subject to any qualification and in respect of subsidiaries incorporated in Malaysia, did not include any adverse comment made under subsection (3) of Section 174 of the Act.

Arthur Andersen & Co.
No. AF 0103
Chartered Accountants

Habibah bte Abdul
No. 1210/05/04(J)
Partner of the Firm

Dated: 31 May, 2002




Balance Sheets

31 March, 2002

		Group		Company	
	Note	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	3	25,824	25,577	25,762	25,555
Subsidiaries	4	–	–	436	136
		<u>25,824</u>	<u>25,577</u>	<u>26,198</u>	<u>25,691</u>
CURRENT ASSETS					
Trade receivables	5	15,470	15,538	14,701	15,212
Other receivables	6	2,756	2,287	4,808	4,686
Cash and bank balances	7	14,339	13,996	13,995	13,739
		<u>32,565</u>	<u>31,821</u>	<u>33,504</u>	<u>33,637</u>
CURRENT LIABILITIES					
Trade payables		3,020	2,261	2,681	2,101
Other payables	8	2,949	4,195	2,772	4,135
Taxation		1,696	1,874	1,684	1,862
Proposed dividend		3,091	1,374	3,091	1,374
		<u>10,756</u>	<u>9,704</u>	<u>10,228</u>	<u>9,472</u>
NET CURRENT ASSETS					
		<u>21,809</u>	<u>22,117</u>	<u>23,276</u>	<u>24,165</u>
		<u>47,633</u>	<u>47,694</u>	<u>49,474</u>	<u>49,856</u>
FINANCED BY:					
Share capital	9	42,935	19,082	42,935	19,082
Reserves		4,542	27,908	6,383	30,070
		<u>47,477</u>	<u>46,990</u>	<u>49,318</u>	<u>49,152</u>
Shareholders' equity		47,477	46,990	49,318	49,152
Hire purchase payables	10	4	26	4	26
Deferred taxation	11	152	678	152	678
		<u>47,633</u>	<u>47,694</u>	<u>49,474</u>	<u>49,856</u>

The accompanying notes are an integral part of these balance sheets.



Income Statements

For the year ended 31 March, 2002

		Group		Company	
	Note	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Revenue	12	62,084	58,765	59,501	57,494
Other income	13	305	195	299	150
		<hr/>	<hr/>	<hr/>	<hr/>
		62,389	58,960	59,800	57,644
Airfreight, forwarding and agent charges		(13,581)	(11,789)	(13,582)	(12,416)
Staff costs	14	(22,581)	(23,315)	(21,408)	(21,994)
Depreciation		(3,112)	(2,888)	(3,091)	(2,879)
Other operating expenses	15	(15,083)	(12,443)	(13,966)	(11,746)
		<hr/>	<hr/>	<hr/>	<hr/>
Profit from operations		8,032	8,525	7,753	8,609
Finance income, net	16	367	485	367	479
		<hr/>	<hr/>	<hr/>	<hr/>
Profit before taxation		8,399	9,010	8,120	9,088
Taxation	17	(2,951)	(2,552)	(2,948)	(2,552)
		<hr/>	<hr/>	<hr/>	<hr/>
Net profit for the year		<u>5,448</u>	<u>6,458</u>	<u>5,172</u>	<u>6,536</u>
		<hr/>	<hr/>	<hr/>	<hr/>
Earnings per share (sen)	18	<u>12.7</u>	<u>15.0</u>		

The accompanying notes are an integral part of these statements.



Statements Of Changes In Equity

For the year ended 31 March, 2002

	Share capital RM'000	Non- distributable Exchange fluctuation reserve RM'000	Distributable Retain profits RM'000	Total RM'000
Group				
At 1 April, 2000	19,082	(260)	24,644	43,466
Net profit for the year	–	–	6,458	6,458
Dividends (Note 19)	–	–	(3,015)	(3,015)
Currency translation differences representing net gains not recognised in the income statement	–	81	–	81
At 31 March, 2001	19,082	(179)	28,087	46,990
Net profit for the year	–	–	5,448	5,448
Dividends (Note 19)	–	–	(5,006)	(5,006)
Currency translation differences, representing net gains not recognised in the income statement	–	45	–	45
Issue of bonus shares	23,853	–	(23,853)	–
	<u>42,935</u>	<u>(134)</u>	<u>4,676</u>	<u>47,477</u>
Company				
At 1 April, 2000	19,082	–	26,549	45,631
Net profit for the year	–	–	6,536	6,536
Dividends (Note 19)	–	–	(3,015)	(3,015)
At 31 March, 2001	19,082	–	30,070	49,152
Net profit for the year	–	–	5,172	5,172
Dividends (Note 19)	–	–	(5,006)	(5,006)
Issue of bonus shares	23,853	–	(23,853)	–
At 31 March, 2002	<u>42,935</u>	<u>–</u>	<u>6,383</u>	<u>49,318</u>

The accompanying notes are an integral part of these statements.



Cash Flow Statements

For the year ended 31 March, 2002

	Group		Company	
	2002	2001	2002	2001
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	8,399	9,010	8,120	9,088
Adjustments for:				
Depreciation	3,112	2,888	3,091	2,879
Gain on disposal of property, plant and equipment	(299)	(78)	(299)	(78)
Provision for doubtful debts	1,141	294	1,018	272
Write back of provision for doubtful debts	(10)	–	–	–
Loss on foreign currency	–	107	–	107
Interest expense	11	11	11	11
Interest income	(446)	(559)	(439)	(553)
Operating profit before working capital changes	11,908	11,673	11,502	11,726
Increase in receivables	(1,316)	(79)	(1,017)	(327)
(Decrease)/increase in payables	(464)	1,438	(807)	1,488
(Increase)/decrease in related company balances	(195)	52	112	25
Cash generated from operations	9,933	13,084	9,790	12,912
Interest paid	(11)	(11)	(11)	(11)
Taxation paid	(3,655)	(4,106)	(3,652)	(4,106)
Net cash generated from operating activities	6,267	8,967	6,127	8,795

	Group		Company	
	2002	2001	2002	2001
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	446	559	439	553
Purchase of property, plant and equipment	(3,359)	(2,980)	(3,298)	(2,980)
Proceeds from disposal of property, plant and equipment	299	97	299	97
Net cash used in investing activities	(2,614)	(2,324)	(2,560)	(2,330)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	(3,289)	(5,457)	(3,289)	(5,457)
Repayment of hire purchase	(22)	(23)	(22)	(26)
Net cash used in financing activities	(3,311)	(5,480)	(3,311)	(5,483)
Effect of exchange rate changes on cash and cash equivalents	1	10	–	–
NET INCREASE IN CASH AND CASH EQUIVALENTS	343	1,173	256	982
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	13,996	12,823	13,739	12,757
CASH AND CASH EQUIVALENTS AT END OF YEAR	14,339	13,996	13,995	13,739
Cash and cash equivalents comprise:				
Cash and bank balances	3,148	306	2,975	213
Fixed deposits	11,191	13,690	11,020	13,526
	14,339	13,996	13,995	13,739

The accompanying notes are an integral part of these statements.



Notes To The Financial Statements

31 March, 2002

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The principal activity of the Company is that of providing express courier services.

The principal activities of the subsidiaries are described in Note 4. There have been no significant changes in these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Second Board of the Kuala Lumpur Stock Exchange. The registered office of the Company is located at Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur.

The holding company and ultimate holding company are Utas Usaha Sdn. Bhd. and Fima Makmur Sdn. Bhd. respectively, both of which are incorporated in Malaysia.

The number of employees in the Group and the Company at the end of the financial year were 1,356 (2001 : 1,347) and 1,323 (2001 : 1,318) respectively.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements of the Group and the Company have been prepared under the historical cost convention and comply with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia.

(b) Revenue Recognition

Revenue is recognised net of discounts as and when the services are rendered.

(c) Basis of Consolidation

Consolidated financial statements include the financial statements of the Company and all its subsidiaries. Subsidiaries are those companies in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits therefrom. Companies acquired or disposed are included in the consolidated financial statements from the date of acquisition or to the date of disposal. Subsidiaries are consolidated using the acquisition method of accounting.

Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered.

The difference between the cost of acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition is included in the consolidated balance sheet as goodwill or reserve arising on consolidation. Goodwill on consolidation is reviewed at each balance sheet date and will be written down for impairment where it is considered necessary.

(d) Investments

Investments in subsidiaries are stated at cost less provision for any permanent diminution in value. Such provision is made when there is a decline other than temporary in the value of investments and is recognised as an expense in the period in which the decline occurred. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to the income statement.

(e) Currency Conversion and Translation

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into Ringgit Malaysia at rates of exchange ruling at that date. All exchange differences are taken to the income statement.

Financial statements of the foreign consolidated subsidiaries are translated at year end exchange rates with respect to the assets and liabilities and at exchange rates at the dates of the transactions with respect to the income statement. All resulting translation differences are taken to reserves.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the Company and translated at the exchange rate ruling at the date of the transaction.

The principal exchange rate for every unit of foreign currency ruling at balance sheet date used is as follows:

	2002 RM	2001 RM
Singapore Dollar	2.06	2.10

(f) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

The carrying values of property, plant and equipment are reviewed for impairment when there is an indication that the property, plant and equipment might be impaired. Impairment is measured by comparing the carrying values of the property, plant and equipment with their recoverable amounts.

An impairment loss is charged to the income statement immediately. Subsequent increase in the recoverable amount of a property, plant and equipment is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the property, plant and equipment that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately.

Capital work-in-progress is not depreciated. Leasehold land is depreciated over the remaining leasehold period of 73 years. Depreciation of other property, plant and equipment is provided on a straight line basis calculated to write off the cost of each asset to its residual value over the estimated useful life at the following annual rates:

Leasehold buildings	2%
Leasehold improvements	25% – 50%
Motor vehicles	20%
Office equipment	12.5% – 33.3%
Furniture and fittings	12.5% – 20%

(g) Deferred Taxation

Deferred taxation is provided under the liability method for all material timing differences except where there is reasonable evidence that these timing differences will not reverse.

(h) Finance Lease and Hire Purchase

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incident to ownership.

The Group recognises finance leases as assets and liabilities in the balance sheets at amounts equal at the inception of the lease to the fair value of the leased property or, if lower, at the present value of the minimum lease payments. In calculating the present value of the minimum lease payments the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Company's incremental borrowing rate is used. Initial direct costs incurred are included as part of the asset. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A finance lease gives rise to depreciation expense for the asset as well as a finance expense for each accounting period. The depreciation policy for leased asset is consistent with that for depreciable property, plant and equipment as described in Note 2(f).

(i) Trade and Other Receivables

Trade and other receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on review of all outstanding amounts as at the balance sheet date.

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at banks and deposits at call which have an insignificant risk of changes in value.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Capital work-in- progress RM'000	Leasehold buildings RM'000	Leasehold land RM'000	Leasehold improvements RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Total RM'000
Cost								
At 1 April, 2001	385	5,209	14,202	1,694	9,756	6,703	1,555	39,504
Additions	596	–	–	363	1,864	460	105	3,388
Disposal	–	–	–	–	(863)	(7)	(1)	(871)
Write off	–	–	–	–	–	(54)	–	(54)
Translation differences	–	–	–	(2)	–	(1)	–	(3)
At 31 March, 2002	981	5,209	14,202	2,055	10,757	7,101	1,659	41,964
Accumulated Depreciation								
At 1 April, 2001	–	349	496	1,230	6,920	3,746	1,186	13,927
Charge	–	104	194	248	1,280	1,099	187	3,112
Disposal	–	–	–	–	(837)	(4)	(1)	(842)
Write off	–	–	–	–	–	(54)	–	(54)
Translation differences	–	–	–	(1)	–	(2)	–	(3)
At 31 March, 2002	–	453	690	1,477	7,363	4,785	1,372	16,140
Net book value								
At 31 March, 2002	981	4,756	13,512	578	3,394	2,316	287	25,824
At 31 March, 2001	385	4,860	13,706	464	2,836	2,957	369	25,577
Depreciation								
Year ended 31 March, 2001	–	105	194	145	1,212	1,050	182	2,888

Company	Capital work-in- progress RM'000	Leasehold buildings RM'000	Leasehold land RM'000	Leasehold improvements RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Total RM'000
Cost								
At 1 April, 2001	385	5,209	14,202	1,634	9,756	6,659	1,490	39,335
Additions	596	–	–	347	1,885	400	99	3,327
Disposal	–	–	–	–	(923)	(7)	(1)	(931)
Write off	–	–	–	–	–	(54)	–	(54)
At 31 March, 2002	981	5,209	14,202	1,981	10,718	6,998	1,588	41,677
Accumulated depreciation								
At 1 April, 2001	–	349	496	1,186	6,920	3,706	1,123	13,780
Charge	–	104	194	238	1,276	1,094	185	3,091
Disposal	–	–	–	–	(897)	(4)	(1)	(902)
Write off	–	–	–	–	–	(54)	–	(54)
At 31 March, 2002	–	453	690	1,424	7,299	4,742	1,307	15,915
Net book value								
At 31 March, 2002	981	4,756	13,512	557	3,419	2,256	281	25,762
At 31 March, 2001	385	4,860	13,706	448	2,836	2,953	367	25,555
Depreciation								
Year ended 31 March, 2001	–	105	194	137	1,212	1,049	182	2,879

- (a) Included in property, plant and equipment of the Group and the Company are motor vehicles with net book value of RM36,000 (2001 : RM69,000) held under hire purchase arrangements.
- (b) Included in the property, plant and equipment of the Group and the Company are fully depreciated assets which are still in use costing RM8,558,000 (2001 : RM6,650,000) and RM8,527,000 (2001 : RM6,528,000) respectively.

4. SUBSIDIARIES

	Company	
	2002 RM'000	2001 RM'000
Unquoted shares, at cost	812	512
Less: Provision for diminution in value	(376)	(376)
	<u>436</u>	<u>136</u>

(a) Details of the subsidiaries are as follow:

Name of Company	Paid-up capital	Country of Incorporation	Effective interest		Principal activities
			2002 %	2001 %	
Nationwide Freight Forwarders Sdn. Bhd	RM500,000	Malaysia	100	100	Freight forwarding services
Nationwide Express Courier Services (Sarawak) Sdn. Bhd.	RM25,000	Malaysia	100	100	Dormant
* Nationwide Express Courier Pte. Ltd.	SGD100,000	Singapore	100	100	Freight forwarding and courier services

* Audited by a firm affiliated with Arthur Andersen & Co, Malaysia.

5. TRADE RECEIVABLES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Trade receivables	19,026	18,237	17,824	17,560
Provision for doubtful debts	(3,556)	(2,699)	(3,123)	(2,348)
	<u>15,470</u>	<u>15,538</u>	<u>14,701</u>	<u>15,212</u>

6. OTHER RECEIVABLES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Due from subsidiaries	–	–	2,337	2,512
Due from fellow subsidiaries	269	53	111	25
Tax recoverable	10	–	–	–
Deposits	953	717	919	717
Prepayment	764	890	741	890
Sundry receivables	826	1,688	766	1,603
	<u>2,822</u>	<u>3,348</u>	<u>4,874</u>	<u>5,747</u>
Less: Provision for doubtful debts	(66)	(1,061)	(66)	(1,061)
	<u>2,756</u>	<u>2,287</u>	<u>4,808</u>	<u>4,686</u>

7. CASH AND BANK BALANCES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Cash on hand and at banks	3,148	306	2,975	213
Repo with licensed bank	–	500	–	500
Deposits with licensed banks	7,026	8,397	6,855	8,233
Deposits with licensed finance companies	4,165	4,793	4,165	4,793
	<u>14,339</u>	<u>13,996</u>	<u>13,995</u>	<u>13,739</u>

Included in the Group balance are deposits placed with licensed banks of RM171,000 (2001 : RM165,000) held as security for guarantee facilities granted to a subsidiary, Nationwide Freight Forwarders Sdn. Bhd.

8. OTHER PAYABLES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Due to a subsidiary	–	–	138	138
Due to a fellow subsidiary	26	5	26	5
Hire purchase payables (Note 10)	23	23	23	23
Sundry payables	1,029	1,734	765	1,573
Accruals	1,871	2,433	1,820	2,396
	<u>2,949</u>	<u>4,195</u>	<u>2,772</u>	<u>4,135</u>

The amount due to a subsidiary and a fellow subsidiary are unsecured, interest free and have no fixed terms of repayment.

9. SHARE CAPITAL

	Number of Ordinary Shares of RM1 Each		Amount	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Authorised:				
At 1 April	20,000	20,000	20,000	20,000
Created during the year	80,000	–	80,000	–
At 31 March	<u>100,000</u>	<u>20,000</u>	<u>100,000</u>	<u>20,000</u>
Issued and fully paid:				
At 1 April	19,082	19,082	19,082	19,082
Bonus shares issued during the year, at par	23,853	–	23,853	–
At 31 March	<u>42,935</u>	<u>19,082</u>	<u>42,935</u>	<u>19,082</u>

The bonus issue of 23,853,500 new ordinary shares of RM1.00 each was allocated in the proportion of five new ordinary shares for every four ordinary shares held on 3 September, 2001.

10. HIRE PURCHASE PAYABLES

	Group and Company	
	2002	2001
	RM'000	RM'000
Future minimum payments:		
Payable within one year	35	35
Payable between one and five years	5	38
	<hr/>	<hr/>
	40	73
Less : Finance charges	(13)	(24)
	<hr/>	<hr/>
	27	49
	<hr/>	<hr/>
Representing hire purchase and lease liabilities:		
Due within 12 months	23	23
Due after 12 months	4	26
	<hr/>	<hr/>
	27	49
	<hr/>	<hr/>
Present value of hire purchase liabilities:		
Payable within one year	23	23
Payable between one and five years	4	26
	<hr/>	<hr/>
	27	49
	<hr/>	<hr/>

The hire purchase bears interest of 9.5% (2001 : 9.5%) per annum.

11. DEFERRED TAXATION

	Group and Company	
	2002	2001
	RM'000	RM'000
At 1 April	678	678
Transfer to income statement (Note 17)	(526)	–
	<hr/>	<hr/>
At 31 March	152	678
	<hr/>	<hr/>
Timing difference between depreciation and capital allowances	543	2,421
	<hr/>	<hr/>

The deferred taxation is in respect of the timing differences between depreciation and corresponding capital allowances. All timing differences have been fully provided for.

12. REVENUE

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

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Domestic courier services	60,663	57,016	59,501	57,494
Foreign courier services	1,421	1,749	–	–
	<u>62,084</u>	<u>58,765</u>	<u>59,501</u>	<u>57,494</u>

13. OTHER INCOME

Included in other income are the following:

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Gain on disposal of property, plant and equipment	<u>299</u>	<u>78</u>	<u>299</u>	<u>78</u>

14. STAFF COSTS

Included in staff cost of the Group and the Company are emoluments of directors of the Company as follows:

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Directors of the Company				
Executive:				
Salaries and other emoluments	369	189	369	189
Bonus	54	27	54	27
Benefits-in-kind	<u>27</u>	<u>27</u>	<u>27</u>	<u>27</u>
	<u>450</u>	<u>243</u>	<u>450</u>	<u>243</u>
Non-Executive:				
Fees	<u>119</u>	<u>113</u>	<u>119</u>	<u>113</u>
Other Directors:				
Non-Executive:				
Fees	<u>4</u>	<u>4</u>	<u>–</u>	<u>–</u>
Total excluding benefits-in-kind	<u>546</u>	<u>333</u>	<u>542</u>	<u>329</u>

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

	Number of Directors	
	2002	2001
Executive directors:		
RM150,000 – RM200,000	1	2
RM200,000 – RM250,000	1	–
	<hr/>	<hr/>
Non-Executive directors:		
Below RM25,000	6	6
	<hr/>	<hr/>

15. OTHER OPERATING EXPENSES

Included in other operating expenses are:

	Group		Company	
	2002	2001	2002	2001
	RM'000	RM'000	RM'000	RM'000
Audit fee	58	58	40	40
Directors' fee	123	117	119	113
Office rental	1,297	1,239	1,233	1,143
Rental of equipment and motor vehicles	49	52	43	46
Provision for doubtful debts	1,141	294	1,018	272
Loss on foreign exchange - realised	49	107	–	107
Motor vehicle expenses	3,270	3,495	3,270	3,495
Printing expenses	2,013	1,989	2,103	1,989
Legal fees	40	35	40	35
	<hr/>	<hr/>	<hr/>	<hr/>

16. FINANCE INCOME, NET

Included in net finance income are the following:

	Group		Company	
	2002	2001	2002	2001
	RM'000	RM'000	RM'000	RM'000
Hire purchase interest expense	(11)	(11)	(11)	(11)
Interest income from deposits	446	559	439	553
	<hr/>	<hr/>	<hr/>	<hr/>

17. TAXATION

	Group		Company	
	2002	2001	2002	2001
	RM'000	RM'000	RM'000	RM'000
Current year's provision:				
Malaysian income tax	2,949	2,552	2,948	2,552
Singapore income tax	2	–	–	–
Transfer from deferred taxation (Note 11)	(526)	–	(526)	–
	<hr/>	<hr/>	<hr/>	<hr/>
	2,425	2,552	2,422	2,552
Taxation underprovided in prior years	526	–	526	–
	<hr/>	<hr/>	<hr/>	<hr/>
	2,951	2,552	2,948	2,552
	<hr/>	<hr/>	<hr/>	<hr/>

The effective rate of taxation of the Group and Company is higher than the statutory rate of taxation principally due to certain expenses which are not allowable for taxation purposes.

As at 31 March, 2002, the Company has tax exempt profits available for distribution of approximately RM11,000 (2001 : RM997,000) of its retained profits, subject to agreement with the Inland Revenue Board.

The Company has sufficient balance in the tax exempt income and tax credit under Section 108 of the Income Tax Act, 1967 to frank the payment of dividends out of its entire retained profit as at 31 March, 2002.

18. EARNING PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the number of ordinary shares in issue at the end of the financial year.

	2002	2001
Group		
Net profit attributable to shareholders (RM'000)	5,448	6,458
Number of ordinary shares in issue ('000)	42,935	42,935
Basic earnings per share (sen)	<hr/> 12.7	<hr/> 15.0

The comparative figure for the number of ordinary shares in issue in the prior year has been adjusted to take into account of the bonus issue made during the financial year.

19. DIVIDENDS

Group and Company

	Amount		Dividend Per Share	
	2002 RM'000	2001 RM'000	2002 Sen	2001 Sen
Proposed ordinary final dividend at 10% less taxation of 28%	3,091	–	7.2	–
Ordinary final dividend of 10% less taxation of 28% in prior year	–	1,374	–	7.2
Ordinary interim dividends of 2.3% tax exempt (2001 : 5%) and 3% less taxation of 28% (2001 : 5% less 28% of tax)	1,915	1,641	4.4	8.6
	<u>5,006</u>	<u>3,015</u>		

20. SIGNIFICANT RELATED PARTY TRANSACTIONS

	Company	
	2002 RM'000	2001 RM'000
Delivery and courier charges payable to subsidiary companies: Nationwide Freight Forwarders Sdn. Bhd. and Nationwide Express Courier Pte. Ltd.	1,652	2,068
Management fees payable to a fellow subsidiary, Kumpulan Fima Berhad	<u>61</u>	<u>60</u>

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and established under terms that are not materially different from those obtainable in transactions with unrelated parties.

21. CAPITAL COMMITMENTS

	Group and Company	
	2002 RM'000	2001 RM'000
Approved but not contracted for	<u>9,020</u>	<u>9,013</u>
Approved and contracted for	<u>–</u>	<u>391</u>

22. CONTINGENT LIABILITIES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Unsecured:				
Claims from third parties	<u>451</u>	<u>–</u>	<u>391</u>	<u>–</u>

On the merit of the case supported by legal advice, no provision for the consequential loss has been made in the financial statements.

23. SEGMENTAL REPORTING

The Group operates predominantly in Malaysia and, is principally involved in the freight forwarding and courier services. Accordingly, the directors are of the opinion that the financial information by industry and geographical segment is not necessary to be presented.

24. CURRENCY

All amounts are in Ringgit Malaysia, unless otherwise stated.



List of Properties

As at 31 March, 2002

Location	Description/ Existing Use	Approximate Age of Buildings (Years)	Tenure	Land Area (Sq.Ft)	Net Book Built-up Area (Sq.Ft)	Value as at 31/03/2002
Lot 6 PN6411 Section 15 Daerah Petaling, Selangor Darul Ehsan	Industrial land/ hub and office buildings	24	Leasehold expiring 07/11/2072	86,879	33,600	Building: RM4,756,360.31 Land: RM13,512,002.84
Lot 7 PN6412 Section 15 Daerah Petaling, Selangor Darul Ehsan	Industrial land/ hub and office buildings	17	Leasehold expiring 07/11/2072	141,092	23,760	



Thirty (30) Largest Shareholders

As at 19 July, 2002

Name	Shareholdings	%
1. Utas Usaha Sdn.Bhd.	25,761,601	60.00
2. Chieng Ing Huong	4,552,017	10.60
3. Choi Yoke Lan	1,062,632	2.48
4. Ong Kin Chua	452,000	1.05
5. Malaysia Nominees (Tempatan) Sdn. Bhd. (A/C for Zalaraz Sdn. Bhd. (01-00259-000))	434,250	1.01
6. Citicorp Nominees (Asing) Sdn. Bhd. (A/C for Government Of Singapore Investment Corporation Pte.Ltd.)	351,000	0.82
7. HSBC Nominees (Asing) Sdn. Bhd. (A/C for Series I-Asian Capital Growth (GSI Asia Fund))	348,750	0.81
8. Tan Ng Tee @ Tan Cheng Yew	328,500	0.77
9. AMMB Nominees (Tempatan) Sdn. Bhd. (A/C for HLB Penny Stock Fund (5/4-3))	292,500	0.68
10. Tan Jin Tuan	184,500	0.43
11. Gan Eng Chee	177,000	0.41
12. Bimsec Nominees (Tempatan) Sdn. Bhd. (A/C for Syarikat Takaful Malaysia Berhad)	150,250	0.35
13. HSBC Nominees (Asing) Sdn. Bhd. (A/C for Asian Small Companies Fund (Series I))	137,250	0.32
14. Vintage Forte Sdn. Bhd.	122,750	0.29
15. Citicorp Nominees (Tempatan) Sdn. Bhd. (A/C for Rosman bin Haji Omar (472322))	112,500	0.26
16. Teoh Seng Bee	111,500	0.26
17. Sahamann @ Basir bin Ismail	95,000	0.22
18. Loh Yee Min	83,250	0.19
19. Chai Pui Yin @ Chua Pui Eng	78,750	0.18
20. Selangor Dredging Berhad	78,750	0.18
21. Kosamewah Sdn. Bhd.	72,000	0.17
22. Cheah See Han	70,000	0.16
23. Universal Trustee (Malaysia) Berhad (A/C for D.Y.T.M. Tengku Abdullah Ibni Sultan Hj Ahmad Shah)	70,000	0.16
24. Leong Kam Leng	64,250	0.15
25. Teh Lip Kim	63,000	0.15
26. Ng Phek Cheng	61,000	0.14
27. PB Securities Nominees (Tempatan) Sdn. Bhd. (A/C for Rosman bin Haji Omar (C))	60,750	0.14
28. PM Nominees (Tempatan) Sdn. Bhd. (A/C for Jegadevan A/L M Nadchatiram)	60,750	0.14
29. Bimsec Nominees (Tempatan) Sdn. Bhd. (A/C for Bank Islam Malaysia Berhad)	58,500	0.14
30. Cheah Seng Chen	58,500	0.14



Analysis By Size Of Shareholdings

As at 19 July, 2002

Size of Shareholdings	Shareholders	%	Shareholdings	%
Less than 1,000	22	1.52	7,000	0.02
1,000 – 10,000	1,215	83.91	3,743,500	8.72
10,001 – 100,000	193	13.33	4,672,500	10.88
100,001 to less than 5%	16	1.10	4,391,094	10.23
5% and above	2	0.14	30,120,406	70.15
Grand Total	1,448	100.00	42,934,500	100.00

Substantial Shareholders (5% and Above)

As at 19 July, 2002

No.	Name	Shareholdings	%
1.	Utas Usaha Sdn Bhd	25,761,601	60.00
2.	Chieng Ing Huong	4,552,017	10.60

Directors' Shareholdings

As at 19 July, 2002

No.	Name	Shareholdings	%
1.	YBhg Dato' Haji Mohd Noor Bin Ismail	22,500	0.05
2.	Encik Wan Mohamed Den Bin Wan Mohamed Zin	–	–
3.	Cik Rozilawati Binti Haji Basir	–	–
4.	YBhg Tan Sri Dato' (Dr) Arshad Bin Ayub	43,750	0.10
5.	Encik Ahmad Riza Bin Haji Basir	22,500	0.05
	<i>Registered with:</i> OUBM Nominees (Tempatan) Sdn Bhd		
6.	Encik Eddy Chieng Ing Huong	4,552,017	10.60
7.	Encik Bazlan Bin Osman	–	–
8.	YBhg Tan Sri Dato' (Dr) Haji Abdullah Sanusi Bin Ahmad	10,000	0.02

Bumiputra Shareholdings

As at 19 July, 2002

No.	Type of Ownership	Shareholders	%	Shareholdings	%
1.	Government Agency	1	0.07	22,500	0.05
2.	Bumiputra				
	a) Individuals	93	6.42	438,250	1.02
	b) Companies	14	0.97	26,103,601	60.80
	c) Nominees Company	76	5.25	906,000	2.11
3.	Non-Bumiputra				
	a) Individuals	1,126	77.76	12,611,259	29.37
	b) Companies	27	1.86	343,250	0.80
	c) Nominees Company	75	5.18	1,218,640	2.84
	Malaysian Total	1,412	97.51	41,643,500	96.99
4.	Foreign				
	a) Individuals	16	1.11	299,000	0.70
	b) Companies	—	—	—	—
	c) Nominees Company	20	1.38	992,000	2.31
	Foreign Total	36	2.49	1,291,000	3.01
	Grand Total	1,448	100.00	42,934,500	100.00

HEAD OFFICE

Lots 6 & 7, Jalan Utas 15/7
 Section 15, 40000 Shah Alam
 Tel: 03-5512 1000 (General)
 03-5512 8000 (Pick up Hotline)
 03-5512 7000 (Service centre)
 Fax: 03-5031 8892 (General)
 03-5031 8896 (Customer service)

SERVICE CENTRES

Petaling Jaya

51, Ground & 1st Floor
 Jalan 21/12, 46300 Petaling Jaya
 Tel: 03-7874 4900
 Fax: 03-7874 4886
 Head: Vasu Devaseharan

Jalan Raja Laut

75, Jalan Raja Laut Kecil
 Off Jalan Ipoh
 51200 Kuala Lumpur
 Tel: 03-4044 2566/77
 Fax: 03-4044 5241
 Head: Vasu Devaseharan

Taman Maluri

13/13A, Jalan Jejaka 7
 Taman Maluri, Cheras
 55100 Kuala Lumpur
 Tel: 03-9284 9509/597/731/964
 Fax: 03-9284 5236
 Head: Vasu Devaseharan

NORTHERN REGION

17B, Jalan Sultan Ahmad Shah
 10050 Penang
 Tel: 04-228 3107
 Fax: 04-227 6403
 Regional Mgr.: Chuah Teong Phing

BRANCHES/SERVICE CENTRES

Alor Setar

Lots 135 & 136, Tingkat Bawah
 Kompleks Alor Setar
 Lebuhraya Darul Aman
 05100 Alor Setar, Kedah
 Tel: 04-731 2205/206
 Fax: 04-733 3603
 Br. Mgr.: Izman Ismi

Butterworth

65, Jalan Chain Ferry
 Chai Leng Park
 13700 Prai, Butterworth
 Tel: 04-399 0299
 Fax: 04-399 5542
 Br. Mgr.: Mohd Afideni Ramli

Kuala Kangsar

42, Taman Raja Idris, Jalan Idris
 33000 Kuala Kangsar, Perak
 Tel: 05-776 3897
 Fax: 05-777 3268
 Contact: Rangga

Parit Buntar

12, Jalan Wawasan 2
 Taman Wawasan Jaya
 34200 Parit Buntar, Perak
 Tel: 05-716 9882/717 3882
 Fax: 05-716 4882
 Contact: Liling Diring

Penang

17B, Jalan Sultan Ahmad Shah
 10050 Penang
 Tel: 04-228 3107
 Fax: 04-227 6403
 Regional Mgr.: Chuah Teong Phing

Sungai Petani

B5, Jalan Bakar Arang
 08000 Sungai Petani
 Tel: 04-422 2503/4
 Fax: 04-422 5190
 Br. Mgr.: Loo Hooi Hai

Taiping

16, Jalan Medan Taiping 4
 Medan Taiping
 34000 Taiping, Perak
 Tel: 05-807 6332/9323
 Fax: 05-808 8322
 Br. Mgr.: Sia Ming Kong

EXPRESS CENTRES

Jitra

c/o PMC Enterprise
 96, Tingkat Bawah, Jalan PJ3
 Bandar PJ2, 06000 Jitra
 Tel: 04-917 9325
 Contact: Mohd Basri Salleh

Kangar

c/o Movan Express
 55, Tingkat 1, Lorong Seruling
 01000 Kangar, Perlis
 Tel: 04-976 1562
 Contact: Noraishah Ahmad

Kulim

Simpang Ampat Express Centre
 8, Tingkat 1, Jalan Kilang Lama
 Bangunan Wisma Bersalin
 Taman Cendrawasih
 09000 Kulim, Kedah
 Tel: 04-491 4940
 Fax: 04-491 1675
 Contact: M. Maran

Langkawi

c/o Nadi Entp.
 No.8, Jalan Pandak Mayah 3
 Pusat Bandar Kuah
 07000 Langkawi
 Tel: 04-966 6906, 012-493 2140
 Contact: Shahidi Saad

Simpang Ampat

1385 Main Road
 14100 Simpang Ampat
 Seberang Perai Selatan
 Tel: 04-588 4940
 Fax: 04-588 6487
 Contact: M. Maran

CENTRAL REGION

No.2, 2A, 2B & 2C
 Medan Istana 5
 Bandar Ipohraya
 30000 Ipoh
 Tel: 05-255 4916/0666
 Fax: 05-254 6221
 Regional Mgr.: Jeffrey Teh

BRANCHES/SERVICE CENTRES

Banting

1802, Jalan Jugra
 42700 Banting
 Tel: 03-3187 4887
 Fax: 03-3187 9902
 Contact: Kamaruddin Abu

Ipoh

No. 2, 2A, 2B & 2C,
 Medan Istana 5
 Bandar Ipohraya
 30000 Ipoh
 Tel: 05-255 4916/0666
 Fax: 05-254 6221
 Regional Mgr.: Jeffrey Teh

Kajang

No. 26, Jalan P/16
Taman Industri Selaman
Seksyen 10, 43650
Bandar Baru Bangi
Tel: 03-8925 8689/1576
Fax: 03-8925 5682
Br. Mgr.: Mohd Shuhaimi bin Marzuki

Klang

35, Jalan Kapar
41000 Klang
Tel: 03-3344 0441/26
Fax: 03-3344 3472
Br. Mgr.: Catherine Thong

Nilai

Lot 7346, Jalan 1/2C
Putra Point, Phase 1
71800 Bandar Baru Nilai
Tel/Fax: 06-850 0209/11
Br. Mgr.: Azizi bin Osman

Port Dickson

418G, Jalan Lama
71000 Port Dickson
Tel: 06-647 4270
Contact: Mohd Fauzi bin Akhir Zaman

Port Klang

33, Jalan Melaka
42000 Port Klang
Tel: 03-3168 0230/3165 5073/4985
Fax: 03-3165 6313
Br. Mgr.: Catherine Thong

Rawang

43, Jalan 1/3, Rawang
Integrated Industrial Park
48000 Rawang
Tel: 03-6091 5293
Fax: 03-6091 5343
Br. Mgr.: Ida Juliana Shariffudin

Seremban

1447 & 1448
Ground Floor
Bukit Rasah Business Centre
Seremban
Tel: 06-762 7759/4957
Fax: 06-763 6231
Br. Mgr.: Hamilye Sham Harun

Sitiawan

32, Jalan Haji Mohd Ali
32000 Sitiawan
Tel: 05-691 6832/6922598
Fax: 05-692 8269
Br. Mgr.: Alex Yu

Tapah

No. 54, Jalan Besar
35000 Tapah
Tel: 05-621 1986
Contact: Chandramohan

Teluk Intan

69B, Jalan Changkat Jong
36000 Teluk Intan
Tel: 05-621 1986
Contact: Lee Poi Ling

EXPRESS CENTRES**Bidor**

7, Theatre Street
35500 Bidor
Tel: 05-434 0228
Contact: Loo Nam Keong

Kuala Pilah

645/10, Taman Sema
Jalan Melang
72000 Kuala Pilah
Tel: 06-481 1105
Fax: 06-481 8105
Contact: Joe Ng Hon Hui

Langkap

20, Cross Street
36700 Langkap
Tel: 05-659 1396
Fax: 05-659 1271
Contact: Tan Siew Wah

Sabak Bernam

19, Gerai Majlis Daerah
Jalan Syed Hashim (Pasar)
45200 Sabak Bernam
Tel: 016-374 8334
Contact: Sahari Anuar

Tampin

4709, Jalan Besar
73000 Tampin
Tel/Fax: 06-441 4716
Contact: Chia Phen Fong

Tanjung Karang

150, Jalan Besar
45500 Tanjung Karang
Tel: 03-3269 8254, 013-352 5121
Contact: Tan Chan Koon

Tanjung Malim

Halit Trading
No. 3, Jalan Dato Muda Jaafar
44000 Kuala Kubu Baru, Selangor
Tel/Fax: 03-6064 2264
H/P: 012-668 0063
Contact: Mohamad Halit

SOUTHERN REGION

1 & 3, Jalan Bayu 2/4
Taman Perindustrian Tampoi Jaya
81200 Johor Bahru
Tel: 07-235 4896/4901/4902/4903
Fax: 07-235 4908
Regional Mgr.: Mohd Huridin Samuri

BRANCHES/SERVICE CENTRES**Batu Pahat**

19, Jalan Sulaiman
83000 Batu Pahat
Tel: 07-431 4869/0750
Fax: 07-432 1445
Br. Mgr.: Noriza Haron

Johor Bahru

1 & 3, Jalan Bayu 2/4
Taman Perindustrian Tampoi Jaya
81200 Johor Bahru
Tel: 07-235 4896/4901/4902/4903
Fax: 07-235 4908
Regional Mgr.: Mohd Huridin Samuri

Kluang

240, Jalan Lambak
86000 Kluang
Tel: 07-772 1839/771 1026
Br. Mgr.: Nasir bin Hussain

Melaka

G 1-1, Jalan Rahmat 5
Pusat Bandar Malim Jaya
75000 Melaka
Tel: 06-336 0900/910/920/940
Fax: 06-336 0890
Br. Mgr.: Azlan Osman

Muar

5-7, Ground Floor
Jalan Ibrahim
84000 Muar
Tel: 06-951 3069/7212
Fax: 06-951 6301
Br. Mgr.: Tony Chua Lai Hock

Segamat

10, Jalan Orkid
85000 Segamat
Tel: 07-931 7406/7
Fax: 07-931 8408
Br. Mgr.: Chua Kiat Soon

EXPRESS CENTRES**Alor Gajah**

No. 8664, 1st Floor (above BSN)
Kompleks Perniagaan PKNM
78000 Alor Gajah
Tel: 06-556 7549
Fax: 06-556 7677
Contact: Raja Kamaruddin Raja Sahar

Jasin

Kota Sepadu Sdn Bhd
T323, Pekan Jasin
77000 Jasin
Tel: 06-529 7758
Contact: Nazri Noordin

Kota Tinggi

14 -A, Jalan Mawai
81900 Kota Tinggi
Tel: 07-882 1322
Contact: Leong Poy Lee

Kulai

12, Jalan Raya
Kulai Besar, 81000 Kulai
Tel: 07-663 7268
Fax: 07-663 7269
Contact: Choo Puay Hin

Merlimau

c/o Young Heng Shop
4571, Jalan Jasin
77300 Merlimau
Tel: 06-263 2266
Contact: Tan Tian See

Mersing

8, Jalan Jemaluang
86800 Mersing
Tel: 07-799 3783
Contact: Wong Yin Chaw

Pontian

732, 1st Floor
Jalan Bakek
Medan KO-OP
82000 Pontian
Tel: 07-687 4310/29
Contact: Choo Puay Hin

Tangkak

132, Jalan Bidara 10
Taman Tangkak Jaya
84900 Tangkak
Tel/Fax: 06-978 9591
Contact: Chong Kim Yan

Yong Peng

26, Jalan Templer
83700 Yong Peng
Tel: 07-468 1575
Contact: Ahmad Arshad

EAST COAST REGION

87, Mezzanine Floor
Jalan Tun Ismail
25000 Kuantan,
Tel: 09-513 6303, 515 6217
Fax: 09-515 6911
Regional Mgr.: Niwan Rahima bin
Wan Ibrahim

BRANCHES/SERVICE CENTRES**Bentong**

100, Jalan Loke Yew
82700 Bentong
Tel: 09-222 7417
Contact: Ahmad Daud

Kemaman

Lot 10273, Ground Floor
Bangunan Haji Ibrahim
Jalan Penghiburan
24000 Chukai, Kemaman
Tel: 09-859 3413/4475
Fax: 09-858 1366
Br. Mgr.: Nazmi Mohamad

Kota Bharu

Lot 234, Jalan Tengku Besar
15000 Kota Bharu
Tel: 09-744 6243/6499/0967
Fax: 09-747 7255
Br. Mgr.: Zubaidah Yusoff

Kuala Terengganu

Lot 94A, Jalan Sultan Zainal Abidin
20000 Kuala Terengganu
Tel: 09-623 3686/1922
Fax: 09-625 1792
Br. Mgr.: Mohd Zan Mohd Razali

Kuantan

87, Ground & Mezzanine Floor
Jalan Tun Ismail, 25000 Kuantan
Tel: 09-513 6303/7604/6217
Fax: 09-515 6911
Regional Mgr.: Niwan Rahima bin
Wan Ibrahim

Mentakab

20C, Jalan Tun Razak
28400 Mentakab
Tel: 09-278 2800
Fax: 09-277 3401
Contact: Khaidzir Sulaiman

Temerloh

C99, Jalan Dato Ngau Ken Lock
Bandar Baru, 28000 Temerloh
Tel: 09-296 2122/5922
Fax: 09-296 0810
Br. Mgr.: Fairos Othman

EXPRESS CENTRES**Dungun**

K-246-C, Jalan Baru, Pak Sabah
23000 Dungun, Terengganu
Tel: 09-845 6442/010-961 2556
Fax: 09-845 6442
Contact: Wan Ghazali Wan Ismail

Gua Musang

51, Main Road
18300 Gua Musang
Tel: 09-912 1775
Fax: 09-912 1996
Contact: Ang Koon Choe

Jerantut

No. 5, Bgn LKNP
Bandar Baru
27000 Jerantut
Tel: 019-908 0839
Contact: Kamarudzaman Hj Mat Nor

Jerteh

Lot 232, Jalan Dato Kamaruddin
22000 Jerteh
Tel/Fax: 09-697 6121
Contact: Ibrahim Mohd Noor

Karak

c/o Pusat Video Sutha
27-A2, Main Street
28600 Karak
Tel: 09-231 3100
Contact: Ravendran Thanavelu

Kerteh

Belakang Esso
Lot 817, Kg. Bharu
24300 Kerteh
Tel: 09-826 2626
Contact: Zulrushy Ahmad

Kuala Berang

Lot 278, Arked MDHT
21700 Kuala Berang
Tel: 09-681 3328/681 1699
Fax: 09-681 4414
Contact: Che Ku Norrani Che Ku Hitam

Kuala Krai

53, Ground Floor
Jalan Sultan Yahya Petra
18000 Kuala Krai
Tel/Fax: 09-966 3546
Contact: Leong Ah Keow

Kuala Lipis

43, Jalan Jelai
27200 Kuala Lipis
Tel/Fax: 09-312 1190
Contact: Tan Ah Hong

Machang

c/o Konica Photo Studio
Lot 34, Bangunan Tabung Haji
18500 Machang
Tel/Fax: 09-975 1599
Contact: Ramly Yaacob

Maran

No.20, Bgn LKNP
Bandar Baru, 26500 Maran
Tel: 09-477 1310
Contact: Phang Kim Seong

Paka

c/o Paka Publication
428-A, Jalan Besar
23100 Paka
Tel: 09-827 2262
Fax: 09-827 2261
Contact: Nurulal Zahar Ali

Pasir Puteh

No. 162B, Bangunan Mara
Jalan Madrasah
16800 Pasir Puteh
Tel/Fax: 09-786 0522
Contact: Wan Mohd Fadhy Wan Daud

Pekan

c/o Perusahaan Intan
No.9, Bangunan LKNP
Jalan Tengku Abdullah
26000 Pekan
Tel: 09-422 1041
Contact: Kamaludeen Mohd Raub

Raub

1, Jalan Lipis
27600 Raub
Tel: 09-355 3389, 019-880 509
Contact: Sushil Kumar

Setiu

1277, Bangunan MDS
Bandar Permaisuri
22100 Setiu, Terengganu
Tel: 09-609 0731
Contact: Abd Manan Mohd Salleh

Tanah Merah

310, Jalan Besar
17500 Tanah Merah
Tel: 09-955 7385
Contact: Chan Kong Chai

Triang

c/o Lim Enterprise
No 64B, Jalan Teo Joo
28300 Triang
Tel: 010-960 3374
Contact: Azizi Mohamad

EAST MALAYSIA REGION

62 Section 51 KLTD
Jalan Pandungan
93100 Kuching
Tel: 082-248 604/605/607
Fax: 082-248 820
Regional Mgr.: Roselynd Ukon

BRANCHES/SERVICE CENTRES**Bintulu**

6, Ground Floor
Jalan Sommerville
87008 Bintulu
Tel: 086-337 433
Fax: 086-337 440
Br. Mgr.: Harry Francis Lutau

Kota Kinabalu

Lots 23-0, 23-01
Ground & 1st Floor
Block D, Lintas Square Luyang
88300 Kota Kinabalu
Tel: 088-214 211
Fax: 088-237 585
Br. Mgr.: Joseph Lim

Kuching

62, Section 51 KLTD
Jalan Pandungan, 93100 Kuching
Tel: 082-248 604/605/607
Fax: 082-248 820
Regional Mgr.: Roselynd Ukon

Labuan

Lot 16, 1st Floor
Jalan Bunga Dahlia
87008 Labuan
Tel: 087-415 893/923
Fax: 087-425 893
Br. Mgr.: Khong Seu Peng

Lahad Datu

Lot 94, Fajar Centre
MDLD 3979, Jalan Segama
91100 Lahad Datu
Tel: 089-883 953
Fax: 089-883 939
Br. Mgr.: Tony Liew

Miri

Lot 1083, Ground & 1st Floor
Jalan Merpati, 98000 Miri
Tel: 085-410 408
Fax: 085-411 478
Br. Mgr.: Sin Wai Foong

Sandakan

Block 42, Lot 3
Jalan Lima, 90000 Sandakan
Tel: 089-217 113, 218 975
Fax: 089-211 182
Br. Mgr.: Lawrence Jau

Sibu

No. 2B & 2C, Ground Floor
Hua Kiew Road, 96000 Sibu
Tel: 084-325 072/075
Fax: 084-325 076
Br. Mgr.: Caroline Hii

Tawau

TB 230, Ground Floor
Jalan Mahkamah
91000 Tawau
Tel: 089-778 851/52
Fax: 089-764 581
Br. Mgr.: Jennifer Tsen

EXPRESS CENTRES**Bau**

c/o Junaidi Trading
No.25, Pusat Penjaja Baru
94000 Bau
Tel: 082-763 854
Contact: Norazni Junaidi

Bintangor

c/o Wong King Tee Services
30 Court Road
98508 Bintangor
Tel: 084-693 046
Fax: 084-692 353
Contact: Wong King Tee

Brunei

c/o Archipelago Express
3, Ground Floor
Block G, Chandraseh Complex
1, 1/4 Miles Tutong, Brunei
Tel: 00673-221 382
Fax: 00673-226 106
Contact: Lim Thian Chan

Dalat

c/o Ngia Heng Trading
No. 12, 19-20 SEDC Temporary
Shophouse, 96300 Dalat
Tel: 084-864 457/250
Contact: Kho Beng Lian

Daro

No.140, Kampung Masjid Baru
96200 Daro
Tel: 084-823 439
Contact: Sharuliza Abdullah

Kanowit

Chip Bee
10, Main Bazaar
96700 Kanowit
Tel: 084-752 128
Contact: Wong Ing Kiat

Kapit

c/o Heart "2" Heart
69, Jalan Airport
96807 Kapit
Tel: 084-796 119
Contact: Jenny Teo

Keningau

Block C, Lot 20
Pengan Shopping Complex
89000 Keningau
Tel: 019-832 3965
Contact: Hazwan Abdullah

Kota Samarahan

Singer Showroom, 17 Pasar Mini
94300 Kota Samarahan
Tel: 082-671 231/242 228
Contact: Sapawi Weng

Kudat

c/o Syarikat Len Nyap (Kudat)
7C, SEDCO New Shop House
89050 Kudat
Tel: 089-611 626
Contact: Kevin Lee

Lawas

c/o Kowas Transport
No. 20, Jalan Datu Tale
98850 Lawas
Tel: 085-285 450
Fax: 085-285 841
Contact: Yee Ching Wai

Limbang

c/o Tehing Telecommunication Ent.
Lot 782, Ground Floor
Bangunan Haji Narudin
Jalan Bangkit
98700 Limbang
Tel: 085-216 868
Contact: Josephine Ting

Lundu

c/o Timah Solik Ak Otoh
13, Kampong Sungai Lundu
94005 Lundu
Tel: 082-735 637
Contact: Timah Solik Ak Otoh

Marudi

P.O. Box 122
98058 Marudi, Baram
Tel: 085-755 980/486
Contact: Lucas Saging Kehing

Meradong

Wong King Tee Services
30 Court Road
98058 Bintangor
Tel: 084-693 046
Fax: 084-692 353
Contact: Wong King Tee

Mukah

43, Lintang Road
96400 Mukah
Tel: 084-871 326/331
Contact: Ting Ming Kee

Papar/Beaufort

P.O. Box 13500
88839 Kota Kinabalu
Tel: 019-851 1775
Contact: Lim Vui Lip

Ranau

P.O Box 45
89308 Ranau
Tel: 018-889 3218/088-783 218
Contact: Tseu Vui Kong

Sarikei

4, 1st Floor
Repok Road
96100 Sarikei
Tel: 084-654 479
Fax: 084-655 057
Contact: Lily Chan Law Feng

Sejingkat

c/o 50B, Belaga KMC Flat
Jalan Ban Hok
93100 Kuching
Tel: 019-827 1272
Contact: Tan Teck Seng

Serian

Room 101, 1st Floor
Serian Co-operative Bldg
Jalan Pekan Baru
94700 Serian
Tel: 082-874 401
Contact: Linten Renya

Song

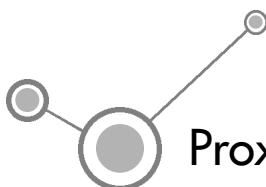
c/o Neo Tiong Soon Coffee Shop
12A, 96850 Song
Tel: 084-777 261
Contact: Neo Eng Siew

Sri Aman

c/o Pelangi Enterprise
No. 21, Sri Pelangi, Kg. Hilir
95000 Sri Aman
Tel: 083-323 517
Contact: Saboani Haji Kadir

SINGAPORE

6 Harper Road
#02 -07 Leong Huat Building
Singapore 369674
Tel: 02-285 4223
Fax: 02-284 4223
Br. Mgr.: Vacant



Proxy Form



Nationwide Express Courier Services Berhad
(133096-M)

I/We _____
of _____ being a Member/ Members of Nationwide Express Courier Services Berhad,
hereby appoint _____ of _____
or failing him _____ of _____

as my/our proxy to vote for me/us and on my/our behalf at the Sixteenth Annual General Meeting of the Company to be held at Function Room 1, Kuala Lumpur Golf & Country Club, No 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, on Wednesday, 4 September, 2002 at 10.00 a.m. and at any adjournment thereof in the manner indicated below in respect of the following Resolutions:-

No.	Resolutions	For	Against
1.	To receive and adopt the Audited Accounts for the year ended 31 March, 2002, and the Reports of the Directors and Auditors thereon.		
2.	To sanction the declaration of a final dividend of 10% (less 28% tax).		
3.	To approve the payment of Directors' fees.		
4.	To re-elect a Director under Article 64: • Ahmad Riza bin Basir		
5.	To re-elect a Director under Article 64: • Bazlan bin Osman		
6.	To re-elect a Director under Article 64: • Tan Sri Dato' Dr. Haji Abdullah Sanusi bin Ahmad		
7.	To re-elect a Director under Section 129(2) of the Companies Act, 1965: • Tan Sri Dato' (Dr) Arshad bin Ayub		
8.	To re-appoint Messrs Arthur Andersen & Co. as Auditors under the name of Hanafiah Raslan & Mohamad and to authorise the Directors to fix their remuneration.		

Please indicate with a tick (✓) whether you wish your votes to be cast for or against the Resolutions. In the absence of specific directions, your proxy will vote or abstain as he thinks fit.

Dated this _____ day of _____, 2002

No. of shares held

No. of shares held

Signature / Common Seal

NOTES:

- 1) A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy may but need not be a member of the Company.
- 2) The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney and in the case of a corporation, the instrument appointing a proxy or proxies must be under seal or under the hand of an officer or attorney duly authorised.
- 3) The instrument appointing a proxy must be deposited at the Registered Office of the Company at Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur, not less than 48 hours before the time for holding the meeting or any adjournment thereof.

FOLD HERE

STAMP

The Company Secretary
NATIONWIDE EXPRESS COURIER SERVICES BERHAD (133096-M)
Suite 4.1 Level 4
Block C, Plaza Damansara
No. 45, Jalan Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur

FOLD HERE