

## Paramount Corporation Berhad is...

directly involved in businesses that benefit society. As innovators, we are dedicating ourselves to improving the quality of life not just for today but for tomorrow as well. And as torch bearers for generations to come, we are committed to

...creating a brighter future.



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# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Third Annual General Meeting of the Company will be held at Topas Room, Ground Floor, Hyatt Regency Saujana, 2km, Off Sultan Abdul Aziz Shah Airport Highway, Saujana, 47200 Subang, Selangor Darul Ehsan on Tuesday, 27 May 2003 at 10.00 a.m. for the following purposes:

## AS ORDINARY BUSINESS

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1. To receive and consider the Audited Accounts for the year ended 31 December 2002 together with the Reports of the Directors and the Auditors thereon. **Resolution 1**
2. To approve the declaration of a final dividend of 4.5%, tax exempt, in respect of the year ended 31 December 2002. **Resolution 2**
3. To approve the payment of Directors' fees. **Resolution 3**
4. To re-elect the following Directors who retire pursuant to Article 119(a) of the Company's Articles of Association:
 

Dato' Md Taib bin Abdul Hamid **Resolution 4**  
 Ong Keng Siew **Resolution 5**
5. To consider and, if thought fit, to pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965:
 

"That YBhg Tan Sri Dato' Ahmad Sabki bin Jahidin, a Director who retires in accordance with Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting." **Resolution 6**
6. To appoint Messrs Ernst & Young as Auditors of the Company in place of the retiring Auditors, Messrs Arthur Andersen & Co, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors. **Resolution 7**

## AS SPECIAL BUSINESS

7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

Authority to Directors to issue shares

"That, subject to the Companies Act, 1965, Articles of Association of the Company and approval from Kuala Lumpur Stock Exchange and other Governmental or regulatory bodies, where such approval is necessary, full authority be and is hereby given to the Board of Directors pursuant to Section 132D of the Companies Act, 1965 to issue shares in the capital of the Company at any time upon such terms and conditions and for such purposes as the Board of Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percentum (10%) of the issued share capital of the Company for the time being."

**Resolution 8**

## NOTICE OF DIVIDEND ENTITLEMENT

Subject to the approval of the shareholders, a final dividend of 4.5%, tax exempt, in respect of the year ended 31 December 2002, will be paid on 10 July 2003 to shareholders whose names appear in the Record of Depositors on 19 June 2003.

A depositor shall qualify for entitlement only in respect of:

- Shares transferred into the depositor's securities account before 4.00 p.m. on 19 June 2003 in respect of ordinary transfers;
- Shares bought on Kuala Lumpur Stock Exchange on a cum entitlement basis according to the rules of Kuala Lumpur Stock Exchange.

By Order of the Board

**TAY LEE KONG**

Secretary

Petaling Jaya  
Selangor Darul Ehsan  
5 May 2003

## NOTES

### APPOINTMENT OF PROXY

- A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 8, Uptown 1, 1, Jalan SS21/58, Damansara Uptown, 47400 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the above meeting.

### APPOINTMENT OF AUDITORS

- The Company has received a Notice of Nomination pursuant to section 172(II) of the Companies Act, 1965, which appears on page 96 of the Annual Report, for the nomination of Messrs Ernst & Young, who have given their consent to act, for appointment as Auditors of the Company in place of the retiring Auditors.

### SPECIAL BUSINESS

- The Ordinary Resolution proposed under item 7, if passed, will renew the powers given to the Directors at the last Annual General Meeting authority to issue up to ten percentum (10%) of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company.

This authority will, unless revoked or varied by the Company in general meeting, expires at the conclusion of the next Annual General Meeting.

# STATEMENT ACCOMPANYING NOTICE OF THIRTY-THIRD ANNUAL GENERAL MEETING

pursuant to paragraph 8.28(2) of Kuala Lumpur Stock Exchange Listing Requirements

1. Names of Directors standing for election or re-election:

The Directors retiring by rotation pursuant to Article 119 (a) of the Company's Articles of Association and standing for re-election are as follows:

- Ong Keng Siew
- Dato' Mohd Taib bin Abdul Hamid

A Director who is over the age of seventy and seeking re-appointment is as follows:

- Tan Sri Dato' Ahmad Sabki bin Jahidin

The details of the three Directors seeking re-election or re-appointment are the same as that stated in the Directors' profile from pages 11 to 15 and the shareholdings of the Directors in the Company are the same as that stated on page 46.

2. Details of Attendance of Directors at Board Meetings:

The details of the attendance of Directors at board meetings are the same as that stated in the Directors' profile from pages 11 to 15.

3. The 33rd Annual General Meeting will be held at Topas Room, Ground Floor, Hyatt Regency Saujana, 2km, Off Sultan Abdul Aziz Shah Airport Highway, Saujana, 47200 Subang, Selangor Darul Ehsan on Tuesday, 27 May 2003 at 10.00 a.m.

# CORPORATE PROFILE

Paramount Corporation Berhad ("Paramount") was incorporated on 15th April 1969 as a public limited company under the name of Malaysia Rice Industries Berhad. It was then principally involved in the business of rice milling.

In 1971, Paramount successfully obtained listing on the Official Lists of Kuala Lumpur Stock Exchange ("KLSE") and Stock Exchange of Singapore Ltd ("SES").

In 1978, Paramount was restructured into a property development company with the acquisition of the entire issued share capital of Perumahan Berjaya Sdn Bhd, a real estate company. As part of the Company's plans to diversify further, Paramount also acquired an oil palm estate in Perak in 1980. The Company assumed its present name in 1980.

In 1981, Paramount acquired a 49% equity interest in Nanyang Insurance Company Berhad ("NIC"), whose principal activity was the underwriting of general insurance business.

The following year, Paramount acquired the entire issued and paid-up share capital of 4 more property development companies, Patani Jaya Sdn Bhd, Berkeley Sdn Bhd, Berkeley Maju Sdn Bhd and Maju Gading Development Sdn Bhd.

1983 marked Paramount's entry into the education sector with its wholly owned subsidiary, Kolej Damansara Utama Sdn Bhd (now known as KDU College Sdn Bhd), setting up KDU College in Petaling Jaya. Today, KDU College is acknowledged as a premier centre for higher education.

In 1984, Paramount ceased its rice milling operations.

In compliance with the national policy, Paramount was de-listed from the Official List of SES on 1st January 1990.

In March 1991, Paramount completed the acquisition of a 23-storey condominium known as Regency Tower.

Spurred by the success of the Petaling Jaya Campus, KDU College opened a branch campus in Penang in July 1991.

NIC became a subsidiary of Paramount following the acquisition of additional shares in 1993 and in the same year changed its name to Paramount Assurance Berhad ("PAB") to reflect the group's common identity.

In October 1996, Paramount acquired Berlian Sakti Sdn Bhd, one of the major contractors for the group's past and present development projects. This alliance was created to reap synergistic benefits for both companies. The same year, KDU College further expanded its business by entering into a joint venture to set up a campus in Sibul, East Malaysia.

In line with Bank Negara Malaysia's directive on the merger of insurance companies, PAB's general insurance operation merged with that of Jerneh Insurance Berhad ("JIB") in December 1999, resulting in PAB holding a 20% equity in JIB. PAB then changed its name to Paramount Global Assets Sdn Bhd ("PGA") to reflect the current nature of its business.

In October 2001, KDU College expanded its education business by moving downstream to set up a private primary and secondary smart school.

Based on an evaluation of its present operations and future prospects, Paramount, through its wholly owned subsidiary, PGA took up a 20.31% equity in iCarnegie, Inc ("iCarnegie") in June 2002. iCarnegie, which is an associate company of Carnegie Technology Education, is, in turn, a wholly owned subsidiary of Carnegie Mellon University, a world leader in computing, education and research.

On 28 June 2002, KDU Management Development Centre Sdn Bhd, a wholly owned subsidiary, was set up to venture into the provision of executive education and continuing professional development programs.

In line with Paramount's strategy to expand its land bank in high growth areas, Paramount through its wholly owned subsidiary company, Paramount Property Development Sdn Bhd, entered into a conditional Sale and Purchase Agreement on 24 January 2003 to acquire 524.70336 acres of freehold prime broadacre parcel of development land located in the central corridor of Klang Valley.

Over the years, Paramount has been pursuing a vision of value creation for its customers, shareholders, business partners and employees. Today, this vision has shaped Paramount into a progressive and successful group of companies. Paramount now focuses on 3 core businesses, i.e. property, construction and education, in order to capitalize on the group's resources and expertise.

Paramount's property development arm, Patani Jaya Sdn Bhd has earned an excellent reputation as a reliable and quality focused developer in Sungai Petani. Leveraging on its proven track record, Paramount will continue to grow its land bank in high growth areas in the Klang Valley, Penang and Johor.

Paramount's construction division has successfully diversified into infrastructure development such as public roads and highways as well as high-rise commercial property. The division has also expanded its business operations to the Klang Valley, Pahang and Melaka.

Paramount will continue to strengthen its position in the education sector, particularly in the field of tertiary education. Paramount also aims to develop its private smart school, Sekolah Sri KDU, into a hallmark of education excellence in Malaysia.

Paramount embraces the future with a firm commitment to further growth by building on the Group's strengths and success to further expand existing core businesses in order to provide good returns on investment for shareholders and enhance revenue from business operations. Quality management, strong corporate values, business dynamism and focused core businesses will continue to steer Paramount into the future. Management will continue to evaluate the Group's performance to capitalise on its strengths and resources, and to take advantage of business opportunities in a rapidly changing market. Backed by these strategies, Paramount's competitive position will see the Group embarking on an exciting journey of unfolding challenges in the new millennium.





*We are building assets that will  
be regarded as treasured legacies tomorrow.*





# GROUP CORPORATE STRUCTURE

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PARAMOUNT CORPORATION BERHAD • 3578-A



## Property

100%	Perumahan Berjaya Sdn Bhd
100%	Wangsa Merdu Sdn Bhd
100%	Patani Jaya Sdn Bhd
100%	Kelab Bandar Laguna Merbok Sdn Bhd
100%	Paramount Property Development Sdn Bhd

## Education

85%	KDU College Sdn Bhd
100%	KDU Smart School Sdn Bhd
100%	Janahasil Sdn Bhd
61%	KDU College (Sibu) Sdn Bhd (formerly known as Rajinas Intelek Sdn Bhd)
100%	KDU Management Development Centre Sdn Bhd

## Construction & Civil Engineering

100%	Berlian Sakti Sdn Bhd
100%	Arah Teknik Sdn Bhd
100%	Bilsys Sdn Bhd
100%	Zenbilt Sdn Bhd

## Investment

100%	Paramount Corporation Limited
80.56%	PCM (HK) Ltd
100%	Paramount Global Assets Sdn Bhd
20%	Jerneh Insurance Bhd
20.31%	iCarnegie, Inc

## Others

100%	Berkeley Sdn Bhd
70%	Berkeley Maju Sdn Bhd
30%	Current Connection Sdn Bhd
100%	Maju Gading Development Sdn Bhd
100%	Paramount Electronics Industries Sdn Bhd
76.94%	SMT Circuit Assembly Pte Ltd
27%	Suci Teguh Holdings Sdn Bhd
80%	ASMC Sdn Bhd
49%	Jasarim Bina Sdn Bhd
49%	Seleksi Megah Sdn Bhd



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Chairman

Dato' Md. Taib bin Abdul Hamid\*  
DSDK

### Group Managing Director & Group Chief Executive Officer

Teo Chiang Quan

### Deputy Group Managing Director & Deputy Group Chief Executive Officer

Ong Keng Siew

### Members

Tan Sri Dato' Ahmad Sabki bin Jahidin\*  
PSM, DPMP, DIMP, JMN, KMN, SAP, PMP, PJK

Dato' Haji Azlan Bin Hashim\*  
DSNS, DSSA

Rohana Tan Sri Mahmood

Geh Cheng Hooi\*

Dr Brian Shoy Teng To

## SECRETARY

Tay Lee Kong  
(MAICSA 772833)

## REGISTERED OFFICE

Level 8, Uptown 1  
1 Jalan SS21/58, Damansara Uptown  
47400 Petaling Jaya, Selangor Darul Ehsan  
Telephone: 03-7726 3000  
Facsimile: 03-7726 9559  
e-mail: info@pcb.com.my  
Website: www.pcb.com.my

## REGISTRAR

### Securities Services (Holdings) Sdn Bhd

Level 7, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Telephone: 03-2095 7077  
Facsimile: 03-2094 9940

## AUDITORS

Arthur Andersen & Co.  
Chartered Accountants

## SOLICITORS

S.K. Yeoh & Partners

## PRINCIPAL BANKERS

Malayan Banking Berhad  
Alliance Bank Malaysia Berhad  
Citibank Berhad  
Hong Leong Bank Berhad  
OCBC Bank (Malaysia) Berhad  
RHB Bank Berhad

## STOCK EXCHANGE LISTING

Kuala Lumpur Stock Exchange

\* Independent Non-Executive Directors

# OTHER INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF KUALA LUMPUR STOCK EXCHANGE

## OPTIONS

During the financial year, a total of 1,102,000 options were exercised.

## NON-AUDIT FEE

The amount of non-audit fees paid to the external auditors by the Group and by the Company for the financial year is reflected in Note 4, page 76 of the audited accounts.

## MATERIAL CONTRACTS

Perumahan Berjaya Sdn Bhd and KDU College Sdn Bhd ("KDU") had entered into a Tenancy Agreement dated 15 January 2002 to let to KDU the Petaling Jaya campus building comprising a four storey main building, a five storey building with a basement car park and another five storey building bearing postal address No. 43, Jalan SS22/41, 47400 Petaling Jaya for a period of three years commencing 1 January 2002 at a monthly rental of RM235,000.

Rohana Tan Sri Mahmood, a Director of the Company, is also a Director and substantial shareholder of KDU.

## REVALUATION POLICY

The Company does not have a revaluation policy on landed properties.

## RECURRENT RELATED PARTY TRANSACTIONS

During the financial year, the recurrent related party transactions conducted pursuant to the shareholders' mandate were as follows:

- a) The Tenancy Agreement mentioned under Material Contracts at an aggregate value of RM2.82 million.
- b) KDU's award of a construction contract totalling RM12.3 million for the construction and completion of KDU's addition and extension to its Penang campus college building to Berlian Sakti Sdn Bhd, a 100% Paramount subsidiary, at an aggregate value of RM5,095,295.

Rohana Tan Sri Mohmood, a director of the Company, is also a Director and substantial shareholder of KDU.