



“PBA Group’s operating...  
revenue for 2003 was **RM164.96**  
million...”

- YAB Tan Sri Dr. Koh Tsu Koon  
Chairman - PBA Group Of Companies

On behalf of the Board of Directors of PBA Holdings Bhd, I hereby present the Annual Report and the Audited Financial Statements of the Company for the financial year which ended on December 31, 2003.

The PBA Group's operating revenue for 2003 was RM164.96 million as compared to RM169.63 million for the last financial year, representing a decrease of 2.75%. The Group's main source of revenue was from the sales of water in the State of Penang by Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP), a wholly-owned subsidiary which holds the exclusive licence to source, treat, supply and bill for water.

During the period in review, revenue from PBAPP's sales of water totalled RM148.97 million, as compared to RM150.90 million in the previous financial year. At the same time, other operating income (including interest earnings, net profits from miscellaneous jobs, trunk mains contributions, investment income, building rentals, hiring of plants and machinery) accounted for RM15.99 million in the Group's operating revenue in 2003 as compared to RM18.73 million in 2002.

These figures reflect the fact that 2003 was a challenging year for doing business, in line with global developments. Some 70% of PBAPP's top 100 customers are export-oriented multinational corporations which make products and components for the world market, as well as local small and medium-scale industries. Other major consumers include hotels and large restaurants which cater for both the local community and international visitors. In terms of percentage, our corporate customers (which are categorised as "trade" category water consumers) contribute to 60.7% of water sales revenue in Penang.

Faced with the impact of SARS and the War in Iraq, which further compounded the adverse effects of an on-going global economic slowdown, most of these trade category customers focused on consolidation, rather than expansion, to weather through 2003. As such, PBAPP registered a 3.8% reduction in trade category water consumption in 2003 as compared to 2002.

Nevertheless, the Group managed to record a profit after tax (PAT) figure of RM40.63 million for the year in review and our financial position remains sound. This reduction of 19.2% in PAT, as compared to 2002, is attributable to the lower operating revenue and increasing costs of sales in supplying water for the State of Penang which enjoys good water supply at the lowest tariffs in Malaysia.

#### DIVIDENDS

The Board of Directors has recommended a final tax exempt dividend of 2.5 sen per share, giving a total tax exempt dividend proposed and declared of 5 sen per share for the financial year 2003.

#### PROSPECTS

Bank Negara Malaysia has projected a 6.0% national growth rate for the nation in 2004 based on current recovery trends.

In Penang, SERI is projecting an economic growth rate of 6.6% for the State in 2004, as compared to 4.0% for 2002 and 2003, with the industrial sector once again serving as the main engine to power economic growth. While there is some cause for concern that some multinational corporations (MNCs) and small and medium-scale industries (SMIs) have shifted their operations to China, the Penang State Government has formulated several key strategies for the State to continue to thrive in an era when up to 60.0% of the foreign direct investment to Asia is being channelled to China.

One of these strategies is for Penang to venture more aggressively into the field of bio-technology (marine, biopharmaceutical and herbal). Another is to focus on the development of more resource-based industries (including palm oil, food processing and agro-based industries). In the next 5 years, while promoting the further development of information and communications technology (ICT), Penang will also actively promote the development of higher-end iron, steel and metal works; machinery and equipment design and manufacturing; and the design and production of "quality of life" products such as jewelry, fashion accessories and furniture. At the same time, the agriculture and fisheries sectors in Penang have been earmarked for accelerated growth, in line with the Prime Minister's intent to further enhance the sharing of prosperity with local rural communities.

"...continues to chart some progress in its drive to further cut down on the non-revenue water (NRW) percentage..."





“...PBA Group expects water consumption in Penang to increase significantly over the next five years.”

All of these industries of today and tomorrow require a consistent supply of water for various processes. Taking into account a more optimistic economic growth outlook in 2004, the promotion and cultivation of new industries, and the drive to energise the agriculture and fisheries sector, the PBA Group expects water consumption in Penang to increase significantly over the next five years. Accordingly, PBAPP has invested RM85 million in capital expenditure in 2003 to upgrade and improve infrastructure so as to meet the water supply needs of the State as it gears up for what may well be a new era of rapid socio-economic development towards 2010.

I am also pleased to report that in July 2003, Pinang Water Limited (PWL), a joint-venture subsidiary of the Group with YLI Holdings Bhd and KWI Far East Sdn Bhd, has successfully secured the contract for the construction of the Yuan He Water Treatment Plant in Yichun City, Jiangxi Province, in the People's Republic of China. This is our first overseas contract. While it is by no means a huge project promising big profits, it represents a good start for PWL as it strives to seek out more international avenues of revenue. In 2004 and beyond, the PBA Group is also fully committed to explore and develop new ventures and areas of business to further enhance its earnings portfolio.

At the same time, it is also good to note that PBAPP continues to chart some progress in its drive to further cut down on the non-revenue water (NRW) percentage in Penang. NRW is water which is not billable. In 2003, the NRW percentage for the State of Penang was recorded as 19.4% as compared to 20.0% in 2002. Our target to reduce this percentage to 18.0% by 2005, as a continuous reduction will contribute positively and significantly towards the Group's operating revenue in the long term.

#### ACKNOWLEDGEMENTS

2003 was a challenging year for the Group but it will be well noted as a milestone year in our corporate history. In May and June 2003, PBAPP received two international ISO 9001:2000 certifications issued by UKAS of United Kingdom and DAR of Germany. Both these certifications were for the "treatment and supply of water with the provision of customer services" which cover the complete water supply process. I would like to commend the management and staff of the PBAPP for their good work and dedication which led to this outstanding achievement and other successes in 2003.

My congratulations to our Board Members - Dato' Hinshawati bt. Shariff and Dato' Chew Kong Seng who were conferred Dato'ships by Paduka Seri Tuanku Yang Di-Pertuan Besar Negeri Sembilan Darul Khusus, Tuanku Ja'far Ibnu Al Marhum Tuanku Abdul Rahman, and the Yang Di-pertua Negeri Pulau Pinang, Tuan Yang Terutama Tun Dato' Seri (Dr.) Haji Abdul Rahman bin Haji Abbas, respectively. I also congratulate our Chief Executive Officer - Dato' Ir. Liew Chook San for receiving his conferment from Tun Dato' Seri (Dr.) Haji Abdul Rahman, as well as all the managers and staff who were conferred state awards in 2003.

I thank all my fellow Board Members for their cooperation and vision in guiding the evolution of the Group in 2003; and I would like to express my sincere appreciation to our shareholders and our customers for their continuing good support.

*Tan Sri Dr. Koh Tsu Koon  
Chairman*

“...PBAPP received two international ISO 9001:2000 certifications issued by UKAS of United Kingdom and DAR of Germany.”





• **Dato' Ir. Liew Chook San**  
Chief Executive Officer

Although the number of registered water consumers in Penang increased by 3.7% to 402,777 registered consumers in 2003, the total metered consumption of water in the State of Penang decreased by 0.6% to 223.3 million cubic metres (223.4 billion litres) as compared to 2002. Trade consumption declined by 3.8% while domestic consumption increased by 1.6%.

The decline in trade consumption is attributable to the consolidation exercises undertaken by various industrial companies, business corporations and hotels in response to dramatic and negative global developments, particularly in the first half of 2003. Consequentially, the Group recorded an operating revenue figure of RM164.96 million in 2003 as compared to RM169.63 million in the previous year.

During the year in review, PBAPP implemented 19 key infrastructure projects in 2003 to enhance its performance in sourcing, treating and distribution of water in the future.

The three most major on-going projects are related to the Muda River Water Scheme - Phase 4A. These projects cost RM66.90 million and are scheduled for completion in 2004. Successful completion will increase PBAPP's water extraction capacity from the Muda River (the main source of raw water for the State of Penang) and further boost up the water treatment capability of the Sungai Dua Water Treatment Plant (the main water treatment plant in the State).

Other projects undertaken in 2003 include the construction of six reservoirs and four pumping stations. On the distribution front, RM10 million was budgeted for six projects to lay trunk mains to ensure better supply to Sungai Bakap, Nibong Tebal, Bukit Mertajam, Tanjong Tokong, Bayan Lepas / Sungai Ara and Batu Maung.

#### SUPPLY COSTS AND TARIFFS

The Group's profitability in 2003 was also affected by higher costs of sales which had increased by 27.3% since 2001. There was a significant reduction in margins due mainly to higher costs of electricity, chemicals and manpower.

Accordingly, while it continues to support the State Government's commitment to consistently thread a good balance between profitability and public interest in billing for water, PBAPP is planning to propose for a review of water tariffs in Penang in 2004.

Besides off-setting higher costs, the tariff review will also help PBAPP to fund infrastructure projects for the future. In 2003, its capital expenditure for such projects amounted to RM85 million. Since water supply is an essential service, PBAPP cannot afford to wait until there is a crisis or a shortage which would inconvenience the people or cripple industries before reacting.

Hence, a tariff review in Penang is both inevitable and necessary. The last review was in 2001. As at December 31, 2003, Penang's water tariffs are still the lowest in Malaysia.

2003 also saw the PBA Group of Companies marking several significant milestones which will go a long way in support of its corporate mission of serving as a leading organisation in water supply, locally as well as overseas.

"...it continues to support the State Government's commitment to consistently thread a good balance between profitability and public interest..."

#### FIRST COMPREHENSIVE ISO 9001:2000 CERTIFICATIONS FOR WATER SUPPLY IN MALAYSIA

In 2003, PBAPP became the first water supply organisation in Malaysia to receive two international accreditations for the new ISO 9001:2000 certifications for the scope of "treatment and supply of water with the provision of customer services".

The certifications were issued by UKAS of the United Kingdom on 27 May, 2003, and DAR of Germany on 20, June 2003, and forwarded by SGS (PBAPP's international ISO consultants). These certifications effectively indicate that all aspects of PBAPP's operations in the State of Penang have been certified to international ISO standards.

Just as importantly, both certifications were multi-site certifications which acknowledge that PBAPP's headquarters in Komtar, as well as ten treatment plants, two distribution centres and eight customer service centres have been assessed and certified together.

PBAPP had sought dual international certifications to support the Group's drive to seek and secure new avenues of revenue worldwide. While the UKAS certification is well accepted in Malaysia and Commonwealth countries, the DAR certification can be more widely recognised as an international symbol of quality assurance in non-Commonwealth countries.

#### FIRST OVERSEAS CONTRACT SECURED

On July 13, 2003, Pinang Water Ltd (PWL) signed an agreement with the People's Government of Yichun City, Jiangxi Province, China, to build, operate and transfer a new 100 million litre per day (100,000 m<sup>3</sup>/day) water treatment plant known as the "Yuan He (Yuan River) Water Treatment Plant."





“...we will continue to explore other new avenues of revenue...”

PWL is a business venture company set up jointly by YLI Holdings Bhd, PBA Holdings Bhd and KWI Far East Sdn Bhd on a 37%:26%:37% shareholding basis. The projected yield for PWL's first overseas project is a minimum committed gross revenue of RM243.0 million over a 29-year period. The estimated initial investment is about RM17 million and the project will be initially financed through capital injection by PWL shareholders and credit terms from equipment suppliers.

The Yuan He Water Treatment plant is scheduled to be operational in time for the 2004 China Farmers' Games which will be staged in Yichun City. It will feature a 100% stainless steel construction to support decades of effective operation, and its modular characteristics will allow capacity to be added quickly as needed, where needed.

As a dynamic Malaysian waterworks solutions provider which offers proven expertise and cost-effective options, PWL will continue to seek other opportunities in China, and other countries, especially in the Asian region.

#### CORPORATE WEBSITE LAUNCHED

PBAPP officially launched its corporate website in August 2003 in keeping to its ISO 9001:2000 commitment towards continuous improvement in customer services.

The public can now access <http://www.pba.com.my> to view the PBA Group corporate profile, past annual reports, the latest news on the Group, water supply interruption notices and other useful information on water tariffs and water supply statistics. The website is configured to allow registered PBAPP customers to access information on their individual water accounts and view an on-line billing image.

Visitors can also submit reports and feedback on water supply issues via the website; as well as access information on how to apply for a new water account and where to find PBAPP-registered plumbers by area. A link to the "Maybank2U" website is provided for those who wish to settle their water bills on-line, while vendors can peruse the latest tender notices.

[www.pbapp.com.my](http://www.pbapp.com.my) is meant to serve as an interactive platform to facilitate effective interactivity and communications with PBAPP's customers and business partners, and its scope will be upgraded continuously to accommodate future needs.

#### LOOKING AHEAD

In the immediate future, the Group will continue to focus on its core competency of supplying water in the State of Penang profitably and cost-effectively, while planning and implementing projects and programmes for the future. Since the economic growth projections for the State of Penang are expected to be good from 2004, we look forward to a stronger financial performance to offer shareholders better value for their investments.

At the same time, we will continue to explore other new avenues of revenue such as more overseas projects. We will also evaluate new areas of business related to water supply and consumption in Penang and Malaysia.

As a water supply organisation, we will continue to grow and evolve in meeting all the water supply needs of our customers.

In closing, I would like to thank our Chairman, the Board of Directors, our shareholders and all my colleagues in the PBA Group for their strong support and kind cooperation in shaping our progress over the past year.

*Dato' Ir. Liew Chook San*  
Chief Executive Officer



**YAB Tan Sri Dr. Koh Tsu Koon**, aged 54, a Malaysian citizen, is the Non-Executive Chairman of PBA Holdings Bhd. He was appointed to the Board of Directors of PBA Holdings Bhd on June 13, 2000.

Since October 1990, YAB Tan Sri Dr. Koh has been the Chief Minister of Penang. He obtained his Bachelor of Arts (Physics) Degree from Princeton University, USA in 1970, Masters of Arts (Education) Degree and Doctor of Philosophy in Economics of Education from University of Chicago, USA in 1973 and 1977 respectively.

YAB Tan Sri Dr. Koh started his career as a lecturer at the University Sains Malaysia in 1975 and was promoted to the Deputy Dean of Education at University Sains Malaysia in 1978. He was elected a Member of the Federal Parliament of Malaysia in 1982 and was the Political Secretary to the former Chief Minister of Penang in 1986. He was elected a Member of the Penang State Legislative Assembly in 1990 and re-elected in 1995, 1999 and 2004. YAB Tan Sri Dr. Koh is also the Chairman of the Penang Development Corporation since 1990.

YAB Tan Sri Dr. Koh does not hold any ordinary shares in the Company or its subsidiary, has no family relationship with any other Director and / or major shareholder of the Company, no conflict of interest with the Company and has had no convictions for any offences within the past ten (10) years.

YAB Tan Sri Dr. Koh has attended all six (6) Board Meetings held in the financial year ended December 31, 2003.

**YAB TAN SRI DR. KOH TSU KOON**  
*PSM*  
*Non-Executive Chairman*



**YB DATO' DR. HILMI BIN HAJI YAHAYA**  
*DMPN*  
 Non-Executive Deputy Chairman

YB Dato' Dr. Hilmi bin Haji Yahaya, aged 55, a Malaysian citizen, is the Non-Executive Deputy Chairman of PBA Holdings Bhd. He was appointed to the Board of Directors of PBA Holdings Bhd on June 13, 2000.

Presently, he is the Parliamentary Secretary to the Finance Ministry of Malaysia and was appointed to this position in March 2004. He was the Deputy Chief Minister of Penang from 1999 to March 2004. He obtained his Bachelor of Medicine and Surgery Degree from University of Malaya in 1977.

He started his career as a Medical Officer in the Ministry of Health in 1977. He was elected a Member of the Penang State Legislative Assembly in 1990 and appointed to the current position in 1999.

He does not hold any shares in the Company or its subsidiaries, has no family relationship with any other Director and / or major shareholder of the Company, no conflict of interest with the Company and has had no convictions for any offences within the past ten (10) years.

YB Dato' Dr. Hilmi has attended five (5) of the six (6) Board Meetings held in the financial year ended December 31, 2003.



**YB DATO' KOAY KAR HUAH**  
*DSPN*  
 Non-Executive Director

YB Dato' Koay Kar Huah, aged 56, a Malaysian citizen, is a Non-Executive Director of PBA Holdings Bhd. He was appointed to the Board of Directors of PBA Holdings Bhd on June 13, 2000.

Presently, YB Dato' Koay is the State EXCO in charge of Public Works, Public Utilities and Transportation since the last election in 1999. He obtained his Bachelor of Science Degree with Honours from University of Malaya in 1972 and is a member of the Institute of Electrical and Electronic Engineers, USA. He also obtained a Diploma in Management from the Malaysian Institute of Management in 1980.

Before his political career, YB Dato' Koay served in various multinational electronic companies in Penang, namely Advanced Micro Devices Sdn Bhd, Motorola (M) Sdn Bhd and Monolithic Memories (M) Sdn Bhd at Bayan Lepas Free Industrial Zone, Penang as engineer and manager. He was also the Factory Manager of Federal Cables, Wire and Metal Manufacturing Sdn Bhd at Mak Mandin, Butterworth. Y.B. Dato' Koay was elected a member of the Penang State Legislative Assembly in 1995 and re-elected in 1999 and 2004.

He does not hold any shares in the Company or its subsidiary, has no family relationship with any other Director and / or major shareholder of the Company, no conflict of interest with the Company and has had no convictions for any offences within the past ten (10) years.

YB Dato' Koay has attended all six (6) Board Meetings held in the financial year ended December 31, 2003.



**YB DATO' KHALID B. RAMLI**  
*DMPN., DSPN., DIMP., SMP*  
 Non-Executive Director



**YB ENCIK NG KAM CHEUNG**  
 Non-Executive Director

**YB Dato' Khalid B. Ramli**, aged 54, a Malaysian citizen, is a Non-Executive Director of PBA Holdings Bhd. He was appointed to the Board of Directors of PBA Holdings Bhd May 25, 2000.

Presently, YB Dato' Khalid is the Penang State Secretary and was appointed to this position in March 2000. He obtained his Bachelor of Arts Degree with Honours from University of Malaya in 1972 and Master of Public Administration Degree from University of Southern California, USA in 1984.

He started his career in the civil service in 1972 as an Administrative Trainee Officer at the Ministry of Foreign Affairs, Kuala Lumpur. He held various positions in the public service. He was the Penang State Financial Officer before his appointment to the present position.

He is an ex-officio member of the State Executive Council of Penang and also the Head of Penang State Civil Service.

He is deemed related to the major shareholder of PBA Holdings Bhd, State Secretary of Penang by virtue of his position in State Secretary of Penang. He does not have any conflicts of interest with the Company.

YB Dato' Khalid has attended five (5) of the six (6) Board Meetings held in the financial year ended December 31, 2003.

**YB Encik Ng Kam Cheung**, aged 54, a Malaysian citizen, is a Non-Executive Director of PBA Holdings Bhd. He was appointed to the Board of Directors and a Member of the Audit Committee of PBA Holdings Bhd on November 8, 2003.

Presently, he is the Penang State Financial Officer and was appointed to this position on July 1, 2003. He obtained his Bachelor of Economics Degree with Honours from University of Malaya in 1973.

He started his career as Administration and Diplomatic Service Officer in the Public Service's Department in 1973 holding various capacities dealing with superannuation, compensation and negotiation matters. He was also a Secretary at the Teachers' Provident Fund as well as Management Analyst between 1978 - 1980. He was the Principal Assistant Secretary for Administration in the Ministry of Health. He has also served in the Federal Treasury as Senior Assistant Director of Budget in the General Services, Trade and Communication Sectors and Deputy Director of Budget responsible for infrastructure and security as well as co-ordination and control for 18 years. He has served on the boards of Airod and Kejora Regional Development Authority. He is also sitting in the board of Penang Development Corporation as well as ex-officio member of the State Executive Council of Penang.

He does not hold any shares in the Company or its subsidiary, has no family relationship with any other Director and / or major shareholder of the Company, no conflict of interest with the Company and has had no convictions for any offences within the past ten (10) years.

YB Encik Ng has attended all two (2) Board Meetings held during his tenure in office for the financial year ended December 31, 2003.



**YB DATO' HINSHAWATI  
BINTI SHARIFF**  
*DPTJ*  
*Non-Executive Director*

**YB Dato' Hinshawati binti Shariff**, aged 49, a Malaysian citizen, is a Non-Executive Director of PBA Holdings Bhd. She was appointed to the Board of Directors of PBA Holdings on June 16, 2003.

Presently, she is the Penang State Legal Advisor and was appointed to this position on May 16, 2003. She obtained her Bachelor of Laws Degree with Honours from University of Malaya in 1979 and Master Bachelor of Laws Degree from University of London in 1994.

She started her career in the civil service in 1976 as Legal Officer, High Court Kuala Lumpur. She held various positions in the legal and judicial services before her appointment to the current position in 2003. She is also an ex-officio member of the State Executive Council of Penang.

She does not hold any shares in the Company or its subsidiary, has no family relationship with any other director and / or major shareholder of the Company, no conflict of interest with the Company and has had no convictions for any offences within the past ten (10) years.

YB Dato' Hinshawati has since resigned from the Board of Directors of PBA Holdings Bhd and no longer holds the post of Non-Executive Director with effect from February 24, 2004.



**Y. BHG. DATO'  
CHEW KONG SENG**  
*DMPN*  
*Independent Non-Executive  
Director*

**Y Bhg Dato' Chew Kong Seng**, aged 65, a Malaysian citizen, is an Independent Non-Executive Director of PBA Holdings Bhd. He was appointed to the Board of Directors of PBA Holdings Bhd on December 12, 2001. He is also the Chairman of the Audit Committee of PBA Holdings Bhd.

Dato' Chew is a Fellow of the Institute of Chartered Accountants in England and Wales as well as a member of the Malaysian Association of Certified Public Accountants and the Malaysian Institute of Accountants. He had worked in United Kingdom from 1964 until 1970 and returned to Malaysia to join Turquand, Young & Co (now known as Ernst & Young). He held various senior positions in Ernst & Young and was Managing Partner from 1990 to 1996. His long accounting work experience in the profession covers a wide variety of industries including banking and financial institutions, timber based, manufacturing, trading and foreign investment.

Currently, he is the Executive Director of Sarawak Enterprise Corporation Bhd. He also sits on the Boards of Great Wall Plastic Industries Berhad, Petronas Gas Bhd, Petronas Dagangan Bhd, Industrial Concrete Products Bhd, Jaya Jusco Stores Bhd, Encorp Berhad, Hong Leong Properties Berhad and several private limited companies in Malaysia.

He does not hold any shares in the Company or its subsidiary, has no family relationship with any other Director and / or major shareholder of the Company, no conflict of interest with the Company and has had no convictions for any offences within the past ten (10) years.

Dato' Chew has attended five (5) of the six (6) Board Meetings held in the financial year ended December 31, 2003.



**Y BHG DATO' DR. M. SHANMUGHALINGAM**  
*DPMP, KMN*  
*Independent Non-Executive Director*

**Y Bhg Dato' Dr. M. SHANmughalingam**, aged 64, a Malaysian citizen, is an Independent Non-Executive Director of PBA Holdings Bhd. He was appointed to the Board of Directors of PBA Holdings Bhd on December 12, 2001.

He holds a Bachelor of Arts (Honours) degree in Economics from University of Malaya in 1962, a Masters degree in Economics and Government from Harvard University, USA in 1971, a Doctorate of Philosophy in Economics and Government from Oxford University, U.K. in 1978 and is a Fellow, Economic Development Institute, World Bank.

He served in the Treasury, Ministry of Finance from 1962 to 1978 his last post being Deputy Secretary (Economic) and in PETRONAS from 1979 to 1991 his last post being General Manager. He was Managing Director of Sri Inderajaya Sdn Bhd from 1992 to April 1996. Since May 1996, he is the Managing Director of Trilogic Sdn Bhd and sits on the advisory panels to the Malaysian Institute of Economic Research (MIER) and Asian Strategy and Leadership Institute (ASLI).

He also sits on the boards of Main Board public listed companies, Edaran Otomobil Nasional Berhad (EON), Delloyd Ventures Berhad and Mamee Double Decker (M) Bhd and several unlisted companies, including Malaysian Industrial Development Finance ("MIDF"), Aberdeen Asset Management Sdn Bhd, Commerce International Merchant Bankers (I) Ltd and CIMB Discount House Bhd.

Dato' Dr. M. SHAN does not hold any shares in the Company or its subsidiary, has no family relationship with any other Director and / or major shareholder of the Company, no conflict of interest with the Company and has had no convictions for any offences within the past ten (10) years.

Dato' Dr. M. SHAN has attended all six (6) Board Meetings held in the financial year ended December 31, 2003.



**TUAN HAJI ADLAN BIN HAJI MOHAMED DAUD**  
*Independent Non-Executive Director*

**Tuan Haji Adlan bin Haji Mohamed Daud**, aged 64, a Malaysian citizen, is an Independent Non-Executive Director of PBA Holdings Bhd. He was appointed to the Board of Directors of PBA Holdings Bhd on December 14, 2001. He is also a member of the Audit Committee of PBA Holdings Bhd.

After finishing his secondary education at Penang Free School, Penang, he furthered his studies in the United Kingdom. He read Law at the Inns of Court, Middle Temple, and was called to the English Bar as a Barrister-At-Law in 1970. Upon his return to Malaysia, he commenced his chambering with Messrs R.R. Chelliah Brothers in 1970 and was called to the Malaysian Bar as an Advocate and Solicitor of the High Court of Malaya in 1971. He set up the legal practice of Messrs Adlan & Haji Suhaimi with two other partners in 1971 and is now practising under the style of Messrs Adlan, YP Cheong & Leong.

He had served on the Board of Directors of Trust Insurance (M) Sdn Bhd, C.I. Holdings Bhd and CME Group Bhd. He has been a member of the Executive Committee of Majlis Kraf Malaysia (Crafts Council of Malaysia) since inception, concerning craft development and promotion.

He does not hold any shares in the Company or its subsidiary, has no family relationship with any other Director and / or major shareholder of the Company, no conflict of interest with the Company and has had no convictions for any offences within the past ten (10) years.

Tuan Haji Adlan has attended all six (6) Board Meetings held in the financial year ended December 31, 2003.



MOHD NIZAMUDDIN MOKHTAR  
*Chief Legal Officer*

SHAMSUDIN BIN MOHD NOR  
*Financial Services & Business  
Development Manager*

DATO' IR. LIEW CHOOK SAN  
*Chief Executive Officer*

Subsidiary Company



PERBADANAN BEKALAN AIR PULAU PINANG SDN BHD  
(Company No : 475961-x)



YAB Tan Sri Dr. Koh Tsu Koon  
*(Chairman)*



YB Dato' Dr. Hilmi bin Haji Yahaya  
*(Deputy Chairman)*



YB Dato' Koay Kar Huah  
*(Director)*



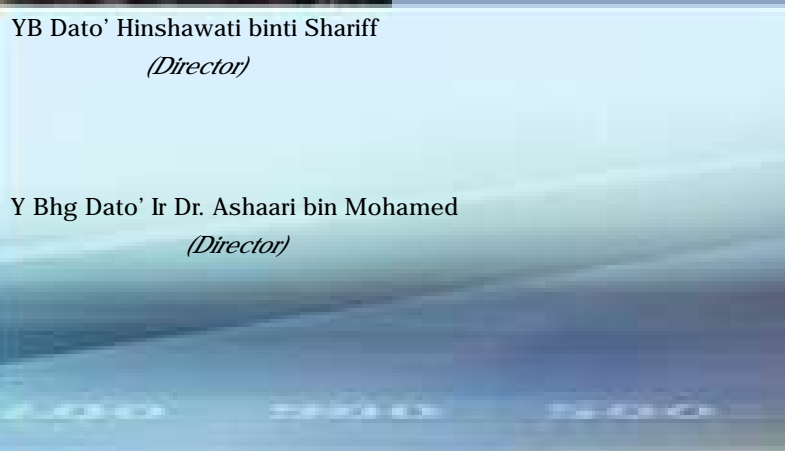
YB Dato' Khalid bin Ramli  
*(Director)*



YB Encik Ng Kam Cheung  
*(Director)*



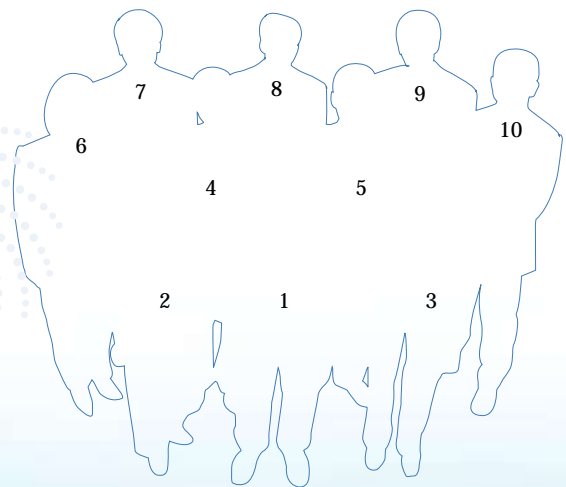
YB Dato' Hinshawati binti Shariff  
*(Director)*



Y Bhg Dato' Ir Dr. Ashaari bin Mohamed  
*(Director)*



- 01 Dato' Ir. Liew Chook San *General Manager*
- 02 Puan Cheang Lai Juang *Internal Audit Assistant Manager*
- 03 Puan Yen Choi Fong *Information Technology Manager*
- 04 Ir Kan Cheong Weng *Strategic Planning Manager*
- 05 Ir Leow Hup Hong *Quality, Safety & Health Manager*
- 06 Puan Joyce Lee Suan Imm *Finance Manager*
- 07 Ir Koay Ban Hing *Operations Manager*
- 08 Ir K Jeyabalan *Production Manager*
- 09 Ir Jaseni bin Maidinsa *Development Manager*
- 10 Encik Mohd Nizamuddin bin Mokhtar *Corporate Services Manager*



Encik Mohd Aiyob Hj. Abd. Bahar *Human Resources Manager* (not in picture)