

Financial Statements

Pharmaniaga Berhad 2002 Annual Report

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Directors' Report

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2002.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiary companies and associated companies are disclosed in Note 33 to the Financial Statements.

There have been no significant changes in the activities of the Company, its subsidiary companies and associated companies during the financial year.

FINANCIAL RESULTS

	Group	Company
	RM'000	RM'000
Profit after taxation	44,163	18,015
Minority interest	(6,822)	—
Net profit for the year	37,341	18,015
Unappropriated profit/(Accumulated loss) brought forward	55,055	(375)
	92,396	17,640
Bonus issue	(11,765)	(11,765)
Profit available for distribution	80,631	5,875
First and final 7.5% tax exempt dividend paid	(3,750)	(3,750)
Interim 2.5% tax exempt dividend paid	(1,250)	(1,250)
Unappropriated profit carried forward	75,631	875

DIVIDENDS

The amount of dividends paid and declared since the end of the last financial year were as follows:

	RM'000
In respect of the financial year ended 31 December 2001: First and final 7.5% tax exempt dividend paid on 8 August 2002	3,750
In respect of the financial year ended 31 December 2002: Interim 2.5% tax exempt dividend paid on 26 December 2002	1,250

Directors' Report (cont'd)

DIVIDENDS (cont'd)

Subsequent to the financial year end, the Directors recommended the payment of a final 6% tax exempt dividend for the financial year ended 31 December 2002 amounting to RM6,000,000. This recommendation will be proposed for shareholders' approval at the forthcoming Annual General Meeting. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by shareholders, will be accounted for in the shareholders' equity as an appropriation of retained profits in the next financial year ending 31 December 2003.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the following shares were issued:-

Date of issue	Purpose of Issue	Class of share	Number of shares at RM1.00 per share
27.12.2002	Bonus issue	Ordinary	49,999,999

The bonus issue was allotted and issued on the basis of one new ordinary share for every one existing ordinary share held on 27 December 2002. The newly issued shares rank pari passu in all aspects with the existing shares of the Company except that these shares did not rank for any interim dividends declared prior to 27 December 2002.

There were no debentures issued during the financial year.

CURRENT ASSETS VALUATION

Before the financial statements of the Group and of the Company 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 to be written off and adequate provision had been made for doubtful debts; and
- to ensure that any current assets which were unlikely to realise their values in the ordinary course of business, as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

From the end of the financial year to the date of this report, the Directors are not aware of any circumstances:-

- which would render it necessary to write off any bad debts or the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

Directors' Report (cont'd)

CONTINGENT AND OTHER LIABILITIES

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 affect the ability of the Group and of the Company to meet its obligations as and when they fall due.

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

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE BALANCE SHEET DATE

Significant events during the financial year and subsequent to the balance sheet date are disclosed in Note 31 to the Financial Statements.

CHANGING 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 and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

In the opinion of the Directors:-

- (a) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) 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 to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The Directors in office since the date of the last report are:-

Dato' Mohamed Azman bin Yahya

Datuk Sulaiman bin Daud

Dato' Prof. Ir. Dr. Mohammad Noor bin Salleh

Dato' Raja Nong Chik bin Raja Zainal Abidin

Ismael Fariz bin Ali

Abdul Wahid bin Omar

Tan See Yin

Azhar bin Hussain

Directors' Report (cont'd)

DIRECTORS' INTEREST

None of the Directors who held office at the end of the financial year had, according to the register required to be kept under Section 134 of the Companies Act, 1965, an interest in the shares of the Company, its subsidiaries or related corporations except as stated below:-

Ordinary shares of RM1 each				
	At 1.1.2002	Bonus issue/ Bought	Sold	At 31.12.2002
Shares in the Company				
Tan See Yin	10,000	10,000	—	20,000
Azhar bin Hussain	10,000	10,000	—	20,000
Dato' Raja Nong Chik bin Raja Zainal Abidin	10,000	10,000	—	20,000
Deemed interest				
Dato' Raja Nong Chik bin Raja Zainal Abidin	8,249,094	8,168,094	133,000	16,284,188
Dato' Mohamed Azman bin Yahya	5,000	5,000	—	10,000

By virtue of their direct and indirect interests in the Company, Tan See Yin, Azhar bin Hussain, Dato' Raja Nong Chik bin Raja Zainal Abidin and Dato' Mohamed Azman bin Yahya are also deemed to have interests in the shares of all the subsidiary companies to the extent that the Company has an interest under Section 6A of the Companies Act, 1965.

Dato' Raja Nong Chik bin Raja Zainal Abidin's deemed interest in the Company is by virtue of his substantial shareholding in Kumpulan RZA Sdn Bhd which has a substantial interest in Raza Sendirian Berhad, which in turn is a substantial shareholder of the Company.

Dato' Mohamed Azman bin Yahya's deemed interest in the Company is by virtue of his spouse's shareholding in the Company.

No other directors at end of the financial year held any interest in shares of the Company, its subsidiaries or related corporations during the financial year.

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as disclosed in Note 23 to 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 required to be disclosed under Section 169 (8) of the Companies Act, 1965.

Directors' Report (cont'd)

AUDIT COMMITTEE

The members of the Audit Committee are:

Ismael Fariz bin Ali (*Chairman*)

Datuk Sulaiman bin Daud (*Senior Independent Non-Executive Director*)

Dato' Prof. Ir. Dr. Mohammad Noor bin Salleh (*Independent Non-Executive Director*)

Dato' Raja Nong Chik bin Raja Zainal Abidin (*Non-Independent Non-Executive Director*)

The functions of the Audit Committee include, among others, reviewing the accounting policies, internal controls and annual financial statements of the Company on behalf of the Board of Directors.

In performing its functions, the Committee reviewed the overall scope of external audit. It met with the Company's auditors to discuss the results of their examinations and their evaluation of the system of internal accounting controls of the Company. The Committee also reviewed the assistance given by the Company's officers to the auditors.

The Committee reviewed the financial statements of the Company and the consolidated financial statements of the Group as well as the auditors' report thereon and recommended to the Board of Directors, the reappointment of Messrs Shamsir Jasani Grant Thornton as statutory auditors.

AUDITORS

The auditors, Messrs Shamsir Jasani Grant Thornton have expressed their willingness to continue in office.

On behalf of the Board



DATO' MOHAMED AZMAN BIN YAHYA

Director



TAN SEE YIN

Director

Kuala Lumpur
25 February 2003

Balance Sheets

as at 31 December 2002

	Note	Group		Company	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
SHARE CAPITAL	5	100,000	50,000	100,000	50,000
RESERVES	6	100,821	118,480	875	37,860
Total shareholders' fund		200,821	168,480	100,875	87,860
LOAN AND BORROWINGS	7	8,554	11,390	—	—
DEFERRED TAXATION	8	2,200	2,200	—	—
MINORITY INTEREST		39,412	32,590	—	—
		250,987	214,660	100,875	87,860
Represented by:-					
PROPERTY, PLANT AND EQUIPMENT	9	163,558	135,906	—	—
INVESTMENT IN SUBSIDIARY COMPANIES	10	—	—	77,518	77,518
INVESTMENT IN ASSOCIATED COMPANIES	11	146	146	19	19
OTHER INVESTMENT	12	—	—	—	—
PROJECT DEVELOPMENT EXPENDITURE	13	4,531	8,186	—	—
GOODWILL	14	16,107	—	—	—
CURRENT ASSETS					
Inventories	15	94,644	64,902	—	—
Trade receivables	16	173,141	153,971	—	—
Other receivables	17	8,625	4,183	3,193	46
Amount due from subsidiary companies	18	—	—	47,808	15,632
Amount due from associated companies	19	145	16,402	—	—
Tax recoverable		811	72	—	—
Fixed deposits	20	657	2,157	—	—
Cash and bank balances		5,504	5,293	285	100
Total current assets		283,527	246,980	51,286	15,778
CURRENT LIABILITIES					
Trade payables	21	138,011	101,776	—	—
Other payables		22,169	25,296	544	142
Amount due to subsidiary companies	18	—	—	27,404	5,313
Taxation payable		396	9,904	—	—
Loan and borrowings	7	56,306	39,582	—	—
Total current liabilities		216,882	176,558	27,948	5,455
NET CURRENT ASSETS		66,645	70,422	23,338	10,323
		250,987	214,660	100,875	87,860

The accompanying notes form an integral part of the financial statements.

Income Statements for the financial year ended 31 December 2002

	Note	Group		Company	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Revenue	22	585,237	543,496	19,000	—
Cost of sales		(459,904)	(433,011)	—	—
Gross profit		125,333	110,485	—	—
Other operating income		281	373	—	9
Selling and distribution cost		(12,156)	(13,028)	—	—
Administration expenses		(40,756)	(28,905)	(840)	(477)
Other operating expenses		(9,415)	(15,043)	—	—
Profit/(Loss) from operations		63,287	53,882	18,160	(468)
Finance cost		(3,501)	(2,278)	—	—
Profit/(Loss) before taxation	23	59,786	51,604	18,160	(468)
Taxation	24	(17,007)	(14,243)	(145)	—
Profit/(Loss) after taxation		42,779	37,361	18,015	(468)
Pre-acquisition loss		1,384	—	—	—
Minority interest		(6,822)	(6,557)	—	—
Net profit/(loss) for the year		37,341	30,804	18,015	(468)
Earnings per share (sen)	25	37.3	30.8		
Dividend per share (sen) – tax exempt – interim	26	2.5	—		
– final		6.0	7.5		

The accompanying notes form an integral part of the financial statements.

Statements of Changes in Equity for the financial year ended 31 December 2002

Group	Share capital RM'000	Share premium RM'000	Consolidation reserve RM'000	Merger reserve RM'000	Unappropriated profit RM'000	Total RM'000
Balance at 1 January 2001	50,000	20,453	25,190	17,782	26,751	140,176
First and final 5% tax exempt dividend	—	—	—	—	(2,500)	(2,500)
Net profit for the year	—	—	—	—	30,804	30,804
Balance at 31 December 2001	50,000	20,453	25,190	17,782	55,055	168,480
Net profit for the year	—	—	—	—	37,341	37,341
Bonus issue	50,000	(20,453)	—	(17,782)	(11,765)	—
First and final 7.5% tax exempt dividend	—	—	—	—	(3,750)	(3,750)
Interim 2.5% tax exempt dividend	—	—	—	—	(1,250)	(1,250)
Balance at 31 December 2002	100,000	—	25,190	—	75,631	200,821

Company	Share capital RM'000	Share premium RM'000	Merger reserve RM'000	Unappropriated profit/ (Accumulated loss) RM'000	Total RM'000
Balance at 1 January 2001	50,000	20,453	17,782	2,593	90,828
First and final 5% tax exempt dividend	—	—	—	(2,500)	(2,500)
Net loss for the year	—	—	—	(468)	(468)
Balance at 31 December 2001	50,000	20,453	17,782	(375)	87,860
Net profit for the year	—	—	—	18,015	18,015
Bonus issue	50,000	(20,453)	(17,782)	(11,765)	—
First and final 7.5% tax exempt dividend	—	—	—	(3,750)	(3,750)
Interim 2.5% tax exempt dividend	—	—	—	(1,250)	(1,250)
Balance at 31 December 2002	100,000	—	—	875	100,875

The accompanying notes form an integral part of the financial statements.

Cash Flow Statements

for the financial year ended 31 December 2002

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before taxation	59,786	51,604	18,160	(468)
Adjustments for:-				
Amortisation of goodwill	1,151	—	—	—
Amortisation on project development expenditure	636	633	—	—
Depreciation	10,820	9,674	—	—
Dividend income	—	—	(19,000)	—
Interest expenses	3,102	1,766	—	—
Gain on disposal of property, plant and equipment	—	(6)	—	—
Interest income	(117)	(74)	—	(9)
Property, plant and equipment written off	3	—	—	—
Project development expenditure written off	3,019	—	—	—
Pre-acquisition loss	1,384	—	—	—
Provision for doubtful debts	1,918	1,738	—	—
Provision for slow moving and obsolete inventories				
– specific	—	1,037	—	—
– general	831	2,439	—	—
Provision for diminution in value	—	4,112	—	—
Operating profit/(loss) before working capital changes	82,533	72,923	(840)	(477)
Changes in working capital:				
Inventories	(30,573)	5,630	—	—
Receivables	(25,330)	(42,420)	(3,147)	2,454
Payables	7,277	29,690	402	84
Subsidiary companies	—	—	(10,085)	2,237
Associated companies	22,257	(2,810)	—	—
Bankers' acceptance	14,117	(8,928)	—	—
Cash generated from/(used in) operations	70,281	54,085	(13,670)	4,298
Dividends received	—	—	19,000	—
Dividends paid	(5,000)	(2,500)	(5,000)	(2,500)
Interest paid	(3,102)	(1,766)	—	—
Interest received	117	74	—	9
Tax paid	(27,254)	(9,771)	(145)	—
Net cash from operating activities	35,042	40,122	185	1,807

Cash Flow Statements for the financial year ended 31 December 2002 (cont'd)

Group						Company	
	Note	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000		
CASH FLOWS FROM INVESTING ACTIVITIES							
Acquisition of subsidiary company	A	—	—	—	(1,791)		
Cash flows from acquisition of additional equity interest in subsidiary company (Note 35)		177	—	—	—		
Proceeds from disposal of property, plant and equipment		12	34	—	—		
Purchase of property, plant and equipment		(24,163)	(55,202)	—	—		
Net cash used in investing activities		(23,974)	(55,168)	—	(1,791)		
CASH FLOWS FROM FINANCING ACTIVITIES							
Drawdown of term loan		1,053	11,390	—	—		
Repayments of term loan		(11,449)	(1,977)	—	—		
Repayments of revolving credit		(2,000)	—	—	—		
Net cash (used in)/from financing activities		(12,396)	9,413	—	—		
Net (decrease)/increase in cash and cash equivalents		(1,328)	(5,633)	185	16		
Cash and cash equivalents brought forward		3,040	8,673	100	84		
Cash and cash equivalents carried forward	B	1,712	3,040	285	100		

Cash Flow Statements for the financial year ended 31 December 2002 (cont'd)

NOTES TO CASH FLOW STATEMENTS

A. ACQUISITION OF SUBSIDIARY COMPANY

The fair value of assets acquired and liabilities assumed of the subsidiary company acquired during the financial year is as follows:-

	Company	
	2002 RM'000	2001 RM'000
Property, plant and equipment	—	31
Current assets	—	4,294
Current liabilities	—	(1,902)
Share of net assets acquired	—	2,423
Shortfall of purchase consideration over net assets acquired	—	(632)
Company's cash flow on acquisition	—	1,791

B. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:-

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Bank overdraft	(4,449)	(4,410)	—	—
Fixed deposits	657	2,157	—	—
Cash and bank balances	5,504	5,293	285	100
	1,712	3,040	285	100

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements – 31 December 2002

1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

2. FINANCIAL RISK MANAGEMENT POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its risks. The Group has written risk management framework which sets out their overall business strategies, their tolerance to risk and has established processes to monitor and control the risks. Such framework is approved by the Board of Directors and quarterly reviews are undertaken to ensure that the Group's policy guidelines are adhered to.

The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows:-

(a) Foreign currency risk

The Group is exposed to foreign currency transactions as a result of its subsidiaries' normal operating activities. The Group's policy is to minimise its foreign currency exposure by entering into contracts in Ringgit Malaysia denomination where possible. Foreign currency cash flows are hedged only when absolutely necessary.

(b) Interest rate risk

The Group's policy is to borrow principally on the floating rate basis but to retain a proportion of fixed rate debt. The objective for the mix between fixed and floating rate borrowings is to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall.

(c) Credit risk

The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Furthermore, sales to customers are suspended when earlier amounts are overdue by more than 120 days. The Group considers the risk of material loss in the event of non-performance by customers to be unlikely.

(d) Market risk

For key product purchases, the Group establishes negotiated price levels that the Group considers acceptable and enters physical supply agreements to achieve these levels and secure contracts with suppliers for a fixed period of time. The Group does not face significant exposure from the risk from changes in price levels.

(e) Liquidity and cash flow risks

The Group seeks to achieve a balance between certainty of funding even in difficult times for the markets or the Group and a flexible, cost-effective borrowing structure. This is to ensure that at the minimum, all projected net borrowing needs are covered by committed facilities. Also, the objective for debt maturity is to ensure that the amount of debt maturing in any one year is not beyond the Group's means to repay and refinance.

Notes to the Financial Statements – 31 December 2002 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting convention

The financial statements of the Group and of the Company are prepared under the historical cost convention, unless otherwise indicated in the other significant accounting policies.

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary companies as mentioned in Note 33 to the Financial Statements made up to the end of the financial year. The subsidiary companies are consolidated on acquisition method.

Under the acquisition method of accounting, the results of the subsidiary company acquired is included from the date of acquisition. At the date of acquisition, the fair value of the subsidiary company's net assets are determined and reflected in the Group's financial statements. The excess of the consideration paid for shares in the subsidiary company over the fair value of the underlying net assets of the subsidiary company acquired represents goodwill arising on consolidation.

All significant inter-company transactions and resulting unrealised profits are eliminated on consolidation and the consolidated financial statements reflect external transactions only.

(c) Subsidiary companies

A subsidiary company is a company in which the Group or the Company has a long term equity interest of more than 50 percent where there is management participation through Board representation.

Investment in subsidiary companies is stated at cost. Where an indication of impairment exists, the carrying amount of the subsidiary companies is assessed and written down immediately to their recoverable amount.

Dividend income from investment in subsidiary companies is accounted for in the Company's income statement as and when declared.

(d) Associated companies

An associated company is a company in which the Group or the Company holds a long term equity interest of between 20% to 50% and is in the position to exercise significant influence over its financial and operating policies through management participation.

The Group's share of profits less losses and taxation of the associated companies are included in the consolidated income statement in place of dividends received and the Group's share of post acquisition results is added to/less from the cost of investments in the consolidated balance sheet.

Investment in associated companies is stated at cost. Where an indication of impairment exists, the carrying amount of the associated companies is assessed and written down immediately to their recoverable amount.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Freehold land is not depreciated. Capital work-in-progress is not depreciated until it is completed and ready for commercial utilisation. Incidental cost for the purchase of land and building has been capitalised as part of the cost of assets up to the date when the property is ready for use.

Depreciation is provided on a straight line method so as to write off the cost over the estimated useful lives of the assets concerned.

Notes to the Financial Statements – 31 December 2002 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(e) Property, plant and equipment (cont'd)

The principal annual depreciation rates used are as follows:

Freehold building	2%
Leasehold land	over the lease period of 99 years
Leasehold buildings	5%
Furniture and fittings	10% – 20%
Computer	20%
Motor vehicles	20%
Office equipment	10% – 20%
Plant and machinery	10% – 20%
Renovation	10% – 20%
Medical equipment	20%

Property, plant and equipment are written down to recoverable amount if, in the opinion of the Directors, the amount is permanently less than their carrying value. Recoverable amount is the net selling price of the property, plant and equipment i.e., the amount obtainable from the sale of an asset at arm's length transaction between willing parties, less the cost of disposal.

(f) Goodwill

Capitalised goodwill is amortised using the straight line method over its estimated useful life of 15 years. Where an indication of impairment exists, the carrying amount of the goodwill is assessed and written down immediately to their recoverable amount.

(g) Project development expenditure

All expenses relating to the development of the pharmaceutical industry is capitalised and will be amortised over the number of years that the benefit is expected to be derived out of the project, unless the Directors consider that a continuing benefit will not accrue.

Where an indication of impairment exists, the carrying amount of the project development expenditure is assessed and written down immediately to their recoverable amount.

(h) Investments

Investments held on long term basis are stated at cost. Where an indication of impairment exists, the carrying amount of the investments is assessed and written down immediately to their recoverable amount.

(i) Inventories

Inventories and work-in-progress are valued at the lower of cost and net realisable value. Cost of finished goods are determined using the weighted average method whilst work-in-progress and raw materials are determined using first-in-first-out basis.

Cost includes the actual cost of materials and incidental cost incurred in bringing the inventories into store. As for in-house manufactured finished goods and work-in-progress, it also includes labour and appropriate production overhead.

In arriving at the net realisable value, due allowance and provisions have been made by Directors for all damaged, obsolete and slow moving items.

Notes to the Financial Statements – 31 December 2002 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(j) Receivables

Trade and other receivables are stated at cost less allowance for doubtful debts. Known bad debts are written off and specific allowance is made for any debts considered to be doubtful for collection. In addition, a general provision based on percentage of trade receivables is made to cover possible losses which are not specifically identified.

(k) Payables

Trade and other payables are stated at cost.

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, bank overdraft, short-term demand deposits and highly liquid investments which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(m) Share capital

Dividends on ordinary shares are recognised as liabilities when declared and approved.

(n) Impairment of assets

The carrying values of assets are reviewed for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of net realisable value and its value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash-generating unit.

An impairment loss is charged to the income statements immediately.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset 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.

(o) Deferred taxation

Deferred taxation is provided for all taxable temporary differences using the balance sheet liability method except where it can be demonstrated with reasonable probability that the tax deferrals will continue in the foreseeable future.

Deferred tax asset is recognised for all deductible temporary differences, the carry forward of the unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which all the temporary differences, the unused tax losses and unused tax credits can be utilised.

(p) Foreign currency translation

Transactions in foreign currencies are recorded in Malaysian Ringgit at rates of exchange ruling at the date of the transactions. Foreign currency monetary assets and liabilities are translated at foreign exchange rates prevailing at the balance sheet date.

Gains and losses from conversion of short term assets and liabilities, whether realised or unrealised, are recognised in the income statements.

Notes to the Financial Statements – 31 December 2002 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Foreign currency translation (cont'd)

The closing rates of exchange of the foreign currencies applicable in the preparation of the financial statements were as follows:

	2002 RM	2001 RM
US Dollar	3.8	3.8
Singapore Dollar	2.2	2.1
Euro Dollar	4.0	3.4
New Zealand Dollar	2.0	1.6

(q) Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, receivable and payable. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

(r) Revenue recognition

Revenue from sale of goods or services is recognised when the goods are delivered or services provided.

Dividend from investments is included in the income statement when the right to receive has been established.

Sales between Group's companies are excluded from revenue of the Group.

4. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The principal activity of the Company is investment holding. The principal activities of its subsidiary companies and associated companies are disclosed in Note 33 to the Financial Statements. There have been no significant changes in the activities of the Company, its subsidiary companies and associated companies 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 Kuala Lumpur Stock Exchange.

The registered office and principal place of business of the Company are located at No. 7, Lorong Keluli 1B, Kawasan Perindustrian Bukit Raja Selatan, Seksyen 7, 40000 Shah Alam, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 25 February 2003.

Notes to the Financial Statements – 31 December 2002 (cont'd)

5. SHARE CAPITAL

Group and Company		
	2002 RM'000	2001 RM'000
Authorised:-		
Ordinary shares of RM1 each		
At beginning of year	100,000	100,000
Created during the year	200,000	—
At end of year	300,000	100,000
Issued and fully paid:-		
Ordinary shares of RM1 each		
At beginning of year	50,000	50,000
Bonus issue	50,000	—
At end of year	100,000	50,000

6. RESERVES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Non-distributable:-				
Share premium	—	20,453	—	20,453
Consolidation reserve	25,190	25,190	—	—
Merger reserve	—	17,782	—	17,782
Distributable:-				
Unappropriated profit/(Accumulated loss)	75,631	55,055	875	(375)
Total reserves	100,821	118,480	875	37,860

Notes to the Financial Statements – 31 December 2002 (cont'd)

7. LOAN AND BORROWINGS

Group		
	2002 RM'000	2001 RM'000
Unsecured:-		
<u>Due within 12 months</u>		
Bank overdraft	4,449	4,410
Bankers' acceptance	48,746	34,629
Term loan	3,111	543
	56,306	39,582
<u>Due after 12 months</u>		
Term loan	8,554	11,390
	64,860	50,972

The periods in which the term loan are repayable are as follows:-

Group		
	2002 RM'000	2001 RM'000
Within 1 year	3,111	543
After 1 year but not later than 5 years	8,554	11,390
	11,665	11,933

The term loan of the subsidiary company is repayable in 16 quarterly installments of RM777,739 and an adjustment to the final repayment. First repayment commenced 15 months from the date of first drawdown. The term loan bears interest at rates ranging from 4.22% to 7.40% (2001: 4.46% to 7.80%) per annum. The other borrowings of the subsidiary company bear interest at rates ranging from 3.00% to 3.40% (2001: 3.00% to 6.80%) per annum.

Notes to the Financial Statements – 31 December 2002 (cont'd)

8. DEFERRED TAXATION

	Group	
	2002 RM'000	2001 RM'000
At beginning of year	2,200	3,044
Transfer to income statements	—	(844)
At end of year	2,200	2,200
The tax effect of the excess of property, plant and equipment's net book value over its tax written down value	2,200	2,200

The tax effects of timing differences in which would give rise to net future tax benefit are generally recognised only where there is a reasonable expectation of realisation. As at 31 December 2002, the estimated amount of deferred taxation benefit calculated at current tax rate which has not been recognised in the Group's financial statements are as follows:-

	Group	
	2002 RM'000	2001 RM'000
Tax effects of timing differences in respect of the excess of tax capital allowance over book depreciation	2,605	2,449
Tax effect of timing differences in respect of general provision for doubtful debts and obsolete and slow moving inventories	(2,671)	(2,702)
Unabsorbed business losses	(6,201)	—
Unutilised capital allowances	(1,754)	—
Deferred tax assets	(8,021)	(253)

The potential deferred tax assets of the Group are not provided for in the financial statements as it is anticipated that the tax effects of such deferrals will not reverse in the foreseeable future.

Notes to the Financial Statements – 31 December 2002 (cont'd)

9. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Furniture, fittings, renovation, and equipment	Motor vehicles	Plant and machinery	Capital work-in- progress	Total 2002	Total 2001
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group							
Cost							
At beginning of year	97,611	37,939	4,045	23,016	16,593	179,204	124,363
Addition through acquisition of subsidiary company	12,186	446	131	8,932	—	21,695	—
Additions	3,381	7,250	330	3,181	10,021	24,163	55,202
Disposals	—	(12)	(4)	(209)	—	(225)	(361)
Written off	—	(10)	—	(3)	—	(13)	—
Reclassification	19,755	876	—	1,017	(21,648)	—	—
At end of year	132,933	46,489	4,502	35,934	4,966	224,824	179,204
Accumulated depreciation							
At beginning of year	9,030	22,075	2,785	9,408	—	43,298	33,957
Addition through acquisition of subsidiary company	1,218	440	131	5,582	—	7,371	—
Charge for the year	2,939	4,482	420	2,979	—	10,820	9,674
Disposals	—	(12)	(3)	(198)	—	(213)	(333)
Written off	—	(7)	—	(3)	—	(10)	—
Reclassification	29	(29)	—	—	—	—	—
At end of year	13,216	26,949	3,333	17,768	—	61,266	43,298
Net book value							
31 December 2002	119,717	19,540	1,169	18,166	4,966	163,558	—
31 December 2001	88,581	15,864	1,260	13,608	16,593	—	135,906
Depreciation charge for the year ended 31 December 2001	2,193	4,803	494	2,184	—	—	9,674

Notes to the Financial Statements – 31 December 2002 (cont'd)

9. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Analysis of land and buildings

	Freehold land	Freehold buildings	Long leasehold land and buildings	Total 2002	Total 2001
	RM'000	RM'000	RM'000	RM'000	RM'000
Cost					
At beginning of year	38,187	21,756	37,668	97,611	68,680
Addition through acquisition of subsidiary company	—	12,186	—	12,186	—
Additions	688	—	2,693	3,381	28,931
Reclassification	—	—	19,755	19,755	—
At end of year	38,875	33,942	60,116	132,933	97,611
Accumulated depreciation					
At beginning of year	—	2,182	6,848	9,030	6,837
Addition through acquisition of subsidiary company	—	1,218	—	1,218	—
Charge for the year	—	414	2,525	2,939	2,193
Reclassification	—	—	29	29	—
At end of year	—	3,814	9,402	13,216	9,030
Net book value					
31 December 2002	38,875	30,128	50,714	119,717	—
31 December 2001	38,187	19,574	30,820	—	88,581

The land title for the freehold land of the Group costing RM24,050,083 (2001: RM23,361,731) has yet to be transferred to the name of a subsidiary company.

Included in the land and buildings of the Group are properties costing RM341,136 (2001: RM25,241,867) where the title deeds are pending issuance by the State Authority.

Notes to the Financial Statements – 31 December 2002 (cont'd)

10. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2002 RM'000	2001 RM'000
Unquoted shares, at cost	77,518	77,518

Details of the subsidiary companies are disclosed in Note 33 to the Financial Statements.

11. INVESTMENT IN ASSOCIATED COMPANIES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Unquoted shares, at cost	146	4,144	19	19
Share of post-acquisition losses	—	(3,998)	—	—
	146	146	19	19
Represented by:-				
Share of net assets of associated companies	146	146		

The Group has excluded the share of losses after taxation of an associated company from the financial statements following the discontinuation of the equity accounting for the results of the associated company as the carrying value of this investment has reached nil.

The other associated company is inactive, as such, no equity accounting being applied for the immaterial results of the associated company.

Details of the associated companies are disclosed in Note 33 to the Financial Statements.

Notes to the Financial Statements – 31 December 2002 (cont'd)

12. OTHER INVESTMENT

Group		
	2002 RM'000	2001 RM'000
Unquoted shares, at cost	4,112	4,112
Less: Provision for diminution in value	(4,112)	(4,112)
	—	—

13. PROJECT DEVELOPMENT EXPENDITURE

Group		
	2002 RM'000	2001 RM'000
At cost	12,390	12,390
Less: Accumulated amortisation	(4,840)	(4,204)
Written off	(3,019)	—
	4,531	8,186

The project development expenditure is to be amortised over the concession period of 15 years in reference to the related economic benefits of the respective project.

14. GOODWILL

Group		
	2002 RM'000	2001 RM'000
Arising from acquisition of subsidiary company	17,258	—
Less: Amount amortised	(1,151)	—
At end of year	16,107	—

Notes to the Financial Statements – 31 December 2002 (cont'd)

15. INVENTORIES

	Group	
	2002 RM'000	2001 RM'000
At cost:-		
Raw materials	9,830	5,946
Packaging materials	2,098	1,784
Work-in-progress	1,727	1,396
Finished goods	86,989	61,900
	100,644	71,026
Less: Provision for obsolete and slow moving inventories	(6,000)	(6,124)
	94,644	64,902

16. TRADE RECEIVABLES

	Group	
	2002 RM'000	2001 RM'000
Trade receivables	180,480	158,454
Less: Provision for doubtful debts	(7,339)	(4,483)
	173,141	153,971

The credit terms of trade receivables range from 90 days to 120 days.

The Group's historical experience in collection of trade accounts receivables falls within the recorded allowances. Therefore, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

17. OTHER RECEIVABLES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Other receivables	9,215	4,773	3,193	46
Less: Provision for doubtful debts	(590)	(590)	—	—
	8,625	4,183	3,193	46

Notes to the Financial Statements – 31 December 2002 (cont'd)

18. AMOUNT DUE FROM/TO SUBSIDIARY COMPANIES

Amount due from/to subsidiary companies are unsecured, interest free and no scheme of repayment has been arranged.

19. AMOUNT DUE FROM ASSOCIATED COMPANIES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Amount due from associated companies	145	22,402	—	—
Less: Provision for doubtful debts	—	(6,000)	—	—
	145	16,402	—	—

The amount due from associated companies in previous year arose mainly from inter-company charges and payment made on behalf, bears no interest and no scheme of repayment has been arranged. The associated company was acquired as a subsidiary during the year.

20. FIXED DEPOSITS

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Fixed deposits with licensed banks	657	2,157	—	—

The fixed deposits of a subsidiary company in the previous financial year amounted to RM525,000 were pledged to a licensed bank for credit facility granted to its associated company. The interest rates of fixed deposits during the financial year range from 3.10% to 3.30% (2001: 2.80% to 3.20%).

21. TRADE PAYABLES

The credit terms of trade payables granted to the Group range from 60 to 90 days.

22. REVENUE

Revenue for the Company represents gross dividends received or receivable from investments.

Revenue for the Group represents the invoiced value of goods and services supplied less returns and discounts.

Notes to the Financial Statements – 31 December 2002 (cont'd)

23. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation has been determined after charging/(crediting) amongst other items the following:-

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Audit fee				
– statutory	99	91	10	10
– others	119	30	27	2
Amortisation of project development expenditure	636	633	—	—
Amortisation of goodwill	1,151	—	—	—
Depreciation	10,820	9,674	—	—
Directors' fees				
– current year	330	247	258	175
– underprovision in previous year	4	—	4	—
Directors' other emoluments	1,383	807	95	15
Property, plant and equipment written off	3	—	—	—
Project development expenditure written off	3,019	—	—	—
Interest expenses				
– term loan	1,032	213	—	—
– other bank borrowings	2,070	1,553	—	—
Provision for doubtful debts				
– specific	184	1,738	—	—
– general	1,734	—	—	—
Provision for slow moving and obsolete inventories				
– specific	—	1,037	—	—
– general	831	2,439	—	—
Provision for diminution in value	—	4,112	—	—
Rental of premises	588	712	—	—
Rental of equipment	519	329	—	—
Gain on disposal of property, plant and equipment	—	(6)	—	—
Gain on foreign currency exchange	—	(46)	—	—
Interest income				
– fixed deposits	(117)	(74)	—	(9)
Rental income	(28)	(28)	—	—
Dividend income from unquoted subsidiary company	—	—	(19,000)	—

The estimated monetary value of benefits provided to Directors of the Group during the financial year amounted to RM114,408 (2001: RM111,300).

Notes to the Financial Statements – 31 December 2002 (cont'd)

24. TAXATION

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Provision for current year	16,179	15,959	—	—
Under/(Over) provision in previous year	828	(872)	145	—
Transfer from deferred taxation (Note 8)	—	(844)	—	—
	17,007	14,243	145	—

The provision for current year's taxation for the Group is made by applying the statutory tax rate on the respective companies' chargeable income.

The subsidiary companies have sufficient tax exempt income and tax credit under Section 108 of the Income Tax Act, 1967 to frank the payment of dividends to the Company to the extent of approximately RM139,034,000 (2001: RM114,220,000).

The Company has sufficient tax exempt income to distribute dividends out of its entire unappropriated profit at 31 December 2002.

The Group's unutilised business losses and unabsorbed capital allowances which can be carried forward to offset against future taxable profit amounted to approximately RM22,151,000 (2001: RM1,161,000) and RM6,266,000 (2001: Nil) respectively.

However, the above amounts are subject to the approval by Inland Revenue Board of Malaysia.

25. EARNINGS PER SHARE

The earnings per share has been calculated based on net profit for the financial year of the Group of RM37.34 million (2001: RM30.80 million) and the number of shares in issue during the financial year of 100 million (2001: 100 million) after making the adjustment for the bonus issue.

Earnings per share for the previous financial year has been recomputed to take into account the bonus issue undertaken by the Company during the financial year.

Notes to the Financial Statements – 31 December 2002 (cont'd)

26. DIVIDEND

During the year, an interim tax exempt dividend of 2.5 sen per share (2001: Nil) amounting to RM1,250,000 (2001: Nil) was declared and paid.

At this forthcoming Annual General Meeting, a final tax exempt dividend in respect of the year ended 31 December 2002 of 6.0 sen per share (2001: 7.5 sen tax exempt) amounting to RM6,000,000 (2001: RM3,750,000) will be proposed for shareholders' approval. The Financial Statements for the current financial year do not reflect the proposed final dividend. This will be accounted for in the shareholders' equity as an appropriation of retained earnings in the year ending 31 December 2003.

27. EMPLOYEES INFORMATION

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Staff costs	28,142	26,101	—	—

The number of employees of the Group and of the Company at the end of the financial year were 792 and Nil (2001: 759 and Nil) persons respectively.

28. CAPITAL COMMITMENTS

Capital expenditure in respect of the following has not been provided for in the financial statements:-

	Group	
	2002 RM'000	2001 RM'000
Authorised and contracted for	19,864	20,916
Authorised but not contracted for	18,427	12,560

29. CONTINGENT LIABILITY

Contingent liability in respect of the following has not been provided for in the financial statements:-

	Group	
	2002 RM'000	2001 RM'000
Unsecured corporate guarantee to the extent of utilised credit facility given by a subsidiary to a licensed bank for credit facilities granted to its associated company	—	12,127

Notes to the Financial Statements – 31 December 2002 (cont'd)

30. SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant related party transactions during the financial year were as follows:-

Name of company	Relationship	Transaction nature	Group	
			2002 RM'000	2001 RM'000
United Engineers (Malaysia) Berhad	Substantial shareholder	Revenue from supply of medical equipment	40,929	48,139
Propel Johnson Controls (M) Sdn. Bhd.	Subsidiary company of substantial shareholder	Maintenance and upkeep of building services expenses	—	159
Propel Berhad	Subsidiary company of substantial shareholder	Maintenance and upkeep of building services expenses	260	—
Gapima Sdn. Bhd.	Associated company of substantial shareholder	Transportation and freight forwarding expenses	1,441	1,345
Renong Berhad/UEM Group Management Services Sdn. Bhd. (formerly known as HBN Management Sdn. Bhd.)	Associated company of substantial shareholder	Training and administration expenses	112	127
Pahang Pharmacy Sdn. Bhd	Associated company of substantial shareholder	Supply contract for pharmaceutical products	4,461	—
Faber Medi-Serve Sdn. Bhd.	Associated company of substantial shareholder	Sale of disinfectant range of products	1,125	—
Raza Sdn. Bhd.	Substantial shareholder	Supply of kitchen equipment to East Malaysia hospitals	1,002	—

The Directors of the Company are of the opinion that the above transactions have been entered at:

- (i) arm's length and on normal commercial terms;
- (ii) terms not more favourable to the related parties than those generally available to the public; and
- (iii) not to the detriment of the minority shareholders.

Notes to the Financial Statements – 31 December 2002 (cont'd)

31. SIGNIFICANT EVENTS

(i) During the financial year,

- (a) On 24 June 2002, the Company through its 70% owned subsidiary company, Pharmaniaga Logistics Sdn. Bhd., acquired the remaining 50% stakeholding of 4,000,000 shares in Pharmaniaga Biomedical Sdn. Bhd. (*formerly known as Specialty Medical Laboratories Sdn. Bhd.*) from Specialty Laboratories Asia Pte Ltd for a total consideration of RM1 only. The acquisition was made through a Court Order for compulsory transfer of shares.
- (b) On 25 June 2002, the Company entered into a Patent License Agreement with Malaysia Institute for Nuclear Technology Research to manufacture, market and distribute the Sterile Hydrogel Dressing in Malaysia and any other countries. The exclusive right offered in the Agreement is for a period of ten years with an option to the Company to renew upon its expiry.
- (c) On 26 June 2002, the Company entered into a Joint Venture Agreement (JVA) with Amcare Labs International Inc. (ALI) to provide reference laboratory testing services for the domestic and regional markets. The joint venture will be undertaken through a joint venture company, where Pharmaniaga will have a 30% shareholding and 70% by ALI. The implementation on the operation of the joint venture is in progress.
- (d) On 5 July 2002, the Company increased its authorised share capital from 100,000,000 ordinary shares of RM1 each to 300,000,000 ordinary shares of RM1 each.
- (e) On 4 September 2002, the Company entered into a Subscription Agreement with Safire Pharmaceuticals (M) Sdn. Bhd. (Safire) through the Special Administrators appointed by Pengurusan Danaharta Nasional Berhad. This is following the acceptance of the Company's tender to purchase the business of Safire for a consideration of RM20 million on 17 April 2002. The subscription is pending approval from the Foreign Investment Committee and finalisation of increase in the authorised share capital of Safire.
- (f) On 24 October 2002, the Company entered into a Joint Venture Agreement with Baktisuria Sdn. Bhd. (BSB) to jointly pursue the commercial exploitation of Malaysian Healthcare Deliveries and Financing System (MEDIFIS) through the establishment of a joint venture company, Insurgress Sdn. Bhd. (ISB). ISB will be jointly owned by the Company and BSB with a 51% and 49% shareholding respectively. The joint venture is pending approval from Foreign Investment Committee.
- (g) On 5 November 2002, the Company entered into a Memorandum of Understanding (MOU) with Malaysian Agricultural Research and Development Institute in utilising its technology in research and development for local herbal products, antibodies production, diagnostics kits and biosensors for manufacture into healthcare products for commercialisation. The MOU will have a term of 3 years from the date of MOU.
- (h) On 27 December 2002, the Company had allotted 49,999,999 ordinary shares of RM1.00 each by way a 1 for 1 bonus issue through the capitalisation of share premium, merger reserves and retained profits respectively. The bonus issue has been granted listing and quotation with effect on 13 January 2003.

(ii) Subsequent to the balance sheet date,

- (a) On 28 January 2003, the Company acquired 2 ordinary shares of RM1.00 each fully paid, for cash consideration of RM2.00 each, representing 100% equity interest each in Pharmaniaga Diagnostics Sdn. Bhd. (*formerly known as Remedi Diagnostics Sdn. Bhd.*) respectively and Pharmaniaga Research Centre Sdn. Bhd. (*formerly known as Remedi Research Centre Sdn. Bhd.*) from its subsidiary company, Pharmaniaga Biomedical Sdn. Bhd. (*formerly known as Specialty Medical Laboratories Sdn. Bhd.*) and Pharmaniaga Logistics Sdn. Bhd. (*formerly known as Remedi Pharmaceuticals (M) Sdn. Bhd.*) respectively.

Notes to the Financial Statements – 31 December 2002 (cont'd)

32. SEGMENTAL REPORTING – GROUP

	Pharmaceutical manufacturing	Pharmaceutical trading, marketing, distribution and e-services	Medical products and services	Other operations	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2002						
REVENUE						
External sales	3,905	540,403	40,929	—	—	585,237
Intersegment sales	72,185	22,835	—	—	(95,020)	—
	76,090	563,238	40,929	—	(95,020)	585,237
RESULTS						
Segment results	26,224	33,671	9,985	18,162	(23,887)	64,155
Unallocated corporate expense						(1,032)
Profit from operations						63,123
Interest expense	—	(2,070)	—	—		(2,070)
Interest income	34	83	—	—		117
Profit from ordinary activities before tax						61,170
Taxation						(17,007)
Profit from ordinary activities after tax						44,163
Minority interest						(6,822)
Net profit for the year						37,341
OTHER INFORMATION						
Segment assets	98,542	333,115	15,670	3,478		450,805
Investment in associates	—	127	—	19		146
Unallocated corporate assets						16,918
Total consolidated assets						467,869
Segment liabilities	21,121	180,873	10,837	544		213,375
Unallocated corporate liabilities						14,261
Total consolidated liabilities						227,636
Capital expenditure on property, plant and equipment and intangible assets (including purchases through acquisition of subsidiary company)	11,646	50,926	306	—		62,878
Depreciation	4,853	5,819	148	—		10,820
Non cash expenses other than depreciation	175	7,383	—	—		7,558

Notes to the Financial Statements – 31 December 2002 (cont'd)

32. SEGMENTAL REPORTING – GROUP (cont'd)

	Pharmaceutical manufacturing	Pharmaceutical trading, marketing, distribution and e-services	Medical products and services	Other operations	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2001						
REVENUE						
External sales	2,673	492,683	48,140	—	—	543,496
Intersegment sales	68,087	14,559	—	—	(82,646)	—
	70,760	507,242	48,140	—	(82,646)	543,496
RESULTS						
Segment results	19,514	25,651	9,961	(477)	(1,352)	53,297
Unallocated corporate expense						(214)
Profit from operations						53,083
Interest expense	—	(1,553)	—	—		(1,553)
Interest income	53	12	—	9		74
Profit from ordinary activities before tax						51,604
Taxation						(14,243)
Profit from ordinary activities after tax						37,361
Minority interest						(6,557)
Net profit for the year						30,804
OTHER INFORMATION						
Segment assets	88,463	276,144	26,247	146		391,000
Investment in associates	—	127	—	19		146
Unallocated corporate assets						72
Total consolidated assets						391,218
Segment liabilities	13,464	131,913	20,592	142		166,111
Unallocated corporate liabilities						24,037
Total consolidated liabilities						190,148
Capital expenditure on property, plant and equipment and intangible assets (including purchases through acquisition of subsidiary company)	34,764	20,077	—	—		54,841
Depreciation	5,041	4,511	122	—		9,674
Non cash expenses other than depreciation	973	8,980	—	—		9,953

Notes to the Financial Statements – 31 December 2002 (cont'd)

32. SEGMENTAL REPORTING – GROUP (cont'd)

Segment information is presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to the segments as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest bearing assets, interest bearing loans, goodwill, tax payable, tax recoverable, deferred taxation, long term loan and corporate expenses.

Segment revenues, expenses and results also include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the economic entity at arm's length transactions. These transfers are eliminated on consolidation.

The main business segments and respective business activity of each segment of the Group are:-

Business segment	Business activity
Pharmaceutical manufacturing	Manufacturing of pharmaceutical products.
Pharmaceutical trading, marketing, distribution and e-services	Purchasing, storage, distribution and marketing of pharmaceutical and medical products. Provision of a web portal services for online trading of health care products and services and online dissemination of health care related information.
Medical products and services	Supply and installation of medical and hospital equipment.
Other operations	Investment holding.

33. LIST OF SUBSIDIARY COMPANIES AND ASSOCIATED COMPANIES

Name of company	Effective equity interest		Principal activities	Country of incorporation
	2002	2001		
	%	%		
SUBSIDIARY COMPANIES:-				
Pharmaniaga Manufacturing Berhad* (formerly known as Raza Manufacturing Berhad)	100	100	Manufacture of pharmaceuticals products	Malaysia
Strand Pharmaceuticals (Malaysia) Sdn. Bhd.	100	100	Temporarily ceased operations	Malaysia
Pharmaniaga Logistics Sdn. Bhd. (formerly known as Remedi Pharmaceuticals (M) Sdn. Bhd.)	70	70	Purchasing, storage and distribution of pharmaceuticals and medical products to all government hospitals and private institutions	Malaysia

Notes to the Financial Statements – 31 December 2002 (cont'd)

33. LIST OF SUBSIDIARY COMPANIES AND ASSOCIATED COMPANIES (cont'd)

Name of company	Effective equity interest		Principal activities	Country of incorporation
	2002 %	2001 %		
Pharmaniaga Solutions Sdn. Bhd. (formerly known as ehealth4all.com Sdn. Bhd.)	100	100	Provision of a web portal services for online trading of health care products and services and online dissemination of health care related information	Malaysia
Pharmaniaga Marketing Sdn. Bhd. (formerly known as Pharmaniaga Sales & Marketing Sdn. Bhd.)	100	100	Trading and marketing of pharmaceuticals and medical products	Malaysia
Subsidiary company of Pharmaniaga Manufacturing Berhad:-				
Pharmaniaga Trading (M) Sdn. Bhd.* (formerly known as Raza Pharmaceuticals Sdn. Bhd.)	100	100	Trading of pharmaceuticals products	Malaysia
Subsidiary companies of Pharmaniaga Logistics Sdn. Bhd.:-				
Pharmaniaga Medisystem Sdn. Bhd. (formerly known as Pharmacy Automated Systems Incorporated Sdn. Bhd.)	45.5	45.5	Temporarily ceased operation	Malaysia
Pharmaniaga Research Centre Sdn. Bhd. (formerly known as Remedi Research Centre Sdn. Bhd.)	70	70	Dormant	Malaysia
Pharmaniaga Biomedical Sdn. Bhd.* (formerly known as Specialty Medical Laboratories Sdn. Bhd.)	70	—	Purchasing, storage and distribution of medical products to all government hospitals and private institutions	Malaysia
Pharmaniaga Diagnostics Sdn. Bhd.##* (formerly known as Remedi Diagnostics Sdn. Bhd.)	70	—	Dormant	Malaysia

Notes to the Financial Statements – 31 December 2002 (cont'd)

33. LIST OF SUBSIDIARY COMPANIES AND ASSOCIATED COMPANIES (cont'd)

Name of company	Effective equity interest		Principal activities	Country of incorporation
	2002	2001		
	%	%		
ASSOCIATED COMPANY:-				
Pharmacare Asia Holdings (Cayman) Limited*	49	49	Investment holding	Cayman Island
Associated companies of Pharmaniaga Logistics Sdn. Bhd.:-				
Rumpun Lagenda Sdn. Bhd.	35	35	Inactive	Malaysia
Pharmaniaga Biomedical Sdn. Bhd.* (formerly known as Specialty Medical Laboratories Sdn. Bhd.)	—	45.5	Purchasing, storage and distribution of medical products to all government hospitals and private institutions	Malaysia
Pharmaniaga Diagnostics Sdn. Bhd.* (formerly known as Remedi Diagnostics Sdn. Bhd.)	—	45.5	Dormant	Malaysia

Invested through Pharmaniaga Biomedical Sdn. Bhd. (formerly known as Specialty Medical Laboratories Sdn. Bhd.)

* Companies not audited by Shamsir Jasani Grant Thornton.

34. FAIR VALUES

The carrying amounts of financial assets and liabilities of the Group and of the Company at the balance sheet date approximated to their fair values.

Notes to the Financial Statements – 31 December 2002 (cont'd)

35. SUMMARY EFFECT OF ACQUISITION OF SUBSIDIARY COMPANY

- (a) The effect of the acquisition of Pharmaniaga Biomedical Sdn. Bhd. on the financial results of the Group during the year was as follows:-

	Group
	2002 RM'000
Revenue	9,500
Cost of sales	(6,935)
Gross profit	2,565
Other operating income	41
Selling and distribution costs	(4)
Administration expenses	(3,356)
Other operating expenses	(1,805)
Loss from operations	(2,559)
Finance cost	(888)
Loss before taxation	(3,447)
Taxation	—
Net loss for the year	(3,447)
Less: Group's share of loss had the Group not acquired the additional equity interest	—
Less: Minority interest's share of loss	1,034
Increase in Group's net loss	(2,413)

- (b) The effect of the acquisition of Pharmaniaga Biomedical Sdn. Bhd. on the financial position of the Group as at year end was as follows:-

	Group
	2002 RM'000
Inventories	206
Provision for obsolete and slow moving inventories	(206)
Property, plant and equipment	2,764
Amount due to holding company	(20,211)
Amount due from a related company	4
Trade receivables	1,873
Provision for doubtful debts	(902)
Cash and bank balances	32
Trade payables	(7,352)
Other payables	(1,528)
Net liabilities as at year end	(25,320)
Less: Amount accounted for as an associated Company	(3,998)
Less: Group's share of net liabilities had the Group not acquired the additional equity interest	—
Less: Minority interest's share of net liabilities	7,596
Less: Inter-company balances elimination	(20,207)
Increase in Group's net assets	6,481

Notes to the Financial Statements – 31 December 2002 (cont'd)

35. SUMMARY EFFECT OF ACQUISITION OF SUBSIDIARY COMPANY (cont'd)

- (c) The details of net liabilities acquired, goodwill and cash flow as at the date of acquisition arising from the acquisition of Pharmaniaga Biomedical Sdn. Bhd. were as follows:-

	Group
	2002 RM'000
Inventories	206
Provision for obsolete and slow moving inventories	(206)
Property, plant and equipment	14,324
Amount due to holding company	(22,760)
Amount due to a related company	(397)
Trade receivables	1,138
Provision for doubtful debts	(938)
Cash and bank balances	177
Trade payables	(2,061)
Other payables	(613)
Bank borrowings	(12,128)
Net liabilities acquired	(23,258)
Less: Provision for doubtful debts previously made	(6,000)
Add: Goodwill on consolidation	17,258
Purchase consideration	—
Less: Cash and bank balances acquired	(177)
Net cash from acquisition of additional equity in subsidiary company	(177)

Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 134 to 165 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2002 and of the results of the operations and cash flows of the Group and of the Company for the financial year ended on that date.

On behalf of the Board



DATO' MOHAMED AZMAN BIN YAHYA



TAN SEE YIN

Kuala Lumpur
25 February 2003

Statutory Declaration

I, Tan See Yin, being the Director responsible for the financial management of Pharmaniaga Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 134 to 165 are 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 at Kuala Lumpur in the)
Federal Territory this day of 25 February 2003)



TAN SEE YIN

Before me:



Commissioner for Oaths
Kuala Lumpur, Malaysia

Report of the Auditors to the Members of Pharmaniaga Berhad

We have audited the financial statements set out on pages 134 to 165. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of the accounting principles used and significant estimates made by the Directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- a) the financial statements which have been prepared under the historical cost convention are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company; and
 - (ii) the state of affairs of the Group and of the Company as at 31 December 2002, results of the operations and cash flows of the Group and of the Company for the year ended on that date;

and

- b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and by the subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

We have considered the financial statements and the auditor's reports thereon of the subsidiary companies of which we have not acted as auditors, as indicated in Note 33 to the Financial Statements.

We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements 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 those purposes.

The audited reports on the financial statements of the subsidiary companies were not subject to any qualification and did not include any comment made under Subsection (3) of Section 174 of the Act.



SHAMSIR JASANI GRANT THORNTON (NO: AF-737)
Chartered Accountants



DATO' N. K. JASANI (NO: 708/03/04(J/PH))
Chartered Accountant
Partner

Kuala Lumpur
25 February 2003

Penyata Kewangan

Laporan Tahunan 2002 Pharmaniaga Berhad

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Laporan Pengarah

Para Pengarah dengan sukacitanya mengemukakan laporan mereka bersama dengan penyata kewangan teraudit Kumpulan dan Syarikat bagi tahun kewangan berakhir 31 Disember 2002.

KEGIATAN UTAMA

Kegiatan utama Syarikat adalah pemegangan pelaburan. Kegiatan-kegiatan utama anak-anak syarikat dan syarikat-syarikat bersekutunya dinyatakan di dalam Nota 33 kepada Penyata Kewangan.

Tidak terdapat sebarang perubahan penting di dalam sifat kegiatan-kegiatan Syarikat, anak-anak syarikat dan syarikat-syarikat bersekutunya dalam tahun kewangan.

KEPUTUSAN KEWANGAN

	Kumpulan	Syarikat
	RM'000	RM'000
Keuntungan selepas cukai	44,163	18,015
Kepentingan minoriti	(6,822)	—
Keuntungan bersih bagi tahun	37,341	18,015
Keuntungan tak diasing/(kerugian terkumpul) dibawa ke hadapan	55,055	(375)
	92,396	17,640
Terbitan bonus	(11,765)	(11,765)
Keuntungan tersedia untuk pengagihan	80,631	5,875
Dividen berbayar pertama dan terakhir dikecuali cukai sebanyak 7.5%	(3,750)	(3,750)
Dividen berbayar pertengahan dikecuali cukai sebanyak 2.5%	(1,250)	(1,250)
Keuntungan tak diasing dibawa ke hadapan	75,631	875

DIVIDEN

Jumlah dividen dibayar dan diisytiharkan sejak akhir tahun kewangan yang lepas adalah seperti berikut:

	RM'000
Berhubung dengan tahun kewangan berakhir 31 Disember 2001: Dividen pertama dan terakhir dikecuali cukai sebanyak 7.5% dibayar pada 8 Ogos 2002	3,750
Berhubung dengan tahun kewangan berakhir 31 Disember 2002: Dividen pertengahan dikecuali cukai sebanyak 2.5% dibayar pada 26 Disember 2002	1,250

Laporan Pengarah (samb.)

DIVIDEN (samb.)

Selepas berakhirnya tahun kewangan, para Pengarah mengesyorkan bayaran dividen terakhir yang dikecualikan cukai sebanyak 6% bagi tahun kewangan berakhir 31 Disember 2002 berjumlah RM6,000,000. Cadangan ini akan disyorkan untuk kelulusan oleh para pemegang saham di Mesyuarat Agung Tahunan akan datang. Penyata kewangan bagi tahun semasa tidak termasuk pembayaran dividen yang dicadangkan. Dividen tersebut, jika diluluskan oleh para pemegang saham, akan diambilkira di dalam ekuiti pemegang saham sebagai pembahagian keuntungan tersimpan pada tahun kewangan berakhir 31 Disember 2003.

RIZAB DAN PERUNTUKAN

Tidak ada pemindahan material kepada atau daripada rizab atau peruntukan dalam tahun kewangan selain dari yang tertera di dalam penyata kewangan.

TERBITAN SAHAM DAN DEBENTUR

Dalam tahun kewangan, saham-saham berikut diterbitkan:-

Tarikh terbitan	Tujuan terbitan	Jenis saham	Jumlah saham pada RM1.00 setiap saham
27.12.2002	Terbitan bonus	Biasa	49,999,999

Terbitan bonus diperuntukkan dan diterbitkan atas dasar satu saham biasa baru untuk satu saham biasa sedia ada yang dipegang pada 27 Disember 2002. Saham baru diterbitkan berkedudukan setaraf dengan saham Syarikat sedia ada kecuali saham baru diterbitkan tidak berkedudukan untuk menerima dividen sementara yang dinyatakan sebelum 27 Disember 2002.

Tidak ada debentur diterbitkan di dalam tahun kewangan.

PENILAIAN ASET SEMASA

Sebelum penyediaan penyata kewangan Kumpulan dan Syarikat, para Pengarah telah mengambil langkah-langkah yang berpatutan:-

- untuk memastikan tindakan telah diambil berhubung dengan penghapusan kira hutang lapuk dan penyediaan peruntukan bagi hutang ragu dan mereka berpuas hati bahawa tiada hutang lapuk yang diketahui untuk dihapus kira dan peruntukan yang mencukupi telah dibuat bagi hutang ragu; dan
- untuk memastikan bahawa sebarang aset semasa yang berkemungkinan tidak dapat direalisasikan dalam perjalanan perniagaan biasa termasuk nilai-nilainya seperti yang dinyatakan di dalam rekod-rekod perakaunan Kumpulan dan Syarikat telah dikurangkan nilai kepada jumlah yang mereka jangka mungkin dapat direalisasikan.

Dari tarikh berakhirnya tahun kewangan hingga tarikh laporan ini, para Pengarah tidak menyedari tentang sebarang keadaan:-

- yang boleh mengakibatkan perlunya untuk menghapuskan sebarang hutang lapuk atau jumlah yang diperuntukkan untuk hutang ragu yang tidak memadai di dalam penyata kewangan Kumpulan dan Syarikat sehingga ke paras yang ketara; atau
- yang akan mengakibatkan kekeliruan ke atas nilai aset semasa di dalam penyata kewangan Kumpulan dan Syarikat; atau
- yang telah timbul yang mengakibatkan cara penilaian aset atau liabiliti Kumpulan dan Syarikat yang sedia ada mengelirukan atau tidak sesuai.

Laporan Pengarah (samb.)

LIABILITI LUARJANGKA ATAU LAIN-LAIN LIABILITI

Tiada liabiliti luarjangka atau liabiliti lain yang telah berkuatkuasa atau berkemungkinan akan berkuatkuasa dalam tempoh dua belas bulan dari akhir tahun kewangan di mana, pada pendapat para Pengarah, akan atau mungkin memberi kesan yang ketara terhadap keupayaan Kumpulan dan Syarikat untuk melaksanakan tanggungjawab mereka apabila tiba masanya kelak.

Pada tarikh laporan ini, tidak wujud:-

- (a) sebarang cagaran ke atas aset-aset Kumpulan dan Syarikat yang telah timbul sejak akhir tempoh kewangan yang menjaminkan liabiliti mana-mana pihak lain; atau
- (b) sebarang liabiliti luarjangka Kumpulan dan Syarikat yang telah timbul sejak akhir tahun kewangan.

PERISTIWA PENTING SEPANJANG TAHUN KEWANGAN DAN SELEPAS TARIKH KUNCI KIRA-KIRA

Peristiwa-peristiwa penting sepanjang tahun kewangan dan selepas tarikh kunci kira-kira dinyatakan dalam Nota 31 kepada Penyata Kewangan.

PERUBAHAN KEADAAN

Pada tarikh laporan ini, para Pengarah tidak mengetahui akan adanya sebarang perkara yang tidak dinyatakan dalam laporan ini atau penyata kewangan Kumpulan dan Syarikat yang akan mengakibatkan sebarang jumlah yang dinyatakan dalam penyata kewangan mengelirukan.

PERKARA-PERKARA BERBENTUK LUARBIASA

Pada pendapat para Pengarah:-

- (a) keputusan operasi Kumpulan dan Syarikat sepanjang tahun kewangan tidak terjejas oleh sebarang perkara, urusanniaga atau peristiwa yang material dan luarbiasa; dan
- (b) tidak timbul dalam tempoh di antara akhir tahun kewangan dan tarikh laporan ini sebarang perkara, urusanniaga atau peristiwa yang material dan luarbiasa yang berkemungkinan menjejaskan keputusan operasi Kumpulan dan Syarikat bagi tahun kewangan laporan ini disediakan.

PARA PENGARAH

Para Pengarah yang memegang jawatan sejak tarikh laporan yang lalu adalah:-

Dato' Mohamed Azman bin Yahya

Datuk Sulaiman bin Daud

Dato' Prof. Ir. Dr. Mohammad Noor bin Salleh

Dato' Raja Nong Chik bin Raja Zainal Abidin

Ismael Fariz bin Ali

Abdul Wahid bin Omar

Tan See Yin

Azhar bin Hussain

Laporan Pengarah (samb.)

KEPENTINGAN PARA PENGARAH

Tiada para Pengarah yang menyandang jawatan pada akhir tahun kewangan ini, menurut daftar yang perlu disimpan mengikut Seksyen 134 Akta Syarikat, 1965, mempunyai kepentingan dalam saham Syarikat, anak-anak syarikatnya atau badan berkaitan kecuali seperti yang dinyatakan di bawah:-

Saham Biasa bernilai RM1 setiap saham				
	Pada 1.1.2002	Terbitan bonus/ Beli	Jual	Pada 31.12.2002
Saham-saham dalam Syarikat				
Tan See Yin	10,000	10,000	—	20,000
Azhar bin Hussain	10,000	10,000	—	20,000
Dato' Raja Nong Chik bin Raja Zainal Abidin	10,000	10,000	—	20,000
Anggapan kepentingan				
Dato' Raja Nong Chik bin Raja Zainal Abidin	8,249,094	8,168,094	133,000	16,284,188
Dato' Mohamed Azman bin Yahya	5,000	5,000	—	10,000

Melalui kepentingan-kepentingan secara langsung dan tidak langsung di dalam Syarikat, Tan See Yin, Azhar bin Hussain, Dato' Raja Nong Chik bin Raja Zainal Abidin dan Dato' Mohamed Azman bin Yahya dianggap mempunyai kepentingan dalam saham kesemua anak-anak syarikat di mana Syarikat mempunyai kepentingan di bawah Seksyen 6A Akta Syarikat 1965.

Anggapan kepentingan Dato' Raja Nong Chik bin Raja Zainal Abidin di dalam Syarikat adalah melalui pegangan saham utama beliau di dalam Kumpulan RZA Sdn. Bhd. yang mempunyai kepentingan utama di dalam Raza Sendirian Berhad yang juga merupakan pemegang saham utama Syarikat.

Anggapan kepentingan Dato' Mohamed Azman bin Yahya di dalam Syarikat adalah melalui pegangan saham isteri beliau di dalam Syarikat.

Tiada Pengarah lain pada akhir tahun kewangan ini memegang sebarang kepentingan dalam saham Syarikat, anak-anak Syarikatnya atau badan berkaitan dalam tahun kewangan ini.

MANFAAT PARA PENGARAH

Sepanjang dan pada akhir tahun kewangan, Syarikat tidak terbabit dalam sebarang urusan yang bertujuan untuk membolehkan para Pengarah Syarikat mendapat faedah melalui pembelian saham-saham dalam Syarikat atau sebarang badan korporat yang lain.

Sejak akhir tahun kewangan lepas, tiada Pengarah yang telah menerima atau layak untuk menerima sebarang manfaat (selain daripada manfaat yang termasuk di dalam jumlah agregat emolumen diterima oleh para Pengarah seperti yang ditunjukkan dalam Nota 23 kepada Penyata Kewangan) atas sebab kontrak yang dimeterai oleh Syarikat atau sebuah syarikat berkaitan dengan Pengarah berkenaan atau dengan sebuah firma di mana beliau merupakan seorang ahli, atau dengan sebuah syarikat di mana beliau mempunyai kepentingan kewangan utama, perlu dinyatakan di bawah Seksyen 169 (8) Akta Syarikat, 1965.

Laporan Pengarah (samb.)

JAWATANKUASA AUDIT

Ahli-ahli Jawatankuasa Audit terdiri daripada:-

Ismael Fariz bin Ali (*Pengerusi*)

Datuk Sulaiman bin Daud (*Pengarah Kanan Bebas Bukan Eksekutif*)

Dato' Prof. Ir. Dr. Mohammad Noor bin Salleh (*Pengarah Bebas Bukan Eksekutif*)

Dato' Raja Nong Chik bin Raja Zainal Abidin (*Pengarah Bukan Bebas Bukan Eksekutif*)

Fungsi-fungsi Jawatankuasa Audit merangkumi kajian ke atas polisi-polisi perakaunan, kawalan dalaman dan penyata kewangan tahunan Syarikat bagi pihak Lembaga Pengarah.

Dalam melaksanakan tugasnya, Jawatankuasa tersebut telah mengkaji keseluruhan skop audit luaran. Ia bermesyuarat dengan juruaudit-juruaudit Syarikat untuk membincangkan hasil pemeriksaan mereka dan penilaian mereka bagi sistem kawalan perakaunan dalam syarikat. Jawatankuasa tersebut juga telah mengkaji kerjasama yang telah diberikan oleh pegawai-pegawai Syarikat kepada juruaudit.

Jawatankuasa telah mengkaji penyata kewangan Syarikat dan penyata kewangan disatukan Kumpulan serta laporan juruaudit mengenainya dan mencadangkan kepada Lembaga Pengarah, pelantikan semula Tetuan Shamsir Jasani Grant Thornton sebagai juruaudit berkanun.

JURUAUDIT

Juruaudit, Tetuan Shamsir Jasani Grant Thornton, telah menyatakan kesediaan mereka untuk meneruskan perkhidmatan mereka.

Bagi pihak Lembaga



DATO' MOHAMED AZMAN BIN YAHYA

Pengarah



TAN SEE YIN

Pengarah

Kuala Lumpur
25 Februari 2003

Lembaran Imbangan pada 31 Disember 2002

	Nota	Kumpulan		Syarikat	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
MODAL SAHAM	5	100,000	50,000	100,000	50,000
RIZAB	6	100,821	118,480	875	37,860
Jumlah dana pemegang saham		200,821	168,480	100,875	87,860
PINJAMAN	7	8,554	11,390	—	—
CUKAI TERTUNDA	8	2,200	2,200	—	—
KEPENTINGAN MINORITI		39,412	32,590	—	—
		250,987	214,660	100,875	87,860
Diwakili oleh:-					
HARTANAH, LOJI DAN PERALATAN	9	163,558	135,906	—	—
PELABURAN DALAM ANAK-ANAK SYARIKAT	10	—	—	77,518	77,518
PELABURAN DALAM SYARIKAT BERSEKUTU	11	146	146	19	19
PELABURAN LAIN	12	—	—	—	—
PERBELANJAAN PEMBANGUNAN PROJEK	13	4,531	8,186	—	—
NILAI MUHIBAH	14	16,107	—	—	—
ASET SEMASA					
Inventori	15	94,644	64,902	—	—
Penghutang perdagangan	16	173,141	153,971	—	—
Lain-lain penghutang	17	8,625	4,183	3,193	46
Jumlah terhutang daripada anak-anak syarikat	18	—	—	47,808	15,632
Jumlah terhutang daripada syarikat bersekutu	19	145	16,402	—	—
Cukai dikembalikan		811	72	—	—
Deposit tetap	20	657	2,157	—	—
Tunai dan baki bank		5,504	5,293	285	100
Jumlah aset semasa		283,527	246,980	51,286	15,778
LIABILITI SEMASA					
Pemiutang perdagangan	21	138,011	101,776	—	—
Lain-lain pemiutang		22,169	25,296	544	142
Jumlah terhutang daripada anak-anak syarikat	18	—	—	27,404	5,313
Cukai perlu dibayar		396	9,904	—	—
Pinjaman	7	56,306	39,582	—	—
Jumlah liabiliti semasa		216,882	176,558	27,948	5,455
ASET SEMASA BERSIH		66,645	70,422	23,338	10,323
		250,987	214,660	100,875	87,860

Nota-nota yang disertakan berciri melengkapkan penyata kewangan ini.

Penyata Pendapatan bagi tahun kewangan berakhir 31 Disember 2002

	Nota	Kumpulan		Syarikat	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Hasil	22	585,237	543,496	19,000	—
Kos jualan		(459,904)	(433,011)	—	—
Keuntungan kasar		125,333	110,485	—	—
Pendapatan operasi lain		281	373	—	9
Kos jualan dan pengagihan		(12,156)	(13,028)	—	—
Perbelanjaan pentadbiran		(40,756)	(28,905)	(840)	(477)
Perbelanjaan operasi lain		(9,415)	(15,043)	—	—
Keuntungan/(Kerugian) dari operasi		63,287	53,882	18,160	(468)
Kos kewangan		(3,501)	(2,278)	—	—
Keuntungan/(Kerugian) sebelum cukai	23	59,786	51,604	18,160	(468)
Cukai	24	(17,007)	(14,243)	(145)	—
Keuntungan/(Kerugian) selepas cukai		42,779	37,361	18,015	(468)
Kerugian sebelum pengambilalihan		1,384	—	—	—
Kepentingan minoriti		(6,822)	(6,557)	—	—
Keuntungan/(Kerugian) bersih bagi tahun semasa		37,341	30,804	18,015	(468)
Pendapatan setiap saham (sen)	25	37.3	30.8		
Dividen setiap saham (sen) – dikecuali cukai – pertengahan	26	2.5	—		
– akhir		6.0	7.5		

Nota-nota yang disertakan berciri melengkapkan penyata kewangan ini.

Penyata Perubahan Ekuiti bagi tahun kewangan berakhir 31 Disember 2002

Kumpulan	Modal saham RM'000	Premium saham RM'000	Rizab penyatuan RM'000	Rizab pergabungan RM'000	Keuntungan tak diasingkan RM'000	Jumlah RM'000
Baki pada 1 Januari 2001	50,000	20,453	25,190	17,782	26,751	140,176
Dividen pertama dan akhir sebanyak 5% dikecuali cukai	—	—	—	—	(2,500)	(2,500)
Keuntungan bersih bagi tahun semasa	—	—	—	—	30,804	30,804
Baki pada 31 Disember 2001	50,000	20,453	25,190	17,782	55,055	168,480
Keuntungan bersih bagi tahun semasa	—	—	—	—	37,341	37,341
Terbitan bonus	50,000	(20,453)	—	(17,782)	(11,765)	—
Dividen pertama dan akhir sebanyak 7.5% dikecuali cukai	—	—	—	—	(3,750)	(3,750)
Dividen pertengahan sebanyak 2.5% dikecuali cukai	—	—	—	—	(1,250)	(1,250)
Baki pada 31 Disember 2002	100,000	—	25,190	—	75,631	200,821

Syarikat	Modal saham RM'000	Premium saham RM'000	Rizab pergabungan RM'000	Keuntungan tak diasingkan/ (Kerugian terkumpul) RM'000	Jumlah RM'000
Baki pada 1 Januari 2001	50,000	20,453	17,782	2,593	90,828
Dividen pertama dan akhir sebanyak 5% dikecuali cukai	—	—	—	(2,500)	(2,500)
Kerugian bersih bagi tahun semasa	—	—	—	(468)	(468)
Baki pada 31 Disember 2001	50,000	20,453	17,782	(375)	87,860
Keuntungan bersih pada tahun semasa	—	—	—	18,015	18,015
Terbitan bonus	50,000	(20,453)	(17,782)	(11,765)	—
Dividen pertama dan akhir sebanyak 7.5% dikecuali cukai	—	—	—	(3,750)	(3,750)
Dividen pertengahan sebanyak 2.5% dikecuali cukai	—	—	—	(1,250)	(1,250)
Baki pada 31 Disember 2002	100,000	—	—	875	100,875

Nota-nota yang disertakan berciri melengkapkan penyata kewangan ini.

Penyata Aliran Tunai bagi tahun kewangan berakhir 31 Disember 2002

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
ALIRAN TUNAI DARIPADA KEGIATAN OPERASI				
Keuntungan/(kerugian) sebelum cukai	59,786	51,604	18,160	(468)
Pelarasan bagi:-				
Pelunasan nilai muhibah	1,151	—	—	—
Pelunasan perbelanjaan pembangunan projek	636	633	—	—
Susutnilai	10,820	9,674	—	—
Pendapatan dividen	—	—	(19,000)	—
Perbelanjaan faedah	3,102	1,766	—	—
Keuntungan atas pelupusan hartanah, loji dan peralatan	—	(6)	—	—
Pendapatan faedah	(117)	(74)	—	(9)
Hartanah, loji dan peralatan dihapus kira	3	—	—	—
Perbelanjaan pembangunan projek dihapus kira	3,019	—	—	—
Kerugian sebelum pengambilalihan	1,384	—	—	—
Peruntukan bagi hutang ragu	1,918	1,738	—	—
Peruntukan bagi inventori bergerak perlahan dan usang				
– khusus	—	1,037	—	—
– umum	831	2,439	—	—
Peruntukan rosot nilai atas nilai pelaburan	—	4,112	—	—
Keuntungan operasi/(kerugian) sebelum perubahan modal kerja	82,533	72,923	(840)	(477)
Perubahan dalam modal kerja:				
Inventori	(30,573)	5,630	—	—
Penghutang	(25,330)	(42,420)	(3,147)	2,454
Pemiutang	7,277	29,690	402	84
Anak-anak syarikat	—	—	(10,085)	2,237
Syarikat-syarikat bersekutu	22,257	(2,810)	—	—
Penerimaan jurubank	14,117	(8,928)	—	—
Tunai diperolehi daripada/(diguna) dalam operasi	70,281	54,085	(13,670)	4,298
Dividen diterima	—	—	19,000	—
Dividen dibayar	(5,000)	(2,500)	(5,000)	(2,500)
Faedah dibayar	(3,102)	(1,766)	—	—
Faedah diterima	117	74	—	9
Cukai dibayar	(27,254)	(9,771)	(145)	—
Tunai bersih daripada kegiatan operasi	35,042	40,122	185	1,807

Penyata Aliran Tunai bagi tahun kewangan berakhir 31 Disember 2002 (samb.)

Nota	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
ALIRAN TUNAI DARIPADA KEGIATAN PELABURAN				
Pengambilalihan anak-anak syarikat A	—	—	—	(1,791)
Aliran tunai daripada pengambilalihan kepentingan ekuiti tambahan dalam anak-anak syarikat (Nota 35)	177	—	—	—
Perolehan daripada pelupusan hartanah, loji dan peralatan	12	34	—	—
Pembelian hartanah, loji dan peralatan	(24,163)	(55,202)	—	—
Tunai bersih diguna dalam kegiatan pelaburan	(23,974)	(55,168)	—	(1,791)
ALIRAN TUNAI DARIPADA KEGIATAN PEMBIAYAAN				
Pengeluaran pinjaman berjangka	1,053	11,390	—	—
Pembayaran balik pinjaman berjangka	(11,449)	(1,977)	—	—
Pembayaran balik kredit berpusar	(2,000)	—	—	—
Tunai bersih daripada/(diguna dalam) aktiviti pembiayaan	(12,396)	9,413	—	—
Peningkatan/(pengurangan) bersih dalam tunai dan setara tunai	(1,328)	(5,633)	185	16
Tunai dan setara tunai dibawa ke hadapan	3,040	8,673	100	84
Tunai dan setara tunai dihantar ke hadapan B	1,712	3,040	285	100

Penyata Aliran Tunai bagi tahun kewangan berakhir 31 Disember 2002 (samb.)

NOTA KEPADA PENYATA ALIRAN TUNAI

A. PEMEROLEHAN ANAK-ANAK SYARIKAT

Nilai saksama aset dan tanggungan daripada anak-anak syarikat yang diperolehi pada tahun kewangan ini adalah seperti berikut:-

	Syarikat	
	2002 RM'000	2001 RM'000
Hartanah, loji dan peralatan	—	31
Aset semasa	—	4,294
Liabiliti semasa	—	(1,902)
Bahagian aset bersih yang diperoleh	—	2,423
Kekurangan bayaran pembelian daripada aset yang diperoleh	—	(632)
Aliran tunai atas pemerolehan	—	1,791

B. TUNAI DAN SETARA TUNAI

Tunai dan setara tunai dimasukkan dalam penyatuan aliran tunai terdiri daripada jumlah baki lembaranimbangan berikutnya:-

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Overdraf bank	(4,449)	(4,410)	—	—
Deposit tetap	657	2,157	—	—
Tunai dan baki bank	5,504	5,293	285	100
	1,712	3,040	285	100

Nota-nota yang disertakan berciri melengkapkan penyata kewangan ini.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002

1. ASAS PENYEDIAAN PENYATA KEWANGAN

Penyata kewangan Kumpulan dan Syarikat telah disediakan selaras dengan peruntukan-peruntukan Akta Syarikat, 1965 dan piawaian-piawaian perakaunan yang diluluskan di Malaysia.

2. POLISI-POLISI PENGURUSAN RISIKO KEWANGAN

Polisi pengurusan risiko kewangan Kumpulan adalah untuk memastikan sumber kewangan yang mencukupi demi pembangunan perniagaan Kumpulan di samping pengurusan risiko-risiko. Kumpulan telah menyediakan rangka kerja pengurusan risiko yang menyatakan strategi perniagaan keseluruhan, ketahanan perniagaan dari risiko dan telah membentuk kaedah-kaedah untuk memantau dan mengawal risiko-risiko ini. Rangka kerja tersebut telah diluluskan oleh Lembaga Pengarah dan kajian setiap suku tahun dilakukan untuk memastikan garis panduan Kumpulan dipatuhi.

Jenis-jenis risiko kewangan yang dihadapi Kumpulan dan polisi ini berhubung dengan kegiatan perbendaharaan utama adalah seperti berikut:-

(a) Risiko mata wang asing

Kumpulan terdedah kepada urusan mata wang asing disebabkan kegiatan operasi biasa anak-anak syarikat Kumpulan. Polisi Kumpulan adalah untuk mengurangkan pendedahan kepada matawang asing dengan memasuki ke dalam kontrak dengan menggunakan mata wang Ringgit Malaysia di mana yang boleh. Aliran tunai mata wang asing dikawal jika amat diperlukan.

(b) Risiko kadar faedah

Polisi Kumpulan adalah secara prinsip meminjam berasaskan kadar terapung tetapi menyimpan sebahagian daripada hutang pada kadar tetap. Objektif bagi mempelbagaikan kadar pinjaman terapung dan tetap adalah untuk mengurangkan tekanan penukaran kadar faedah yang meningkat di samping membolehkan manfaat-manfaat diterima jika kadar faedah menurun.

(c) Risiko kredit

Kumpulan mempunyai polisi kredit yang sedia ada. Pendedahan kepada risiko kredit juga dikawal secara berterusan. Penilaian kredit dilakukan ke atas semua pelanggan yang memerlukan kemudahan kredit di atas sesuatu jumlah. Jualan kepada pelanggan juga digantung jika hutang terdahulunya melebihi 120 hari. Kumpulan menganggap bahawa tidak terjadinya kemungkinan risiko kehilangan yang ketara disebabkan hutang yang tidak terbayar oleh pelanggan.

(d) Risiko perdagangan

Untuk pembelian produk utama, Kumpulan telah membentuk tahap harga yang telah dirunding yang boleh diterima oleh Kumpulan dan memasuki persetujuan pembekalan fizikal untuk memperoleh tahap ini dan memastikan kontrak dengan pembekal berlangsung untuk jangka masa yang tetap. Kumpulan tidak menghadapi risiko pendedahan yang besar daripada perubahan harga.

(e) Risiko mudah cair dan aliran tunai

Kumpulan berkeinginan untuk mencapai keseimbangan di antara ketentuan sumber kewangan walaupun di dalam keadaan yang tidak menentu untuk perdagangan atau Kumpulan dan struktur pinjaman yang mudah dan berkesan. Ini adalah untuk memastikan bahawa pada takat minima semua keperluan pinjaman bersih yang dijangka boleh dipenuhi oleh kemudahan-kemudahan kredit yang sedia ada. Objektif untuk hutang yang matang adalah untuk memastikan bahawa jumlah hutang yang akan matang di dalam sesuatu tahun tidak melebihi kemampuan Kumpulan menjelaskan hutang dan pembiayaan semula.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

3. POLISI-POLISI PERAKAUNAN PENTING

(a) Konvensyen perakaunan

Penyata kewangan Kumpulan dan Syarikat telah disediakan di bawah konvensyen kos sejarah melainkan jika dinyatakan di dalam polisi-polisi perakaunan penting yang lain.

(b) Asas Penyatuan

Penyata kewangan disatukan menggabung penyata-penyata kewangan Syarikat dan anak-anak syarikat sebagaimana dinyatakan dalam Nota 33 kepada Penyata Kewangan dibuat sehingga akhir tahun kewangan. Anak-anak syarikat telah disatukan mengikut kaedah pengambilalihan.

Di bawah kaedah pengambilalihan perakaunan, keputusan anak-anak syarikat diambilalih telah dimasukkan dari tarikh pengambilalihan. Pada tarikh pengambilalihan, nilai saksama aset bersih anak syarikat telah ditentukan dan ditunjukkan dalam penyata kewangan Kumpulan. Perbezaan di antara kos pelaburan dan nilai saksama aset bersih mendasari syarikat diambilalih digabungkan dalam penyata kewangan sebagai faedah atau rizab modal hasil dari penyatuan. Ianya dikekalkan dalam lembaran imbalan disatukan dan akan dihapus kira hanya apabila para Pengarah berpendapat bahawa terdapatnya pelunasan kekal dalam nilai.

Kesemua urusan penting antara syarikat dan keuntungan terhasil tidak direalisasikan telah dihapuskan atas penyatuan dan penyata kewangan disatukan hanya menggambarkan urusan luaran sahaja.

(c) Anak-anak syarikat

Anak syarikat adalah sebuah syarikat di mana Kumpulan atau Syarikat mempunyai kepentingan ekuiti jangka panjang lebih 50 peratus di mana terdapat penyertaan pengurusan melalui perwakilan dalam Lembaga.

Pelaburan dalam anak-anak syarikat dinyatakan pada kos. Di mana terdapat tanda-tanda kewujudan pengurangan kekal dalam nilai, jumlah yang dibawa oleh anak-anak syarikat tersebut ditaksir dan diturun nilai ke jumlah yang boleh diperoleh.

Pendapatan dividen daripada pelaburan dalam anak-anak syarikat telah dimasukkan dalam penyata pendapatan Syarikat apabila diisytiharkan atau dicadangkan.

(d) Syarikat-syarikat bersekutu

Syarikat bersekutu ialah sebuah syarikat dalam mana Kumpulan atau Syarikat memegang kepentingan ekuiti jangka panjang di antara 20% hingga 50% dan berada dalam kedudukan untuk melaksanakan pengaruh penting ke atas polisi-polisi kewangan dan kawalan melalui penyertaan pengurusan.

Bahagian keuntungan Kumpulan tolak kerugian dan cukai syarikat-syarikat bersekutu telah dimasukkan dalam penyata kewangan disatukan sebagai dividen diterima dan bahagian Kumpulan akan diputuskan selepas pengambilalihan telah ditambah kepada/ditolak daripada kos pelaburan dalam lembaran imbalan disatukan.

Pelaburan di dalam syarikat-syarikat bersekutu dinyatakan pada kos. Di mana terdapat tanda-tanda kewujudan pengurangan kekal dalam nilai, jumlah yang dibawa oleh syarikat-syarikat bersekutu tersebut ditaksir dan diturun nilai ke jumlah yang boleh diperoleh.

(e) Hartanah, loji dan peralatan

Hartanah, loji dan peralatan dinyatakan pada kos tolak susutnilai terkumpul. Tanah milik bebas tidak disusutnilai. Modal kerja dalam pelaksanaan tidak disusutnilai sehingga ia disiapkan dan sedia untuk kegunaan komersialnya. Kos tambahan bagi pembelian tanah dan bangunan telah dipermodalkan sebagai sebahagian daripada kos aset sehingga tarikh hartanah tersebut sedia untuk digunakan.

Susutnilai telah diperuntukan mengikut kaedah garisan lurus untuk menghapus kira anggaran hayat berguna aset-aset berkenaan.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

3. POLISI-POLISI PERAKAUNAN PENTING (samb.)

(e) Hartanah, loji dan peralatan (samb.)

Kadar asas susutnilai tahunan yang digunakan adalah seperti berikut:

Bangunan pegangan bebas	2%
Tanah pegangan pajak	ke atas tempoh pajakan selama 99 tahun
Bangunan pegangan pajak	5%
Perabot dan peralatan	10% – 20%
Komputer	20%
Kenderaan bermotor	20%
Peralatan pejabat	10% – 20%
Loji dan mesin	10% – 20%
Ubahsuaian	10% – 20%
Peralatan perubatan	20%

Hartanah, loji dan peralatan diturun nilai ke jumlah yang boleh diperolehi jika para Pengarah berpendapat bahawa jumlah kekal berkurangan dari nilai yang dibawa. Jumlah yang boleh diperolehi adalah harga jualan bersih hartanah, loji dan peralatan, iaitu jumlah yang boleh diperolehi dari penjualan aset menurut syarat saksama di antara dua pihak yang sedar dan sanggup, ditolak dengan kos penjualan.

(f) Nilai Muhibah

Nilai muhibah yang dipermodalkan dilunaskan dengan kaedah garisan lurus ke atas jangka hayat kegunaan iaitu selama 15 tahun. Di mana terdapat tanda-tanda kewujudan pengurangan kekal dalam nilai, jumlah yang dibawa oleh nilai muhibah tersebut ditaksir dan diturun nilai ke jumlah yang boleh diperolehi.

(g) Perbelanjaan pembangunan projek

Semua perbelanjaan berhubung dengan pembangunan industri farmaseutikal adalah dipermodalkan dan akan dilunaskan ke atas bilangan tahun di mana manfaat-manfaat dijangka dapat diperolehi daripada projek tersebut melainkan jika para Pengarah menganggap bahawa manfaat berterusan tidak akan terakru.

Di mana terdapat tanda-tanda kewujudan pengurangan kekal dalam nilai, jumlah yang dibawa oleh perbelanjaan pembangunan projek tersebut ditaksir dan diturun nilai ke jumlah yang boleh diperolehi.

(h) Pelaburan

Pelaburan yang dipegang untuk jangka panjang dinyatakan pada kos. Di mana terdapat tanda-tanda kewujudan pengurangan kekal dalam nilai, jumlah yang dibawa oleh pelaburan tersebut ditaksir dan diturun nilai ke jumlah yang boleh diperolehi.

(i) Inventori

Inventori dan kerja dalam pelaksanaan dinilai pada mana yang lebih rendah antara kos dan nilai jualan bersih. Barangan siap dikos berasaskan kepada purata wajaran, sementara kerja dalam pelaksanaan dan bahan mentah dikos berasaskan kepada kaedah masuk dahulu keluar dahulu.

Kos meliputi kos sebenar bahan dan kos tambahan yang ditanggung untuk membawa inventori ke dalam stor. Bagi barangan siap diperbuat sendiri dan kerja dalam pelaksanaan, ia meliputi kos buruh dan overhead pengeluaran sewajarnya.

Untuk mendapatkan nilai jualan bersih, elaun terhutang dan peruntukan telah diambilkira oleh para Pengarah bagi semua barangan yang rosak, usang dan lambat laris.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

3. POLISI-POLISI PERAKAUNAN PENTING (samb.)

(j) Penghutang

Penghutang perdagangan dan penghutang lain dinyatakan pada kos tolak elaun untuk hutang yang meragukan. Hutang lapuk yang diketahui dilupuskan dan peruntukan khusus disediakan bagi hutang yang kutipannya dianggap meragukan. Di samping itu, peruntukan umum berdasarkan kepada peratus penerimaan hutang perdagangan disediakan untuk melindungi daripada kemungkinan kerugian ditanggung yang tidak dikenalpasti secara khusus.

(k) Pemiutang

Pemiutang perdagangan dan pemiutang lain dinyatakan pada kos.

(l) Tunai dan setara tunai

Tunai dan setara tunai terdiri daripada tunai dalam tangan, baki bank, overdraf bank, deposit minta dapat jangka pendek dan pelaburan kecairan tinggi yang boleh ditukar dengan mudah kepada jumlah tunai yang diketahui dan yang tertakluk kepada risiko perubahan tidak ketara dalam nilai.

(m) Modal saham

Dividen ke atas saham biasa diiktiraf sebagai liabiliti setelah diisytiharkan dan diluluskan.

(n) Pengurangan kekal dalam nilai aset

Nilai dibawa aset dikaji untuk pengurangan kekal jika terdapat tanda-tanda yang menunjukkan kewujudan pengurangan kekal dalam nilai aset. Pengurangan kekal ini dikira dengan membezakan nilai dibawa aset dengan nilai yang boleh diperolehi. Nilai yang boleh diperolehi adalah nilai yang lebih tinggi di antara nilai jualan bersih dan nilai dalam penggunaan yang dikira dengan membuat rujukan kepada aliran tunai akan datang yang didiskaunkan. Nilai yang boleh diperolehi ditaksirkan untuk setiap satu persatu aset dan jika ini tidak dapat dilakukan, untuk unit penjana tunai.

Kerugian atas sebab pengurangan kekal dalam nilai aset dikemukakan di dalam penyata pendapatan dengan serta-merta.

Justeru, pertambahan ke atas jumlah yang boleh diperolehi oleh sesuatu aset dikira sebagai menebalikkan kerugian atas sebab pengurangan kekal terdahulu dan diambilkira setakat nilai yang dibawa aset tersebut yang sepatutnya dikira (jumlah bersih antara pelunasan dan susutnilai) jika kerugian atas sebab pengurangan kekal tidak berlaku. Nilai yang diterbalikkan ini diambilkira di dalam penyata pendapatan dengan serta-merta.

(o) Cukai tertunda

Cukai tertunda diperuntukkan berdasarkan kaedah liabiliti lembaran imbalan kepada semua perbezaan sementara yang boleh dicukai kecuali di mana dapat ditunjukkan kemungkinan yang munasabah bahawa tundaan cukai akan berterusan pada masa hadapan.

Aset cukai tertunda diambilkira untuk semua perbezaan sementara yang boleh ditolak, kerugian cukai yang tidak dipakai yang dibawa ke hadapan dan kredit cukai yang tidak dipakai setakat terdapatnya kemungkinan didapati keuntungan masa hadapan yang boleh dicukai digunakan untuk kesemua perbezaan sementara, kerugian cukai dan kredit cukai yang tidak dipakai yang boleh digunakan.

(p) Terjemahan mata wang asing

Urusniaga dalam mata wang asing dicatatkan dalam Ringgit Malaysia mengikut kadar-kadar pertukaran pada tarikh urusniaga. Aset kewangan dan liabiliti mata wang asing diterjemahkan mengikut kadar-kadar pertukaran pada tarikh lembaran imbalan.

Keuntungan dan kerugian disebabkan oleh pertukaran aset dan liabiliti jangka pendek, samada realisasi atau tidak, diambilkira di dalam penyata pendapatan.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

3. POLISI-POLISI PERAKAUNAN PENTING (samb.)

(p) Terjemahan mata wang asing (samb.)

Kadar-kadar penutup pertukaran mata wang asing yang digunakan dalam penyediaan penyata kewangan ini adalah seperti berikut:

	2002 RM	2001 RM
Dolar US	3.8	3.8
Dolar Singapura	2.2	2.1
Dolar Euro	4.0	3.4
Dolar New Zealand	2.0	1.6

(q) Instrumen kewangan

Instrumen kewangan yang dibawa pada lembaran imbalan meliputi tunai, nilai jumlah bank, penghutang dan pemiutang. Kaedah pengambilangka yang digunakan dinyatakan secara khusus di dalam setiap penyata Polisi kewangan yang berhubung dengan setiap peralatan tersebut.

(r) Pengiktirafan hasil

Hasil daripada jualan barangan atau perkhidmatan diiktiraf apabila barangan dihantar atau perkhidmatan disediakan.

Dividen daripada pelaburan dimasukkan dalam penyata pendapatan apabila hak untuk menerima telah dibuktikan.

Jualan di antara syarikat-syarikat dalam Kumpulan tidak dimasukkan ke dalam hasil Kumpulan.

4. KEGIATAN UTAMA DAN MAKLUMAT UMUM

Kegiatan utama Syarikat adalah pemegangan pelaburan. Kegiatan-kegiatan utama anak-anak syarikat dan syarikat-syarikat bersekutunya dinyatakan di dalam Nota 33 kepada Penyata Kewangan. Tidak terdapat sebarang perubahan penting di alam kegiatan-kegiatan Syarikat, anak-anak syarikat dan syarikat-syarikat bersekutunya dalam tahun kewangan.

Syarikat adalah sebuah syarikat berhad yang diperbadankan dan bertempat di Malaysia dan disenaraikan di dalam Papan Kedua Bursa Saham Kuala Lumpur.

Alamat berdaftar dan tempat perniagaan utama Syarikat adalah di No. 7, Lorong Keluli 1B, Kawasan Perindustrian Bukit Raja Selatan, Seksyen 7, 40000 Shah Alam, Selangor Darul Ehsan.

Penyata kewangan diluluskan untuk penerbitan oleh Lembaga Pengarah menurut resolusi para Pengarah pada 25 Februari 2003.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

5. MODAL SAHAM

	Kumpulan dan Syarikat	
	2002 RM'000	2001 RM'000
Dibenarkan:-		
Saham biasa bernilai RM1 setiap saham		
Pada permulaan tahun	100,000	100,000
Dihasilkan dalam tahun	200,000	—
Pada akhir tahun	300,000	100,000
Diterbitkan dan berbayar penuh:-		
Saham biasa bernilai RM1 setiap saham		
Pada permulaan tahun	50,000	50,000
Terbitan bonus	50,000	—
Pada akhir tahun	100,000	50,000

6. RIZAB

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Tidak boleh diagih:-				
Premium saham	—	20,453	—	20,453
Rizab atas penyatuan	25,190	25,190	—	—
Rizab pergabungan	—	17,782	—	17,782
Boleh diagih:-				
Keuntungan tak diasing/(Kerugian terkumpul)	75,631	55,055	875	(375)
Jumlah rizab	100,821	118,480	875	37,860

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

7. PINJAMAN

	Kumpulan	
	2002 RM'000	2001 RM'000
Tidak bercagar:-		
<u>Perlu dibayar dalam masa 12 bulan</u>		
Overdraf bank	4,449	4,410
Penerimaan jurubank	48,746	34,629
Pinjaman berjangka	3,111	543
	56,306	39,582
<u>Perlu dibayar selepas 12 bulan</u>		
Pinjaman berjangka	8,554	11,390
	64,860	50,972

Tempoh-tempoh dalam mana pinjaman berjangka perlu dibayar balik adalah seperti berikut:-

	Kumpulan	
	2002 RM'000	2001 RM'000
Di dalam satu tahun	3,111	543
Selepas satu tahun tetapi tidak melebihi lima tahun	8,554	11,390
	11,665	11,933

Pinjaman berjangka anak syarikat perlu dibayar balik dengan 16 ansuran suku tahun sebanyak RM777,739 dan satu pelarasan untuk bayaran terakhir. Pembayaran balik pertama bermula 15 bulan daripada tarikh pertama penggunaan. Pinjaman berjangka dikenakan faedah pada kadar-kadar antara 4.22% hingga 7.40% (2001: 4.46% hingga 7.80%) setahun. Lain-lain pinjaman anak syarikat menanggung faedah pada kadar-kadar antara 3.00% hingga 3.40% (2001: 3.00% hingga 6.80%) setahun.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

8. CUKAI TERTUNDA

	Kumpulan	
	2002 RM'000	2001 RM'000
Pada permulaan tahun	2,200	3,044
Pindahan kepada penyata pendapatan	—	(844)
Pada akhir tahun	2,200	2,200
Kesan cukai ke atas lebihan nilai buku bersih hartanah, loji dan peralatan berbanding cukai penurunan nilai	2,200	2,200

Kesan cukai perbezaan masa yang akan menimbulkan manfaat cukai bersih masa depan secara umum diiktiraf hanya apabila terdapat pencapaian jangkaan berpatutan. Pada 31 Disember 2002, jumlah anggaran manfaat cukai tertunda dikira pada kadar cukai semasa yang belum diiktiraf dalam penyata kewangan Kumpulan, adalah seperti berikut:-

	Kumpulan	
	2002 RM'000	2001 RM'000
Kesan cukai perbezaan masa berhubung lebihan elaun modal cukai berbanding susutnilai buku	2,605	2,449
Kesan cukai perbezaan masa berhubung peruntukan umum bagi hutang ragu, inventori bergerak perlahan dan usang	(2,671)	(2,702)
Kerugian perniagaan yang tidak diserap	(6,201)	—
Elaun modal yang tidak diguna	(1,754)	—
Aset cukai tertunda	(8,021)	(253)

Potensi aset cukai tertunda tidak diperuntukkan dalam penyata kewangan kerana ia dijangkakan bahawa kesan cukai tertunda sedemikian tidak akan berbalik dalam tempoh akan datang.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

9. HARTANAH, LOJI DAN PERALATAN

	Tanah dan bangunan	Perabot, alat kelengkapan, ubahsuaian, dan peralatan	Kenderaan bermotor	Loji dan mesin	Kerja Modal dalam progres	Jumlah 2002	Jumlah 2001
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Kumpulan Kos							
Pada permulaan tahun	97,611	37,939	4,045	23,016	16,593	179,204	124,363
Penambahan melalui pengambilalihan anak syarikat	12,186	446	131	8,932	—	21,695	—
Tambahan	3,381	7,250	330	3,181	10,021	24,163	55,202
Pelupusan	—	(12)	(4)	(209)	—	(225)	(361)
Dihapus kira	—	(10)	—	(3)	—	(13)	—
Pengkelasan semula	19,755	876	—	1,017	(21,648)	—	—
Pada akhir tahun	132,933	46,489	4,502	35,934	4,966	224,824	179,204
Susutnilai terkumpul							
Pada permulaan tahun	9,030	22,075	2,785	9,408	—	43,298	33,957
Penambahan melalui pengambilalihan anak syarikat	1,218	440	131	5,582	—	7,371	—
Caj dalam tahun	2,939	4,482	420	2,979	—	10,820	9,674
Pelupusan	—	(12)	(3)	(198)	—	(213)	(333)
Dihapus kira	—	(7)	—	(3)	—	(10)	—
Pengkelasan semula	29	(29)	—	—	—	—	—
Pada akhir tahun	13,216	26,949	3,333	17,768	—	61,266	43,298
Nilai buku bersih 31 Disember 2002	119,717	19,540	1,169	18,166	4,966	163,558	—
31 Disember 2001	88,581	15,864	1,260	13,608	16,593	—	135,906
Caj susutnilai bagi tahun berakhir 31 Disember 2001	2,193	4,803	494	2,184	—	—	9,674

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

9. HARTANAH, LOJI DAN PERALATAN (Samb.)

Analisa tanah dan bangunan

	Tanah pegangan bebas	Bangunan pegangan bebas	Tanah dan bangunan pegangan pajak jangka panjang	Jumlah 2002	Jumlah 2001
	RM'000	RM'000	RM'000	RM'000	RM'000
Kos					
Pada permulaan tahun	38,187	21,756	37,668	97,611	68,680
Penambahan melalui pengambilalihan anak syarikat	—	12,186	—	12,186	—
Tambahan	688	—	2,693	3,381	28,931
Pengkelasan semula	—	—	19,755	19,755	—
Pada akhir tahun	38,875	33,942	60,116	132,933	97,611
Susutnilai terkumpul					
Pada permulaan tahun	—	2,182	6,848	9,030	6,837
Penambahan melalui pengambilalihan anak syarikat	—	1,218	—	1,218	—
Caj bagi tahun	—	414	2,525	2,939	2,193
Pengkelasan semula	—	—	29	29	—
Pada akhir tahun	—	3,814	9,402	13,216	9,030
Nilai buku bersih 31 Disember 2002	38,875	30,128	50,714	119,717	—
31 Disember 2001	38,187	19,574	30,820	—	88,581

Pada tahun sebelumnya, tanah dan bangunan dengan nilai buku bersih sebanyak RM24,050,083 (2001: RM23,361,731) masih belum ditukar ke atas nama sebuah anak syarikat.

Tanah dan bangunan Kumpulan meliputi hartanah bernilai RM341,136 (2001: RM25,241,867) di mana hak pegangan sedang menunggu masa untuk dikeluarkan oleh pihak berkuasa Negeri.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

10. PELABURAN DALAM ANAK-ANAK SYARIKAT

	Syarikat	
	2002 RM'000	2001 RM'000
Saham tak disebut harga, pada kos	77,518	77,518

Butir-butir mengenai anak-anak syarikat dinyatakan dalam Nota 33 kepada Penyata Kewangan.

11. PELABURAN DALAM SYARIKAT BERSEKUTU

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Saham tak disebut harga, pada kos	146	4,144	19	19
Bahagian kerugian selepas pengambilalihan	—	(3,998)	—	—
	146	146	19	19
Diwakili oleh:-				
Bahagian aset bersih syarikat-syarikat bersekutu	146	146		

Kumpulan telah tidak memasukkan bahagian kerugian selepas cukai syarikat bersekutu dalam penyata kewangan berikutan pemberhentian perakaunan ekuiti bagi keputusan syarikat bersekutu tersebut kerana nilai bawa pelaburan ini telah mencapai sifar.

Syarikat bersekutu yang lain adalah tidak aktif oleh itu perakaunan ekuiti tidak dilakukan untuk keputusan tidak material syarikat bersekutu tersebut.

Butir-butir mengenai syarikat-syarikat bersekutu dinyatakan dalam Nota 33 kepada Penyata Kewangan.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

12. PELABURAN LAIN

	Kumpulan	
	2002 RM'000	2001 RM'000
Saham tak disebut harga, pada kos	4,112	4,112
Tolak: Peruntukan bagi penurunan nilai	(4,112)	(4,112)
	—	—

13. PERBELANJAAN PEMBANGUNAN PROJEK

	Kumpulan	
	2002 RM'000	2001 RM'000
Pada kos	12,390	12,390
Tolak: Pelunasan terkumpul	(4,840)	(4,204)
Dihapus kira	(3,019)	—
	4,531	8,186

Perbelanjaan pembangunan projek akan dilunaskan sepanjang tempoh konsesi 15 tahun yang ada kaitan dengan manfaat ekonomi projek.

14. NILAI MUHIBAH

	Kumpulan	
	2002 RM'000	2001 RM'000
Yang timbul daripada pengambilalihan anak syarikat	17,258	—
Tolak: Jumlah dilupuskan	(1,151)	—
Pada akhir tahun	16,107	—

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

15. INVENTORI

	Kumpulan	
	2002 RM'000	2001 RM'000
Pada kos:		
Bahan mentah	9,830	5,946
Bahan pembungkusan	2,098	1,784
Kerja dalam progres	1,727	1,396
Barangan siap	86,989	61,900
	100,644	71,026
Tolak: Peruntukan bagi inventori usang dan bergerak perlahan	(6,000)	(6,124)
	94,644	64,902

16. PENGHUTANG PERDAGANGAN

	Kumpulan	
	2002 RM'000	2001 RM'000
Penghutang perdagangan	180,480	158,454
Tolak: Peruntukan bagi hutang ragu	(7,339)	(4,483)
	173,141	153,971

Terma kredit penghutang perdagangan adalah di antara 90 hari hingga 120 hari.

Sejarah pengalaman Kumpulan di dalam kutipan penghutang akaun perdagangan jatuh di dalam elaun tercatat. Oleh yang demikian, pihak pengurusan percaya bahawa tidak ada risiko kredit tambahan melampaui jumlah yang disediakan untuk kerugian tuntutan yang wujud di dalam penghutang perdagangan Kumpulan.

17. LAIN-LAIN PENGHUTANG

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Lain-lain penghutang	9,215	4,773	3,193	46
Tolak: Peruntukan bagi hutang ragu	(590)	(590)	—	—
	8,625	4,183	3,193	46

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

18. JUMLAH TERHUTANG DARIPADA/KEPADA ANAK-ANAK SYARIKAT

Jumlah terhutang daripada/kepada anak-anak syarikat tidak bercagar, tanpa tanggungan faedah dan tiada skim pembayaran semula telah diataskan.

19. JUMLAH TERHUTANG DARIPADA SYARIKAT BERSEKUTU

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Jumlah terhutang daripada syarikat bersekutu	145	22,402	—	—
Tolak: Peruntukan bagi hutang ragu	—	(6,000)	—	—
	145	16,402	—	—

Jumlah terhutang daripada syarikat-syarikat bersekutu timbul terutamanya daripada caj antara syarikat dan pembayaran dibuat bagi pihak, tanpa tanggungan faedah dan tiada skim pembayaran semula telah diataskan. Syarikat bersekutu tersebut diambilalih di dalam tahun ini sebagai sebuah anak syarikat.

20. DEPOSIT TETAP

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Deposit tetap dengan bank berlesen	657	2,157	—	—

Deposit tetap sebuah anak syarikat pada tahun kewangan sebelum ini berjumlah RM525,000 telah dicagarkan kepada sebuah bank berlesen untuk mendapatkan kemudahan kredit yang diberi kepada syarikat bersekutunya. Kadar-kadar faedah deposit tetap di dalam tahun kewangan adalah di antara 3.10% hingga 3.30% (2001: 2.80% hingga 3.20%).

21. PEMIUTANG PERDAGANGAN

Terma kredit pemiutang perdagangan yang diberikan kepada Kumpulan adalah di antara 60 hari hingga 90 hari.

22. HASIL

Hasil bagi Syarikat mewakili dividen kasar yang diterima atau akan diterima daripada pelaburan.

Hasil bagi Kumpulan mewakili nilai inbois barangan yang dibekalkan setelah ditolak pulangan dan pengurangan harga.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

23. KEUNTUNGAN/(KERUGIAN) SEBELUM CUKAI

Keuntungan/(Kerugian) sebelum cukai telah ditentukan selepas dikenakan/(dikredit) antara perkara lain adalah seperti berikut:-

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Yuran audit				
– berkanun	99	91	10	10
– lain-lain	119	30	27	2
Pelunasan perbelanjaan pembangunan projek	636	633	—	—
Pelunasan nilai muhibah	1,151	—	—	—
Susutnilai	10,820	9,674	—	—
Yuran para Pengarah				
– tahun semasa	330	247	258	175
– peruntukan berkurang bagi tahun sebelumnya	4	—	4	—
Emolumen lain para Pengarah	1,383	807	95	15
Hartanah, loji dan peralatan dihapus kira	3	—	—	—
Perbelanjaan pembangunan projek dihapus kira	3,019	—	—	—
Perbelanjaan faedah				
– pinjaman berjangka	1,032	213	—	—
– lain-lain pinjaman bank	2,070	1,553	—	—
Peruntukan bagi hutang ragu				
– khusus	184	1,738	—	—
– umum	1,734	—	—	—
Peruntukan bagi inventori bergerak perlahan dan usang				
– khusus	—	1,037	—	—
– umum	831	2,439	—	—
Peruntukan bagi penurunan nilai kekal	—	4,112	—	—
Sewa premis	588	712	—	—
Sewa peralatan	519	329	—	—
Keuntungan dari pelupusan hartanah, loji dan peralatan	—	(6)	—	—
Keuntungan dari pertukaran mata wang asing	—	(46)	—	—
Pendapatan faedah				
– deposit jangka pendek	(117)	(74)	—	(9)
Pendapatan sewa	(28)	(28)	—	—
Pendapatan dividen dari anak syarikat tak disebut harga	—	—	(19,000)	—

Anggaran nilai kewangan faedah yang diberikan kepada para Pengarah Kumpulan dalam tahun kewangan berjumlah sebanyak RM114,408 (2001: RM111,300).

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

24. CUKAI

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Peruntukan bagi tahun kewangan semasa	16,179	15,959	—	—
Peruntukan berkurangan/(berlebihan) bagi tahun sebelumnya	828	(872)	145	—
Dipindah daripada cukai tertunda (Nota 8)	—	(844)	—	—
	17,007	14,243	145	—

Peruntukan bagi cukai tahun semasa untuk Kumpulan dibuat dengan menggunakan kadar cukai berkanun ke atas pendapatan yang dikenakan cukai bagi syarikat-syarikat berkenaan.

Anak-anak syarikat mempunyai pendapatan yang dikecualikan cukai pendapatan dan kredit cukai di bawah Seksyen 108 Akta Cukai Pendapatan, 1967 untuk memenuhi pembayaran dividen kepada Syarikat sehingga lebih kurang RM139,034,000 (2001: RM114,220,000).

Syarikat mempunyai pendapatan yang dikecualikan cukai yang mencukupi untuk pengagihan dividen daripada keseluruhan keuntungan tak diasingnya pada 31 Disember 2002.

Kerugian perniagaan tidak diguna dan elaun modal tidak diserap Kumpulan yang boleh dibawa ke hadapan untuk ditolak dengan keuntungan bercukai masa depan masing-masing berjumlah lebih kurang RM22,151,000 (2001: RM1,161,000) dan RM6,266,000 (2001: Tiada).

Walau bagaimanapun, jumlah di atas adalah tertakluk kepada kelulusan oleh Lembaga Hasil Dalam Negeri di Malaysia.

25. PENDAPATAN SETIAP SAHAM

Pendapatan setiap saham telah dikira berasaskan keuntungan bersih bagi tahun kewangan Kumpulan sebanyak RM37.34 juta (2001: RM30.80 juta) dan bilangan saham dalam terbitan dalam tahun kewangan sebanyak 100 juta (2001: 100 juta) setelah membuat pelarasan untuk terbitan bonus.

Pendapatan setiap saham bagi tahun kewangan sebelum ini telah dihitung semula untuk mengambil kira terbitan bonus yang dikeluarkan Syarikat dalam tahun kewangan.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

26. DIVIDEN

Dividen dikecuali cukai pertengahan sebanyak 2.5 sen setiap saham (2001: Tiada) berjumlah RM1,250,000 (2001: Tiada) diisytiharkan dan dibayar di dalam tahun ini.

Pada Mesyuarat Agung Tahunan akan datang, dividen terakhir dikecuali cukai berhubung tahun berakhir 31 Disember 2002 sebanyak 6.0 sen setiap saham (2001: 7.5 sen dikecuali cukai) berjumlah RM6,000,000 (2001: RM3,750,000) akan dicadangkan untuk kelulusan oleh para pemegang saham. Penyata Kewangan bagi tahun kewangan semasa tidak menggambarkan cadangan dividen akhir. Ini akan diambilkira dalam ekuiti pemegang saham sebagai pembahagian pendapatan tersimpan pada tahun berakhir 31 Disember 2003.

27. MAKLUMAT KAKITANGAN

	Kumpulan		Syarikat	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Kos kakitangan	28,142	26,101	—	—

Bilangan kakitangan Kumpulan dan Syarikat pada akhir tahun kewangan masing-masing adalah 792 dan Tiada (2001: 759 dan Tiada).

28. KOMITMEN MODAL

Perbelanjaan modal berhubung dengan yang berikut telah tidak diperuntukkan dalam penyata kewangan:-

	Kumpulan	
	2002 RM'000	2001 RM'000
Dibenarkan dan dikontrakkan	19,864	20,916
Dibenarkan tetapi tidak dikontrakkan	18,427	12,560

29. TANGGUNGAN LUARJANGKA

Tanggungan luarjangka berhubung berikut telah tidak diperuntukkan dalam penyata kewangan:-

	Kumpulan	
	2002 RM'000	2001 RM'000
Jaminan korporat tidak bercagar sehingga tahap kemudahan kredit digunakan yang diberi oleh sebuah anak syarikat kepada sebuah bank berlesen untuk kemudahan kredit yang diberikan kepada syarikat bersekutunya	—	12,127

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

30. URUSNIAGA PIHAK BERKAITAN YANG PENTING

Urusniaga pihak berkaitan yang penting pada tahun kewangan ini adalah seperti berikut:-

Nama Syarikat	Hubungan	Bentuk urusniaga	Kumpulan	
			2002 RM'000	2001 RM'000
United Engineers (Malaysia) Berhad	Pemegang saham utama	Hasil daripada bekalan peralatan perubatan	40,929	48,139
Propel Johnson Controls (M) Sdn. Bhd.	Anak Syarikat pemegang saham utama	Penyelenggaraan dan penjagaan perbelanjaan perkhidmatan bangunan	—	159
Propel Berhad	Anak Syarikat pemegang saham utama	Penyelenggaraan dan penjagaan perbelanjaan perkhidmatan bangunan	260	—
Gapima Sdn. Bhd.	Syarikat bersekutu pemegang saham utama	Pengangkutan dan perbelanjaan penghantaran barangan	1,441	1,345
Renong Berhad/UEM Group Management Services Sdn. Bhd. <i>(dahulunya dikenali sebagai HBN Management Sdn. Bhd.)</i>	Syarikat bersekutu pemegang saham utama	Latihan dan perbelanjaan pengurusan	112	127
Pahang Pharmacy Sdn. Bhd.	Syarikat bersekutu pemegang saham utama	Kontrak pembekalan produk farmaseutikal	4,461	—
Faber Medi-Serve Sdn. Bhd.	Syarikat bersekutu pemegang saham utama	Penjualan rangkaian produk pembasmian kuman	1,125	—
Raza Sdn. Bhd.	Pemegang saham utama	Pembekalan peralatan dapur ke hospital-hospital di Malaysia Timur	1,002	—

Para pengarah Syarikat berpendapat bahawa urusniaga di atas telah dipersetujui menurut rundingan yang dicapai:

- (i) syarat yang saksama dan berasaskan perdagangan biasa; dan
- (ii) syarat yang tidak memberi kelebihan kepada pihak yang berkaitan berbanding dengan yang tersedia untuk orang awam; dan
- (iii) tak merosakkan kepentingan pemegang saham minoriti.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

31. PERISTIWA PENTING

- (i) Pada tahun kewangan,
 - (a) Pada 24 Jun 2002, Syarikat melalui Pharmaniaga Logistics Sdn. Bhd., sebuah anak syarikat 70% milik Syarikat, membeli 50% baki pegangan saham sebanyak 4,000,000 saham dalam Pharmaniaga Biomedical Sdn. Bhd. (*dahulunya dikenali sebagai Specialty Medical Laboratories Sdn. Bhd.*) dari Specialty Laboratories Asia Pte. Ltd. untuk jumlah sebanyak RM1 sahaja. Pembelian dibuat melalui Perintah Mahkamah untuk pemindahan saham yang diwajibkan.
 - (b) Pada 25 Jun 2002, Syarikat telah memeterai satu perjanjian Perjanjian Lesen Paten dengan Institut Penyelidikan Teknologi Nuklear Malaysia untuk mengeluarkan, memasarkan dan mengagihkan Balutan Hidrojel Steril di Malaysia dan mana-mana negara lain. Hak eksklusif yang ditawarkan di dalam perjanjian ini adalah untuk jangka masa 10 tahun dengan opsyen untuk Syarikat membaharui perjanjian ini setelah luput.
 - (c) Pada 26 Jun 2002, Syarikat memeterai satu perjanjian usahasama dengan Amcare Labs International Inc. (ALI) untuk menyediakan perkhidmatan kajian makmal rujukan untuk pasaran di dalam dan di luar negara. Usahasama ini akan dibuat melalui sebuah syarikat usahasama di mana Pharmaniaga akan mempunyai pegangan saham sebanyak 30% dan ALI mempunyai pegangan saham sebanyak 70%. Perlaksanaan operasi usahasama ini sedang berlangsung.
 - (d) Pada 5 Julai 2002, Syarikat telah menambahkan modal saham yang diluluskan dari 100,000,000 saham biasa pada RM1 sesaham ke 300,000,000 saham biasa pada RM1 sesaham.
 - (e) Pada 4 September 2002, Syarikat telah memeterai satu perjanjian “Subscription Agreement” dengan Safire Pharmaceuticals (M) Sdn. Bhd. (Safire) melalui para Pentadbir Khas yang dilantik oleh Pengurusan Danaharta Nasional Berhad. Ini adalah setelah penerimaan tender Syarikat untuk membeli perniagaan Safire untuk RM20 juta pada 17 April 2002. Permohonan adalah tertakluk kepada kelulusan “Jawatankuasa Pelaburan Asing” dan setelah penambahan modal saham diluluskan Safire.
 - (f) Pada 24 Oktober 2002, Syarikat memeterai satu perjanjian usahasama dengan Baktisuria Sdn. Bhd. (BSB) untuk bersama-sama mengeksplotasikan perdagangan Malaysian Healthcare Deliveries and Financing System (MEDIFIS) melalui pembentukan sebuah syarikat usahasama, Insurgress Sdn. Bhd. (ISB). ISB akan dimiliki bersama oleh Syarikat dan BSB dengan pegangan saham sebanyak 51% bagi pihak Syarikat dan 49% bagi pihak BSB. Usahasama ini adalah tertakluk kepada kelulusan dari Foreign Investment Committee.
 - (g) Pada 5 November 2002, Syarikat memeterai satu Memorandum Persefahaman (MOU) dengan Institut Pertanian, Penyelidikan dan Pembangunan Malaysia dalam penggunaan teknologi penyelidikan dan pembangunan untuk produk herba tempatan, penghasilan antibodi, alatan diagnostik dan biosensor untuk dikeluarkan ke dalam produk kesihatan untuk tujuan pemasaran. MOU akan berlangsung selama tempoh 3 tahun bermula dari tarikh MOU tersebut.
 - (h) Pada 27 Disember 2002, Syarikat telah memperuntukkan 49,999,999 saham biasa pada RM1 setiap satu melalui kaedah 1 untuk 1 terbitan bonus melalui permodalan premium saham, rizab pergabungan dan keuntungan tersimpan. Terbitan bonus diberi kelulusan untuk penyenaraian dan sebut harga bermula dari 13 Januari 2003.
- (ii) Selepas tarikh kunci kira-kira,
 - (a) Pada 28 Januari 2003, Syarikat membeli 2 saham biasa pada RM1 sesaham dan dibayar penuh untuk pembayaran tunai sebanyak RM2 sesaham yang mewakili 100% kepentingan ekuiti di dalam Pharmaniaga Diagnostics Sdn. Bhd. (*dahulunya dikenali sebagai Remedi Diagnostics Sdn. Bhd.*) dan Pharmaniaga Research Centre Sdn. Bhd. (*dahulunya dikenali sebagai Remedi Research Centre Sdn. Bhd.*) daripada anak syarikatnya, Pharmaniaga Biomedical Sdn. Bhd. (*dahulunya dikenali sebagai Specialty Medical Laboratories Sdn. Bhd.*) dan Pharmaniaga Logistics Sdn. Bhd. (*dahulunya dikenali sebagai Remedi Pharmaceuticals (M) Sdn. Bhd.*).

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

32. LAPORAN SEGMENT – KUMPULAN

	Pengilangan farmaseutikal	Perdagangan, pemasaran, pengagihan farmaseutikal dan e-perkhidmatan	Produk dan perkhidmatan perubatan	Lain-lain operasi	Penghapusan	Penyatuan
2002	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
HASIL						
Penjualan luar	3,905	540,403	40,929	—	—	585,237
Penjualan antara segmen	72,185	22,835	—	—	(95,020)	—
	76,090	563,238	40,929	—	(95,020)	585,237
KEPUTUSAN						
Keputusan segmen	26,224	33,671	9,985	18,162	(23,887)	64,155
Perbelanjaan korporat tidak diperuntukkan						(1,032)
Keuntungan dari operasi						63,123
Perbelanjaan faedah	—	(2,070)	—	—		(2,070)
Pendapatan faedah	34	83	—	—		117
Keuntungan dari aktiviti biasa sebelum dicukai Cukai						61,170 (17,007)
Keuntungan dari aktiviti biasa setelah dicukai						44,163
Kepentingan minoriti						(6,822)
Keuntungan bersih bagi tahun						37,341
LAIN-LAIN MAKLUMAT						
Aset segmen	98,542	333,115	15,670	3,478		450,805
Pelaburan dalam persekutuan	—	127	—	19		146
Aset korporat tidak diperuntukkan						16,918
Jumlah aset yang disatukan						467,869
Liabiliti segmen	21,121	180,873	10,837	544		213,375
Liabiliti korporat tidak diperuntukkan						14,261
Jumlah liabiliti yang disatukan						227,636
Perbelanjaan modal ke atas hartanah, loji dan peralatan dan aset tidak ketara (termasuk pembelian melalui pengambilalihan anak syarikat)	11,646	50,926	306	—		62,878
Susutnilai	4,853	5,819	148	—		10,820
Perbelanjaan bukan tunai selain susutnilai	175	7,383	—	—		7,558

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

32. LAPORAN SEGMENT – KUMPULAN (samb.)

	Pengilangan farmaseutikal	Perdagangan, pemasaran, pengagihan farmaseutikal dan e-perkhidmatan	Produk dan perkhidmatan perubatan	Lain-lain operasi	Penghapusan	Penyatuan
2001	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
HASIL						
Penjualan luar	2,673	492,683	48,140	—	—	543,496
Penjualan antara segmen	68,087	14,559	—	—	(82,646)	—
	70,760	507,242	48,140	—	(82,646)	543,496
KEPUTUSAN						
Keputusan segmen	19,514	25,651	9,961	(477)	(1,352)	53,297
Perbelanjaan korporat tidak diperuntukkan						(214)
Keuntungan dari operasi						53,083
Perbelanjaan faedah	—	(1,553)	—	—		(1,553)
Pendapatan faedah	53	12	—	9		74
Keuntungan dari aktiviti biasa sebelum dicukai Cukai						51,604
						(14,243)
Keuntungan dari aktiviti biasa setelah dicukai						37,361
Kepentingan minoriti						(6,557)
Keuntungan bersih bagi tahun						30,804
LAIN-LAIN MAKLUMAT						
Aset segmen	88,463	276,144	26,247	146		391,000
Pelaburan dalam persekutuan	—	127	—	19		146
Aset korporat tidak diperuntukkan						72
Jumlah aset yang disatukan						391,218
Liabiliti segmen	13,464	131,913	20,592	142		166,111
Liabiliti korporat tidak diperuntukkan						24,037
Jumlah liabiliti yang disatukan						190,148
Perbelanjaan modal ke atas hartanah, loji dan peralatan dan aset tidak ketara (termasuk pembelian melalui pengambilalihan anak syarikat)	34,764	20,077	—	—		54,841
Susutnilai	5,041	4,511	122	—		9,674
Perbelanjaan bukan tunai selain susutnilai	973	8,980	—	—		9,953

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

32. LAPORAN SEGMENT – KUMPULAN (samb.)

Maklumat segmen disediakan berhubung dengan segmen perniagaan Kumpulan. Format utama segmen perniagaan adalah berdasarkan struktur pengurusan dan laporan dalaman Kumpulan.

Keputusan segmen, aset segmen dan liabiliti segmen meliputi semua perkara-perkara yang dihasilkan oleh segmen termasuk perkara-perkara yang secara wajar boleh diperuntukkan. Perkara-perkara yang tidak boleh diperuntukkan adalah aset yang mendatangkan faedah, pinjaman yang mendatangkan faedah, nilai muhibah, hutang cukai, cukai yang boleh diperoleh, cukai tertunda, pinjaman jangka panjang dan perbelanjaan korporat.

Hasil segmen, perbelanjaan segmen dan keputusan segmen juga meliputi pemindahan antara segmen. Harga yang dikenakan ke atas urusan antara segmen adalah sama dengan harga untuk barangan yang sama dengan pihak luar daripada entiti ekonomi ini yang berurusan dengan syarat yang saksama dan berasaskan perdagangan biasa. Pemindahan-pemindahan ini dihapuskan setelah penyatuan.

Segmen-segmen perniagaan utama Kumpulan dan aktiviti perniagaan masing-masing adalah:-

Segmen perniagaan	Kegiatan perniagaan
Pengilangan farmaseutikal	Pengilangan produk-produk farmaseutikal.
Perniagaan, pemasaran, pengagihan farmaseutikal dan e-perkhidmatan	Pembelian, penyimpanan, pengagihan dan pemasaran produk-produk farmaseutikal dan perubatan. Pembekalan perkhidmatan gerbang internet bagi perdagangan di dalam talian bagi produk dan perkhidmatan penjagaan kesihatan dan penyebaran maklumat berkaitan dengan penjagaan kesihatan.
Produk-produk dan perkhidmatan perubatan	Pembekalan dan pemasangan peralatan perubatan dan peralatan hospital.
Operasi-operasi lain	Pemegangan pelaburan

33. SENARAI ANAK-ANAK SYARIKAT DAN SYARIKAT-SYARIKAT BERSEKUTU

Nama syarikat	Kepentingan ekuiti efektif		Kegiatan Utama	Negara diperbadankan
	2002 %	2001 %		
ANAK-ANAK SYARIKAT:-				
Pharmaniaga Manufacturing Berhad* <i>(dahulunya dikenali sebagai Raza Manufacturing Berhad)</i>	100	100	Pengilangan produk farmaseutikal	Malaysia
Strand Pharmaceuticals (Malaysia) Sdn. Bhd.	100	100	Operasi diberhentikan sementara	Malaysia
Pharmaniaga Logistics Sdn. Bhd. <i>(dahulunya dikenali sebagai Remedi Pharmaceuticals (M) Sdn. Bhd.)</i>	70	70	Pembelian, penyimpanan dan pengagihan produk farmaseutikal dan perubatan kepada semua hospital kerajaan dan institusi swasta	Malaysia

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

33. SENARAI ANAK-ANAK SYARIKAT DAN SYARIKAT-SYARIKAT BERSEKUTU (samb.)

Nama syarikat	Kepentingan ekuiti efektif		Kegiatan Utama	Negara diperbadankan
	2002 %	2001 %		
Pharmaniaga Solutions Sdn. Bhd. (dahulunya dikenali sebagai ehealth4all.com Sdn. Bhd.)	100	100	Pembekalan perkhidmatan gerbang Internet bagi perdagangan di dalam talian bagi produk dan perkhidmatan penjagaan kesihatan dan penyebaran maklumat berkaitan penjagaan kesihatan	Malaysia
Pharmaniaga Marketing Sdn. Bhd. (dahulunya dikenali sebagai Pharmaniaga Sales & Marketing Sdn. Bhd.)	100	100	Perdagangan dan pemasaran bagi produk dan perubatan farmaseutikal	Malaysia
Anak-anak syarikat				
Pharmaniaga Manufacturing Berhad:-				
Pharmaniaga Trading (M) Sdn. Bhd.* (dahulunya dikenali sebagai Raza Pharmaceuticals Sdn. Bhd.)	100	100	Perdagangan produk farmaseutikal	Malaysia
Anak-anak syarikat				
Pharmaniaga Logistics Sdn. Bhd.:-				
Pharmaniaga Medisystem Sdn. Bhd. (dahulunya dikenali sebagai Pharmacy Automated Systems Incorporated Sdn. Bhd.)	45.5	45.5	Operasi diberhentikan sementara	Malaysia
Pharmaniaga Research Centre Sdn. Bhd. (dahulunya dikenali sebagai Remedi Research Centre Sdn. Bhd.)	70	70	Dorman	Malaysia
Pharmaniaga Biomedical Sdn. Bhd.* (dahulunya dikenali sebagai Specialty Medical Laboratories Sdn. Bhd.)	70	—	Pembelian, penyimpanan dan pengagihan produk kesihatan kepada semua hospital kerajaan dan institut swasta	Malaysia
Pharmaniaga Diagnostics Sdn. Bhd.* (dahulunya dikenali sebagai Remedi Diagnostics Sdn. Bhd.)	70	—	Dorman	Malaysia

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

33. SENARAI ANAK-ANAK SYARIKAT DAN SYARIKAT-SYARIKAT BERSEKUTU (samb.)

Nama syarikat	Kepentingan ekuiti efektif		Kegiatan Utama	Negara diperbadankan
	2002 %	2001 %		
SYARIKAT BERSEKUTU:-				
Pharmacare Asia Holdings (Cayman) Limited*	49	49	Pemegangan pelaburan	Cayman Island
Syarikat bersekutu				
Pharmaniaga Logistics Sdn. Bhd.:-				
Rumpun Lagenda Sdn. Bhd.	35	35	Tidak aktif	Malaysia
Pharmaniaga Biomedical Sdn. Bhd.* (dahulunya dikenali sebagai Specialty Medical Laboratories Sdn. Bhd.)	—	45.5	Pembelian, penyimpanan dan pengagihan produk perubatan kepada semua hospital kerajaan dan institusi swasta	Malaysia
Pharmaniaga Diagnostics Sdn. Bhd.* (dahulunya dikenali sebagai Remedi Diagnostics Sdn. Bhd.)	—	45.5	Dorman	Malaysia

Melabur melalui Specialty Medical Laboratories Sdn. Bhd. (dahulunya dikenali sebagai Specialty Medical Laboratories Sdn. Bhd.)

* Syarikat-syarikat tidak diaudit oleh Shamsir Jasani Grant Thornton.

34. NILAI-NILAI SAKSAMA

Jumlah yang dibawa oleh aset kewangan dan liabiliti Kumpulan dan Syarikat pada tarikh lembaran imbalan dianggarkan pada nilai saksama masing-masing.

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

35. KESAN TERUS PEMEROLEHAN ANAK SYARIKAT

- (a) Kesan pemerolehan Pharmaniaga Biomedical Sdn. Bhd. ke atas keputusan kewangan Kumpulan dalam tahun adalah seperti berikut:-

	Kumpulan
	2002 RM'000
Hasil	9,500
Kos penjualan	(6,935)
Keuntungan kasar	2,565
Pendapatan operasi lain	41
Kos penjualan dan pengagihan	(4)
Perbelanjaan pentadbiran	(3,356)
Perbelanjaan operasi lain	(1,805)
Kerugian daripada operasi	(2,559)
Kos kewangan	(888)
Kerugian sebelum cukai	(3,447)
Cukai	—
Kerugian bersih bagi tahun	(3,447)
Tolak: Bahagian kerugian Kumpulan jika Kumpulan tidak memperoleh kepentingan ekuiti tambahan	—
Tolak: Bahagian kerugian kepentingan minoriti	1,034
Penambahan dalam kerugian bersih Kumpulan	(2,413)

- (b) Kesan pemerolehan Pharmaniaga Biomedical Sdn. Bhd. ke atas kedudukan kewangan Kumpulan pada akhir tahun adalah seperti berikut:-

	Kumpulan
	2002 RM'000
Inventori	206
Peruntukan bagi inventori usang dan lambat laris	(206)
Hartanah, loji dan peralatan	2,764
Jumlah terhutang kepada syarikat pemegang	(20,211)
Jumlah terhutang kepada syarikat berkaitan	4
Penghutang perdagangan	1,873
Peruntukan bagi hutang ragu	(902)
Tunai dan baki bank	32
Pemiutang perdagangan	(7,352)
Lain-lain pemiutang	(1,528)
Liabiliti bersih pada akhir tahun	(25,320)
Tolak: Jumlah diambilalih sebagai syarikat bersekutu	(3,998)
Tolak: Bahagian liabiliti bersih Kumpulan jika Kumpulan tidak memperoleh kepentingan ekuiti tambahan	—
Tolak: Bahagian liabiliti bersih kepentingan minoriti	7,596
Tolak: Penolakan jumlah antara syarikat	(20,207)
Penambahan dalam aset bersih Kumpulan	6,481

Nota-nota kepada Penyata Kewangan – 31 Disember 2002 (samb.)

35. KESAN TERUS PEMEROLEHAN ANAK SYARIKAT (Samb.)

- (c) Butir-butir liabiliti bersih diperolehi, nilai muhibah dan aliran tunai pada tarikh pemerolehan disebabkan pengambilalihan Pharmaniaga Biomedical Sdn. Bhd. adalah seperti berikut:-

	Kumpulan
	2002 RM'000
Inventori	206
Peruntukan bagi inventori bergerak perlahan dan usang	(206)
Hartanah, loji dan peralatan	14,324
Jumlah terhutang kepada syarikat pemegang	(22,760)
Jumlah terhutang kepada syarikat berkaitan	(397)
Penghutang perdagangan	1,138
Peruntukan bagi hutang ragu	(938)
Tunai dan baki bank	177
Pemiutang perdagangan	(2,061)
Lain-lain pemiutang	(613)
Pinjaman bank	(12,128)
Liabiliti bersih diperolehi	(23,258)
Tolak: Peruntukan bagi hutang ragu yang terdahulu	(6,000)
Tambah: Nilai muhibah atas penyatuan	17,258
Bayaran pembelian	—
Tolak: Tunai dan baki bank diperolehi	(177)
Tunai bersih dari pemerolehan ekuiti tambahan dalam anak syarikat	(177)

Penyata Para Pengarah

Pada pendapat para Pengarah, penyata kewangan yang dibentangkan pada muka surat 174 hingga 205 telah disediakan selaras dengan piawaian perakaunan yang digunakan di Malaysia untuk memberikan gambaran sebenar dan saksama mengenai hal ehwal Kumpulan dan Syarikat pada 31 Disember 2002 dan mengenai keputusan dan aliran tunai Kumpulan dan Syarikat bagi tahun kewangan berakhir pada tarikh tersebut.

Bagi pihak Lembaga



DATO' MOHAMED AZMAN BIN YAHYA



TAN SEE YIN

Kuala Lumpur
25 Februari 2003

Akuan Berkanun

Saya, Tan See Yin, merupakan Pengarah bertanggungjawab bagi pengurusan kewangan Pharmaniaga Berhad, dengan sesungguhnya dan dengan ikhlas mengisytiharkan bahawa penyata kewangan yang dibentangkan pada muka surat 174 hingga 205 adalah pada pendapat saya betul dan saya membuat perakuan ini dengan sesungguhnya mempercayai bahawa ia adalah benar dan selaras dengan peruntukan-peruntukan Akta Akuan Berkanun, 1960.

Diakui dan sesungguhnya diisytiharkan oleh yang)
tersebut di atas di Kuala Lumpur dalam)
Wilayah Persekutuan pada 25 Februari 2003)



TAN SEE YIN

Di hadapan saya:



Pesuruhjaya Sumpah
Kuala Lumpur, Malaysia



Laporan Juruaudit kepada ahli-ahli Pharmaniaga Berhad

Kami telah mengaudit penyata kewangan yang dibentangkan pada muka surat 174 hingga 205. Penyediaan penyata kewangan merupakan tanggungjawab para Pengarah Syarikat. Tanggungjawab kami adalah untuk memberi pendapat mengenai penyata kewangan berdasarkan audit kami.

Kami telah menjalankan audit kami selaras dengan Piawaian Pengauditan di Malaysia. Piawaian-piawaian ini memerlukan agar kami merancang dan melaksanakan audit untuk mendapatkan semula maklumat dan penjelasan, yang kami anggap perlu bagi memberikan bukti yang mencukupi untuk memberi jaminan munasabah bahawa penyata kewangan adalah bebas daripada salah nyataan material. Audit kami termasuk memeriksa, atas dasar ujian bukti-bukti yang relevan kepada jumlah dan pendedahan dalam penyata kewangan. Sebuah audit merangkumi penilaian prinsip-prinsip perakaunan yang digunakan dan anggaran-anggaran penting yang dibuat oleh para Pengarah serta menilai kecukupan pembentangan maklumat dalam penyata kewangan. Kami percaya audit kami memberikan asas yang munasabah bagi pendapat kami.

Pada pendapat kami:

- a. penyata kewangan yang telah disediakan di bawah konvensyen kos sejarah telah disediakan dengan sewajarnya selaras dengan peruntukan-peruntukan Akta Syarikat, 1965 dan piawaian perakaunan diluluskan di Malaysia untuk memberi gambaran sebenar dan saksama bagi:
 - i. perkara-perkara yang diperlukan oleh Seksyen 169 Akta Syarikat, 1965 untuk diuruskan dalam penyata kewangan Kumpulan dan Syarikat; dan
 - ii hal ehwal Kumpulan dan Syarikat pada 31 Disember 2002 dan keputusan operasi dan aliran tunai Kumpulan dan Syarikat bagi tahun kewangan pada tarikh tersebut; dan

dan

- b. rekod perakaunan dan lain-lain rekod dan daftar yang diperlukan oleh Akta Syarikat, 1965 untuk disimpan oleh Syarikat dan oleh anak-anak syarikat di mana kami bertindak sebagai juruaudit telah disimpan dengan teratur selaras dengan perubahan-perubahan Akta tersebut.

Kami telah menimbangkan penyata kewangan dan laporan juruaudit bagi anak-anak syarikat yang kami tidak bertindak sebagai juruaudit, sebagaimana dinyatakan dalam Nota 33 kepada Penyata Kewangan.

Kami berpuashati bahawa penyata kewangan bagi anak-anak syarikat yang telah disatukan dengan penyata-penyata kewangan Syarikat adalah dalam bentuk dan kandungan yang wajar dan sesuai untuk tujuan-tujuan penyediaan dan bagi penyata kewangan disatukan dan kami telah menerima maklumat dan penjelasan yang memuaskan yang diperlukan oleh kami untuk tujuan-tujuan tersebut.

Laporan juruaudit mengenai penyata kewangan anak-anak syarikat tidak tertakluk kepada apa-apa kelayakan dan tidak mengandungi apa-apa komen yang dibuat di bawah Subseksyen (3) Seksyen 174 Akta.



SHAMSIR JASANI GRANT THORNTON (NO: AF-737)

Akauntan Awam



DATO' N. K. JASANI (NO: 708/03/04(J/PH))

Akauntan Awam

Rakan Firma

Kuala Lumpur
25 Februari 2003