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## CORPORATE PROFILE

**PEMBINAAN LIMBONGAN SETIA BERHAD** was incorporated under the Companies Act, 1965 on March 10, 1987 as a private limited company and was converted to a public limited company on 29 April 1994. The Company was subsequently listed on the Second Board of the Kuala Lumpur Stock Exchange on 28 February 1995 after satisfying all the stringent flotation requirements.

Over the thirteen years since its establishment, the Company has been successfully involved in civil engineering, with emphasis on roads and highway construction, earthworks for industrial, agricultural, development and related infrastructural works.

Other areas of expertise include the construction of high rise buildings, schools, factories, hotels, condominiums, weighbridge stations and underwater cable stations.

Led by an experienced and dedicated management team and equipped with an extensive fleet of wide-ranging heavy machinery, the Company has benefited from the numerous opportunities offered by the country's aggressive drive towards Vision 2020 and buoyant construction industry. With its ability to undertake a diverse range of civil engineering services and reputation for timely completion of projects, the Company would be in an enviable and advantageous position to secure and undertake major infrastructural and turnkey projects especially from the government sector which is expected to be the largest client of the construction industry given the nation's ambitious infrastructure development plan.



# CORPORATE INFORMATION

## REGISTERED OFFICE

17C, Wisma Limbongan Setia  
Jalan SG 3/4, Taman Seri Gombak  
68100 Batu Caves, Selangor Darul Ehsan  
Tel: 03-6187 5288 (10 lines)  
Fax: 03-6187 5289

## AUTHORISED & PAID-UP CAPITAL

Authorised - RM25.0 million  
Paid-up - RM19.8 million

## BANKERS

Arab-Malaysian Bank Bhd  
Arab-Malaysian Merchant Bank Bhd  
Bank Utama (M) Bhd  
HSBC Bank Malaysia Bhd  
Malayan Banking Bhd  
Public Bank Bhd  
RHB Bank Bhd  
Southern Bank Bhd

## STOCK EXCHANGE

The Kuala Lumpur Stock Exchange (Second Board)

## AUDITORS

KPMG  
Public Accountants  
Wisma KPMG, Jalan Dungun  
Damansara Heights, 50490 Kuala Lumpur  
Tel: 03-255 3388  
Fax: 03-255 0971

## COMPANY SECRETARIES

Lim Thiam Wah, ACIS  
Mah Wai Har, ACIS

## REGISTRAR

Sectrars Services Sdn Bhd  
28-2, Jalan Tun Sambanthan 3  
Brickfields  
50470 Kuala Lumpur  
Tel: 03-2274 6133  
Fax: 03-2274 1016

## REGISTRATION

Pusat Khidmat Kontraktor Class A

## BOARD OF DIRECTORS

Executive Chairman  
Dato' Amirullah Abdul Muhi bin Mayudin

Managing Director  
Dato' Lim Kang Yew

Directors  
Tuan Haji Ibrahim bin Haji Keling  
Lokman bin Omar  
Johar Salim bin Yahaya  
Sum Kwai Sang  
Hisham bin Mahmood



# NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fourteenth Annual General Meeting of the Company will be held at Damai One Kelab Century Paradise, Jalan Melawati 3, Taman Melawati, 53100 Selangor Darul Ehsan on Thursday, 27 September 2001 at 10.00 a.m. for the following purposes :-

## AGENDA

1. To receive and consider the Audited Accounts for the financial year ended 31 March 2001 together with the Reports of the Directors and the Auditors thereon.  
[Resolution 1]
2. To approve the payment of Directors' fees for the financial year ended 31 March 2001.  
[Resolution 2]
3. To elect the following Directors who retire in accordance with Article 80 of the Company's Articles of Association and Paragraph 7.28 (2) of the Revamped Listing Requirements of the Kuala Lumpur Stock Exchange :
  - a) Dato Amirullah Abdul Muhi Bin Mayudin  
[Resolution 3]
  - b) Dato' Lim Kang Yew  
[Resolution 4]
  - c) Mr Sum Kwai Sang  
[Resolution 5]
4. To re-appoint Messrs. KPMG as auditors of the Company and to authorise the Directors to fix their remuneration.  
[Resolution 6]
5. As Special Business, to consider and if thought fit, pass the following as an ordinary resolution :-  
**Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965**  
"That subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the Kuala Lumpur Stock Exchange and other relevant governmental / regulatory authorities, where such approvals are necessary, the Directors be and are hereby authorised pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being, and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company ."  
[Resolution 7]
6. To transact any other business for which due notice have been given in accordance with the Articles of Association of the Company and the Companies Act, 1965.

By Order of the Board  
**LIM THIAM WAH, ACIS**  
**MAH WAI HAR, ACIS**  
**JOINT SECRETARIES**  
SELANGOR DARUL EHSAN  
5 SEPTEMBER 2001

### Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy/proxies must be deposited at the registered office of the company at 17C, Wisma Limbongan Setia, Jalan SG 3/4, Taman Sri Gombak, 68100 Batu Caves, Selangor Darul Ehsan, not less than 48 hours before the time for holding the meeting.

### EXPLANATORY NOTES ON SPECIAL BUSINESS

The Ordinary Resolution 7 if passed, will empower the Directors to issue and allot shares in the Company up to an aggregate amount not exceeding 10% of the issued shares capital of the Company for the time being for such purposes as they would consider in the best interest of the Company. This authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.



## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Particulars of Directors who are standing for re-election at the Fourteenth Annual General Meeting.

Details	Dato' Amirullah Abdul Muhi Bin Mayudin	Dato' Lim Kang Yew	Mr Sum Kwai Sang
Directorships	Executive Chairman	Managing Director	Non-Independent Executive Director
Age	48	44	61
Nationality & Race	Malaysian Malay	Malaysian Chinese	Malaysian Chinese
Qualification	Details as contained on page 8	Details as contained on page 8	Details as contained on page 8
Working experience & occupations	Details as contained on page 8	Details as contained on page 8	Details as contained on page 8
Other directorships of public listed companies	Medas Corporation Bhd	Nil	Nil
Attendance at board meetings	Details as contained on page 9	Details as contained on page 9	Details as contained on page 9
Securities holdings in the Company	Nil	4,215,000 ordinary shares	Nil
Family relationship with any director and / or major shareholder of the Company	Nil	Details as contained on page 9	Details as contained on page 9
Conflict of interest	Details as contained on page 9	Details as contained on page 9	Details as contained on page 9
Convictions of Offences	Details as contained on page 9	Details as contained on page 9	Details as contained on page 9

# EXECUTIVE CHAIRMAN'S STATEMENT



On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Accounts of the Company and Group for the financial year ended 31<sup>st</sup> March 2001.

## Operation

For the financial year ended 31<sup>st</sup> March 2001, the Group recorded a turnover of RM40.4 million as against RM65.8 million recorded in last financial year. The lower turnover was principally due to completion of most of the existing projects and no new contract secured during the financial year. The Group recorded a loss before tax of RM16.8 million substantially due to the lower turnover, as well as additional provision for foreseeable losses relating to outstanding works which have been completed.

## Proposed Corporate Exercise

The Company has obtained an extension of time to 10<sup>th</sup> October 2001 for the implementation of the private placement of 1,980,000 new ordinary shares of RM1.00 each representing 10% of the existing issued and paid-up share capital of the Company. Due to the current bearish market sentiment, the private placement has yet to be implemented.

The Company has submitted the application for the proposed rights issue, proposed acquisition and settlement of debt of Danga Bay Sdn Bhd, proposed increase in authorised share capital of the Company and proposed change of name of the Company to the relevant authorities on 5th March 2001 and the decision of the relevant authorities is currently pending.

## Prospects

With the Government's continuing effort to implement pro-growth measures to further stimulate the national economy, the Group is optimistic upon its future growth. The Board expects an improvement in the performance for the current financial year as the Company has successfully secured four new projects worth about RM 106.85 million and resumption of one project previously suspended worth RM23 million.

## Dividend

No dividend has been recommended for the year ended 31<sup>st</sup> March 2001.

## Appreciation

On behalf of the Board, I would like to convey our appreciation to our ex-director Dato' Haji Kamaruddin @ Abas bin Nordin for his contribution to the Company during his tenure of service, our loyal shareholders, bankers, management and staff for their continued confidence and support to the Group.

**DATO' AMIRULLAH ABDUL MUHI BIN MAYUDIN**  
3rd SEPTEMBER 2001



# AUDIT COMMITTEE

- 31 March 2001

The Audit Committee was established by the Board of Directors on 16 November 1994. The Audit Committee comprises of the following directors:

## Chairman

- 1 **Tuan Haji Ibrahim Bin Haji Keling**  
(Independent Non Executive Director)

## Members

- 2 **Dato' Lim Kang Yew**  
(Non -Independent Executive Director)
- 3 **Hisham Bin Mahmood**  
(Independent Non Executive Director)

## TERMS OF REFERENCE

The terms of reference of the Audit Committee are as follows :

### Size and Composition

The Board shall by resolution appoint members to the Audit Committee, which shall comprise of at least three directors, the majority of whom shall be non-executives and independent.

The Committee shall elect a chairperson from among its members who is not an executive directors or employee of the Company or any related corporation.

### Meetings

The Committee may invite any person to attend the meetings .

A quorum shall consist of a majority of non-executive committee members and shall not be less than two.

The Company Secretary or any person appointed by the Committee for this purpose shall act as secretary of the Committee.

### Authority

The Committee is authorized by the Board to investigate any activity within its terms of reference. It is authorized to seek information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

### Access

The Committee shall have unlimited access to all information and documents relevant to its activities, to the internal and external Auditors, and to senior management of the Company and its subsidiaries. The Committee is also authorized to take such independent professional and legal advice as it considers necessary.



## Scope And Functions

The scope and functions of the Audit Committee shall be:

- 1 Review the following and report the same to the board of directors of the company :
  - a) with the external auditor, the audit plan ;
  - b) with the external auditor, his evaluation of the system of the internal controls ;
  - c) with the external auditor, his audit report ;
  - d) the assistance given by the employees of the company to the external auditor ;
  - e) the adequacy of the scope, functions and resources of the internal audit functions and the necessary authority to carry out its work ;
  - f) the internal audit programme, processes, the results of the internal audit programme , processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function ;
  - g) the quarterly results and year end financial statements, prior to the approval by the board of directors, focusing particularly on : -
    - i) changes in or implementation of major accounting policy changes ;
    - ii) significant and unusual events; and
    - iii) compliance with the accounting standards and other legal requirements;
  - h) any related party transaction and conflict of interest situation that may arise within the company or group including any transaction, procedure or course of conduct that raises questions of management integrity;
  - i) any letter of resignation from the external auditors of the company; and
  - j) whether there is reason (supported by grounds) to believe that the company's external auditors is not suitable for reappointment; and
2. Recommend the nomination of a person or persons as external auditors.

## Summary Of The Activities Of The Committee

During the financial year ended 31 March 2001, the activities of the PLS Audit Committee covered, among others, the following:-

1. Reviewed the unaudited quarterly report on the consolidated results of the Group for the financial year ended 31 March 2000.
2. Reviewed the unaudited quarterly report on the consolidated results of the Group for the financial period ended 30 June 2000, 30 September 2000 and 31 December 2000.
3. Reviewed the external auditors' reports in relation to their audit findings and the accounting issues arising from the audit.
4. Reviewed the provisions for receivables including the writing off bad debts of the Group.
5. Reviewed with the external auditors and the management, the adequacy of the system of internal controls of the Group.
6. Formulated and reviewed policies/guidelines on operational and financial matters including credit control, efficiency and effectiveness of operations, safeguarding of assets and the procedures relating to checks and balances within the Group.
7. Noted from the external auditors, the updates of new developments on accounting standards issued by the Malaysian Accounting Standards Board.
8. Noted from the Secretary, the new provisions of the Listing Requirements of the Kuala Lumpur stock exchange in particular the guidelines to be complied by the audit committee within the timeframe stipulated therein.

## Internal Audit Function

The PLS Audit Committee has also recommended that the Company initiate the setting up of an internal audit function or outsource internal audit services to further expand and streamline the systems of internal controls within the Company and the Group.



## DIRECTORS' PROFILE

**Dato Amirullah Abdul Muhi bin Mayudin**, aged 48 is the Executive Chairman and was appointed to the Board on 4 March 1997. He graduated with a Bachelor of Economics (Hons) from University of Malaya in 1976. He started his career in the Corporate Finance Department of Aseambankers Malaysia Berhad before moving on to Koperasi Usaha Bersatu Group. Subsequently he joined Projek Lebuhraya Utara-Selatan (PLUS) as General Manager, Corporate Affairs and was promoted to Managing Director in 1991. He was conferred Darjah Indera Mahkota Pahang (DIMP) from DYMM Sultan of Pahang in 1992. Currently he is the Chief Executive of Kumpulan Prasarana Rakyat Johor Sdn Bhd, a position he has held since 1995, and was also appointed as Chairman of KPRJ Asset (Johor) Sdn Bhd this year. He is also a director of several other private limited companies.

**Dato' Lim Kang Yew**, aged 44 was appointed to the Board on 10 March 1987 and as Managing Director on 12 December 1994. He has more than 20 years of experience in the construction industry. He started with his own construction company mainly involved in civil engineering and building works and established good working relationship with some government agencies. His vast experience in this field have proven to be invaluable to the Group. He is currently also a director of several other private limited companies.

**Tuan Haji Ibrahim bin Haji Keling**, aged 63 was appointed to the Board on 15 November 1994. He graduated with a Bachelor of Commerce degree and a Diploma in Business Administration in 1969 both from the Victoria University of Wellington, New Zealand. He retired in 1994 where his last position held was a Director in Perbadanan Binaan FELDA. He is also a director of several other private limited companies.

**Encik Lokman bin Omar**, aged 33 was appointed to the Board on 4 December 1989. He has more than 10 years of working experience in construction field and plays an active role in the operations of the Company. Thus he has contributed tremendously to the growth of the Company. He is also a director of several other private limited companies.

**Encik Johar Salim bin Yahaya**, aged 48 was appointed to the Board on 4 March 1997. He graduated with a Bachelor of Economics (Hons) Degree from University Malaya, Kuala Lumpur. Encik Johar started his career with Bank of America in 1976 and later on moved to Malaysian French Bank as Vice President, Commercial Banking in 1983. In January 1996, he joined Kumpulan Prasarana Rakyat Johor Sdn Bhd and is currently holding the post as Chief Operating Officer.

**Encik Hisham bin Mahmood**, aged 43 was appointed to the Board on 4 March 1997. He graduated with a Bachelor of Arts in Economics from University of Kent, Canterbury, United Kingdom. He started his career in Corporate Advisory Department in Malaysian International Merchant Bankers Berhad and later ventured into his own family business which deals in Interior Decoration and supply of pipelines and Tubular Goods for the Oil and Gas Industry. He is currently also a director of several other private limited companies.

**Mr Sum Kwai Sang**, aged 61 was appointed to the Board of PLS on 6 December 1995. He has contributed significantly to the growth of the Company with his vast business experience in banking and operations fields since his retirement in 1995. Currently he is also a director of several private limited companies.

## DIRECTORS' PROFILE (Cont'd)

### Conflict of interest

Related party transactions are disclosed in Notes 20 to the Financial Statement.

### Conviction for offences

None of the Directors have been convicted of any offence (excluding traffic offences) within the last 10 years.

### Attendance at the Board Meetings and Audit Committee Meeting

	<u>Board Meeting</u>	<u>Audit Committee Meeting</u>
1. Dato' Amirullah Abdul Muhi bin Mayudin	1	N/A
2. Dato' Lim Kang Yew	6	2
3. Dato' Haji Kamaruddin @ Abas Bin Nordin (Resigned On 20 June 2001)	3	N/A
4. Tuan Haji Ibrahim bin Haji Keling	6	2
5. En Johar Bin Salim	5	N/A
6. En. Lokman bin Omar	6	N/A
7. En. Hisham bin Mahmood	4	2
8. Mr. Sum Kwai Sang	5	N/A

### Family Relationship

None of the Directors have any family relationship with other Directors except for Dato' Lim Kang Yew who is a brother-in-law to Mr. Sum Kwai Sang.

### Directors' Remuneration

#### a. Aggregate Remuneration

	Executive Director RM	Non- Executive Director RM	Total RM
(a) Fees	-	15,000	15,000
(b) Salaries	572,040	-	572,040
(c) Bonuses	32,670	-	32,670
(d) EPF	65,386	-	65,386
(e) Commission	-	-	-
(f) Estimated value of benefits-in-kind	-	-	-
(e) Compensation for loss of office	-	-	-
<b>TOTAL (RM)</b>	<b>670,096</b>	<b>15,000</b>	<b>685,096</b>

#### b.

Band (RM) Category	Executive Director	Non- Executive Director	Total
1 - 50,000	1	3	4
50,001 - 100,000	1	-	1
100,001 - 150,000	1	-	1
150,001 - 400,000	-	-	-
400,001 - 450,000	1	-	1
<b>TOTAL</b>	<b>4</b>	<b>3</b>	<b>7</b>



## OTHERS

- 31 March 2001

### **Directors Responsibility Statement pursuant to Paragraph 15.27 (a) of Chapter 15 of the Listing Requirements of Kuala Lumpur Stock Exchange.**

The Directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of financial year and of the results and cash flows of the Group and of the Company for the financial year.

The Directors are satisfied that in preparing the financial statements of the Group for the year ended 31 March 2001, the Group has used the appropriate accounting policies and applied them consistently and prudently. The Directors also consider that all relevant approved accounting standards have been followed in the preparation of these financial statements.

