



PWE Industries Berhad

18904-M

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PWE Industries Berhad 18904-M

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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 29TH ANNUAL GENERAL MEETING of PWE Industries Berhad will be held at Ballroom 1, Santubong Kuching Resort, Jalan Santubong, 93748 Kuching, Sarawak on Thursday, 25 September 2003 at 11.30 a.m. for the following purposes :-

1. To receive and adopt the Company's Audited Financial Statements for the year ended 31 March 2003 together with the Reports of the Directors and Auditors thereon. **Resolution 1**
2. To re-elect Mr Sunny Khoo who retires in accordance with Article 91 of the Company's Articles of Association, as Director of the Company. **Resolution 2**
3. To re-appoint YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin who retires pursuant to Section 129 of the Companies Act, 1965, as Director of the Company. **Resolution 3**
4. To approve the payment of Directors' fees. **Resolution 4**
5. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

Special Business

6. To consider and, if thought fit, pass the following ordinary resolution :-
"THAT pursuant to Section 132D of the Companies Act, 1965, Articles of Association of the Company and the Listing Requirements of the Kuala Lumpur Stock Exchange, the Directors be and are hereby empowered to issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed 10% of the issued capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval from the Kuala Lumpur Stock Exchange for listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company." **Resolution 6**
7. To consider any other business for which due notice shall have been given.

BY ORDER OF THE BOARD

YAP BEE LEE

Secretary

Kuala Lumpur
3 September 2003

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints two or more proxies, the appointments shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
3. The Form of Proxy, in the case of an individual shall be signed by the appointer or his attorney, and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. The Form of Proxy must be deposited with the Company's Share Registrars, Metra Management Sdn Bhd at Suite 30.02, 30th Floor, Menara Multi-purpose, Capital Square, No.8, Jalan Munshi Abdullah, 50100 Kuala Lumpur, not less than 48 hours before the time for holding the Meeting or any adjournment thereof.
5. Explanatory notes on Special Business:
The proposed Resolution 6 if passed, will empower the Directors of the Company to issue and allot shares in the Company from time to time and for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in general meeting, expire at the next annual general meeting of the Company.

Statement Accompanying Notice of the 29th Annual General Meeting of the Company

1. Directors who are standing for re-election/re-appointment at the 29th Annual General Meeting of the Company are as follows :-
 - (i) Mr Sunny Khoo
 - (ii) YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin
2. A total of two (2) Board of Directors' Meeting were held during the financial year ended 31 March 2003, details of which is as follows :-

Date of Meeting	Venue
21 February 2003	1 st Floor, Wisma Ekran, Jalan Parlimen, 50480 Kuala Lumpur
25 March 2003	2 nd Floor, Wisma Ekran, Jalan Parlimen, 50480 Kuala Lumpur

Attendance of the Directors holding office at the end of the financial year ended are as follow :-

Name of Directors	No. of Meeting Attended
Tan Sri Dato' Paduka (Dr) Ting Pek Khiing	1/2
YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin	2/2
Mr Nicholas John Lough @ Sharif Lough Abdullah	2/2
Mr Sunny Khoo	2/2

3. Details of Mr Sunny Khoo and YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin who are standing for re-election and re-appointment respectively are set out in their respective profile write up in page 5.

Corporate Information

■ Board of Directors

Tan Sri Dato' Paduka (Dr) Ting Pek Khiing *(Executive Chairman)*

YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin *(Independent Non-Executive Director)*

Mr Nicholas John Lough @ Sharif Lough Abdullah *(Independent Non-Executive Director)*

Mr Sunny Khoo *(Non-Independent Non-Executive Director)*

■ Audit Committee

YM Tunku Dato' Seri Mahmud
bin Tunku Besar Burhanuddin
(Chairman)

Mr Nicholas John Lough
@ Sharif Lough Abdullah

Mr Sunny Khoo

■ Company Secretary

Yap Bee Lee
(MAICSA : 0864482)

■ Registered Office

Level 16, Wisma Ting Pek Khiing
No. 1, Jalan Padungan
93100 Kuching
Sarawak
Tel : 082-236 920
Fax : 082-236 922

■ Share Registrars

Metra Management Sdn Bhd
Suite 30.02
30th Floor, Menara Multi Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Tel : (03) 2694 8333
Fax : (03) 2694 8571

■ Auditors

Ernst & Young
Chartered Accountants (AF:0039)
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

■ Principal Bankers

Alliance Malaysia Bank Berhad
Public Bank Berhad

■ Solicitors

Chor Pee Anwarul & Co
Advocates & Solicitors
Suite 8-16-6
Level 16, Menara Olympia
No.8, Jalan Raja Chulan
50200 Kuala Lumpur

■ Stock Exchange Listing

The Second Board of the
Kuala Lumpur Stock Exchange

Profile of the Board of Directors

Tan Sri Dato' Paduka (Dr) Ting Pek Khiing, a Malaysian, aged 58. He was appointed to the Board of PWE Industries Berhad ("PWE") on 9 January 1995 as Executive Chairman. Tan Sri Ting, a self-made businessman, has over 25 years of experience in construction, specialising in the technology of using wood-based pre-fabricated standardised components and has successfully completed numerous housing projects for the Sarawak State Government and resort hotels in Sarawak and Pulau Langkawi. He also sits on the boards of Ekran Berhad and Wembley Industries Holdings Berhad, all of which are listed on the Kuala Lumpur Stock Exchange, and several private limited companies.

Tan Sri Ting is a major shareholder of PWE. He does not have any family relationship with any Director of the Company and he has no convictions for any offences within the last ten years. Tan Sri has no conflict of interest with PWE other than disclosed in Notes 12, 13 and 16 of the Audited Financial Statements for financial year ended 31 March 2003.

YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin, a Malaysian, aged 73. He was appointed to the Board of PWE on 11 May 1989 as an Independent Non-Executive Director. He is also the Chairman of the Audit Committee. YM Tunku has been actively involved in the corporate world for 21 years. He joined the Malay Administrative Services in 1953 and was subsequently appointed as the Assistant District Officer of Tampin and later the Assistant District Officer of Jelebu. In 1957, Tunku joined the Royal Customs and Excise Department (Customs) as a Superintendent. Tunku was with the Customs for 23 years and rose to the position of Director. In 1980 he retired from the Customs and joined Island and Peninsular Development Berhad as a General Manager where he remained until 1984. He also sits on the board of Tamadam Bonded Warehouse Berhad, a company listed on the Kuala Lumpur Stock Exchange, and several private limited companies.

YM Tunku does not have any family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest with PWE and has no convictions for any offences within the last ten years.

Mr Nicholas John Lough @ Sharif Lough Abdullah, a British, aged 51. He was appointed to the Board of PWE on 9 December 1994 as an Independent Non-Executive Director. He is also a member of the Audit Committee. In 1969, he was admitted as a member of the National Association of Goldsmith London and has been a member of the Gemology Association, Great Britain since 1970. In 1985, Mr Sharif Lough Abdullah joined the Melewar Group as the Group Executive Director and held the position for a period of 8 years. Thereafter he formed the Mediconsult Group of Companies focusing on the healthcare industry. He is the Executive Director of the Mediconsult Group of Companies. Mr Sharif Lough Abdullah also holds other directorships in several private limited companies.

Mr Sharif Lough Abdullah does not have any family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest with PWE and has no convictions for any offences within the last ten years.

Mr Sunny Khoo, a Malaysian, aged 43. He was appointed to the Board of PWE on 29 March 1995 as a Non-Executive Director. He is also a member of the Audit Committee. Mr Khoo is a member of Malaysian Association of Certified Public Accountants. For the period from 1981 to 1986, he was attached with Coopers & Lybrand as an Audit Trainee and did his articleship there. In 1987, he joined Ernst & Young as Audit Senior and subsequently resigned in 1990. Thereafter, he joined Arab Malaysian Corporation Berhad as the Group Accountant and held the position until 1992. He then joined Ekran Berhad on 16 November 1992 as Group Financial Controller. He also holds other directorships in several private limited companies.

Mr Sunny Khoo does not have any family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest with PWE and has no convictions for any offences within the last ten years.

Chairman's Statement

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Accounts of PWE Industries Berhad ("PWE") and the Group for the year ended 31 March 2003.

Financial Performance

For the financial year under review, the Group recorded a pre-tax profit of RM1.3 million as compared to pre-tax loss of RM0.5 million incurred during the previous financial year. The profit for the year was mainly attributable to reversal of corporate exercise expenses credited to the income statement.

No revenue was recorded this year due to the cessation of our core business activity in December 2001 with the disposal of the timber rights.

The Company recorded a profit before taxation of RM0.7 million as compared to a pre-tax loss of RM2.3 million incurred during the previous financial year. The profit for the current financial year was mainly attributable to reversal of corporate exercise expenses credited to the income statement.

Dividend

The Directors do not recommend any dividend to be declared for the year ended 31 March 2003.

Review of Operations

Presently, the Company is an affected listed issuer as defined under Practice Note 10/2001 of the Listing Requirements ("PN10") as it has ceased its previous core business activities of timber extraction and timber trading. As an affected listed issuer under PN10, the Company is required to comply with certain obligations as prescribed under PN10, which include, inter-alia, the obligation to undertake a corporate proposal which will enable the Company to continue trading and/or listing on the Kuala Lumpur Stock Exchange ("KLSE").

Corporate Developments

On 14 December 2001, the Company entered into a Deed of Sale with Tirasen Sdn Bhd to dispose of its sole Timber Rights contained in the timber licence T/340 for a purchase consideration of RM1.0 million. The proposed disposal is pending the approval of the shareholders of the Company.

The conditional Sale and Purchase Agreement signed on 20 December 2001 ("SPA") between PWE and Kosma Consolidated Berhad ("Vendor") for the proposed acquisition of approximately 95.76% equity interest in Kosma Nusantara Berhad ("KNB") has expired and terminated with effect from 31 December 2002, as the Vendor was not able to resolve certain issues in relation to KNB's land. With the termination of the SPA, the Proposed Rights Issue as announced on 21 December 2001 was also aborted.

On 16 July 2003, the Company entered into the following conditional agreements :-

- (i) Sale and Purchase Agreement between PWE, Bintang Mover Bhd ("BMB"), Mr Yap Hock Sing and Mr Yap Hock Tian in relation to the proposed acquisition of Bintang Bulk Mover Sdn Bhd ("BBMSB");
- (ii) Sale and Purchase Agreement between PWE, BMB, Encik Ahmad Shalimin bin Ahmad Shafie and Encik Shahrill Sharwani bin Ahmad Fuaad in relation to the proposed acquisition of Agenda Wira Sdn Bhd ("AWSB");
- (iii) Sale and Purchase Agreement between PWE, BMB and Encik Mohammed Ridzal bin Ahmed Rasiddi in relation to the proposed acquisition of Jitu Transport Sdn Bhd ("JTSB"); and
- (iv) Sale and Purchase Agreement between PWE, BMB and Encik Mohammed Ridzal bin Ahmed Rasiddi in relation to the proposed acquisition of Panglima Klasik Sdn Bhd ("PKSB").

(BBMSB, AWSB, JTSB and PKSB shall hereinafter collectively be referred to as the "Acquiree Companies").

Chairman's Statement

On 16 July 2003, in compliance with paragraphs 6.1(a) and 6.3 of PN10, the Company made the requisite announcement relating to following proposals :-

- (i) proposed share exchange of 42,000,000 ordinary shares of RM1.00 each in PWE ("PWE Shares") held by the existing shareholders of PWE with 19,764,000 new ordinary shares of RM0.50 each in BMB ("BMB Shares") on the basis of approximately forty seven (47) new BMB Shares for every one hundred (100) PWE Shares held at a date to be determined later by the Board of Directors of PWE, pursuant to a scheme of arrangement between PWE, BMB and the existing shareholders of PWE under Section 176(1) of the Companies Act, 1965 ("Proposed Share Exchange");
- (ii) proposed settlement and compromise of the shortfall in the profit guaranteed by and receivable from Equatorial Timber Marketing Sdn Bhd ("ETM"), a company in which Tan Sri Dato' (Dr) Ting Pek Khiing ("TPK"), a Director and substantial shareholder of PWE has interest and directorship, amounting to RM6,978,359 pursuant to the Profit Guarantee Agreement dated 26 March 1997 executed between ETM and PWE, by way of issuance of 34,563,536 warrants in BMB to the shareholders of BMB after the Proposed Share Exchange (excluding TPK, his nominees and the two subscriber shareholders of BMB) on the basis of four (4) Warrants in BMB for every one (1) BMB Share held after the Proposed Share Exchange;
- (iii) proposed acquisitions by BMB of :-
 - (a) 1,000,000 Shares in BBMSB representing 100% equity interest in BBMSB;
 - (b) 120,000 Shares in AWSB representing 30% equity interest in AWSB;
 - (c) 150,000 Shares in JTSB representing approximately 3.69% equity interest in JTSB;
 - (d) 500,000 Shares in PKSB representing approximately 45.98% equity interest in PKSB;

from the respective vendors of the Acquiree Companies for an aggregate purchase consideration of RM100.0 million to be satisfied by way of issuance of :-

- 114,000,000 new ordinary shares of RM0.50 each in BMB at an issue price of RM0.50 per BMB Share;
 - 64,000,000 new Irredeemable Convertible Preference Shares of RM0.10 each ("ICPS") at the issue price of RM0.50 per ICPS; and
 - RM11,000,000 nominal value of Redeemable Convertible Unsecured Loan Stocks ("RCULS") at 100% of the nominal value of the RCULS.
- (hereinafter referred to as the "Proposed Acquisitions")
- (iv) proposed exemption to the vendors of the Acquiree Companies from the obligation to undertake a mandatory offer to acquire the remaining BMB Shares not already held by them pursuant to Part II of the Malaysian Code on Take-overs and Mergers, 1998 consequent to the Proposed Acquisitions (if required);
 - (v) proposed private placement of up to 20,000,000 BMB Shares (or such number of BMB Shares required to be placed out for purposes of meeting the public shareholding spread requirement subject to the Listing Requirements of the KLSE and the requirement of the National Development Policy) by the substantial shareholders of BMB after the Proposed Share Exchange and Proposed Acquisitions at a placement price(s) to be determined later to persons as prescribed under Schedule II of the Securities Commission Act, 1993; and
 - (vi) proposed transfer of the listing status of PWE on the Second Board of the KLSE to BMB, by way of the delisting of PWE and the listing of BMB on the Second Board of the KLSE.

Chairman's Statement

The primary objective of the Proposals is to enable PWE to fulfill its obligations under PN10 such that the level of operations of the BMB and its proposed subsidiary companies ("BMB Group") are adequate to enable BMB to assume the listing status of PWE and be listed on the Second Board of the KLSE after the completion of the Proposals. The Proposed Acquisitions will enable BMB to acquire a new core business currently undertaken by the BBMSB and its subsidiary companies, which are involved in the transportation and haulage industry. The Proposed Acquisitions are expected to contribute to the profitability to the BMB Group in the future years.

The Proposals are subject to the approvals of the relevant authorities as well as the approvals of the shareholders of PWE and BMB. The Proposed Share Exchange, Proposed Acquisitions, Proposed Exemption (if required), Proposed Placement and Proposed Transfer of Listing (collectively referred to as "Proposed Corporate Restructuring") are conditional upon one another becoming unconditional and becoming capable of completion. The Proposed Corporate Restructuring and the Proposed Settlement are not inter-conditional. The Proposed Acquisition of BBMSB, Proposed Acquisition of AWSB, Proposed Acquisition of JTSB and Proposed Acquisition of PKSB are inter-conditional.

Submission to the relevant authorities in relation to the above proposals is scheduled to be made in September 2003.

Prospects

Upon completion of the Proposed Corporate Restructuring and Proposed Settlement, BMB and its proposed subsidiaries, BBMSB, AWSB, JTSB and PKSB ("BMB Group") will be principally involved in the transportation and haulage industry.

Demand for cement and concrete is estimated to grow stronger, partly aided by the increased utilisation of cement in several ongoing and planned public infrastructure projects to be implemented in 2002/2003. Construction related industries are expected to benefit from the ongoing implementation of fiscal stimulus projects as well as sustained performance of the housing sub-sector.

Accordingly, the demand for transportation of cement, which is one of the major transportation services provided by the BBMSB group is expected to grow in tandem with the expected continued growth of the industry.

Further, the statistics from the Eighth Malaysia Plan (2001-2005) indicated that total port capacity and containerised cargo are expected to increase at the rate of 9.5% per annum and 19.8% per annum respectively from 2001 to 2005.

The above outlook augurs well for the prospect of the BMB Group and the transportation and haulage industry in which the BBMSB group is presently involved.

Acknowledgements

Once again, I wish to thank my fellow Board members for their contribution and advice in exploring various corporate proposals to restore the level of operations of the Group. On behalf of the Board, I would like to express my appreciation to our advisers, business associates and shareholders for their services and continued support.

TAN SRI DATO' PADUKA (DR) TING PEK KHIING

Executive Chairman

18 August 2003

Report from the Audit Committee

Members

YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin

Chairman – Independent Non-Executive Director

Nicholas John Lough @ Sharif Lough Abdullah

Independent Non-Executive Director

Sunny Khoo

Non-Executive Director

Terms of Reference

Composition

The Audit Committee shall consists of at least three (3) members to be appointed by the Board from amongst the Directors, comprising a majority of directors independent of management and executive functions.

At least one member of the Committee shall be a member of the Malaysian Institute of Accountants (MIA) or if he is not a member of MIA, he must have at least 3 years working experience, and either must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967 or a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act, 1967.

The Chairman of the Audit Committee shall be elected from the among the Committee Members who is not an executive director or any employee of the Company or any related company.

Meetings

The Committee shall meet as many times as the Committee deems necessary and in any case, it should not be less than three (3) times a year.

The quorum for meetings of the Audit Committee shall be two (2) members who are independent non-executive Directors.

The Company Secretary shall be the Secretary to the Audit Committee.

The Committee may require the members of management, the internal auditors and representatives of the external auditors to attend any of its meetings as it determines.

Authority

The Audit Committee was appointed under Chapter 15, Part C, paragraph 15.10 of the Kuala Lumpur Stock Exchange Revamped Listing Requirements. The Committee is given the authority to investigate any activity of the Company and its subsidiaries and all employees shall be directed to cooperate as requested by members of the Committee.

Report from the Audit Committee

Duties and Responsibilities

The Audit Committee shall assist the Board of Directors in fulfilling its fiduciary responsibilities as to accounting policies and reporting practices of the Company and its subsidiaries and the sufficiency of auditing relating thereto.

The specific duties of the Audit Committee are as follows :-

- (i) To review the accounting policies adopted, any changes in accounting principles or practices and the level of prudence applied in areas requiring judgement.
- (ii) To review the external audit report on the financial statements.
- (iii) To review with the external auditors, the overall scope of the external audit and discuss the results of their examination and their evaluation of the internal control system.
- (iv) To review the scope and results of the internal audit procedures.
- (v) To review the financial statements with management and the external auditors prior to them being approved by the full Board.
- (vi) To review interim financial information and press releases of financial content.
- (vii) To review any significant transactions which are not a normal part of the Company's business.
- (viii) To review any significant related party transactions that may arise within the Company or Group.
- (ix) To recommend to the Board of Directors the appointment or termination of the external auditors.
- (x) Such other responsibilities as may be agreed between the Audit Committee and the Board of Directors.

Attendance at Meetings

During the financial year ended 31 March 2003, the Audit Committee held a total of four (4) meetings with all the members of the Committee in attendance. The dates of the meetings held are as follows :-

31 May 2002
29 July 2002
12 December 2002
21 February 2003

Activities

The following activities were performed by the Audit Committee during the financial year ended 31 March 2003 :-

- (i) Reviewed the Quarterly Results and Year End Audited Financial Statements of the Company with the external auditors prior to the Board's approval of the accounts.
- (ii) Ensured compliance with approved accounting standards in the preparation of the Financial Statements.
- (iii) Ensured timely disclosure of the Quarterly Results and Year End Audited Financial Statements of the Company to the Kuala Lumpur Stock Exchange ("KLSE").
- (iv) Ensured that the transactions entered into by the Company and the Group are in compliance with requirements of the KLSE, Securities Commission and other regulatory bodies.

Internal Audit

The Company is yet to set up an Internal Audit Division as it is in the transition stage of the corporate exercise as detailed in the Chairman's Statement.

Corporate Governance Report

The Board of Directors is accountable to the Company's shareholders for good corporate governance. The Board is aware of the principles and best practices as set out in the Malaysian Code on Corporate Governance and have taken steps to progressively implement them to promote good corporate governance within the Group.

The Board

Composition and Balance

The Board presently has four (4) members comprising an Executive Chairman, three (3) Non-Executive Directors, two (2) of whom are Independent. A brief description of each director is presented in the Profile of Directors. Collectively, the Directors bring a balance of skills and experience appropriate to the business. The Executive Chairman, with the support of other members of the Board, has primary responsibilities for managing the Group's day to day operations. The Board also delegates certain of its responsibilities to the Audit Committee with clearly defined terms of reference.

Supply of Information and Board Meetings

In order to discharge their duties, the Directors are provided with the agenda and a full set of Board papers prior to each Board Meeting and are free to seek any further information they consider necessary.

During the financial year ended 31 March 2003, two (2) Board of Directors' Meetings were held and details of the Directors' attendance are disclosed in page 3 herein.

All Directors have access to the advice of the Company Secretary and independent advisers where necessary.

Appointments to the Board and Re-election

The appointment of any additional Director is made as and when it is deemed necessary by the existing Board with due consideration given to the mix of expertise and experience required for a balanced and effective Board. The Board itself functions as the Nominating Committee.

In accordance with Article 91 of the Articles of Association of the Company, at least one third of the Directors shall retire by rotation at each Annual General Meeting and are eligible to offer themselves for re-election at the Annual General Meeting. Directors who are appointed by the Board to fill a casual vacancy are subject to election by shareholders at the next Annual General Meeting following their appointment. All directors shall also retire from office once at least in each three years.

Director's Training

All current Directors of the Company had attended the Mandatory Accreditation Program organised by the Research Institute of Investment Analysis Malaysia as required by the Kuala Lumpur Stock Exchange ("KLSE") Listing Requirements.

To ensure that the Directors continuously participate in training that would serve to enhance their knowledge so as to assist them in the discharging of their duties as directors, all current Directors will attend the Continuing Education Program (CEP) in the manner prescribed by the KLSE and accumulate the required CEP points, beginning with the calendar year 2003.

Corporate Governance Report

Directors' Remuneration

For the year under review, the aggregate of remuneration of Directors proposed/paid is as follows :-

	Directors' Fees (RM)	Allowance (RM)
Executive Director	–	–
Non-Executive Directors	36,000	3,600
Total	36,000	3,600

Communication with Shareholders and Investors

The Company recognises the importance of keeping shareholders and investors informed of all major developments affecting the Company. The Company's annual reports contain comprehensive information pertaining to the Group, while various disclosures on quarterly and annual results provide the shareholders and investors with financial information.

The principal forum for dialogue with shareholders is the Annual General Meeting, during which the shareholders are given the opportunity to participate and pose questions to the Board regarding operational and financial information. Members of the Board and the external auditors are available to respond to shareholders' queries during the Annual General Meeting.

Accountability and Audit

Financial Reporting

In preparing the annual financial statements and quarterly announcements to shareholders, the Directors are responsible in ensuring that the financial statements are prepared in accordance with the provisions of the Companies Act, 1965 and applicable accounting standards to give a true and fair view of the state of affairs of the Group. Before releasing to the KLSE, the financial results were reviewed by the Audit Committee and approved by the Board of Directors.

Internal Control

The Internal Control Statement for the Group is set up in page 13.

Relationship with Auditors

The Company has established transparent and appropriate relationships with the Company's auditors through the Audit Committee. The external auditors, Messrs Ernst & Young has continued to report to the members of the Company their findings which are included as part of the Company's financial reports with respect to each year's audit on the statutory financial statements. From time to time, the auditors highlight to the Audit Committee and the Board of Directors on matters that requires the Board's attention.

Statement on Internal Control

Responsibility

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

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

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

Risk Management Framework

As mentioned in last year's Annual Report, with the cessation of the Group's core business in November 2001, the Board determined that it would defer the establishment of an organizational structure for risk management until such time as the Group had a new core business.

In the interim period, the Board extended the responsibilities of the Audit Committee to include the following scope of work, on its behalf :

- Ensuring adequate internal controls were in place;
- Undertaking the process of identifying, evaluating, monitoring and managing risk; and
- Overseeing the care and custody of the Group's remaining assets after cessation.

The Audit Committee is currently responsible for the internal audit function which involves reviewing the internal controls in respect of the care and custody of the Group's remaining assets after cessation of core business to ensure continuous improvement of controls and procedures.

External consultants and advisers along with key management staff further provided support to the Audit Committee in their review and deliberations in regard to regulatory compliance issues which are reported to the Board on an as and when required basis.

Upon the Group embarking on a new business, the Board will establish the requisite risk management structure to identify, evaluate, monitor and manage the risks of the new core business reporting to the Audit Committee.



Other Disclosures

Non-audit Fees

There was no non-audit fees paid by the Company and the Group to the external auditors for the financial year ended 31 March 2003.

Directors' Responsibilities Statement

In preparing the annual financial statements of the Company and its group ("the Group") for the financial year ended 31 March 2003, the Board of Directors is collectively responsible in ensuring that the annual financial statements are drawn up in accordance with the requirements of the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

The Board is satisfied that the financial reporting of the Group presents a true and fair view of the current position and prospects of the Group.

Financial Statements

PWE Industries Berhad 18904-M

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Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2003.

Principal Activities

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are described in Note 10 to the financial statements.

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

Results

	Group RM	Company RM
Net profit for the year	1,268,752	729,762

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

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

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend any dividend for the current financial year.

Directors

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Dato' Paduka (Dr) Ting Pek Khiing

YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin

Nicholas John Lough @ Sharif Lough Abdullah

Sunny Khoo

Directors' Benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby directors might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in Note 6 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest other than as disclosed in Note 21 to the financial statements.

Directors' Report

Directors' Interests

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

Number of Ordinary Share of RM1 each			
At 1 April 2002	Bought	Sold	At 31 March 2003

The Company

Indirect Interest

Tan Sri Dato' Paduka (Dr) Ting Pek Khiing	23,637,465	–	–	23,637,465
---	------------	---	---	------------

Tan Sri Dato' Paduka (Dr) Ting Pek Khiing, by virtue of his interest in shares of the Company, is also deemed interested in the shares in all the Company's subsidiaries to the extent the Company has an interest.

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

Other Statutory Information

- (a) Before the income statements and balance sheets of the Group and of the Company were made out, the directors took reasonable steps:
- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and
 - to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- it necessary to write any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; and
 - the values attributed to current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances 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.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements.



Directors' Report

- (e) As at the date of this report, there does not exist:
 - (i) 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 liabilities of any other person; or
 - (ii) any contingent liability in respect of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
 - (i) no contingent liability 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 will or may affect the ability of the Group and of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is 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.

Significant and Subsequent Events

The significant and subsequent events are as disclosed in Note 18 to the financial statements.

Auditors

The auditors, Ernst & Young, have expressed their willingness to continue in office.

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

TAN SRI DATO' PADUKA (DR) TING PEK KHIING

SUNNY KHOO

28 July 2003

Statement by Directors

pursuant to section 169(15) of the Companies Act, 1965

We, TAN SRI DATO' PADUKA (DR) TING PEK KHIING and SUNNY KHOO, being two of the directors of PWE INDUSTRIES BERHAD, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 21 to 38 are drawn up in accordance with applicable Approved Accounting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2003 and of the results and the cash flows of the Group and the Company for the year then ended.

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

TAN SRI DATO' PADUKA (DR) TING PEK KHIING

SUNNY KHOO

28 July 2003

Statutory Declaration

pursuant to section 169(16) of the Companies Act, 1965

I, SUNNY KHOO, being the director primarily responsible for the financial management of PWE INDUSTRIES BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 21 to 38 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)	
the abovenamed SUNNY KHOO)	SUNNY KHOO
at Kuala Lumpur in Wilayah)	
Persekutuan on 28 July 2003)	

Before me,

M.S. NATHAN

No. W317

Commissioner for Oaths

Kuala Lumpur

Auditors' Report

to the members of PWE Industries Berhad

We have audited the accompanying financial statements set out on pages 21 to 38. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been 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 financial position of the Group and of the Company as at 31 March 2003 and of the results and the cash flows of the Group and of the Company for the year then ended; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiaries for which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under subsection (3) of Section 174 of the Act.

ERNST & YOUNG
AF: 0039
Chartered Accountants

Kuala Lumpur
28 July 2003

ABRAHAM VERGHESE A/L ABRAHAM
1664/10/04(J)
Partner

Income Statements

for the year ended 31 March 2003

	Note	Group		Company	
		2003 RM	2002 RM	2003 RM	2002 RM
Revenue	3	–	9,857,436	–	–
Other operating income	4	–	1,868,299	–	88,889
Timber extraction costs		–	(6,871,914)	–	–
Staff costs		(189,943)	(184,000)	(36,800)	(36,800)
Depreciation		(8,764)	(8,764)	–	–
Other operating expenses	5	1,242,677	(5,372,268)	541,780	(2,557,967)
Profit/(loss) from operations		1,043,970	(711,211)	504,980	(2,505,878)
Finance income	7	241,489	251,292	241,489	251,292
Profit/(loss) before taxation		1,285,459	(459,919)	746,469	(2,254,586)
Taxation	8	(16,707)	(281,900)	(16,707)	(66,000)
Net profit/(loss) for the year		1,268,752	(741,819)	729,762	(2,320,586)
Profit/(loss) per share (sen)	9	3.0	(1.8)		

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

Balance Sheets

as at 31 March 2003

		Group		Company	
	Note	2003 RM	2002 RM	2003 RM	2002 RM
NON-CURRENT ASSETS					
Property, plant and equipment	10	28,143	36,907	–	–
Investment in subsidiaries	11	–	–	2	2
		28,143	36,907	2	2
CURRENT ASSETS					
Trade receivables	12	2,496,212	2,551,478	–	–
Other receivables	13	7,263,239	8,287,915	6,274,510	7,879,483
Cash and bank balances	14	964,534	87,045	940,079	49,881
		10,723,985	10,926,438	7,214,589	7,929,364
CURRENT LIABILITIES					
Trade payables	15	148,416	148,416	–	–
Other payables	16	230,722	1,722,031	206,320	1,662,197
Taxation		448,347	437,007	119,347	108,007
		827,485	2,307,454	325,667	1,770,204
NET CURRENT ASSETS					
		9,896,500	8,618,984	6,888,922	6,159,160
		9,924,643	8,655,891	6,888,924	6,159,162
FINANCED BY:					
Share capital	17	42,000,000	42,000,000	42,000,000	42,000,000
Accumulated losses		(32,075,357)	(33,344,109)	(35,111,076)	(35,840,838)
Shareholders' equity		9,924,643	8,655,891	6,888,924	6,159,162

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

Statements of Changes in Equity

for the year ended 31 March 2003

GROUP

At 1 April 2001

Net loss for the year

At 31 March 2002

At 1 April 2002

Net profit for the year

At 31 March 2003

	Share capital RM	Accumulated losses RM	Total RM
At 1 April 2001	42,000,000	(32,602,290)	9,397,710
Net loss for the year	–	(741,819)	(741,819)
At 31 March 2002	42,000,000	(33,344,109)	8,655,891
At 1 April 2002	42,000,000	(33,344,109)	8,655,891
Net profit for the year	–	1,268,752	1,268,752
At 31 March 2003	42,000,000	(32,075,357)	9,924,643

COMPANY

At 1 April 2001

Net loss for the year

At 31 March 2002

At 1 April 2002

Net profit for the year

At 31 March 2003

	Share capital RM	Accumulated losses RM	Total RM
At 1 April 2001	42,000,000	(33,520,252)	8,479,748
Net loss for the year	–	(2,320,586)	(2,320,586)
At 31 March 2002	42,000,000	(35,840,838)	6,159,162
At 1 April 2002	42,000,000	(35,840,838)	6,159,162
Net profit for the year	–	729,762	729,762
At 31 March 2003	42,000,000	(35,111,076)	6,888,924

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

Cash Flow Statements

for the year ended 31 March 2003

	Group		Company	
	2003 RM	2002 RM	2003 RM	2002 RM
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before taxation	1,285,459	(459,919)	746,469	(2,254,586)
Adjustment for:				
Reserve on consolidation written off	–	(1,753,416)	–	–
Amortisation of timber rights	–	88,889	–	88,889
Depreciation	8,764	8,764	–	–
Gain on disposal of timber rights	–	(88,889)	–	(88,889)
Interest income	(241,489)	(251,292)	(241,489)	(251,292)
Investment in subsidiaries written off	–	–	–	8
Provision for doubtful debts	55,241	1,903,911	780,696	214,823
Operating profit/(loss) before working capital changes	1,107,975	(551,952)	1,285,676	(2,291,047)
Decrease/(increase) in receivables	1,247,067	(435,361)	1,046,643	730,812
(Decrease)/increase in payables	(1,491,309)	1,521,845	(1,455,877)	1,556,867
Cash generated from/(used in) operations	863,733	534,532	876,442	(3,368)
Taxes paid	(5,367)	(615,594)	(5,367)	(72,022)
Net cash generated from/(used in) operating activities	858,366	(81,062)	871,075	(75,390)
CASH FLOW FROM INVESTING ACTIVITIES				
Interest received	19,123	–	19,123	–
Net cash generated from investing activities	19,123	–	19,123	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	877,489	(81,062)	890,198	(75,390)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	87,045	168,107	49,881	125,271
CASH AND CASH EQUIVALENTS AT END OF YEAR (NOTE 14)	964,534	87,045	940,079	49,881

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

Notes to the Financial Statements

31 March 2003

1. Corporate Information

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are described in Note 11. There have been no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Second Board of the Kuala Lumpur Stock Exchange.

The principal place of business of the Company is located at Level 16, Wisma Ting Pek Khiing, No. 1, Jalan Padungan, 93100 Kuching, Sarawak.

The Group and the Company did not have any employees as at the end of the current and previous financial year. The accounting, secretarial and administrative functions of the Group and the Company were carried out by certain employees seconded from Ekran Berhad, a company in which a director of the Company, Tan Sri Dato' Paduka (Dr.) Ting Pek Khiing, has interest.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 July 2003.

2. Significant Accounting Policies

(a) Basis of Preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below.

The financial statements comply with the provisions of the Companies Act, 1965 and applicable Approved Accounting Standards in Malaysia.

During the financial year ended 31 March 2003, the Group and the Company adopted the following Malaysian Accounting Standards Board ("MASB") standards for the first time:

MASB 22	Segment Reporting
MASB 23	Impairment of Assets
MASB 24	Financial Instruments: Disclosure and Presentation

The adoption of MASB 23 did not result in any adjustment to the prior year financial statements. The adoption of MASB 22 and 24 resulted in the new disclosure format as set out in Note 22 and 24 respectively.

Notes to the Financial Statements

31 March 2003

2. Significant Accounting Policies (Cont'd.)

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries. Subsidiaries are those companies in which the Group has a long term equity interest and where it has power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

Subsidiaries are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. The assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition and these values are reflected in the consolidated balance sheet. The difference between the cost of an acquisition and the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition is included in the consolidated balance sheet as goodwill or negative goodwill arising on consolidation.

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

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised balance of goodwill and exchange differences which were not previously recognised in the consolidated income statement.

(c) Goodwill

Goodwill represents the difference between the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition is included in the consolidated balance sheet as goodwill or reserve arising on consolidation.

Goodwill is stated at cost less accumulated amortisation and impairment losses. The policy for the recognition and measurement losses is in accordance with Note 2(g). Goodwill or reserve on consolidation arising on the acquisition of subsidiaries is presented separately in the balance sheet.

The reserve on consolidation is credited to income statement on a straight-line basis over its estimated useful life over 10 years. However, the reserve on consolidation has been fully written off in the previous financial year as the timber rights and its related operations have been sold.

(d) Investment in Subsidiaries

The Company's investments in subsidiaries are stated at cost less impairment losses. The policy for the recognition and measurement losses is in accordance with Note 2(g).

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is charged or credited to the income statements.

Notes to the Financial Statements

31 March 2003

2. Significant Accounting Policies (Cont'd.)

(e) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably.

(i) Sale of goods

Revenue represents the invoiced sales of timber recognised net of discounts when transfer of risks and rewards has been completed.

(ii) Interest income

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

(f) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2 (g).

Depreciation of other property, plant and equipment is provided on a straight line basis to write off the cost of each asset to its residual value over its estimated useful life at the following annual rates:

Office equipment and furniture	10% – 33%
--------------------------------	-----------

Upon the disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

(g) Impairment of Assets

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of net selling price and value in use, which is measured by reference to discounted future cash flows.

An impairment loss is charged to the income statement immediately. Reversal of impairment losses recognised in prior years is recorded when the impairment losses recognised for the asset no longer exist or have decreased.

(h) Cash and Cash Equivalents

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

(i) Deferred Taxation

The tax expense for the year is based on the profit for the year, as adjusted for tax purposes, together with a charge or credit for deferred taxation.

Deferred taxation is provided for by the liability method for all material timing differences except when there is reasonable evidence that these timing differences will not reverse in the foreseeable future. Deferred tax benefits are only recognised when there is a reasonable expectation of realisation in the near future.

Notes to the Financial Statements

31 March 2003

2. Significant Accounting Policies (Cont'd.)

(j) Financial Instruments

Financial instruments are recognised in the balance sheet when the Company has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Trade and Other Receivables

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

(ii) Trade and Other Payables

Trade and other payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(iii) Interest – Bearing Borrowings

The Company's does not have any interest-bearing debts as at 31 March 2003.

(v) Equity Instruments

Ordinary shares are classified as equity.

Dividend on ordinary shares are recognised in equity in the period in which they are declared.

3. Revenue

Revenue of the Group represents the invoiced sales of timber net of discounts.

4. Other Operating Income

Included in the other operating income are as follows:

	Group		Company	
	2003 RM	2002 RM	2003 RM	2002 RM
Gain on disposal of timber rights	–	88,889	–	88,889
Reserve on consolidation written off	–	1,753,416	–	–

Notes to the Financial Statements

31 March 2003

5. Other Operating Expenses

Included in other operating expenses are as follows:

	Group		Company	
	2003 RM	2002 RM	2003 RM	2002 RM
Amortisation of timber rights	–	88,889	–	88,889
Rental of premises	60,000	60,000	12,000	12,000
Directors' remuneration (Note 6)	39,600	41,700	39,600	41,700
Auditors' remuneration				
– current year	22,000	24,500	18,000	18,000
– other services	–	302,500	–	300,000
Provision for doubtful debts				
– Trade receivables	55,241	1,903,911	–	–
– Other receivables	–	–	–	214,823
– Subsidiary	–	–	780,696	–
Expenses of liquidated subsidiaries undertaken by the Company	–	26,668	–	26,668
Investment in subsidiaries written off	–	–	–	8
Professional fees for restructuring exercise	–	1,895,445	–	1,895,445
Provision for professional fees written back	(1,379,081)	–	(1,379,081)	–

6. Directors' Remuneration

	Group and Company	
	2003 RM	2002 RM
Directors of the Company		
Non-Executive:		
Fees	36,000	39,000
Other emoluments	3,600	2,700
	39,600	41,700

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

	Number of Directors	
	2003 RM	2002 RM
Non-Executive directors:		
Below RM50,000	3	4

Notes to the Financial Statements

31 March 2003

7. Finance Income

	Group and Company	
	2003	2002
	RM	RM
Interest income:		
– on advances to a director related company, Ekran Berhad	222,366	251,292
– on fixed deposits with licensed bank	19,123	–
	241,489	251,292

8. Taxation

	Group		Company	
	2003	2002	2003	2002
	RM	RM	RM	RM
Current year's provision	63,630	395,000	63,630	66,000
Overprovision in prior years	(46,923)	(113,100)	(46,923)	–
	16,707	281,900	16,707	66,000

Taxation for the year for the Company is in respect of interest income receivable.

As at 31 March 2003, the Company has tax exempt profits available for distribution of approximately RM8,626,000 (2002: RM8,626,000), subject to agreement with the Inland Revenue Board.

The taxation of the Group relates to companies with profits as losses of other subsidiaries cannot be set off against profits made by other companies in the Group as no group relief is available.

9. Profit/(Loss) Per Share

Basic profit/(loss) per share of the Group is calculated by dividing the net profit/(loss) for the year by the weighted average number of ordinary shares in issue during the financial year, including treasury shares held by the Company.

	Group	
	2003	2002
	RM	RM
Net profit/(loss) for the year	1,268,752	(741,819)
Weighted average number of ordinary shares in issue	42,000,000	42,000,000
Basic profit/(loss) per share (sen)	3.0	(1.8)

Dilutive earnings per share has not been presented as there is no potential ordinary shares outstanding during the financial year.

Notes to the Financial Statements

31 March 2003

10. Property, Plant and Equipment

	Office equipment and furniture RM
Group	
Cost	
At 1 April 2002/31 March 2003	117,841
Accumulated Depreciation	
At 1 April 2002	80,934
Charge for the year	8,764
At 31 March 2003	89,698
Net Book Value	
At 31 March 2003	28,143
At 31 March 2002	36,907
Depreciation charge for 2002	8,764

11. Investment in Subsidiaries

	Company	
	2003 RM	2002 RM
Unquoted shares, at cost	9,000,002	9,000,010
Provision for diminution in value	(9,000,000)	(9,000,000)
Amount written off	–	(8)
	2	2

Details of the subsidiaries are as follows:

Name of Companies	Country of Incorporation	Effective Interests %		Principal Activities
		2003	2002	
Sastep Sendirian Berhad	Malaysia	100	100	Timber extraction and timber trading
PWE Logging Sdn. Bhd.	Malaysia	100	100	Dormant

PWE O&M (Bakun) Sdn. Bhd., Sastep Logistics Sdn. Bhd., PWE Information Networks Sdn. Bhd. and PWE Management Sdn. Bhd., all were wound up pursuant to Section 308 of the Companies Act, 1965 in the previous financial year.

Notes to the Financial Statements

31 March 2003

12. Trade Receivables

	Group	
	2003 RM	2002 RM
Trade receivables	14,355,469	14,355,494
Less: Provision for doubtful debts	(11,859,257)	(11,804,016)
	2,496,212	2,551,478

Included in trade receivables are amounts of RM14,171,832 (2002: RM14,171,857) due from Equatorial Timber Marketing Sdn. Bhd., Ekran Timber and Sawmill Sdn. Bhd., Ekran Logging Sdn. Bhd., Ekran Project Management Sdn. Bhd., Ekran Plantation Sdn. Bhd. and Sarawak Pulp Industry Sdn. Bhd., companies in which a director of the Company, Tan Sri Dato' Paduka (Dr) Ting Pek Khiing, has substantial financial interests in respect of which provision for doubtful debts amounting to RM11,675,620 (2002: RM11,675,620) has been made.

The Group's normal trade credit term ranges from 90 to 120 days. Other credit terms are assessed and approved on a case by case basis.

As at balance sheet date, the Group has a significant concentration of credit risk in form of balance due from a group of debtors related to a director of the Company, Tan Sri Dato' Paduka (Dr) Ting Pek Khiing representing approximately 84% of the total trade receivables.

13. Other Receivables

	Group		Company	
	2003 RM	2002 RM	2003 RM	2002 RM
Due from subsidiaries	–	–	1,618,060	1,417,660
Director related companies				
– Ekran Berhad	7,256,623	7,283,111	6,271,568	6,298,057
– Others	36,149	36,149	36,149	36,149
Sundry receivables	6,616	1,004,804	2,792	1,000,980
	7,299,388	8,324,064	7,928,569	8,752,846
Provision for doubtful debts	(36,149)	(36,149)	(1,654,059)	(873,363)
	7,263,239	8,287,915	6,274,510	7,879,483

Director related companies refer to companies in which a director, Tan Sri Dato' Paduka (Dr) Ting Pek Khiing, has substantial financial interests. In the previous financial year, an advance of RM7.43 million was given to Ekran Berhad. The advance was reduced to RM6.27 million (2002: RM6.30 million) as at year end via the contra of certain expenses and cash repayment of RM251,855 by Ekran Berhad. The directors are of the opinion that even though the advance given to Ekran Berhad contravenes Section 133A of the Companies Act, 1965, under the circumstances, the advance was necessary to address the short term needs of Ekran Berhad. Steps have been taken to ensure that the Company will not suffer any loss as a result of this advance and interest is charged to Ekran Berhad at market rate. The advance is to be repaid by December 2003 upon completion of Ekran's corporate exercise.

Notes to the Financial Statements

31 March 2003

13. Other Receivables (Cont'd.)

The amounts due from subsidiaries are unsecured, interest free and have no fixed terms of repayment.

As at balance sheet date, the Group has a significant concentration of credit risk that may arise from exposures to a single debtor representing approximately 99% of the total other receivables.

14. Cash and Cash Equivalent

	Group		Company	
	2003 RM	2002 RM	2003 RM	2002 RM
Cash on hand and at banks	65,534	87,045	41,079	49,881
Deposit with licensed banks	899,000	–	899,000	–
Cash and cash equivalents	964,534	87,045	940,079	49,881

The weighted average effective interest rates of 3.2% as at balance sheet date and the average maturities of deposits is 90 days.

15. Trade Payables

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

16. Other Payables

	Group		Company	
	2003 RM	2002 RM	2003 RM	2002 RM
Due to companies in which certain directors have substantial financial interests	10,353	10,332	–	–
Other payables	32,049	90,949	1,800	41,447
Accruals	188,320	1,620,750	204,520	1,620,750
	230,722	1,722,031	206,320	1,662,197

The amounts due to Gemila Sdn Bhd, Equatorial Timber Marketing Sdn Bhd and Bakun Resorts Sdn Bhd, companies in which a director, Tan Sri Dato' Paduka (Dr) Ting Pek Khiing, has substantial financial interests, are unsecured, interest free and have no fixed terms of repayment.

17. Share Capital

	Number of Ordinary Shares of RM1 Each		Amount	
	2003	2002	2003	2002
Authorised: At 1 April/31 March	500,000,000	500,000,000	500,000,000	500,000,000
Issued and fully paid: At 1 April/31 March	42,000,000	42,000,000	42,000,000	42,000,000

Notes to the Financial Statements

31 March 2003

18. Significant and Subsequent Events

On 20 December 2001, the Company announced that it entered into a Deed of Sale with Tirasen Sdn. Bhd. for the disposal of timber rights for a consideration of RM1,000,000.

The timber rights represent the only business in the PWE Group. Following the disposal, the turnover of the PWE Group will be less than 5% of the issued and paid-up share capital of the Company. Such circumstances caused the Company to be an affected listed issuer pursuant to Paragraph 2.1 of Practice Note 10 ("PN 10") of the Kuala Lumpur Stock Exchange ("KLSE").

The conditional Sale and Purchase Agreement ("SPA") signed on 21 December 2001 between PWE and Kosma Consolidated Berhad ("KCB") for proposed acquisition of 88,575,000 ordinary shares of RM1.00 each representing approximately 95.76% equity interest in Kosma Nusantara Berhad ("KNB") has expired and terminated with effect from 31 December 2002, as KCB was not able to resolve certain issues in relation to KNB's land. Hence on 6 January 2003, the company has aborted the said proposals.

On 4 July 2003, KLSE has approved an extension of three months to 19 September 2003 for the Company to make the Requisite Announcement under paragraph 6.1(a) of PN10.

On 16 July 2003, the Company had entered into four separate conditional agreements with Bintang Mover Bhd. ("BMB") and the respective vendors of Bintang Bulk Movers Sdn. Bhd. ("BBMSB"), Agenda Wira Sdn. Bhd. ("AWSB"), Jitu Transport Sdn. Bhd. ("JTSB") and Panglima Klasik Sdn. Bhd. ("PKSB") (BBMSB, AWSB, JTSB and PKSB shall hereinafter collectively be referred to as the "Acquiree Companies") setting out the definitive terms and conditions of the proposed corporate restructuring exercise of PWE ("Proposals") summarised as follows:

- (i) proposed share exchange of 42,000,000 ordinary shares of RM1.00 each in PWE held by the existing shareholders of PWE with 19,764,000 new ordinary shares of RM0.50 each in BMB on the basis of approximately forty seven (47) new BMB Shares for every one hundred PWE Shares held at a date to be determined later by the Board of Directors of PWE, pursuant to a scheme of arrangement between PWE, BMB and the existing shareholders of PWE under Section 176(1) of the Act;
- (ii) proposed settlement and compromise of the shortfall in the profit guaranteed by and receivable from Equatorial Timber Marketing Sdn. Bhd. ("ETM"), a company in which Tan Sri Dato' Paduka (Dr) Ting Pek Khiing ("TPK"), a Director and substantial shareholder of PWE has interest and directorship, amounting to RM6,978,359 pursuant to the Profit Guarantee Agreement dated 26 March 1997 executed between ETM and PWE, by way of issuance of 34,563,536 warrants in BMB to the shareholders of BMB after the Proposed Share Exchange (excluding TPK, his nominees and the two subscriber shareholders of BMB) on the basis of four (4) Warrants for every one (1) BMB Share held after the Proposed Share Exchange;
- (iii) proposed acquisitions by BMB of:
 - (a) 1,000,000 BBMSB representing 100% equity interest in BBMSB;
 - (b) 120,000 AWSB representing 30% equity interest in AWSB;
 - (c) 150,000 JTSB representing approximately 3.69% equity interest in JTSB;
 - (d) 500,000 PKSB representing approximately 45.98% equity interest in PKSB;

Notes to the Financial Statements

31 March 2003

18. Significant and Subsequent Events (Cont'd.)

from the respective vendors of the Acquiree Companies for an aggregate purchase consideration of RM100.0 million to be satisfied by way of issuance of:

- (aa) 114,000,000 new ordinary shares of RM0.50 each in BMB at an issue price of RM0.50 per BMB Share;
- (bb) 64,000,000 new Irredeemable Convertible Preference Shares of RM0.10 each ("ICPS") at the issue price of RM0.50 per ICPS; and
- (cc) RM11,000,000 nominal value of Redeemable Convertible Unsecured Loan Stocks ("RCULS") at 100% of the nominal value of the RCULS.

(hereinafter referred to as the "Proposed Acquisitions")

- (iv) proposed exemption to the vendors of the Acquiree Companies from the obligation to undertake a mandatory offer to acquire the remaining BMB Shares not already held by them pursuant to Part II of the Malaysian Code on Take-overs and Mergers, 1998 consequent to the Proposed Acquisitions (if required);
- (v) proposed private placement of up to 20,000,000 BMB Shares (or such number of BMB Shares required to be placed out for purposes of meeting the public shareholding spread requirement subject to the listing requirements of the KLSE and the requirement of the National Development Policy) by the substantial shareholders of BMB after the Proposed Share Exchange and Proposed Acquisitions at a placement price(s) to be determined later to persons as prescribed under Schedule II of the Securities Commission Act, 1993; and
- (vi) proposed transfer of the listing status of PWE on the Second Board of KLSE to BMB, by way of delisting of PWE and the listing of BMB on the Second Board of KLSE.

The primary objective of the Proposals is to enable PWE to fulfill its obligations under PN10 such that the level of operations of the BMB and its proposed subsidiary companies ("BMB Group") are adequate to enable BMB to assume the listing status of PWE and be listed on the Second Board of the KLSE after the completion of the Proposals.

19. Contingent Liability – unsecured

	Group and Company	
	2003	2002
	RM	RM
Corporate guarantee provided for bank facilities granted to a subsidiary	1,781,062	3,184,016

The bank facilities granted to the subsidiary were for the purchase of heavy machinery in the financial year ended 31 March 2000. These heavy machinery have been sold to an external party but the lenders did not discharge the Company from the Corporate Guarantee. The Company has received a Letter of Indemnity from the buyer to indemnify the Company from all losses and liabilities that may crystallise in the event that the buyer defaults on the hire purchase facilities.

Notes to the Financial Statements

31 March 2003

20. Contingent Asset

	Group	
	2003 RM	2002 RM
Shortfall in profit guarantee receivable from the vendor of timber rights	6,978,359	6,978,359

The contingent asset is in respect of the shortfall in profit guarantee for the financial year ended 31 March 1999. The shortfall is receivable from Equatorial Timber Marketing Sdn. Bhd., the vendor of the timber rights, a company in which a director, Tan Sri Dato' Paduka (Dr) Ting Pek Khiing, has substantial financial interests.

The management has agreed with the vendor that the shortfall would be settled as part of the Proposals as indicated in Note 18.

21. Significant Related Party Transactions

During the financial year, the following transactions were entered into with companies in which a director, Tan Sri Dato' Paduka (Dr) Ting Pek Khiing, has substantial financial interests:

	Group	
	2003 RM	2002 RM
Equatorial Timber Marketing Sdn. Bhd.		
Sale of timber	–	9,857,436
Logging management fee paid	–	1,016,600
Timber extraction costs	–	6,871,914
Ekran Berhad		
Staff costs for seconded employees	184,000	184,000
Expenses paid on behalf	–	416
Rental of premises	60,000	60,000
Printing and stationery charges	6,000	6,000
Interest income	222,366	251,292

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

22. Financial Instruments

(a) Financial Risk Management Objectives and Policies

The Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Company's businesses whilst managing its liquidity and credit risks. The Company does not engage in speculative transactions.

Notes to the Financial Statements

31 March 2003

22. Financial Instruments (Cont'd.)

(b) Interest Rate Risk

The Company's primary interest rate risk relates to interest-bearing assets. The investment in financial assets are mainly short term in nature and they are not held for speculative purposes but have been mostly placed in fixed deposits.

The information on maturity dates and effective interest rates of financial assets are disclosed in the respective notes.

(c) Liquidity Risk

The Company actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Company maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements.

(d) Credit Risk

Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Company's associations to business partners with high creditworthiness. Other receivables are monitored on an ongoing basis via management reporting procedures.

As at balance sheet date, the Group has a significant concentration of credit risk in the form of outstanding balances due from a group of debtors relating to a director of the Company, Tan Sri Dato' Paduka (Dr) Ting Pek Khiing representing approximately 84% and 99% of the trade and other receivables respectively.

(e) Fair Values

The carrying amounts of cash and cash equivalents, trade and other receivables/payables approximate their fair values due to the relatively short term maturity of these financial instruments.

23. Comparatives

The presentation and classification of items in the current year financial statement have been consistent with the previous financial year.

No comparatives are disclosed for certain information relating to financial instruments as allowed under the transitional provision of the MASB 24 – Financial Instruments: Disclosure and Presentation upon first application.

24. Segmental Information

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

Notes to the Financial Statements

31 March 2003

24. Segmental Information (Cont'd.)

	Timber extraction and timber trading		Investment holding		Elimination		Consolidated	
	2003	2002	2003	2002	2003	2002	2003	2002
	RM	RM	RM	RM	RM	RM	RM	RM
Revenue								
External sales	-	9,857,436	-	-	-	-	-	9,857,436
Total revenue	-	9,857,436	-	-	-	-	-	9,857,436
Result								
Segment results	(2,017,202)	(198,515)	504,980	(727,519)	2,556,192	214,823	1,043,970	(711,211)
Finance income							241,489	251,292
Profit/(loss) before tax							1,285,459	(459,919)
Taxation							(16,707)	(281,900)
Net profit/(loss) for the year							1,268,752	(741,819)
ASSETS AND LIABILITIES								
Segment assets, representing	3,537,539	3,614,427	7,214,589	7,348,918			10,752,128	10,963,34
Segment liabilities	172,818	208,250	206,320	1,662,197			379,138	1,870,447
Unallocated corporate liabilities							448,347	437,007
Total liabilities							827,485	2,307,454
OTHER INFORMATION								
Depreciation	8,764	8,764	-	-			8,764	8,764
Non cash expenses other than depreciation and impairment losses	55,241	1,903,911	-	-			55,241	1,903,911

No segmental analysis on a geographical basis is provided as the Group's operations is wholly carried out in Malaysia.

List of Properties

Location	Tenure	Year Lease Expiring	Land Area	Existing Use	Net Book Value as at 31.3.2003 (RM)
NIL					

Analysis of Shareholders

as at 28 July 2003

Authorised Capital : RM500,000,000
 Issued and Paid-up Capital : RM42,000,000
 Class of Shares : Ordinary Shares of RM1.00 each
 Voting Rights : One vote per Ordinary Share

Distribution of Shareholdings

Holdings	No. of Holders	Total Holdings	%
Less than 100	7	120	0.00
100 to 1,000	2,084	2,066,506	4.92
1,001 to 10,000	2,801	11,182,810	26.63
10,001 to 100,000	373	10,229,036	24.35
100,001 to 2,999,999	24	11,721,528	27.91
5% and above of issued shares	2	6,800,000	16.19
Total	5,291	42,000,000	100.00

Thirty Largest Shareholders

Name	No. of Shares	% of Issued Capital
1. CIMB Nominees (Tempatan) Sdn Bhd [Pledged securities account for Tan Sri Dato' Paduka (Dr) Ting Pek Khiing]	4,000,000	9.52
2. AllianceGroup Nominees (Tempatan) Sdn Bhd [Alliance Merchant Nominees (Tempatan) Sdn Bhd for Ting Pek Khiing]	2,800,000	6.67
3. CIMB Nominees (Tempatan) Sdn Bhd [Pledged securities account for Tan Sri Dato' Paduka (Dr) Ting Pek Khiing]	1,680,000	4.00
4. Lembaga Tabung Haji	1,452,800	3.46
5. Southern Nominees (Tempatan) Sdn Bhd [Pledged securities account for Tan Sri Datuk Ting Pek Khiing]	1,407,728	3.35
6. AllianceGroup Nominees (Tempatan) Sdn Bhd [Pledged securities account for Ting Pek Khiing]	1,303,000	3.10
7. Lembaga Tabung Haji	1,030,000	2.45
8. AllianceGroup Nominees (Tempatan) Sdn Bhd [AFB Nominees (Tempatan) Sdn Bhd for Ting Pek Khiing]	760,000	1.81
9. HSBC Nominees (Tempatan) Sdn Bhd [Pledged securities account for Tan Sri Datuk Paduka Ting Pek Khiing]	700,000	1.67
10. Mayban Securities Nominees (Tempatan) Sdn Bhd [Aspek Elit Sdn Bhd]	475,000	1.13
11. PAB Nominee (Tempatan) Sdn Bhd [Pledged securities account for Ting Pek Khiing]	300,000	0.71
12. Southern Nominees (Tempatan) Sdn Bhd [Pledged securities account for Tan Sri Datuk Ting Pek Khiing]	300,000	0.71
13. JB Nominees (Tempatan) Sdn Bhd [Multi-Purpose Credit Sdn Bhd for Ting Pek Khiing]	295,000	0.70
14. Low Ah Kou	291,000	0.69
15. Public Nominees (Tempatan) Sdn Bhd [Pledged securities account for Ting Lian Siew @ Ting Lian Bo]	260,400	0.62
16. A.A. Assets Nominees (Tempatan) Sdn Bhd [Pledged securities account for Aspek Elit Sdn Bhd]	216,000	0.51

Analysis of Shareholders

as at 28 July 2003

Thirty Largest Shareholders (Cont'd.)

Name	No. of Shares	% of Issued Capital
17. Su Meu Ging	183,000	0.44
18. Yew Kok Soo	132,000	0.31
19. Wong Hua Ung	130,000	0.31
20. Kenanga Nominees (Tempatan) Sdn Bhd [Pledged securities account for Ting Lian Siew @ Ting Lian Bo]	124,000	0.30
21. Yong Kah Chin	122,000	0.29
22. HDM Nominees (Tempatan) Sdn Bhd [Pledged securities account for Ooi In Aun]	120,600	0.29
23. Public Nominees (Tempatan) Sdn Bhd [Pledged securities account for Tiang Chiin Yew]	117,000	0.28
24. Ngu Nii Ann	115,000	0.27
25. Molly Wong Mee Nung	104,000	0.25
26. HLG Nominee (Tempatan) Sdn Bhd [Hong Leong Bank Berhad for Ting Huong Siang]	103,000	0.25
27. Bong Hon Voo	100,000	0.24
28. CIMB Nominees (Tempatan) Sdn Bhd [Pledged securities account for Tan Sri Dato' Paduka (Dr) Ting Pek Khiing]	100,000	0.24
29. HDM Nominees (Tempatan) Sdn Bhd [Pledged securities account for Tiang Chiin Yew (MEMO5)]	100,000	0.24
30. Kenanga Nominees (Tempatan) Sdn Bhd [Pledged securities account for Chong Bui Ling]	100,000	0.24
Total	18,921,528	45.05

Substantial Shareholders

(as defined under Section 69D of the Companies Act, 1965)

Name	Direct		Indirect	
	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital
Tan Sri Dato' Paduka (Dr) Ting Pek Khiing	23,637,465	56.28	–	–
Lembaga Tabung Haji	2,482,800	5.91	–	–

Directors' Interest

Name	Direct		Indirect	
	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital
Tan Sri Dato' Paduka (Dr) Ting Pek Khiing	23,637,465	56.28	–	–
YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin	–	–	–	–
Mr Nicholas John Lough @ Sharif Lough Abdullah	–	–	–	–
Mr Sunny Khoo	–	–	–	–



Form of Proxy

I/We _____

of _____

being a member/members of PWE INDUSTRIES BERHAD hereby appoint _____

of _____

or failing him/her _____

of _____

or the Chairman of the Meeting as my/our proxy to vote and act for me/us on my/our behalf at the 29th Annual General Meeting of the Company to be held at Ballroom I, Santubong Kuching Resort, Jalan Santubong, 93748 Kuching, Sarawak on Thursday, 25 September 2003 at 11.30 a.m. and at any adjournment thereof.

My/Our Proxy is to vote as indicated below :-

Resolution		For	Against
No. 1	To receive and adopt the Audited Financial Statements and Reports.		
No. 2	To re-elect Mr Sunny Khoo as Director.		
No. 3	To re-appoint YM Tunku Dato' Seri Mahmud bin Tunku Besar Burhanuddin as Director.		
No. 4	To approve the payment of Directors' fees.		
No. 5	To re-appoint Messrs Ernst & Young as Auditors of the Company.		
No. 6	To authorise Directors to allot and issue shares.		

(Please indicate with an "X" in the spaces provided how you wish your votes to be cast. If you do not do so, the Proxy will vote or abstain from voting at his discretion.)

No. of Shares Held	
---------------------------	--

Dated this _____ day of _____ 2003.

Signature

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints two or more proxies, the appointments shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
3. The Form of Proxy, in the case of an individual shall be signed by the appointer or his attorney, and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. The Form of Proxy must be deposited with the Company's Share Registrars, Metra Management Sdn Bhd at Suite 30.02, 30th Floor, Menara Multi-Purpose, Capital Square, No. 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur, not less than 48 hours before the time for holding the Meeting or any adjournment thereof.
5. Any alteration in this form must be initiated.

FOLD HERE

STAMP

Metra Management Sdn Bhd
Suite 30.02, 30th Floor, Menara Multi Purpose
Capital Square, No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur

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