

# GULA PERAK BERHAD

(Company No. 8104-X)  
(Incorporated in Malaysia)

ANNUAL REPORT 2002

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GULA PERAK BERHAD

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# NOTICE OF ANNUAL GENERAL MEETING

GULA PERAK BERHAD

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (“AGM”) of the Company will be held at Function Room 1, Level 4, Dynasty Hotel, No. 218, Jalan Ipoh, 51200 Kuala Lumpur on Wednesday, 25 September 2002 at 10.00 a.m. to transact the following business:

## AGENDA

### ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the year ended 31 March 2002 together with the Reports of the Directors and Auditors thereto and if approved to adopt them. Resolution (1)
2. To re-elect the following Directors who retire pursuant to Article 89 of the Company's Articles of Association and being eligible, offer themselves for re-election:
  - (i) Datuk Rahim bin Baba Resolution (2)
  - (ii) Leow Thang Fong Resolution (3)
  - (iii) Lim Sue Beng Resolution (4)
3. To re-elect the Tan Sri Dato' (Dr) Elyas bin Omar pursuant to Article 95 of the Company's Articles of Association and being eligible, offers himself for re-election. Resolution (5)
4. To approve a resolution that pursuant to Section 129(6) of the Companies Act, 1965, Tan Sri Dato' Ahmad Sabki bin Jhidin be and is hereby re-appointed as Director of the Company to hold office until the conclusion of the next AGM. Resolution (6)
5. To re-appoint Messrs PricewaterhouseCoopers as auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. Resolution (7)

### SPECIAL BUSINESS

6. To consider and if thought fit, pass with or without any modifications, the following ordinary resolution pursuant to Section 132D and Section 132E of the Companies Act, 1965.
  - a) “THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to allot and to issue shares in the Company from time to time at such price, upon such terms and conditions for such purposes and to such person or persons whomsoever as the Directors may deem fit provided that the aggregate number of shares so issued does not exceed 10% of the issued capital of the Company for the time being and such authority shall continue to be force until the conclusion of the next AGM of the Company”. Resolution (8)
  - b) “THAT pursuant to Section 132E of the Companies Act, 1965, authority be and is hereby given to the Company and/or its subsidiary companies to enter into arrangements or transactions from time to time with the Directors of the Company or any persons connected with such Directors (within the meaning of Section 122A of the Companies Act, 1965) whereby the Company and/or its subsidiary companies may acquire from or dispose to such Directors or persons connected with such Directors products, services or any non-cash assets of the Company or its subsidiary companies provided that such acquisitions or disposals are on normal commercial terms and in the ordinary course of business of the Company, such authority will continue to be in force until the conclusion of the next AGM AND THAT for the avoidance of doubt, any such transactions entered into by the Company with the Directors or connected persons prior to the date of this resolution be and are hereby approved and ratified.” Resolution (9)

7. Proposed Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature Involving Gula Perak Berhad ("GPB") . Resolution (10)

THAT approval be and is hereby given pursuant to Paragraph 10.09 of the Listing Requirements of Kuala Lumpur Stock Exchange, for the GPB to enter into any transactions falling within the types of Recurrent Related Party Transactions, particulars of which are set out in Section 2.4(1) of the Circular to Shareholders dated 3 September 2002 ("the Circular") with Interdev Corporation Sdn. Bhd. ("Interdev"), provided that such transactions are:-

- (a) Recurrent Transactions of revenue or trading nature;
- (b) Necessary for its day-to-day operations, made on an arm's length basis;
- (c) Carried out on normal commercial terms which are no more favourable to the Interested Parties than those extended to the public and are not detrimental to the minority shareholders of the Company; and
- (d) Disclosure is made of the aggregate value of Recurrent Transactions conducted pursuant to Shareholders' Mandate in the Company's annual report providing a breakdown of the aggregate value of the Recurrent Transactions made during the financial year, amongst others, based on the following:-
  - (i) The type of the Recurrent Transactions made; and
  - (ii) The names of the related parties involved in each type of the Recurrent Transactions made and their relationship with the Company.

THAT the approval given in the paragraph above shall only continue to be in force until;

- (a) The conclusion of the next AGM of the listed issuer following the general meeting at which such Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by shareholders in general meeting,

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders' Mandate described in the Circular and/or this resolution.

# NOTICE OF ANNUAL GENERAL MEETING

GULA PERAK BERHAD

(continued)

8. Proposed Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature Involving Dynawell Corporation (M) Sdn. Bhd. ("Dynawell") Resolution (11)

THAT approval be and is hereby given pursuant to Paragraph 10.09 of the Listing Requirements of Kuala Lumpur Stock Exchange, for Dynawell to enter into any transactions falling within the types of Recurrent Related Party Transactions, particulars of which are set out in Section 2.4(II) of the Circular to Shareholders dated 3 September 2002 ("the Circular"), with Kemajuan Amoy Berhad ("KAB"), Leisure Group Hotel & Resort Sdn. Bhd. ("LGHRSB"), KSB Requirements & Rest Sdn. Bhd. ("KHSB") and Taylor's Education Bhd. and its wholly owned subsidiaries ("Taylor's"), provided that such transactions are:-

- (a) Recurrent Transactions of revenue or trading nature;
- (b) Necessary for its day-to-day operations, made on an arm's length basis;
- (c) Carried out on normal commercial terms which are no more favourable to the Interested Parties than those extended to the public and are not detrimental to the minority shareholders of the Company; and
- (d) Disclosure is made of the aggregate value of Recurrent Transactions conducted pursuant to Shareholders' Mandate in the Company's annual report providing a breakdown of the aggregate value of the Recurrent Transactions made during the financial year, amongst others, based on the following:
  - (i) The type of the Recurrent Transactions made; and
  - (ii) The names of the related parties involved in each type of the Recurrent Transactions made and their relationship with the Company.

THAT the approval given in the paragraph above shall only continue to be in force until;

- (a) The conclusion of the next AGM of the listed issuer following the general meeting at which such Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) The expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) Revoked or varied by resolution passed by shareholders in general meeting,

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders' Mandate described in the Circular and/or this resolution.

9. Proposed Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature Involving KSB Requirements & Rest Sdn. Bhd. ("KSB"). Resolution (12)

THAT approval be and is hereby given pursuant to Paragraph 10.09 of the Listing Requirements of Kuala Lumpur Stock Exchange, for KSB to enter into any transactions falling within the types of Recurrent Related Party Transactions, particulars of which are set out in Section 2.4(III), of the Circular to Shareholders dated 3 September 2002 ("the Circular"), with GPB, KAB, LGHRSB and Konsortium Sepang Berhad ("Konsortium"), provided that such transactions are:-

- (a) Recurrent Transactions of revenue or trading nature;
- (b) Necessary for its day-to-day operations, made on an arm's length basis;
- (c) Carried out on normal commercial terms which are no more favourable to the Interested Parties than those extended to the public and are not detrimental to the minority shareholders of the Company; and
- (d) Disclosure is made of the aggregate value of Recurrent Transactions conducted pursuant to Shareholders' Mandate in the Company's annual report providing a breakdown of the aggregate value of the Recurrent Transactions made during the financial year, amongst others, based on the following:-
  - (i) The type of the Recurrent Transactions made; and
  - (ii) The names of the related parties involved in each type of the Recurrent Transactions made and their relationship with the Company.

THAT the approval given in the paragraph above shall only continue to be in force until;

- (a) The conclusion of the next AGM of the listed issuer following the general meeting at which such Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to section 143(1) of the Companies Act, 1965 ("the Act"), (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by shareholders in general meeting,

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders' Mandate described in the Circular and/or this resolution.

# NOTICE OF ANNUAL GENERAL MEETING

GULA PERAK BERHAD

(continued)

10. To transact any other business for which due notice shall have been given.

BY ORDER OF THE BOARD

LIM BEE KHIM  
Company Secretary  
MIA 16196

Kuala Lumpur  
3 September 2002

Note :

1. *A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and to vote in his stead. A proxy need not be a member of the Company. The instruments appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its attorney duly authorised.*
2. *Where a member appoints more than one (1) 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 and the power of attorney or other authority under which it is signed, shall be deposited at the registered office of the Company at Level 7, Dynasty Hotel, 218 Jalan Ipoh, 51200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or adjournment at which the persons named in such instrument proposed to vote.*

Explanatory notes to Special Business

- 1 *Resolution Pursuant to Section 132D of the Companies Act, 1965 (Resolution 8)*

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares pertaining to the conversion of warrants, and any expansion and diversification proposals, it is thus considered appropriate that the Directors be empowered to issue shares in the Company, up to an amount not exceeding in total 10% of the issued share capital of the Company. This authority will expire at the next Annual General Meeting of the Company.

- 2 *Resolution Pursuant to Section 132E of the Companies Act, 1965 (Resolution 9)*

Section 132E of the Companies Act, 1965, prohibits a company from entering into any arrangements or transactions with its directors or persons connected with such directors in respects of the acquisition from or disposal to such persons any non-cash assets of the "requisite value" without prior approval of the Company in General Meeting. According to the Companies Act, 1965, a non-cash asset is considered to be of the "requisite value" if, at the time of the arrangement or transaction, its value is greater than Ringgit Malaysia Two Hundred and Fifty Thousand or 10% of the Company's net asset, subject to minimum of Ringgit Malaysia Ten Thousand.

The proposed Resolution 9, if passed, will authorised the Company and each of its subsidiaries to acquire from or dispose to its directors or connected persons products, services or any other non-cash assets of the Company or its subsidiaries which may fall within the definition of "requisite value", provided that such acquisitions or disposals are on normal commercial terms.

- 3 *Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Resolution 10, 11 & 12)*

The proposed Ordinary Resolution 10, 11 and 12, if passed, will allow the Group to enter into recurrent related party transactions of a revenue or trading nature in the ordinary course of business which are necessary for day-to-day operations pursuant to Paragraph 10.09(1) of the Kuala Lumpur Stock Exchange Listing Requirements. The details of this proposal are set out in the Circular to Shareholders dated 3 September 2002.

## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

GULA PERAK BERHAD

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

### A. DIRECTORSW HO ARE STANDING FOR RE-ELECTION :

Datuk Rahim bin Baba  
Leow Thang Fong  
Lim Sue Beng  
Tan Sri Dato' (Dr) Elyas bin O mar  
Tan Sri Dato' Ahmad Sabki bin Jhidin

### B. DETAILS OF ATTENDANCE OF DIRECTORSAT BOARD MEETINGS :

Four (4) Board Meetings were held during the financial year ended 31 March 2002. The attendance of the Directors were as follows :-

No.	Name of Director	Total Number of Meetings Attended	Percentage of Attendance
1.	Datuk Rahim bin Baba	4	100
2.	Tan Sri Dato' Lim Cheng Pow	4	100
3.	Tan Sri Dato' Ahmad Sabki bin Jhidin	3	75
4.	Dato' Mustapha bin Buang	3	75
5.	Leow Thang Fong	4	100
6.	Lim Sue Beng	4	100
7.	Lim Bee Ling	4	100
8.	Lim Soo Kok	3	75
9.	Tan Sri Dato' (Dr) Elyas bin O mar (Appointed on 28 December 2001)	1	100*
10.	Dato' Haji Megat Najmuddin bin Dato' Seri (Dr) Haji Megat Khas (Resigned on 4 July 2001)	0	0#
*	Based on one (1) Board Meeting held since he was appointed to the Board		
#	Based on one (1) Board Meeting held before he resigned from the Board		

### C. PLACE, DATE AND TIME OF THE MEETINGS

Place	Date	Time
Annual General Meeting Function Room 1, Level 4, Dynasty Hotel, 218, Jalan Ipoh, 51200 Kuala Lumpur	28 September 2001	9.30 a.m.
Extraordinary General Meeting Function Room 1, Level 4, Dynasty Hotel, 218, Jalan Ipoh, 51200 Kuala Lumpur	28 September 2001	10.30 a.m.



(continued)

## D. FURTHER DETAILS OF DIRECTORS WHO ARE STANDING FOR RE-ELECTION AT AGM.

## 1. DATUK RAHIM BIN BABA

aged 52, Malaysian, Executive Chairman

Qualification, Working Experience and Occupation

Refer to Profile of Directors on page 11 of this annual report.

Any other directorship of public companies My-Info Tech (M) Berhad

Family relation with any Director and/or major shareholder of the Company : Nil

Securities holdings in the Company and its subsidiaries: 1,661,000 ordinary share (GPB- direct); 31,020,000 ordinary share (GPB- indirect)

Conflict of interest with the Company : Nil

List of Convictions for offences within the past 10 years other than traffic offences: Nil

## 2. LEOW THANG FONG

Aged 51, Malaysian, Executive Director

Qualification, Working Experience and Occupation

Refer to Profile of Directors on page 11 of this annual report.

Any other directorship of public companies: South Malaysia Industries Berhad

Family relation with any Director and/or major shareholder of the Company: Nil

Securities holdings in the Company and its subsidiaries: 60,000 ordinary share (GPB)

Conflict of interest with the Company : Nil

List of Convictions for offences within the past 10 years other than traffic offences: Nil

## 3. LIM SUE BENG

Aged 37, Malaysian, Executive Director

Qualification, Working Experience and Occupation

Refer to Profile of Directors on page 11 of this annual report.

Any other directorship of public companies: Kemajuan Amoy Berhad, Port Klang Golf Resort Management Berhad and Taylor's Education Berhad.

Family relation with any Director and/or major shareholder of the Company: He is a son of Tan Sri Dato' Lim Cheng Pow and sibling to Lim Bee Ling and Lim Soo Kok.

Securities holdings in the Company and its subsidiaries: 12,984,000 ordinary share (GPB)

Conflict of interest with the Company : Nil

List of Convictions for offences within the past 10 years other than traffic offences: Nil

**4. TAN SRI DATO' AHMAD SABKI BIN JAHIDIN**  
Aged 70, Malaysian, Independent Non- Executive Director

Qualification, Working Experience and Occupation  
Refer to Profile of Directors on page 12 of this annual report.

Any other directorship of public companies: Cygal Berhad, Hwang-D BS (Malaysia) Berhad, Paramount Corporation Berhad, Zaitun Berhad, Apollo Food Holdings Berhad, Nanyang Press Berhad and Hwang-D BS Unit Trust Berhad and Kemajuan Amoy Berhad.

Family relation with any Director and/or major shareholder of the Company: Nil

Securities holdings in the Company and its subsidiaries: 1,000,000 ordinary share (GPB)

Conflict of interest with the Company : Nil

List of Convictions for offences within the past 10 years other than traffic offences: Nil

**5. TAN SRI DATO' (DR) ELYAS BIN OMAR**  
Aged 66, Malaysian, Independent Non- Executive Director

Qualification, Working Experience and Occupation  
Refer to Profile of Directors on page 12 of this annual report.

Any other directorship of public companies: Sri Hartamas Berhad and Mepro Holdings Berhad

Family relation with any Director and/or major shareholder of the Company: Nil

Securities holdings in the Company and its subsidiaries: Nil

Conflict of interest with the Company : Nil

List of Convictions for offences within the past 10 years other than traffic offences: Nil

## BOARD OF DIRECTORS

- **Datuk Rahim bin Baba**  
~ Executive Chairman
- **Tan Sri Dato' Lim Cheng Pow**  
~ Managing Director
- **Leow Thang Fong**  
~ Executive Director
- **Lim Sue Beng**  
~ Executive Director
- **Lim Bee Ling**  
~ Executive Director
- **Tan Sri Dato' Ahmad Sabki bin Jhadin**  
*PSM, DPMR, DIMR, JMN, KMN, SAR, PMR, PK*  
~ Non-Executive Director
- **Tan Sri Dato' (Dr) Elyas bin Omar**  
*PSM, SIMR, DSAR, DSSA, DM PN, JEM, KMN, COPA, LLD (HON. USM)*  
~ Non-Executive Director (Appointed on 28 December 2001)
- **Dato' Mustapha bin Buang**  
~ Non-Executive Director
- **Lim Soo Kok**  
~ Non-Executive Directors

## PRINCIPAL BANKERS

- Aseambankers Malaysia Berhad
- Maybank Berhad
- Affin Bank Berhad
- Alliance Bank Malaysia Berhad

## SOLICITORS

- **Onn Hussein & Yee**  
2nd Floor, Wisma Transcomm,  
301 & 302, 2 1/4 Miles,  
Jalan Ipoh, 51200 Kuala Lumpur.
- **Lee Choon Wan & Co.**  
No.12, Lorong Dungun,  
Damansara Heights,  
50490 Kuala Lumpur.

## COMPANY SECRETARY

Lim Bee Khim ( MIA 16196 )

## AUDITORS

PricewaterhouseCoopers  
11th Floor, Wisma Sime Darby,  
Jalan Raja Laut, P.O. Box 10192,  
50706 Kuala Lumpur.

## STOCK EXCHANGE LISTING

The Kuala Lumpur Stock Exchange  
Main Board

## AUDIT COMMITTEE

- **Tan Sri Dato' Ahmad Sabki bin Jhadin**  
*PSM, DPMR, DIMR, JMN, KMN, SAR, PMR, PK*  
~ Independent Non-Executive Director  
{ Chairman }
- **Tan Sri Dato' (Dr) Elyas bin Omar**  
*PSM, SIMR, DSAR, DSSA, DM PN, JEM, KMN, COPA, LLD (HON. USM)*  
~ Independent Non-Executive Director  
(Appointed on 31 May 2002)  
{ Member }
- **Dato' Mustapha bin Buang**  
~ Independent Non-Executive Director  
{ Member }
- **Leow Thang Fong**  
~ Executive Director  
{ Member }

## NOMINATION COMMITTEE

- **Tan Sri Dato' Ahmad Sabki bin Jhadin**  
*PSM, DPMR, DIMR, JMN, KMN, SAR, PMR, PK*  
~ Independent Non-Executive Director  
{ Chairman }
- **Dato' Mustapha bin Buang**  
~ Independent Non-Executive Director  
{ Member }
- **Lim Soo Kok**  
~ Non-Executive Directors  
{ Member }

## REMUNERATION COMMITTEE

- **Tan Sri Dato' Ahmad Sabki bin Jhadin**  
*PSM, DPMR, DIMR, JMN, KMN, SAR, PMR, PK*  
~ Independent Non-Executive Director  
{ Chairman }
- **Dato' Mustapha bin Buang**  
~ Independent Non-Executive Director  
{ Member }
- **Leow Thang Fong**  
~ Executive Director  
{ Member }

## REGISTERED OFFICE

Level 7, Dynasty Hotel,  
218, Jalan Ipoh,  
51200 Kuala Lumpur.  
Tel : 03-40442828  
Fax : 03-40446688, 03-40452933

## REGISTRAR

Signet Share Registration Services Sdn. Bhd.  
10th & 11th Floor,  
Tower Block, Kompleks Antarabangsa,  
Jalan Sultan Ismail, P.O. Box 12547,  
50782 Kuala Lumpur.  
Tel : 03-21454337  
Fax : 03-21421353

## YBhg Datuk Rahim bin Baba - Executive Chairman

YBhg Datuk Rahim bin Baba, Malaysian, aged 52, was appointed to the Board of Gula Perak Berhad (“GPB” or “the Company”) on 31 January 1989. He graduated from University of Malaya in 1973 from the faculty of Economics and Administration majoring in Statistics. He was a Member of Parliament Upper House. He is a director of My-Infotech (M) Berhad and sits on the board of a few private companies whose business activities include construction, property development and advertising. He was the Chairman of MARA Holdings Sdn Bhd from 1990 to 1993. He was the senior Private Secretary for the then Deputy Prime Minister (Honourable Tun Ghafar Baba) from 1986 to 1988.

## YBhg Tan Sri Dato Lim Cheng Pow – Managing Director

YBhg Tan Sri Dato’ Lim Cheng Pow, Malaysian, aged 60, was appointed to the Board of GPB on 4 March 1996. Tan Sri Dato’ Lim commenced his business on a sole proprietorship basis as a hardware dealer and a contractor in the construction industry. As of to-date, he has been involved in the construction industry for more than 30 years. In 1965, he set up his own construction company, Amoy Construction Co (“Amoy”). Amoy undertook few sub-contracting works under the Government contracts. His turning point in his business career came through when his company was awarded the Government turnkey contracts to construct reservoirs and other infrastructure projects, all of which were successfully completed on schedule and within budget. His company has successfully completed the Durian Tunggal Water Supply Scheme in Malacca in the 1970s and the Semenyih Water Supply Scheme in Selangor in early 1980. He sits on the board of Kemajuan Amoy Berhad and Taylor’s Education Berhad and several other private companies.

## Mr. Lim Sue Beng – Executive Director

Mr. Lim Sue Beng, Malaysian, aged 37, was appointed to the Board of GPB on 4 March 1996. He holds a Bachelor Degree in Civil Engineering (London) and a Master Degree in Business Administration from Cranfield School of Management, England. After graduation in 1986, he joined the family business and manages the banking and corporate affairs of all the companies under the Group. He is a director of Kemajuan Amoy Berhad, Port Klang Golf Resort Management Berhad and Taylor’s Education Berhad. He also sits on the board of several private companies.

## Mdm. Lim Bee Ling – Executive Director

Mdm. Lim Bee Ling, Malaysian, aged 35, was appointed to the Board of GPB on 4 March 1996. She obtained a Bachelor of Science Degree in Computer Science and Management Science (UK) in 1987 and a Master Degree in Management Science in 1988 from Keele University, England and Imperial College, London respectively. Upon completion of her tertiary education, she joined the family business and is in charged of the daily operations of the Group. Her biggest challenge was drawing up and finalising the concept and design of Dynasty Hotel plus the eventual operation of the hotel in December 1994. She is a Director of Kemajuan Amoy Berhad. She also sits on the board of several private companies.

## Mr. Leow Thang Fong – Executive Director

Mr. Leow Thang Fong, Malaysian, aged 51, was appointed to the Board of the GPB on 15 May 1989. He is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Accountants. He was in the auditing profession for eight years finishing with Hanafiah Raslan & Mohamad in 1979. He then joined Permata Chartered Merchant Bank Berhad for a period of 5 years specialising in Corporate Finance. Thereafter he has been in the corporate sector. He also sits on the board of South Malaysia Industries Berhad and several private companies. Before joining the Company, he was the Company Secretary for Asian Pac Holdings Berhad (formerly known as Pegi Malaysia Berhad) from 1984 to 1988.

# PROFILE OF BOARD OF DIRECTORS

GULA PERAK BERHAD

(continued)

## YBhgTan Sri Dato Ahmad Sabki bin Jhidin – Independent Non-Executive Director

YBhgTan Sri Dato Ahmad Sabki Bin Jhidin, Malaysian, aged 70, was appointed to the Board of GPB on 27 June 1994. He received his Bachelor of Arts (Hon) degree from University of Malaya in 1958. After graduation he joined the Public Service Department and was later promoted to District Officer in Jasin, Melaka. Subsequently he was appointed Secretary in various Government Ministry that include Ministry of Defence, Ministry in the Prime Minister Department and Ministry of Culture Youth & Sport. In 1980 he was appointed Chairman of the Malayan Rubber Exchange & Licensing Board. He served in this capacity for 13 years until his retirement in January 1993. He is a director of Nanyang Press Malaya Berhad, Hwang-DBS (Malaysia) Berhad, Apollo Food Holdings Berhad, Paramount Corporation Berhad, Cygal Berhad, Zaitun Berhad and Kemajuan Amoy Berhad and Hwang-DBS Unit Trust Berhad. He also sits on the board of several private companies.

## YBhgTan Sri Dato' (Dr) Elyas bin Omar – Independent Non-Executive Director

Tan Sri Dato' (Dr) Elyas Bin Omar, Malaysian, aged 66, was appointed to the Board of GPB on 28 December 2001. He graduated with a Bachelor of Arts (Hons) from University of Malaya in Singapore and MPA from University of Pittsburgh USA. Tan Sri Elyas was also awarded an Honorary LLD from University of Science of Malaysia and Honorary Ph.D from United States Sports Academy. Tan Sri Elyas held various official positions in the Government of Malaysia from 1960 to 1992 and also held several positions from 1975 to 1992 in the United Nations and other international bodies. He is currently the Chairman and director of Mepro Holdings Berhad and a director of Sri Hartamas Berhad. He also sits on the Board of several private companies and government institutions.

## YBhg Dato' Mustapha bin Buang - Independent Non-Executive Director

YBhg Dato' Mustapha Bin Buang, Malaysian, aged 54, was appointed to the Board of GPB on 10 September 1990. He graduated in Economics from University of Malaya in 1972. Immediately after graduation, he joined the Economic Division of the Johor State Government as a planner and was entrusted to manage a few subsidiaries. In 1974, he left the Johor Economic Division and joined MBF Finance Berhad as a Credit Manager for two (2) years. He then moved on to Amanah International Finance Berhad as Assistant General Manager for a period of three (3) years. Subsequently he was appointed as General Manager of Kewangan Usaha Bersatu Berhad in June 1979 and served them for 11 years before taking up his position in GPB. He also sits on the Board of Asian Pac Holdings Berhad and several private companies.

## Mr. Lim Soo Kok – Non-Executive Director

Mr. Lim Soo Kok, Malaysia, aged 34, was appointed to the Board of GPB on 4 March 1996. He obtained a Bachelor of Arts with Honours degree in Law from University of Kent at Canterbury, England in 1989. In 1990, he obtained the degree of Utter Barrister Gray's Inn, England. He was called to the Bar in Malaysia in 1991. He then joined Soo Thien Meng & Shahrizat as a legal assistant. In 1993, he set up a sole proprietor legal firm under the name Lim Soo Kok & Associates till 1999 and he is now a partner of Faizah, Lim & Associates. He was appointed as a legal committee member of Chinese Chamber of Commerce & Industry of Kuala Lumpur and Selangor from 1997 till present. He was also appointed as a Commissioner for Oaths by the Chief Justice of Malaysia in 1999.

Except for Lim Sue Beng, Lim Bee Ling, Lim Soo Kok and Lim Bee Khim who are the children of YBhgTan Sri Dato' Lim Cheng Pow, none of the other Directors and senior management staff are related to one another.

None of the Directors has any conflict of interest with the Company and has no convictions of any offences within the past 10 years.

## Directors Attendance Chart

Name	Board of Directors' Meeting held during the year				Attendance
	30 May 2001	28 Aug 2001	27 Nov 2001	27 Feb 2002	
Datuk Rahim bin Baba	✓	✓	✓	✓	4 of 4
Tan Sri Dato Lim Cheng Pow	✓	✓	✓	✓	4 of 4
Tan Sri Dato' Ahmad Sabki bin Jhidin	X	✓	✓	✓	3 of 4
Dato' Haji Megat Najmuddin bin Dato' Seri (Dr) Haji Megat Khas	X	*	*	*	0 of 1
Tan Sri Dato' (Dr) Elyas bin O mar	**	**	**	✓	1 of 1
Dato' Mustapha bin Buang	X	✓	✓	✓	3 of 4
Leow Thang Fong	✓	✓	✓	✓	4 of 4
Lim Sue Beng	✓	✓	✓	✓	4 of 4
Lim Bee Ling	✓	✓	✓	✓	4 of 4
Lim Soo Kok	✓	X	✓	✓	3 of 4

\* Dato' Haji Megat Najmuddin bin Dato' Seri (Dr) Haji Megat Khas resigned on 4 July 2001

\*\* Tan Sri Dato' (Dr) Elyas bin O mar was appointed on 28 December 2001

Dear Shareholders,

On behalf of The Board of Directors, I am pleased to present to you the Annual Report and Accounts of the Company and the Group for the financial year ended 31<sup>st</sup> March, 2002.

## FINANCIAL PERFORMANCE

The results of the financial year reflect the continuous difficult operating environment encountered by the Group. For the financial year under review, the Group registered a pre-tax loss of RM33.86 million compared to a pre-tax loss of RM82.57 million last period. Turnover took a slight dip to RM24.53 million compared to RM25.637 million last year. The Group is undergoing a debt restructuring exercise and its financial statements reflect high interest charges for its outstanding loan.

The dwindling state of the world economy, exacerbated by the September 11 event resulted in dramatic declines in the travel and hotel industry. However, the hotel division business was only affected momentarily. The contraction of the GDP in the third quarter of 2001, and subsequently plunging the Malaysian economy into a technical recession in the fourth quarter 2001 did not help in the property and development sectors of the Group. This sector continues to be burdened with high inventory overhang. The upward trend of Crude Palm Oil (CPO) prices and improved profits from the plantation during the year, helped mitigate losses suffered in the other business divisions.

## OPERATIONS OVERVIEW

### Hotel Division

The September 11 aftermath resulted in the dramatic decline in both the leisure and travel business. Despite the challenging and difficult environment, the hotel business demonstrated resilience by achieving a slightly lower turnover of RM22.61 million compared to RM23.19 million last year. To curtail the slow growth of the hotel, the hotel has always maintained its competitive edge by providing quality service and products to its clients. The hotel has continuously managed its cost and overheads efficiently. Concurrently the Group is unrelentlessly seeking for new markets to generate new source of revenue for the hotel.

In difficult times, the management tries to maintain a balance between capital and refurbishment expenditures, while preserving and enhancing the value of its hotel properties. With these measures undertaken, we believe we can maximise our revenues and profits.

### Plantation Division

The palm oil prices experienced an upward rebound at the third quarter of 2001. The measures undertaken by the government such as the replanting incentive scheme, extension of CPO duty free and innovation of palm usage; all aimed at reducing the palm of stockpile has helped stabilise the depressed palm oil prices.

Total production of Fresh Fruit Bunches (FFB) increased to 23,335 metric tonnes which is 7% higher than the preceeding year's crop of 21,881 metric tonnes, higher production derived from higher yield of the new matured palms. We expect to see an upward trend in the production of FFB as the Group engages into more aggressive replanting schemes. To date, 953 hectares have been replanted. Coupled with the bullish CPO price, we foresee that the plantation sector will contribute to the Group some modest profits.

### Property Division

The property sector suffered a slowdown during the year, burdened with high inventory overhang particularly in the commercial and industrial properties. The Group was not spared from the weak demand of the industrial properties. Hence, we were cautious on further expansionary projects in Batang Berjuntai and the Cheras development.

This year we witnessed the burgeoning of the residential properties. The low interest home mortgage rates and waiver of stamp duty made house ownership very attractive. However, the residential property market conditions were not conducive for the Group to launch its Setapak condominium project. Statistics indicate that Mukim of Setapak is experiencing the highest condominium overhang. Moreover, purchasers are still very budget conscious and tend to be selective.

## CORPORATE DEVELOPMENT

### Proposed Debt Restructuring of Redeemable Guaranteed Bonds, Revolving Credit Facility and Syndicated Term Loan

On 14<sup>th</sup> July, 2000, 22<sup>nd</sup> September and 20<sup>th</sup> February, 2001, the Group made an announcement to undertake a debt restructuring scheme. This proposed debt restructuring scheme involves the settlement of RM154.5 million bank guarantee facility and includes

interest incurred pursuant to a RM150 million nominal amount of 1995/2000 3% Redeemable Guaranteed Bonds; a RM25 million revolving credit facility and RM21 million syndicated term loan inclusive of interest with its lenders by way of a proposed issuance of up to RM277.83 million five (5) year Redeemable Convertible Secured Notes (RCSN).

Due to the longer timeframe taken to complete the Proposed Debt Restructuring, a further announcement was made on 21<sup>st</sup> November, 2001 on the proposed debt restructuring scheme whereby interest charges were further capitalised up to 30<sup>th</sup> June, 2002 for the proposed issuance and proposed restricted offer for sale of up to RM290.758 million nominal value of RCSN.

The revision in the increase in the nominal value of RCSN has been approved by Bank Negara on 14<sup>th</sup> January, 2002 and the Foreign Investment Committee on 21<sup>st</sup> January, 2002.

On 25<sup>th</sup> June, 2002, the Group and its lenders executed a Settlement Agreement pursuant to the Proposed Debt Restructuring Scheme.

Approval was obtained from the shareholders at the Company's Extraordinary General Meeting held on 23<sup>rd</sup> July, 2002. The approval from Securities Commission (SC) is still pending as the lenders had just finalised the terms and conditions of the RCSN.

We believe that once the Scheme is implemented, it will improve the profit and cashflow position of the Group.

#### PROSPECTS

The Group is currently undergoing a debt restructuring exercise. Next year's financial results will bear the effects of the write-off of financial expenses and restructuring cost relating to the Proposed Debt Restructuring exercise. The Group should be on the path to recovery once the restructuring exercise is completed. The expected time of completion of this restructuring exercise is in the fourth quarter of 2002.

The hotel division is expected to perform better. Due to the highly successful promotional activities undertaken by the government, tourist arrivals are expected to increase particularly tourists from the Middle East and China market. The performance of the property division is dependent on the demand. The current mortgage rates war between the banks create incentives for consumers to own a house. At the meantime, the Group will defer its property development projects until the property market shows signs of improvement. As for the plantation sector, it will continue to perform well if CPO prices remain bullish.

#### THE BOARD

On behalf of The Board of Directors, I wish to express our appreciation to YBhg Dato' Haji Megat Najmuddin Bin Dato' Seri (Dr) Haji Megat Khas who retired on 4<sup>th</sup> July, 2001 for his invaluable contributions over the years. At the same time, I take this opportunity to welcome YBhg Tan Sri Dato' (Dr) Elyas Bin Omar who joined The Board on 28<sup>th</sup> December, 2001 as an independent non-executive director.

#### DIVIDEND

The Board does not recommend payment of any dividends for the financial year under review.

#### ACKNOWLEDGEMENT

On behalf of The Board of Directors, I extend my sincere appreciation to the members of our management and staff for their commitment, hard work and invaluable contributions to the growth of the Company and its subsidiaries.

I would also like to thank all our Shareholders, Valued Customers, Business Partners and Associates, Financiers and Suppliers for the continuous support given to us.

Datuk Rahim bin Baba  
Executive Chairman

24 July 2002



In March 2000, the Principles and Best Practices of the Malaysian Code on Corporate Governance (“the Code”) were incorporated into the revamped Listing Requirements of the Kuala Lumpur Stock Exchange. The Code sets out the principles and best practices on structures and processes that companies may use in their operations towards achieving the optimal governance framework.

The Board of Directors (“the Board”) of GULA PERAK BERHAD (“GPB” or “the Company”) welcomes the Code and is committed to ensure that the highest standards of corporate governance are practised throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders’ value and the financial performance of GPB.

The Board recognises the importance of good corporate governance and is currently moving towards applying the Principles and Best Practices to the Group.

## THE BOARD OF DIRECTORS

The Board of GPB has nine members. They are :-

Datuk Rahim bin Baba	- Executive Chairman
Tan Sri Dato’ Lim Cheng Pow	- Managing Director
Leow Thang Fong	- Executive Director
Lim Sue Beng	- Executive Director
Lim Bee Ling	- Executive Director
Tan Sri Dato’ Ahmad Sabki bin Jhidin	- Independent Non-Executive Director
Dato’ Mustapha bin Buang	- Independent Non-Executive Director
Tan Sri Dato’ (Dr) Elyas bin Omar	- Independent Non-Executive Director
Lim Soo Kok	- Non-Executive Director

The composition of the Board reflects the prescribed requirement of one-third (1/3) of the Board is independence directors. No one individual or small group of individual director dominates the Board of Directors’ decision process. All the Directors have wide ranging experiences in the industry and therefore is able to provide effective leadership to the Group. The Board is well informed on the various areas of risk management.

There is also clear division of responsibilities between the Chairman and the Managing Director. The Chairman heads the Board and is responsible for ensuring Board effectiveness and conducts and leads the planning discussion at the Board level, while the Managing Director has overall responsibilities over the operating units, organisational effectiveness and implementation of the policies, decisions and the day-to-day running of the business. The presence of Independent Non-Executive Directors fulfills a pivotal role in corporate accountability. Although all the Directors have an equal responsibility for the Group’s operations, the role of these Independent Non-Executive Directors is particularly important as they provide unbiased and independent views, advice and judgment, taking into account, not only for the Group, but also of the shareholders, employees, customers, suppliers and the many communities in which the Group conducts business.

All the Directors have attended the Mandatory Accreditation Programme conducted by Research Institute of Investment Analysis Malaysia.

The Board meetings are structured with pre-set agenda. Board papers providing updated operational, financial and corporate developments and are circulated prior to the meeting. Further, outside the Board meetings, all Directors have direct access to the Senior Management and the services of the Company Secretary. The Board meets at least four (4) times a year, with additional meetings convened as and when necessary. During the year ended 31 March 2002, four (4) Board meetings were held. Attendance record of the directors during the year (taking into account their respective appointments) are disclosed in their respective personal profiles set out in page 13.

The Company’s Article of Association provides the following :-

- (a) one-third of the remaining Directors including the Managing Director, are required to submit themselves for re-election by rotation at each Annual General Meeting; and
- (b) all Directors are required to submit themselves for re-election at least once every three years.
- (c) Directors over seventy (70) years of age are required to submit themselves for re-election annually in accordance with Section 129 of the Companies Act, 1965.
- (d) all Directors are subject to election by the shareholders at the next AGM after their first appointment.

The Board operates through three committees with delegated authority and defined terms of reference. The compositions and function of these committees are describe as follows:-

1 Audit Committee

A detailed report on this committee is contained on pages 20 to 22 of the Annual Report.

2 Nomination Committee

The Nomination Committee was set up on 27 November 2001 and held its first meeting on 21<sup>st</sup> December 2001. The Nomination Committee comprises of three Non-Executive Directors: Tan Sri Dato' Ahmad Sabki bin Jhidin, Dato' Mustapha bin Buang and Lim Soo Kok. The Nomination Committee is entrusted with the duty of proposing new nominees for the Board and for assessing existing Directors on an on-going basis. The Committee meet at least once a year and as and when required.

During the financial year ended 31 March 2002, two (2) meetings were held. The members of the Nomination Committee during the financial year and their attendance at the meetings are :-

Name of member	No. of Nomination Committee meetings attended
1. Tan Sri Dato' Ahmad Sabki bin Jhidin (Chairman)	2 / 2
2. Dato' Mustapha bin Buang	2 / 2
3. Lim Soo Kok	2 / 2

3 Remuneration Committee

On 27 November 2001, the Board has approved the setting up of the Remuneration Committee. The Remuneration Committee comprises of the following members:-

- \* 1. Tan Sri Dato' Ahmad Sabki bin Jhidin – *Chairman*
- \* 2. Dato' Mustapha bin Buang
- 3. Leow Thang Fong

\* Independent Non-Executive Directors.

The Remuneration Committee meets at least once a year, additional when required and is responsible for recommending to the Board the remuneration of the Directors. The remuneration of the Directors are determined based on the responsibilities of each Director. No Director is involved in deciding his or her own remuneration. The aggregate remuneration of the Directors of the Company categorized into the appropriate components and analyzed into bands of RM50,000 for the financial year ended 31 March 2002 is set out below:

	Salaries (RM)	Fees (RM)	Total (RM)
<i>Executive</i>	986,000	0	986,000
<i>Non-Executive</i>	0	296,000	296,000

Range of remuneration	Number of Directors	
	Executive	Non-Executive
<i>Less than RM 50,000</i>	0	3
<i>RM 50,000 to RM 100,000</i>	1	1
<i>RM 100,001 to RM 150,000</i>	0	0
<i>RM 150,001 to RM 200,000</i>	3	0
<i>RM 200,001 to RM 250,000</i>	0	0
<i>RM 250,001 to RM 300,000</i>	1	0

# STATEMENT ON CORPORATE GOVERNANCE

GULA PERAK BERHAD

(continued)

## SHAREHOLDERS

The shareholders and investors are kept informed of major developments of the Company through Quarterly Financial Results, Annual Reports and Circulars and Press Releases that are made to the Kuala Lumpur Stock Exchange.

The Company's Annual General Meeting provides an opportunity for the Board to communicate directly with the shareholders and vice versa. Press conference is normally held after the Annual General Meeting to brief members of the Press on the performance of the Group for the benefit of potential investors as well as for shareholders who are unable to attend the Annual General Meeting.

## ACCOUNTABILITY AND AUDIT

The Audit Committee oversees the financial reporting and internal control system of the Group. The Audit Committee comprises three Independent Non-Executive Directors and one Executive Director. The primary responsibilities of the Audit Committee are set out in the Audit Committee Report on pages 20 to 22.

### Financial Reporting

The Board is mindful of its responsibility in ensuring the proper maintenance of accounting records of the Group to present a balanced and understandable assessment of the Group's financial position and prospects to both investors and the regulatory bodies. The Board receives the recommendation to adopt the financial statements of the Group and the Company from the Audit Committee.

### Internal Control

The Board has overall responsibility for maintaining a system of internal controls that provides reasonable assessment of effective and efficient operations, internal controls and compliance with laws and regulations. There is an ongoing process for identifying, evaluating and managing the key commercial and financial risks such as those relating to compliance with laws and regulations.

The Group has established internal controls that cover all levels of personnel and business processes that ensure the Group's operations are effective and efficient whilst safeguarding the Group's assets and shareholders' interest.

The system of internal controls of the Group is designed to manage rather than eliminate the risk of failure to achieve corporate objectives and thus only provides reasonable and not absolute assurance against material misstatement, frauds or losses occurring. It is possible that internal control system can be circumvented or overridden. Moreover, because of changing circumstances and conditions the effectiveness of internal control system may vary over time. Hence, the system of internal controls cannot be expected to eliminate all risks.

The key elements of the Group's internal control system are described below:-

- clearly define delegation of responsibilities to Committees of the Board and the management of Group Head Office and operating units, including authorisation levels for all aspects of the businesses. Each operating unit has clear accountabilities for ensuring that appropriate risk management and control procedures are in place. These delegations are subject to periodic review throughout the year as to their implementation and for their continuing suitability.
- regular internal audit visits to monitor compliance with procedures and assess the integrity of financial information provided.
- regular and comprehensive information provided to management, covering financial performance and key business indicators, such as staff utilisation and cash flow performance.
- a detailed budgeting process where operating units prepare budgets for the coming year which are approved both at the operating units level and subsequently by the Board.
- monitoring of results against budget, with major variances being followed up and management action taken, where necessary.
- visits to operating units by members of the Board and senior management.

**Relationship with Auditors**

The Company has always maintained a close and transparent relationship with its external auditors in seeking their professional advice and ensuring compliance with the accounting standards.

**DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF THE PREPARATION OF THE AUDITED FINANCIAL STATEMENT**

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of their profit and loss and cash flows for the financial year then ended. In preparing the financial statements, the Directors have ensured that applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 have been applied.

The Directors, in preparing the financial statements, have selected and applied consistently suitable accounting policies and made responsible and prudent judgements and estimates. The Directors also have a general responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

## Members Of The Audit Committee

Name	Designation
Tan Sri Dato' Ahmad Sabki bin Jhidin <i>Independent Non-Executive Director</i>	Chairman
Tan Sri Dato' (Dr) Elyas bin Omar <i>Independent Non-Executive Director</i> <i>(Appointed on 31 May 2002)</i>	Member
Dato' Mustapha bin Buang <i>Independent Non-Executive Director</i>	Member
Leow Thang Fong <i>Executive Director</i>	Member
Lim Bee Khim	Secretary

## Terms Of Reference For The Audit Committee

### Composition

The member of the Audit Committee ("the Committee") and the Chairman shall be appointed by the Board of Directors and shall consist of at least three (3) members, a majority of whom are Independent. The Chairman of the Committee shall be an Independent Non-Executive Director.

### Meetings

The Committee shall meet not less than four (4) times a year and report to the Board of Directors. The Committee meetings shall be planned to coincide with the audit cycle and the timing of publication of financial statements. The quorum of the Committee meetings shall consist of at least three (3) members, majority of the whom are Independent.

### Authority

The Committee shall have the authority to request any information it seeks as relevant to its activities from any employee of the Company and the Group. All employees are directed to cooperate with any request made by the Committee.

The Committee shall have direct access to the Company's Auditors and provide a link between the Auditors and the Board. It is also authorised to take such independent professional advice it considers necessary to investigate any activity within its terms of reference.

### Terms Of Reference

Responsible to the Board of Directors for the following in its role to ensure proper management of the business operations in compliance with statutory obligations, policies, procedures, regulations and prudent business practices :-

1. To consider the appointment of the external auditor, the audit fee and any question of resignation or dismissal.
2. To review with external auditor before the audit commences the nature and scope of the audit and their audit plan.
3. To review the quarterly and year-end financial statements of the Company, focusing on :-
  - Any changes in accounting policies and practices;
  - Significant adjustments arising from the audit;
  - The going concern assumption;
  - Compliance with accounting standards and other legal requirements.

4. To discuss problems and reservations arising from the interim and final audits and any matter the auditor may wish to discuss (in the absence of the management wherever necessary).
5. To review the external auditor's management letter and management's response.
6. To do the following :
  - review the adequacy of the scope, functions and resources of the internal audit function and that it has the necessary authority to carry out its work;
  - review the internal audit programme and results of the internal audit process and where necessary to ensure that the appropriate action is taken on the recommendations of the internal audit function;
  - review any appraisal or assessment of the performance of members of the internal audit function;
  - inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.
7. To review the adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, rules, directives and guidelines.
8. To propose best practices on disclosure in financial results and annual reports of the Company in line with the principles set out in the Malaysian Code of Corporate Governance, other applicable laws, rules, directives and guidelines.
9. To propose that the management has in place an adequate system of risk management to safeguard the Company's assets.
10. To consider any related party transactions that may arise within the Company or Group;
11. To consider the major findings of internal investigations and management's response;
12. To consider and examine any other matters as defined by the Board.

#### Audit Committee Attendance Chart

Name	Audit Committee Meetings held during the year					Attendance
	28 May 2001	27 July 2001	22 Aug 2001	27 Nov 2001	27 Feb 2001	
Tan Sri Dato' Ahmad Sabki bin Jhidin	✓	✓	✓	✓	✓	5 of 5
Dato' Mustapha bin Buang	✓	✓	✓	✓	✓	5 of 5
Leow Thang Fong	✓	✓	✓	✓	✓	5 of 5

(continued)

## Audit Plan

Regular audits of the Company and each of its subsidiaries are compulsory at least once a year under the Annual Audit Plan. The priorities of the audits are determined via a risk assessment exercise in which subsidiaries of high-risk categories are given greater priority in the planned audit, although considerable emphasis is also given subsidiaries in the Hotel Division. At least two regular audits a year are scheduled for Hotel subsidiaries. The Board and the Audit Committee can also request special audits to be conducted where deemed fit and necessary.

The Audit Committee reviewed all internal audit reports with an emphasis on significant issues and critical risk areas affecting the overall performance of the Group. In order to ensure greater transparency and good corporate governance within the Group, the Audit Committee discussed in detail the adequacy of each company's internal control systems in addition to organisational and operational controls. The Audit Committee further emphasised actions to be taken to rectify and improve the effectiveness and efficiency of operations of the subsidiary concerned.

## 2002 Review

During the year, five Audit Committee meetings were held. The Audit Committee received a total of five audit reports. Summary of activities of the Group Internal Audit Function during the financial year ended 31 March 2002 were as follows:

- ◆ Regular examining the controls over all significant Group's operations and systems to ascertain whether the system provide reasonable assurance that the Group's objectives and goals were met efficiently and economically;
- ◆ Prepare the annual audit plan for deliberation by the Audit Committee;
- ◆ Act on suggestions made by external examiners and/or senior management on concerns over preparations or controls;
- ◆ Issue audit reports which identify weakness and problems and make recommendations for improvements;
- ◆ Determine whether corrective action was taken in achieving the desired results.

## OTHER INFORMATION

GULA PERAK BERHAD

### 1. Material Contracts

Save as disclosed below, neither the Company ("GPB") nor its subsidiary companies entered into any material contracts which involved Directors' and major shareholders' interests:

Date	Parties	General nature	Consideration	Mode of satisfaction consideration	Relationship
15/1/1993	Dynawell Corporation (M) Sdn Bhd and Leisure Group Hotels And Resorts Sdn Bhd	Basic Management Fees	2% of adjusted gross revenue	Cash settlement	Common Directors
19/5/1995	Dynawell Corporation (M) Sdn Bhd and Leisure Group Hotels And Resorts Sdn Bhd	Tenancy Agreement	Monthly rental of RM38,340.00	Cash settlement	Common Directors
15/8/1994	GPB and Interdev Corporation Sdn Bhd ("Interdev")	Project developments – Project Management Fees	3.5% of Projects' Gross Development Value	Cash settlement	Common Directors
16/9/1994	GPB and Interdev	Project developments – Project Consultant Fees	6% on total construction cost	Cash settlement	Common Directors
22/1/1996, 19/1/1996 and 12/8/1996	GPB and Kemajuan Amoy Berhad	Purchase of property units	RM14.8 million	Cash settlement	Common Directors
1/11/1995	KSB Requirements & Rest Sdn Bhd and Leisure Group Hotels And Resorts Sdn Bhd	Basic Management Fees	2% of adjusted gross revenue	Cash settlement	Common Directors

### 2. Material Contract related to loan

Lender & Borrower	Relationship	Purpose of loan	Amount RM Million
<i>Lender: Gula Perak Berhad</i>	<i>Common directors</i>	<i>To finance the construction and operations of hotel property</i>	<i>103.107</i>
<i>Borrower: KSB Requirements and Rest Sdn Bhd</i>			

The above contract is unsecured, interest free and with no fix term of repayment.



## OTHER INFORMATION

GULA PERAK BERHAD

(continued)

### 3. Recurring Related Parties Transactions of a Revenue Nature

Pursuant to Practice Note 12/2001 issued by the Kuala Lumpur Stock Exchange, the aggregate value of recurrent transactions made during the financial year among the following related parties are set below:

- a) Dynawell Corporation Sdn. Bhd (“Dynawell”) – A wholly owned subsidiary of Gula Perak Berhad (“The Company or GPB”)

Related parties involved with Dynawell	Type of Transactions	Aggregate value of the Transactions RM'000
• <i>Kemajuan Amoy Berhad (“KAB”), a company which has common directors and common substantial shareholders with GPB.</i>	<i>Dynawell provided rooms and food &amp; beverages services to KAB.</i>	<i>157</i>
• <i>Leisure Group Hotel &amp; Resorts Sdn Bhd (“LGHR SB”), a company which has common directors and common substantial shareholders with GPB.</i>	<i>i) Management fee (2% on revenue of Dynawell) charged by LGHR SB.</i>	<i>336</i>
	<i>ii) Rental &amp; rooms, food and beverages services charged by Dynawell.</i>	<i>460</i>
• <i>KSB Requirements &amp; Rest Sdn Bhd (“KSB”), a subsidiary company of GPB and is also of common directors with GPB.</i>	<i>The transfer of goods such as food and beverages to/from Dynawell.</i>	<i>18</i>
• <i>Taylor’s Education Sdn. Bhd. and its wholly owned subsidiary (“Taylor’s”), companies which has common directors and common substantial shareholders with GPB.</i>	<i>Dynawell provided rooms and food &amp; beverages services to Taylor’s.</i>	<i>60</i>

- b) KSB – A 70% owned subsidiary of GPB

Related parties involved with KSB	Type of Transactions	Aggregate value of the Transactions RM'000
• <i>GPB</i>	<i>KSB provided rooms and food &amp; beverages services to GPB.</i>	<i>-</i>
• <i>KAB, a company which is of common directors and common substantial shareholders with GPB.</i>	<i>KSB provided rooms and food &amp; beverages services to KAB.</i>	<i>-</i>
• <i>LGHR SB, a company which has common directors and common substantial shareholders with GPB.</i>	<i>i) Management fee (2% on revenue of KSB) charged by LGHR SB.</i>	<i>95</i>
	<i>ii) Rooms, food and beverage services charged by KSB.</i>	<i>-</i>
• <i>Konsortium Sepang Bhd (“Konsortium”), which is a substantial shareholder of KSB Requirements &amp; Rest Sdn. Bhd. and has common directors with Konsortium.</i>	<i>KSB provided rooms, food and beverage services to Konsortium.</i>	<i>34</i>

c) **GPB**

Related parties involved with Interdev	Type of Transactions	Aggregate value of the Transactions RM'000
<i>Interdev</i>	<i>Management fee of 3.5% on project's Gross Development Value and consultancy fee of 6% on total construction cost charged by Interdev</i>	<i>- #</i>

*# - There were no transactions incurred during the financial year under reviewed.*

4. **Share Buyback**

There were no share buybacks by the Company during the financial year.

5. **Options, Warrants or Convertible Securities**

During the financial year, there were no exercise of Options, Warrants or Convertible Securities.

6. **American Depository Receipt (ADR) or Global Depository Receipt (GDR) Programme**

During the financial year, the Company did not sponsor any ADR or GDR programme.

7. **Imposition of Sanctions/Penalties**

There were no sanctions or penalties imposed on the Company and its subsidiary, Directors or management by the relevant regulatory bodies.

8. **Non-audit fee**

The amount of non-audit fees paid by the Company to the external auditors for the financial year amounted to approximately RM18,000.00.

9. **Profit Estimation, Forecast or Projection**

The difference between the audited results for the financial year ended 31 March 2002 and unaudited result announced previously does not exceeded 10%.

10. **Profit Guarantees**

There were no profit guarantees given by the Company during the financial year.

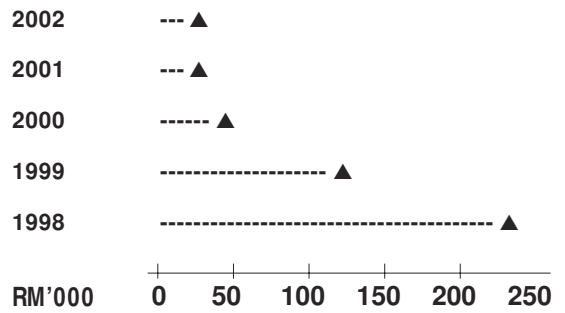
11. **Revaluation of Landed Properties**

Except for Hotel Property, the Company does not have a revaluation policy on landed properties.

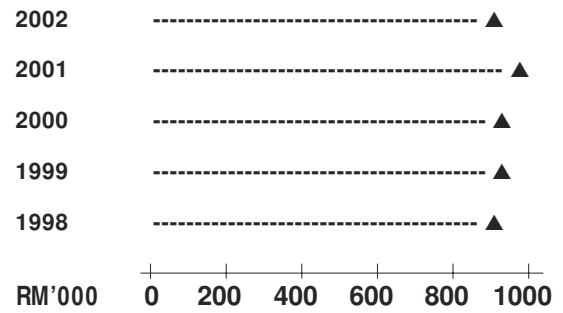
# FINANCIAL HIGHLIGHTS

GULA PERAK BERHAD

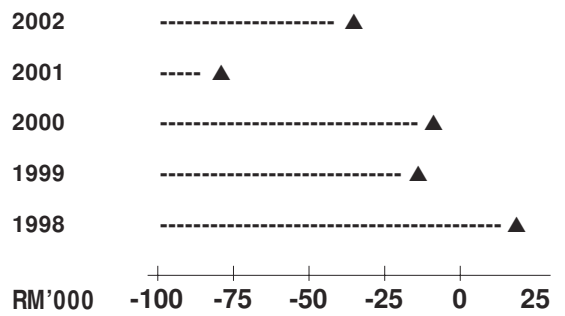
## TURNOVER



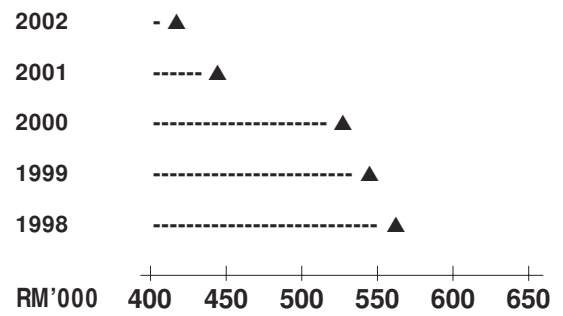
## TOTAL ASSETS



## PROFIT/(LOSS) BEFORE TAX



## SHAREHOLDERS FUND



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# **FINANCIAL STATEMENTS**

# DIRECTORS' REPORT

GULA PERAK BERHAD

for the financial year ended 31 March 2002

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2002.

## Principal activities

The principal activities of the Company are cultivation of oil palm, construction works, trading in construction materials and property development. The principal activities of the Group consist of hotel operations and management, service apartment operations and management and property development.

There was no significant change in the nature of these activities of the Group and of the Company during the financial year.

## Financial results

	The Group RM'000	The Company RM'000
Loss after taxation	33,855	27,104
Minority interests	0	0
Loss attributable to the shareholders	<u>33,855</u>	<u>27,104</u>

## Dividend

No dividend has been paid, declared or proposed since the end of the Company's previous financial year.

The Directors do not recommend payment of dividend for the financial year ended 31 March 2002.

## Reserves and provisions

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

## Directors

The Directors who have held office during the period since the date of the last report are as follows:

YBhg Datuk Rahim bin Baba

YBhg Tan Sri Dato' Lim Cheng Pow

Leow Thang Fong

Lim Sue Beng

Lim Bee Ling

YBhg Tan Sri Dato' Ahmad Sabki bin Jahidin

YBhg Dato' Mustapha bin Buang

Lim Soo Kok

YBhg Tan Sri Dato' (Dr) Elyas bin Omar

(appointed on 28 December 2001)

## Directors' interests in shares

According to the Register of Directors' Shareholdings, particulars of interests of Directors who held office at the end of the financial year in the shares in the Company are as follows:

Direct interest	----- No. of ordinary shares of RM1.00 each -----			Balance as at 31.3.2002
	Balance as at 1.4.2001	Addition	Disposal	
YBhg Datuk Rahim bin Baba	1,661,000	0	0	1,661,000
YBhg Tan Sri Dato' Lim Cheng Pow	44,206,000	0	(8,034,000)	36,172,000
Leow Thang Fong	60,000	0	0	60,000
Lim Sue Beng	14,800,000	1,400,000	(3,216,000)	12,984,000
Lim Bee Ling	14,800,000	1,400,000	0	16,200,000
YBhg Tan Sri Dato' Ahmad Sabki bin Ahidin	1,000,000	0	0	1,000,000
YBhg Dato' Mustapha bin Buang	2,389,595	0	0	2,389,595
<b>Indirect interest</b>				
YBhg Datuk Rahim bin Baba *	34,922,000	0	(3,902,000)	31,020,000

\* Deemed to have interest by virtue of his substantial interest in Kesenta Development Sdn Bhd

According to the Register of Directors' Shareholdings, none of the other Directors in office at the end of the financial year have any interests in the shares or share options of the Company or its related corporations during the financial year.

#### Directors' benefits

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

Since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit (other than directors' remuneration disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

#### Statutory information on the financial statements

Before the income statements and balance sheets were made out, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

**Statutory information on the financial statements (continued)**

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or the Company to meet their obligations when they fall due.

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

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

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

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

**Events subsequent to balance sheet date**

On 25 June 2002, the Company and certain of its lenders have executed a Settlement Agreement pursuant to a Proposed Debt Restructuring Scheme referred to in Note 33 to the financial statements.

The Securities Commissions had vide its letter dated 17 July 2002 approved the extension of time to complete the Proposed Debt Restructuring Scheme for another six months to 25 January 2003.

On 8 July 2002, the Company despatched a circular to its shareholders in relation to the Proposed Debt Restructuring Scheme mentioned above. The approval of the said Proposed Debt Restructuring Scheme has been obtained from the shareholders at the Company's Extraordinary General Meeting held on 23 July 2002.

**Auditors**

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 24 July 2002.

Datuk Rahim bin Baba  
Director

Lim Sue Beng  
Director

## STATEMENT BY DIRECTORS

GULA PERAK BERHAD

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

We, Datuk Rahim bin Baba and Lim Sue Beng, two of the Directors of Gula Perak Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 33 to 60 are drawn up so as to give a true and fair view of the state of affairs of the Group and Company as at 31 March 2002 and of the results and cash flows of the Group and Company for the financial year ended on that date in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

Signed on behalf of the Board of Directors in accordance with their resolution dated 24 July 2002.

Datuk Rahim bin Baba  
Director

Lim Sue Beng  
Director

## STATUTORY DECLARATION

Pursuant to Section 169(16) of the Companies Act, 1965

I, Lim Bee Khim, being the officer primarily responsible for the financial management of Gula Perak Berhad, do solemnly and sincerely declare that the financial statements set out on pages 33 to 60 are in my opinion, 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.

Lim Bee Khim

Subscribed and solemnly declared at Kuala Lumpur on 24 July 2002.

Before me:

Maisharah binti Abu Hasan  
Commissioner for Oaths



# REPORT OF THE AUDITORS

GULA PERAK BERHAD

to the members of Gula Perak Berhad

## GULA PERAK BERHAD

(Company no:8104-X)

(Incorporated in Malaysia)

We have audited the financial statements set out on pages 33 to 60. 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 approved auditing standards 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 Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion :

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

and

- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

The names of the subsidiaries of which we have not acted as auditors are indicated in Note 12 to the financial statements. We have considered the financial statements of these subsidiaries and the auditors' reports thereon.

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

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

In light of the Group's and Company's results for the financial year, we draw your attention to Note 2 which explains the circumstances and considerations the Directors have taken into account in preparing the financial statements. In view of the significance of the inherent uncertainty surrounding the Group's and Company's ability to generate sufficient cash inflows to sustain their operations, continued support from the lenders and the successful implementation of their proposed debt restructuring scheme, we consider it should be drawn to your attention, but our opinion is not qualified in this respect.

PricewaterhouseCoopers  
(No. AF: 1146)  
Chartered Accountants

Mohd Daruis Zainuddin  
(969/03/03 (JPH))  
Partner of the firm

24 July 2002

# INCOME STATEMENTS

GULA PERAK BERHAD

for the financial year ended 31 March 2002

	Note	..... The Group .....		..... The Company .....	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Revenue	4	24,530	25,637	1,924	2,442
Cost of sales		(10,597)	(9,262)	(1,296)	(1,539)
Gross profit		13,933	16,375	628	903
Other operating income		3,818	1,683	3,253	1,174
Administrative expenses		(17,724)	(18,241)	(5,523)	(5,724)
Other operating expenses					
- allowance for doubtful debts		(12,184)	0	(6,528)	0
- restructuring cost		0	(67,918)	0	(67,918)
Loss from operations	5	(12,157)	(68,101)	(8,170)	(71,565)
Finance cost	7	(21,704)	(14,478)	(18,940)	(11,641)
Loss before taxation		(33,861)	(82,579)	(27,110)	(83,206)
Taxation	8	6	0	6	0
Loss after taxation		(33,855)	(82,579)	(27,104)	(83,206)
Minority interests		0	0	0	0
Loss attributable to the shareholders		(33,855)	(82,579)	(27,104)	(83,206)
Loss per share:					
- Basic	9	13.2 sen	32.3 sen		

The above income statements are to be read in conjunction with the notes to the financial statements on pages 38 to 60.

# BALANCE SHEETS

GULA PERAK BERHAD

as at 31 March 2002

	Note	..... The Group .....		..... The Company .....	
		2002	2001	2002	2001
		RM'000	RM'000	RM'000	RM'000
<b>Non-current assets</b>					
Real property assets	10	83,018	83,018	83,018	83,018
Property, plant and equipment	11	775,615	773,283	20,605	20,094
Subsidiaries	12	0	0	557,984	557,984
Advances to a subsidiary	13	0	0	103,201	103,091
		<u>858,633</u>	<u>856,301</u>	<u>764,808</u>	<u>764,187</u>
<b>Current assets</b>					
Development property and expenditure	14	71,683	71,303	71,683	71,303
Inventories	15	554	475	46	8
Trade receivables	16	24,515	38,874	8,633	17,158
Amount due from a subsidiary	17	0	0	0	1
Other receivables, deposits and Prepayments	18	17,905	22,083	1,319	1,547
Deposits with licensed banks	19	650	944	455	755
Cash and bank balances	19	813	623	49	17
		<u>116,120</u>	<u>134,302</u>	<u>82,185</u>	<u>90,789</u>
<b>Less: Current liabilities</b>					
Trade payables		3,906	8,828	457	4,403
Amount owing to a Director	20	1,142	746	1,142	746
Amount owing to a subsidiary	17	0	0	9,117	5,691
Other payables and accruals	21	13,723	19,834	5,935	6,294
Borrowing interest payable		28,214	5,340	22,630	5,340
Hire purchase payables	22	3,138	2,907	22	22
Short term borrowings	23	185,712	186,267	181,337	182,033
Taxation		619	630	396	406
		<u>236,454</u>	<u>224,552</u>	<u>221,036</u>	<u>204,935</u>
<b>Net current liabilities</b>		<b>(120,334)</b>	<b>(90,250)</b>	<b>(138,851)</b>	<b>(114,146)</b>
<b>Less: Non-current liabilities</b>					
Term loans	25	31,150	28,400	0	0
Irredeemable Convertible Secured Loan Stocks 2000/2005	26	192,375	192,375	192,375	192,375
3% Redeemable Secured Bonds 2000/2005	27	90,124	90,124	90,124	90,124
Hire purchase payables	22	7,723	7,409	43	62
Deferred taxation	28	7,598	7,598	0	0
		<u>328,970</u>	<u>325,906</u>	<u>282,542</u>	<u>282,561</u>
		<u>409,329</u>	<u>440,145</u>	<u>343,415</u>	<u>367,480</u>
<b>Capital and reserves</b>					
Share capital	29	255,888	255,888	255,888	255,888
Share premium		205,949	205,949	205,949	205,949
Accumulated losses		(86,934)	(53,079)	(121,461)	(94,357)
Capital reserve	24	3,039	0	3,039	0
Revaluation reserve		1,854	1,854	0	0
Reserve on consolidation		29,533	29,533	0	0
		<u>409,329</u>	<u>440,145</u>	<u>343,415</u>	<u>367,480</u>

The above balance sheets are to be read in conjunction with the notes to the financial statements on pages 38 to 60.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GULA PERAK BERHAD

for the financial year ended 31 March 2002

Note	Issued and fully paid ordinary shares of RM1 each		Non-distributable			Distributable		Total RM'000
	Number of shares	Nominal value	Share premium	Reserve on consolidation	Revaluation reserve	Capital reserve	Retained earnings/ (accumulated losses)	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance at 1 April 2000	255,723	255,723	205,949	29,708	0	0	29,500	520,880
Issue of shares pursuant to the Share Option Scheme 29	165	165	0	0	0	0	0	165
Surplus on revaluation of hotel property	0	0	0	0	1,854	0	0	1,854
Net gain not recognised in income statement	0	0	0	0	1,854	0	0	1,854
Goodwill on acquisition of a subsidiary company	0	0	0	(175)	0	0	0	(175)
Loss for the financial year	0	0	0	0	0	0	(82,579)	(82,579)
At 31 March 2001	255,888	255,888	205,949	29,533	1,854	0	(53,079)	440,145
Balance at 1 April 2001	255,888	255,888	205,949	29,533	1,854	0	(53,079)	440,145
Arising from subscription of Replacement Warrants 24	0	0	0	0	0	3,039	0	3,039
Net gain not recognised in income statement	0	0	0	0	0	3,039	0	3,039
Loss for the financial year	0	0	0	0	0	0	(33,855)	(33,855)
Balance at 31 March 2002	255,888	255,888	205,949	29,533	1,854	3,039	(86,934)	409,329

The above statement of changes in equity is to be read in conjunction with the notes to the financial statements on pages 38 to 60.

# COMPANY STATEMENT OF CHANGES IN EQUITY

GULA PERAK BERHAD

for the financial year ended 31 March 2002

Note	Issued and fully paid ordinary shares of RM1 each		Non-distributable	Distributable		
	Number of shares RM'000	Nominal value RM'000	Share premium RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total RM'000
Balance at 1 April 2000	255,723	255,723	205,949	0	(11,151)	450,521
Issue of shares pursuant to the Share Option Scheme	29	165	165	0	0	165
Loss for the financial year		0	0	0	(83,206)	(83,206)
Balance at 31 March 2001	255,888	255,888	205,949	0	(94,357)	367,480
Balance at 1 April 2001	255,888	255,888	205,949	0	(94,357)	367,480
Arising from subscription of Replacement Warrants	24	0	0	0	3,039	3,039
Net gain not recognised in income statement		0	0	0	3,039	3,039
Loss for the financial year		0	0	0	(27,104)	(27,104)
Balance at 31 March 2002	255,888	255,888	205,949	3,039	(121,461)	343,415

The above statement of changes in equity is to be read in conjunction with the notes to the financial statements on pages 38 to 60.

# CASH FLOW STATEMENTS

GULA PERAK BERHAD

for the financial year ended 31 March 2002

	Note	..... The Group .....		..... The Company .....	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
<b>Cash flows from/(used in) operating activities</b>					
Cash receipts from customers		33,766	29,866	7,710	9,712
Cash paid to suppliers, employees and for operating expenses		(32,735)	(15,108)	(11,670)	(3,258)
Cash flow from operations		1,031	14,758	(3,960)	6,454
Interest paid		(2,812)	(6,190)	(48)	(3,353)
Taxation (paid)/refund		(5)	189	(4)	90
		(2,817)	(6,001)	(52)	(3,263)
Net cash (used in)/from operating activities		(1,786)	8,757	(4,012)	3,191
<b>Cash flows from/(used in) investing activities</b>					
Investment in subsidiary		0	0	0	(2)
Purchase of property, plant and equipment		(3,242)	(6,655)	(1,544)	(4,474)
Proceeds from disposal of property, plant and equipment		1,152	0	734	0
Interest received		47	56	33	43
Net cash used in investing activities		(2,043)	(6,599)	(777)	(4,433)
<b>Cash flows from/(used in) financing activities</b>					
Proceeds from issuance of shares		0	165	0	165
Proceeds from issuance of replacement warrants	24	3,039	0	3,039	0
Repayment to hire purchase creditors		(389)	(2,283)	(19)	(3)
Drawdown from term loan		3,000	0	0	0
Repayment of term loan		(1,979)	(1,819)	(1,896)	(624)
Advances from a director		396	646	396	646
Advances from subsidiaries		0	0	3,317	942
Net cash from/(used in) financing activities		4,067	(3,291)	4,837	1,126
Net movement in cash and cash equivalents		238	(1,133)	48	(116)
Cash and cash equivalents at beginning of the financial year		(405)	728	34	150
Cash and cash equivalents at end of the financial year	19	(167)	(405)	82	34

The above cash flow statements are to be read in conjunction with the notes to the financial statements on pages 38 to 60.

# NOTES TO THE FINANCIAL STATEMENTS

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 1 General information

The principal activities of the Company are cultivation of oil palm, construction works, trading in construction materials and property development. The principal activities of the Group consist of hotel operations and management, service apartment operations and management and property development.

The number of employees at the end of the financial year amounted to 629 (2001:598) employees in the Group and 102 (2001:81) employees in the Company.

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

The address of the registered office and principal place of business of the Company is Level 7, Dynasty Hotel Kuala Lumpur, 218 Jalan Ipoh, 51200 Kuala Lumpur.

## 2 Basis of preparation of financial statements

The financial statements of the Group and Company have been prepared under the historical cost convention except as disclosed in the summary of significant accounting policies.

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

On 21 December 2000, the Company did not have sufficient funds to secure the redemption of the RM150 million nominal amount of 3% Guaranteed Redeemable Bonds 1995/2000 ("Guaranteed Bonds") and as a consequence, the bank guarantee for the Guaranteed Bonds has been invoked for repayment to the bondholders. The Company is currently undertaking a proposed debt restructuring scheme referred to in Note 33 to the financial statements to repay the Guarantor banks and also certain other borrowings of the Group and the Company. As at 31 March 2002, the Group and the Company incurred a loss of RM33,855,000 and RM27,104,000 respectively for the financial year ended 31 March 2002. At that date, the Group and the Company have net current liabilities of RM120,334,000 and RM138,851,000 respectively. The Directors are confident that the proposed debt restructuring scheme will be successfully implemented.

In view of the foregoing, the Directors consider that it is appropriate to prepare the financial statements of the Group and Company on a going concern basis and accordingly the financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or classification of liabilities that may be necessary if the Group and the Company are unable to continue as a going concern.

## 3 Summary of significant accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

### (a) Basis of consolidation

The consolidated income statement and balance sheet include the financial statements of the Company and its subsidiaries made up to the end of the financial year. The results of subsidiary companies acquired or disposed of during the financial year are included in the consolidated income statement from the date of acquisition up to the date of disposal. Consolidated financial statements reflect external transactions only. All intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group. Separate disclosure is made of minority interests.

At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are incorporated in the Group financial statements. Any difference between the cost of investment and the net assets

of the subsidiaries that remains after the valuation is shown in the balance sheet as goodwill or reserve on consolidation.

Goodwill/reserve on consolidation represents the excess/deficit of the fair value of purchase consideration of subsidiary and associates acquired over the Group's share of the fair value of their separate net assets at the date of acquisition. Goodwill arising on consolidation has been set-off against reserve on consolidation.

(b) Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation.

Freehold land is not depreciated as it has an infinite life. Leasehold land is amortised in equal instalments over the period of the lease of 46 years. Other property, plant and equipment are depreciated on the straight line basis to write down the cost of the assets, to their residual values over their estimated useful lives, summarised as follows:-

	%
Office equipment	10 - 25
Plant, machinery and equipment	10 - 20
Renovations	15
Furniture and fittings	10 - 15
Motor vehicles	20

Hotel properties are stated at cost, or if subsequently revalued, at Directors' valuation based on independent professional valuation on an open market value basis. Additions subsequent to the date of valuation are stated at cost. It is the Group's policy to appraise the hotel properties once in every five years, by independent professional valuers based on its open market value. Any surplus or deficit arising therefrom will be dealt with in the Revaluation Reserve account. A deficit is set-off against the Revaluation Reserve account only to the extent of a surplus credited from the previous revaluation of the hotel properties and the excess of the deficit is charged to the income statement.

No depreciation is provided on hotel properties. It is the Group's policy to maintain the properties in such condition that the residual values are so high that depreciation would be insignificant. The related maintenance expenditure is dealt with in the income statement.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit/(loss) from operations.

(c) Real property assets

Real property assets comprise land held for future development. When significant development work has been undertaken and are expected to be completed within the normal operating cycle, the assets are then classified at its carrying value to development property under current assets.

(d) Development property and expenditure

The cost of land held for development, related development costs common to the whole project and direct construction costs are carried forward as development property and expenditure. Costs charged to the income statement are in respect of uncompleted properties sold and comprise proportionate cost of land and related development costs.



**3 Summary of significant accounting policies (continued)****(e) Revenue recognition**

Contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as expenses.

Profit from property development and construction contracts are recognised on the percentage of completion method. The stage of completion is measured by reference to the actual cost incurred to date to estimated total cost for each contract. All foreseeable losses are recognised as soon as they are anticipated.

Revenue from hotel operations and oil palm plantation are recognised upon delivery of products or performance of services, net of sales tax and discounts.

Rental income from shoplots is recognised on an accrual basis unless collectibility is in doubt.

Interest income is recognised as it accrues.

**(f) Inventories**

Inventories are valued at the lower of cost and net realisable value after adequate allowance has been made for all deteriorated, damaged, obsolete or slow moving stocks. Cost is determined on a weighted average basis.

**(g) Subsidiaries**

Subsidiaries are those enterprises in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

**(h) Investments**

Investments in subsidiaries are stated at cost. These investments are only written down when the Directors consider that there is a permanent diminution in the value of the investments. Permanent diminution in the value of an investment is recognised as an expense in the period in which diminution is identified.

Long-term investments are stated at cost. These investments are only written down when the Directors consider that there is a permanent diminution in the value of the investments.

Short-term investments are stated at the lower of cost and market value, determined on a portfolio basis by comparing aggregate cost against aggregate market value.

On disposal of an investment, the difference between net proceed and its carrying amount is charged/credited to the income statements.

**(i) Deferred taxation**

Provision is made, by the liability method, for taxation deferred in respect of all timing differences.

No future income tax benefit is recognised in respect of unutilised tax losses and timing differences that result in a net debit unless it can be demonstrated that these benefits can be realised in the foreseeable future.

## 3 Summary of significant accounting policies (continued)

## (j) Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off in the financial year in which they are identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at year end.

## (k) Pre-cropping expenditure

Expenditure incurred on new planting and replanting are capitalised and included in Property, Plant and Equipment under pre-cropping expenditure and are amortised on a straight line basis over the useful lives of the rootstocks or over the period of the lease, whichever is shorter.

## (l) Capitalisation of borrowing costs

Interest incurred on external borrowings related to development of property under construction is capitalised until completion of the construction.

## (m) Currency translations

Foreign currency transactions in Group companies are accounted for at exchange rates ruling at the transaction dates, unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used. Foreign currency monetary assets and liabilities are translated into Ringgit Malaysia at exchange rates ruling at the balance sheet date, unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used. Exchange difference arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the income statement.

The principal closing rates and used in translation of foreign currency amounts are as follows:

Foreign currency	2002	2001
1 USDollar RM3.76	RM3.76	
1 Singapore Dollar	RM2.01	RM2.07
100 Hong Kong Dollar	RM46.58	RM46.29

## (n) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents comprise cash and bank balances, bank overdraft, demand deposits and other short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 4 Revenue

	The Group .....		The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Hotel operations	22,606	23,195	0	0
Cultivation of oil palm	1,924	2,442	1,924	2,442
	<b>24,530</b>	<b>25,637</b>	<b>1,924</b>	<b>2,442</b>

## 5 Loss from operations

	The Group .....		The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Loss from operations is stated after charging/(crediting):-				
Deferred expenditure written off	0	1,323	0	0
Depreciation of property, plant and equipment	1,580	1,758	823	1,211
Staff cost	10,688	10,740	2,323	2,731
Auditors' remuneration:				
- statutory audit fees	78	65	38	25
- under provision in prior year	0	7	0	0
- non-statutory audit fees	37	95	18	78
Pre-cropping expenditure written off	0	10	0	10
Property, plant and equipment written off	2	0	2	0
Allowance for doubtful debts	12,184	0	6,528	0
Gain on disposal of property, plant and equipment	(1,041)	0	(865)	0
Realised foreign exchange (gain)/loss	(37)	14	0	0
Interest income	(34)	(57)	(20)	(44)
Rental income from shoplots	(2,718)	(4,448)	0	0
Restructuring cost*	0	(67,918)	0	(67,918)

\* In the previous year, the Company completed a debt restructuring scheme pursuant to a loan settlement agreement dated 8 October 1999 with a financial institution for settlement of the RM190 million revolving term loan. The total restructuring cost incurred therefore amounted to RM67.918 million.

## 6 Directors' remuneration

	..... The Group .....		..... The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Fees	296	175	138	186
Other emoluments	986	1,070	900	900
	<b>1,282</b>	<b>1,245</b>	<b>1,038</b>	<b>1,086</b>

Remuneration of the Directors of the Company, in respect of services rendered to the Company and various other companies of the Group, is represented by the following bands:

Amounts in RM'000	2002	2001
	Number	Number
<b>Non-executive Directors</b>		
50 and below	3	2
50 – 100	1	2
<b>Executive Directors</b>		
50 and below	0	0
100 – 150	1	1
150 – 200	3	3
250 – 300	1	1

## 7 Finance cost

	..... The Group .....		..... The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Interest expenses	21,622	12,036	18,859	9,680
Bank guarantee commission	76	1,958	76	1,958
Others	6	484	5	3
	<b>21,704</b>	<b>14,478</b>	<b>18,940</b>	<b>11,641</b>

## 8 Taxation

	..... The Group .....		..... The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Current year taxation	0	0	0	0
Over provision in respect of previous years	6	0	6	0
	<b>6</b>	<b>0</b>	<b>6</b>	<b>0</b>

Subject to agreement by the Inland Revenue Board, the amount of unabsorbed tax losses of the Group and Company for which the related tax effects have not been included in the net income amounted to RM54,231,000 (2001:RM38,464,000) and RM42,317,000 (2001:RM33,424,000) respectively as at 31 March 2002.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 9 Loss per share

Basic loss per share of the Group is calculated by dividing the net loss attributable to shareholders by the weighted average number of ordinary shares in issue during the financial year.

	2002	2001
Loss attributable to shareholders (RM'000)	33,855	82,579
Weighted average number of ordinary shares in issue ('000)	255,888	255,881
Basic loss per share (sen)	13.2	32.3

No diluted loss per share is presented as conversion of warrants is not dilutive.

## 10 Real property assets

	The Group and the Company	
	2002	2001
	RM'000	RM'000
Freehold land, at cost	83,018	83,018

The freehold land is charged to a financial institution as security for a banking facility granted to the Company.

## 11 Property, plant and equipment

	Hotel property at valuation RM'000	Hotel property at cost RM'000	Hotel property work-in-progress RM'000	Short-term leasehold land RM'000	Office equipment RM'000	Plant, machinery and equipment RM'000	Renovations RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Pre-cropping expenditure RM'000	Total RM'000
<b>The Group</b>											
<b>Cost</b>											
1 April 2001	545,000	109,563	94,939	13,000	2,580	2,779	567	1,794	4,324	11,671	786,217
Additions	0	0	1,354	0	622	32	0	6	632	1,529	4,175
Disposals	0	0	0	0	(9)	0	0	0	(2,084)	0	(2,093)
Written off	0	0	0	0	0	0	0	0	0	(160)	(160)
31 March 2002	545,000	109,563	96,293	13,000	3,193	2,811	567	1,800	2,872	13,040	788,139
<b>Accumulated depreciation</b>											
1 April 2001	0	0	0	3,793	1,725	551	325	931	3,824	1,784	12,933
Charge during the financial year	0	0	0	282	311	170	68	224	340	185	1,580
Disposals	0	0	0	0	(7)	0	0	0	(1,822)	0	(1,829)
Written off	0	0	0	0	0	0	0	0	0	(160)	(160)
31 March 2002	0	0	0	4,075	2,029	721	393	1,155	2,342	1,809	12,524
<b>Net book value</b>											
31 March 2002	545,000	109,563	96,293	8,925	1,164	2,090	174	645	530	11,231	775,615

# NOTES TO THE FINANCIAL STATEMENTS (continued)

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 11 Property, plant and equipment (continued)

	Hotel property at valuation RM'000	Hotel property at cost RM'000	Hotel property work-in-progress RM'000	Short-term leasehold land RM'000	Office equipment RM'000	Plant, machinery and equipment RM'000	Renovations RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Pre-cropping expenditure RM'000	Total RM'000
<b>The Group</b>											
<b>Cost</b>											
1 April 2000	480,000	172,612	0	13,000	2,559	1,007	398	1,244	4,225	7,520	682,565
Revaluation	65,000	0	0	0	0	0	0	0	0	0	65,000
Reclassification upon revaluation	0	(63,049)	0	0	0	0	0	0	0	0	(63,049)
Acquisition of subsidiary companies	0	0	93,537	0	0	0	0	0	0	0	93,537
Additions	0	0	1,401	0	21	1,772	169	556	99	4,289	8,307
Written off	0	0	0	0	0	0	0	(6)	0	(138)	(144)
31 March 2001	545,000	109,563	94,938	13,000	2,580	2,779	567	1,794	4,324	11,671	786,216
<b>Accumulated depreciation</b>											
1 April 2000	0	0	0	3,510	1,595	210	269	706	3,340	1,679	11,309
Charge during the financial year	0	0	0	283	130	341	56	231	484	233	1,758
Written off	0	0	0	0	0	0	0	(6)	0	(128)	(134)
31 March 2001	0	0	0	3,793	1,725	551	325	931	3,824	1,784	12,933
<b>Net book value</b>											
31 March 2001	545,000	109,563	94,938	9,207	855	2,228	242	863	500	9,887	773,283

## 11 Property, plant and equipment (continued)

	Short-term leasehold land RM'000	Office equipment RM'000	Plant, machinery and equipment RM'000	Renovations RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Pre-cropping expenditure RM'000	Total RM'000
<b>The Company</b>								
<b>Cost</b>								
1 April 2001	13,000	1,524	129	567	665	3,320	11,671	30,876
Additions	0	1	13	0	1	0	1,529	1,544
Disposals	0	(9)	0	0	0	(1,814)	0	(1,823)
Written off	0	0	0	0	0	0	(160)	(160)
31 March 2002	13,000	1,516	142	567	666	1,506	13,040	30,437
<b>Accumulated depreciation</b>								
1 April 2001	3,793	1,349	116	325	502	2,913	1,784	10,782
Charge during the financial year	282	70	7	68	97	114	185	823
Disposals	0	(7)	0	0	0	(1,606)	0	(1,613)
Written off	0	0	0	0	0	0	(160)	(160)
31 March 2002	4,075	1,412	123	393	599	1,421	1,809	9,832
<b>Net book value</b>								
31 March 2002	8,925	104	19	174	67	85	11,231	20,605



# NOTES TO THE FINANCIAL STATEMENTS (continued)

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 11 Property, plant and equipment (continued)

	Short-term leasehold land RM'000	Office equipment RM'000	Plant, machinery and equipment RM'000	Renovations RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Pre-cropping expenditure RM'000	Total RM'000
<b>The Company</b>								
<b>Cost</b>								
1 April 2000	13,000	1,521	129	398	670	3,221	7,520	26,459
Additions	0	3	0	169	1	99	4,289	4,561
Written off	0	0	0	0	(6)	0	(138)	(144)
31 March 2001	13,000	1,524	129	567	665	3,320	11,671	30,876
<b>Accumulated depreciation</b>								
1 April 2000	3,510	1,229	111	269	411	2,496	1,679	9,705
Charge during the financial year	283	120	5	56	97	417	233	1,211
Written off	0	0	0	0	(6)	0	(128)	(134)
31 March 2001	3,793	1,349	116	325	502	2,913	1,784	10,782
<b>Net book value</b>								
31 March 2001	9,207	175	13	242	163	407	9,887	20,094

## 11 Property, plant and equipment (continued)

Included in the property, plant and equipment of the Group and the Company are certain plant, machinery and equipment and motor vehicles acquired under hire purchase as follows:

	..... The Group .....		..... The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Net book value				
Plant, machinery and equipment	1,320	1,455	0	0
Motor vehicle	963	173	69	69
	<b>2,283</b>	<b>1,628</b>	<b>69</b>	<b>89</b>

The short term leasehold land has been charged to secure the RM192,375,000 Irredeemable Convertible Secured Loan Stocks 2000/2005 (Note 26) and RM90,124,000 3% Redeemable Secured Bonds 2000/2005 (Note 27) issued by the Company.

Hotel property, at valuation of a subsidiary was last revalued on 20 July 2000 by the Directors based on a valuation carried out by an independent firm of professional valuers using an open market value basis. The independent qualified valuer is LongTian Chek, member of the Institution of Surveyors, Malaysia, a partner with Henry Butcher, Lim and Long Sdn Bhd. The revaluation represents a surplus of RM1,951,207 over the reported carrying value of RM543,048,793 as at 31 March 2000. The surplus dealt with in the revaluation reserve account is net of deferred tax effect of approximately RM97,560.

The hotel property, at valuation has been charged to several licensed financial institutions to secure the RM154,500,000 Syndicated term loan II (Note 23) obtained by the Company; and the RM192,375,000 Irredeemable Convertible Secured Loan Stocks 2000/2005 (Note 26) and RM90,124,000 3% Redeemable Secured Bonds 2000/2005 (Note 27) issued by the Company.

Included in the hotel property, at valuation are certain components acquired under hire purchase amounting to RM21,884,349 (2001: RM21,884,349).

The net book value of the hotel property, at valuation is RM RM393,010,547 (2001: RM393,010,547) should the hotel property be stated at cost.

The hotel property, at cost has been charged to a consortium of financial institutions to secure the Syndicated term loan I of RM21,000,000 (Note 25) granted to a subsidiary.

Included in the hotel property, at cost are certain components acquired under hire purchase amounting to RM6,011,000 (2001: RM6,011,000).

## 12 Subsidiaries

	..... The Company .....	
	2002 RM'000	2001 RM'000
Shares, at cost (unquoted)	557,984	557,984

# NOTES TO THE FINANCIAL STATEMENTS (continued)

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 12 Subsidiaries (continued)

The subsidiaries are as follows:

Name of Company	Country of incorporation	Principal activities	Group effective interest	
			2002 %	2001 %
Held by the Company:				
Dynawell Corporation (M) Sdn. Bhd.	Malaysia	Hotel and service apartment operations and management and property development	100	100
* KSB Requirements & Rest Sdn. Bhd.	Malaysia	Hotel operation and management and property development	70	70
* Gula Perak Land Sdn. Bhd.	Malaysia	Dormant	100	100
* Rumpun Dahlia Sdn. Bhd.	Malaysia	Property development and construction	100	100
Held by Rumpun Dahlia Sdn. Bhd.:				
* Cartel Properties Sdn. Bhd.	Malaysia	Property development and investment	100	100

\* Not audited by PricewaterhouseCoopers.

## 13 Advances to a subsidiary

Advances to a subsidiary are unsecured, interest free and are not repayable within the next 12 months.

## 14 Development property and expenditure

	The Group and ..... The Company .....	
	2002 RM'000	2001 RM'000
Freehold land, at cost		
Development expenditure	17,911	17,911
	96,343	96,305
	114,254	114,216
Attributable profit accrued on uncompleted projects	5,421	6,133
Progress billings received and receivable	119,675	120,349
	(47,992)	(49,046)
	71,683	71,303

Certain of the above properties with carrying value of approximately RM22,500,000 (2001: RM22,500,000) have been charged to a licensed financial institution to secure the Syndicated term loan II (Note 23 (c)) granted to the Company.

Certain of the above properties with carrying value of approximately RM1,367,000 have been charged to a licensed financial institution to secure the term loan I (Note 23(f)) granted to a subsidiary.

## 15 Inventories

	..... The Group .....		..... The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
<b>At cost</b>				
Estate consumables	46	8	46	8
Food, beverages and supplies	508	467	0	0
	<b>554</b>	<b>475</b>	<b>46</b>	<b>8</b>

## 16 Trade receivables

	..... The Group .....		..... The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Trade receivables	37,470	40,294	14,643	17,289
Less: Allowance for doubtful debts	(12,955)	(1,420)	(6,010)	(131)
	<b>24,515</b>	<b>38,874</b>	<b>8,633</b>	<b>17,158</b>

The Company and certain subsidiary had obtained collaterals from certain trade receivables to secure the due repayment of their outstanding amounts. The estimated market values of the collaterals obtained by the Group and the Company, based on Directors' best estimate are approximately RM13,021,000 and RM4,750,000 respectively.

Included in trade receivables are the following amount due by certain Directors:

	The Group and ..... The Company .....	
	2002 RM'000	2001 RM'000
Amount due by certain Directors	222	245

The amount due by certain Directors arose from sales of the Company's development properties at market value and bears interest rate of 10% per annum on the amount overdue.

## 17 Amount due from/to a subsidiary

The amount due from/to a subsidiary is trade in nature, unsecured, interest free and has no fixed terms of repayment.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 18 Other receivables, deposits and prepayments

	..... The Group .....		..... The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Other receivables	18,004	21,493	1,631	1,266
Less: Allowance for doubtful debts	(649)	0	(649)	0
	17,355	21,493	982	1,266
Deposits	404	433	264	259
Prepayments	146	157	73	22
	17,905	22,083	1,319	1,547

Amount due to a debtor of a subsidiary amounting to RM13,706,521 (2001: RM17,449,691) is fully secured by collaterals.

## 19 Cash and cash equivalents

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

	..... The Group .....		..... The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Deposits with licensed banks	650	944	455	755
Cash and bank balances	813	623	49	17
Bank overdraft (Note 23)	(1,630)	(1,972)	(422)	(738)
	(167)	(405)	82	34

The deposits with licensed banks of the Company are pledged to financial institutions as security for the overdraft facilities granted to the Company.

## 20 Amount owing to a Director

Amount owing to a Director is unsecured, interest free and has no fixed terms of repayment.

## 21 Other payables and accruals

	..... The Group .....		..... The Company .....	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Other payables	7,454	13,289	4,755	4,530
Accruals	4,013	4,192	313	764
Deposits received from customers	2,256	2,353	867	1,000
	13,723	19,834	5,935	6,294

## 22 Hire purchase payables

	The Group		The Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
<b>Minimum hire purchase payments:</b>				
- not later than 1 year	4,231	3,688	27	27
- later than 1 year and not later than 2 years	5,133	4,593	27	27
- later than 2 years and not later than 5 years	6,114	4,620	25	51
	15,478	12,901	79	105
<b>Future finance charges on hire purchase payables:</b>	(4,617)	(2,585)	(14)	(21)
<b>Present value of hire purchase payables</b>	<b>10,861</b>	<b>10,316</b>	<b>65</b>	<b>84</b>
<b>Current</b>	<b>3,138</b>	<b>2,907</b>	<b>22</b>	<b>22</b>
<b>Non-current</b>	<b>7,723</b>	<b>7,409</b>	<b>43</b>	<b>62</b>
	10,861	10,316	65	84
<b>Representing hire purchase payables:</b>				
- not later than 1 year	3,138	2,907	22	22
- later than 1 year and not later than 2 years	3,065	4,056	22	22
- later than 2 years and not later than 5 years	4,658	3,353	21	40
	10,861	10,316	65	84

## 23 Short term borrowings

	The Group		The Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
<b>Unsecured:</b>				
Revolving credit (N ote (a))	0	1,950	0	1,950
<b>Secured:</b>				
Syndicated term loan I (N ote (b))	3,000	3,000	0	0
Syndicated term loan II (N ote (c))	154,500	154,500	154,500	154,500
Revolving credit (N ote (d))	26,415	24,845	26,415	24,845
Bank overdraft (N ote (e))	1,630	1,972	422	738
Term loan I (N ote (f))	167	0	0	0
	185,712	186,267	181,337	182,033

(a) The unsecured revolving credit bears interest at 4.30% (2001:4.05% to 5.15%) per annum during the financial year.

(b) The Syndicated term loan I obtained by a subsidiary and bears interest ranging from 7.10% to 9.30% (2001:7.15% to 9.30%) per annum during the financial year. The loan is secured by a first legal charge over a subsidiary's hotel property, corporate guarantee of a local company and jointly and severally guaranteed by certain directors of the subsidiary and a third party.

This loan is subject to the proposed debt restructuring scheme as set out in N ote 33.

**23 Short term borrowings (continued)**

- (c) The Syndicated term loan II obtained from Guarantor banks to redeem the RM150,000,000 nominal value of 3% Guaranteed Redeemable Bonds 1995/2000 upon its maturity on 21 December 2000 and bears interest ranging from 4.33% to 10.45% (2001:7.00% to 10.45%) per annum during the financial year. The loan is secured by a first legal charge over the Company's certain developed properties and a subsidiary's hotel property.

This loan is subject to the proposed debt restructuring scheme as set out in Note 33.

- (d) The revolving credit facilities granted to the Company are secured against certain of the Company's real property assets and bears interest at 6.35% (2001:6.40% to 6.50%) per annum during the financial year.

This loan is subject to the proposed debt restructuring scheme as set out in Note 33.

- (e) The bank overdraft facilities granted to the Company bears interest at 9.30% (2001:8.30% to 9.30%) per annum during the financial year. The facilities are secured by first party fixed deposits in the financial institutions.

Bank overdraft facility granted to a subsidiary bears interest at 8.90% to 9.30% (2001:9.30%) per annum during the financial year. The facility is secured by a first legal charge over a subsidiary's hotel property, first fixed and floating charges on all assets and undertaking of the subsidiary; and jointly and severally guaranteed by certain Directors of a subsidiary.

- (f) Term loan I granted to a subsidiary bears interest at 8.80% per annum during the financial year. The loan is secured by a third party legal charge over the Company's certain developed properties.

**24 Guaranteed Redeemable Bonds with detachable warrants**

The RM150,000,000 nominal amount of 3% Guaranteed Redeemable Bonds 1995/2000 ("Guaranteed Bonds") were issued with 74,212,500 detachable warrants ('Existing Warrants') and constituted by a Trust Deed dated 7 December 1995.

The Company did not have sufficient funds to secure the redemption of the RM150 million 3% Guaranteed Redeemable Bonds 1995/2000 due on 21 December 2000 and as a consequence, the bank guarantee for the Guaranteed Bonds has been invoked for repayment to the bondholders. The Company is currently undertaking a proposed debt restructuring scheme as set out in Note 33 to the financial statements to repay the Guarantor banks and also certain borrowings of the Company and the Group.

On 18 June 2001, the Company's 60,780,153 Existing Warrants representing 81.90% of the Existing Warrants were surrendered by their warrant holders and was substituted with 60,780,153 new warrants ('Replacement Warrants'). The total proceeds received from the subscription of the Replacement Warrants amounted to RM3,039,008 have been credited to the capital reserve account.

Holders of the Existing Warrants have the right to subscribe in cash at any time during the exercise period which will expire on 21 December 2005 at the exercise price of RM2.18 per new ordinary share. The exercise price may be adjusted in accordance with the provisions contained in the Deed Poll dated 11 December 1995, Supplemental Deed Poll dated 2 May 1997 and Second Supplemental Deed Poll dated 31 March 1999.

The Replacement Warrants 2001/2005 were listed on the Kuala Lumpur Stock Exchange on 10 July 2001.

Holders of the Replacement Warrants have the right to subscribe in cash at any time during the exercise period which will expire on 21 December 2005 at the exercise price of RM1.00 per new ordinary shares. The Replacement Warrants 2001/2005 is constituted by a Deed Poll dated 22 March 2001.

As at 31 March 2002, 13,431,047 (2001: 74,211,200) and 60,780,153 (2001: not applicable) Existing Warrants and Replacement Warrants respectively remained unexercised.

## 25 Term Loans

	..... The Group .....	
	2002 RM'000	2001 RM'000
Syndicated term loan I (N ote (a))	21,000	21,000
Repayable within 12 months (N ote 23 (b))	(3,000)	(3,000)
Term loan I (N ote (b))	18,000	18,000
Repayment within 12 months (N ote 23(f))	917	0
	(167)	0
Term loan II (N ote (c))	18,750	18,000
	12,400	10,400
	31,150	28,400

- (a) The Syndicated term loan I obtained by a subsidiary from a consortium of financial institutions and bears interest ranging from 7.10% to 9.30% (2001:7.15% to 9.30%) per annum during the financial year. The loan is secured by a first legal charge over the subsidiary's hotel property and jointly and severally guaranteed by certain directors of the subsidiary and a third party.

This loan is subject to the proposed debt restructuring scheme as set out in N ote 33.

- (b) Term loan I granted to a subsidiary bears interest at 8.8% per annum during the financial year. The loan is secured by a third party legal charge over the Company's certain developed properties.
- (c) Term loan II granted to a subsidiary bears interest at 8.90 to 9.30% (2001:9.30%) per annum during the financial year. The loan is secured by a third party fixed charge over the subsidiary's landed property, first fixed and floating charges on all assets and undertaking of the subsidiary; and jointly and severally guaranteed by certain directors of the subsidiary.

## 26 Irredeemable Convertible Secured Loan Stocks 2000/2005

The Irredeemable Convertible Secured Loan Stocks 2000/2005 ("ICSLS") issued on 1 September 2000 is constituted by a Trust Deed dated 26 June 2000. The ICSLS is secured by legal charges over the Company's leasehold land and a subsidiary's hotel property.

The principal terms of the ICSLS are as follows:

- (a) Nominal value: RM192,375,000;
- (b) Coupon: Zero coupon on the nominal value;
- (c) Tenure: 5 years from date of issue;
- (d) Maturity: The date preceding the fifth anniversary of the date of issue of ICSLS;
- (e) Conversion to ordinary shares: The ICSLS shall only be converted into new ordinary shares after the expiry of the third year from the issue date of the ICSLS; and
- (f) Conversion rate: The conversion price for the ICSLS shall be RM1.20 per new ordinary share.

The ICSLS were listed on the Kuala Lumpur Stock Exchange on 26 September 2000.



# NOTES TO THE FINANCIAL STATEMENTS (continued)

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 27 3% Redeemable Secured Bonds 2000/2005

The Redeemable Secured Bonds 2000/2005 ("the Bonds") issued on 18 December 2000 is constituted by a 2000/2005 Global Certificate dated 18 December 2000. The Bonds is secured by legal charges over the Company's leasehold land and a subsidiary's hotel property.

The principal terms of the Bonds are as follows:

- (a) Face value: RM90,124,000;
- (b) Coupon: Coupon on the Bonds will accrue at 3% per annum based on the face value and shall be paid in arrears on each of the first four anniversaries of the issue date. The last payment will be made on the maturity date;
- (c) Tenure: 5 years from the date of issue;
- (d) Maturity date: The date preceding the fifth anniversary of the date of issue of the bonds;
- (e) Purchase and redemption: the Company shall not be at liberty to redeem the Bonds except in accordance with:
  - (i) purchases - the Company or any of its subsidiary may at any time purchase the Bonds by private treaty
  - (ii) Mandatory redemption - Unless previously redeemed and cancelled, the Bond will be redeemed by the Company at 100% of the nominal amount on the Maturity Date together with the last annual coupon payment;
- (f) Status of Bonds: The Bonds will rank *pari passu* without any preference or priority among themselves but will rank in priority to the ICCLS holders in relation to the assets secured; and
- (g) Listing: The Bonds will not be listed on the KLSE.

## 28 Deferred taxation

The deferred taxation balance is in respect of the tax effects on the surplus arising from revaluation of a hotel property of the Group.

The tax effects of debit timing differences not accounted for at the financial year end for the Company amounted to approximately RM393,000 (2001: RM323,000).

## 29 Share capital

Ordinary shares of RM1 each:

Authorised

1,000,000,000 ordinary shares

Issued and fully paid

At 1 April

255,888,300 (2001: 255,723,300) ordinary shares

Issued during the financial year pursuant to the Share Option Scheme amounting to Nil (2001: 165,000) ordinary shares at an issue price of RM1 each

At 31 March

255,888,300 ordinary shares

The Group and ..... The Company .....	
2002	2001
RM'000	RM'000
1,000,000	1,000,000
255,888	255,723
0	165
255,888	255,888

## 30 Contingent liabilities (unsecured)

	..... The Company .....	
	2002 RM'000	2001 RM'000
Corporate guarantee given to financial institution for facility granted to a subsidiary	21,000	21,000

## 31 Segmental analysis by activities

	Operating revenue RM'000	Loss before taxation RM'000	Assets employed RM'000
<b>2002</b>			
Hotel operations	22,607	(21,018)	768,773
Construction and property development	0	(712)	182,669
Cultivation of oil palm	1,924	(2,024)	21,335
Trading in construction materials	0	(7,809)	1,953
Others	0	(2,298)	22
	<b>24,531</b>	<b>(33,861)</b>	<b>974,752</b>
<b>2001</b>			
Hotel operations	23,195	(8,436)	773,747
Construction and property development	0	0	188,301
Cultivation of oil palm	2,442	(3,873)	20,154
Trading in construction materials	0	(365)	8,371
Others	0	(1,987)	30
Restructuring costs (unallocated)	0	(67,918)	0
	<b>25,637</b>	<b>(82,579)</b>	<b>990,603</b>

No geographical segment information is presented as the Group operates principally in Malaysia.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 32 Significant related party transactions and balances

In addition to related party disclosure mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions obtainable in transactions with unrelated parties unless otherwise stated.

	..... The Group .....	
	2002 RM'000	2001 RM'000
Purchase of services from the following:		
- Interdev Corporation Sdn Bhd (Management fees and consultancy fees on property development)	100	0
- Leisure Group Hotel & Resorts Sdn Bhd (Management fees for managing the Dynasty Hotel owned by a subsidiary)	336	358
The following are significant related party balances:		
Receivables:		
- Kemajuan Amoy Berhad (Trade, rental of tower crane & sale of motor vehicles)	3,961	4,803
- Lim Soo Kok & Associates (Trade)	392	392
Payables:		
- Interdev Corporation Sdn Bhd (Management fees and consultancy fees on property development)	58	1,180

Interdev Corporation Sdn Bhd, Leisure Group Hotel & Resorts Sdn Bhd and Kemajuan Amoy Berhad are companies in which certain directors have substantial interest. Lim Soo Kok & Associates is owned by one of the Directors.

## 33 Proposed Debt Restructuring Scheme

The current Proposed Debt Restructuring Scheme which the Company first announced on 14 July 2000, involves the following lenders:

- (i) the Syndicated term loan II (Note 23(c)), obtained from the guarantor banks for settlement of the outstanding amount of RM154.5 million, the interest from the period 22 December 2000 to 31 December 2000 upon invocation of the bank guarantee proposed to be capitalised of approximately up to RM450,000 together with the bank guarantee fees of approximately RM2.704 million pursuant to the Guaranteed Bonds;
- (ii) the revolving credit (Note 23(d)) lenders for settlement of an outstanding amount of RM25 million together with the interest up to 31 December 2000 proposed to be capitalised of approximately up to RM2.3 million; and
- (iii) the Syndicated term loan I (Note 23(b)) lenders for settlement of an outstanding amount of RM21 million together with the interest up to 31 December 2000 of approximately RM3.5 million proposed to be capitalised.

The Proposed Debt Restructuring scheme of the aforesaid Debts are as follows:

- (i) proposed issuance of up to RM248.438 million nominal value of five (5) year Redeemable Convertible Secured Notes ("RCSN") by the Company to the Lenders as settlement for the Debts ("Proposed RCSN Issue");

- (ii) proposed restricted offer for sale by the Lenders the entire up to RM248.438 million nominal value of RCSN to the shareholders of the Company on a non-renounceable basis at an offer price of approximately 81.24 sen per RCSN or any other amount to be approved by the relevant authorities ("Proposed Restricted Offer for Sale"). The Proposed Restricted Offer for Sale will not be underwritten i.e., any unsubscribed RCSN will be retained by the Lenders proportionately.
- (iii) proposed put and call options as follows:
- At the request of the Lenders, YBhg Tan Sri Dato' Lim Cheng Pow ("Tan Sri Dato' Lim"), the Managing Director and a substantial shareholder of the Company, will grant the Lenders a put option whereby the Lenders shall have the right to sell to Tan Sri Dato' Lim a total of RM47.8 million nominal value of the RCSN or whatever amount of RCSN retained by them after the Proposed Restricted Offer for Sale, whichever is the lower, proportionately to all Lenders; and
  - Simultaneously, the Lenders will grant Tan Sri Dato' Lim a call option whereby Tan Sri Dato' Lim shall have the right to purchase from the Lenders a total of RM47.8 million nominal value of the RCSN or whatever amount of RCSN retained by them after the Proposed Restricted Offer for Sale, whichever is the lower, proportionately from all Lenders.

On 22 September 2000, the Company announced that following negotiations with the Lenders, there is a proposed increase in the yield-to-maturity of the RCSN from 8% per annum to 9% per annum. Therefore, the nominal amount of RCSN to be issued to the Lenders as settlement of their respective Debts will increase to RM257.830 million nominal value of RCSN from the original RM248.438 million nominal value of RCSN as announced on 14 July 2000.

On 20 February 2001, the Company announced that after taking into consideration the estimated additional interest charges for the revolving credit, term loan and invoked bank guarantee in respect of the Guaranteed Bonds for another nine (9) months to 30 September 2001, the nominal amount of RCSN to be issued to the Lenders as settlement of their respective debts will be increased to up to RM277.833 million nominal value of RCSN from the original RM257.830 million nominal value of RCSN as announced on 22 September 2000.

On 21 November 2001, due to the longer timeframe taken to complete the Proposed Debt Restructuring Scheme, the Company proposed a further revision to the quantum of the amount of RCSN to be issued to the Lenders so as to include the additional estimated interest charges for the revolving credit, term loans and invoked bank guarantee in respect of the Guaranteed Bonds for another nine (9) months from 1 October 2001 to 30 June 2002.

As such, the nominal amount of RCSN to be issued to the Lenders as settlement for their respective debts will be increased to RM290.758 million nominal value of RCSN from the previous amount of RM277.833 million nominal value of RCSN.

The Securities Commission had vide its letter dated 28 December 2001 approved the extension of time to complete the Proposed Debt Restructuring for six months to 25 July 2002.

The revision in the increase in the nominal value of RCSN has been approved by Bank Negara Malaysia on 14 January 2002 and Foreign Investment Committee on 21 January 2002.

The revision in the increase in the nominal value of RCSN is further subject to the approval of the lenders, shareholders and other relevant authorities.

#### 34 Events subsequent to balance sheet date

On 25 June 2002, the Company and certain of its lenders have executed a Settlement Agreement pursuant to a Proposed Debt Restructuring Scheme referred to in Note 33 to the financial statements.

The Securities Commissions had vide its letter dated 17 July 2002 approved the extension of time to complete the Proposed Debt Restructuring Scheme for another six months to 25 January 2003.

On 8 July 2002, the Company despatched a circular to its shareholders in relation to the Proposed Debt Restructuring Scheme mentioned above. The approval of the said Proposed Debt Restructuring Scheme has been obtained from the shareholders at the Company's Extraordinary General Meeting held on 23 July 2002.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

GULA PERAK BERHAD

for the financial year ended 31 March 2002

## 35 Reclassification

	As previously reported RM'000	Reclassification RM'000	As restated RM'000
Group			
2001			
Property, plant and equipment	23,782	749,501	773,283
Hotel properties	749,501	(749,501)	0

The above significant reclassification of comparative figures were made to the consolidated balance sheet to reflect the appropriate nature of the assets and liabilities.

# ANALYSIS OF SHAREHOLDINGS

GULA PERAK BERHAD

ASAT 6 AUGUST 2002

Class of Shares : Ordinary shares of RM1.00 each  
Voting right : One (1) Vote per share

Size of Holdings	Number of Holders	%	Number of Shares Held	%
1-999	947	12.60	244,653	0.10
1,000-10,000	6,104	81.20	17,882,468	6.99
10,001-100,000	409	5.44	9,648,676	3.77
100,001-12,794,414 *	55	0.73	155,027,503	60.58
12,794,414 ** and above	2	0.03	73,085,000	28.56
	7,517	100.00	255,888,300	100.00

Remark: \* -Less than 5% of issued shares  
\*\* -5% and above of issued shares

List of Thirty (30) Largest Shareholders	Number of Ordinary Shares Held	% of Issued Capital
Alliance Group Nominees (Tempatan) Sdn Bhd pledged securities account for Kesenta Development Sdn Bhd	44,579,000	17.42
MBF Nominees (Tempatan) Sdn Bhd pledged securities account for Tan Sri Dato' Lim Cheng Pow	28,506,000	11.14
HDM Nominees (Tempatan) Sdn Bhd pledged securities account for Selvandran A/L Ponniah (MEMO)	9,597,000	3.75
AMSEC Nominees (Tempatan) Sdn Bhd AM Finance Berhad for Tan Sri Dato' Lim Cheng Pow	9,000,000	3.52
HDM Nominees (Tempatan) Sdn Bhd pledged securities account for Lim Moi Tee (MEMO)	8,745,000	3.42
HDM Nominees (Tempatan) Sdn Bhd Malaysian Assurance Alliance Berhad for Tan Sri Dato' Lim Cheng Pow	8,250,000	3.22
RHB Capital Nominees (Tempatan) Sdn Bhd pledged securities account for Lim Bee Ling (KASB 871009)	7,500,000	2.93
Hong Leong Finance Berhad pledged securities account for Lim Sue Beng	7,400,000	2.89
HDM Nominees (Asing) Sdn Bhd Town Hang Securities Co.Ltd. For Consolidated Goodwill Ltd	6,908,000	2.70
RHB Capital Nominees (Tempatan) Sdn Bhd pledged securities account for Mirage Point (M) Sdn Bhd (871010)	6,324,000	2.47
Southern Nominees (Tempatan) Sdn Bhd pledged securities account for Lim Hock Lian	6,000,000	2.34

# ANALYSIS OF SHAREHOLDINGS (continued)

GULA PERAK BERHAD

ASAT 6 AUGUST 2002

HDM Nominees (Tempatan) Sdn Bhd Malaysian Assurance Alliance Berhad for Yu Jn Min	5,000,000	1.95
HDM Nominees (Tempatan) Sdn Bhd Malaysian Assurance Alliance Berhad for Chai Kim Fah	5,000,000	1.95
Permodalan Nasional Berhad	5,000,000	1.95
Bank Kerjasama Rakyat Malaysia Berhad pledged securities account for Kesenta Development Sdn Bhd	4,329,000	1.69
EB Nominees (Tempatan) Sendirian Berhad pledged securities account for Tan Sri Dato' Lim Cheng Pow (APG)	4,256,000	1.66
HDM Nominees (Tempatan) Sdn Bhd Malaysian Assurance Alliance Berhad for Tan Ang Khan @ Chan Yin Kong	4,000,000	1.56
RHB Capital Nominees (Tempatan) Sdn Bhd pledged securities account for Shariffudin Bin Shawal (KAB 871012)	3,500,000	1.37
HDM Nominees (Tempatan) Sdn Bhd Town Hang Securities Co.Ltd. for Far East Universal Ltd	3,495,000	1.37
Lembaga Tabung Angkatan Tentera	3,444,500	1.35
Mayban Nominees (Tempatan) Sdn Bhd pledged securities account for Koperasi Polis Diraja Malaysia Bhd 514011315674	3,444,000	1.35
UOBM Nominees (Tempatan) Sdn Bhd Societe Generale Singapore Branch for Tan Sri Dato' Lim Cheng Pow	3,330,000	1.30
RC Nominees (Tempatan) Sdn Bhd Nirwana Jara Sdn Bhd (SBB KLMP5)	3,200,000	1.25
HDM Nominees (Tempatan) Sdn Bhd Malaysian Assurance Alliance Berhad for Ng Yook Ching	3,000,000	1.17
HDM Nominees (Tempatan) Sdn Bhd Malaysian Assurance Alliance Berhad for George Ngoh Hung Onn	3,000,000	1.17
Southern Nominees (Tempatan) Sdn Bhd pledged securities account for Tan Ang Khan @ Chan Yin Kong	2,600,000	1.02
Alliance Group Nominees (Tempatan) Sdn Bhd pledged securities account for Adnan Bin Jafar	2,400,000	0.94
HDM Nominees (Tempatan) Sdn Bhd Malaysian Assurance Alliance Berhad for Law Swee Kee @ Low Siew Heoh	2,200,000	0.86
HDM Nominees (Tempatan) Sdn Bhd Malaysian Assurance Alliance Berhad for Low Ah Suan	2,000,000	0.78
DB (Malaysia) Nominee (Tempatan) Sdn Bhd Societe Generale, Singapore Branch for Tan Sri Dato' Lim Cheng Pow	1,800,000	0.70
	<b>207,807,500</b>	<b>81.19</b>

Substantial Shareholders	Number of Ordinary Shares Held	% of Issued Capital
Tan Sri Dato' Lim Cheng Pow	36,172,000.00	14.14
Datuk Rahim bin Baba - Direct Interest	1,661,000.00	0.65
- Indirect Interest	31,020,000.00	12.12
Lim Sue Beng	12,984,000.00	5.07
Lim Bee Ling	16,200,000.00	6.33
Kesenta Development Sdn Bhd	31,020,000.00	12.12



# ANALYSIS OF IRREDEEMABLE CONVERTIBLE SECURED

LOAN STOCKS ("ICSLs") HOLDINGS AS AT 6 AUGUST 2002

GULA PERAK BERHAD

Size of Holdings	Number of Holders	%	Number of ICSLS Held	%
1-999	103	5.90	53,154	0.03
1,000-10,000	1,539	88.30	4,558,695	2.37
10,001-100,000	95	5.45	1,793,000	0.93
100,001-9,618,749 *	5	0.29	2,793,000	1.45
9,618,750 ** and above	1	0.06	183,177,151	95.22
	<b>1,743</b>	<b>100.00</b>	<b>192,375,000</b>	<b>100.00</b>

Remark : \* -Less than 5% of issued ICSLS

\*\* -5% and above of issued ICSLS

Thirty (30) Largest ICSLS Holders	Number of ICSLS Held	% of Issued ICSLS
AMFinance Berhad	183,177,151	95.22
HDM Nominees (Asing) Sdn Bhd Town Hang Securities Co. Ltd. for Consolidated Goodwill Ltd	1,446,000	0.75
HDM Nominees (Asing) Sdn Bhd Town Hang Securities Co. Ltd. for Far East Universal Ltd	529,000	0.27
Jwitarian Sdn Bhd	506,000	0.26
Kaoy Poon Seng	172,500	0.09
Loh Eng Wah @ Loh Eng Wah	139,500	0.07
Perbadanan Kemajuan Negeri Selangor	75,000	0.04
Wong Kin Loi	67,500	0.04
Tan Ang Khan @ Chan Yin Kong	53,000	0.03
Ng Sok Beng	52,000	0.03
Ng Tein Sun	39,000	0.02
Chai Kiam Leung @ Chai Kiam Leong	38,000	0.02
Lai Fook Hoy	36,000	0.02
Yap Gee Lin	34,000	0.02
Poh Gek Lang	33,000	0.02
Wong Wing Heng	31,000	0.02
Ng Giap Thye	30,000	0.02
Loo Seang Choo	30,000	0.02
Ham Kow Chung	30,000	0.02
Creative Communications Sdn Bhd	30,000	0.02
Yuen Kam Wah	29,000	0.02
Lim Rong Gou @ Lim Eng Ker	25,000	0.01
Mah King Woon Sendirian Berhad	23,000	0.01
Selangor Industrial Corporation Sdn Bhd	23,000	0.01
.B Nominees (Tempatan) Sdn Bhd pledged securities account for Nor Aziah bte Buang	22,500	0.01
Law Su Nei @ Law Su Ming	22,500	0.01
Guan Sook Hua	22,000	0.01
Ho Teck Boon	22,000	0.01
Foh Hong Hin	21,000	0.01
Sim Chong Wan @ Sim Tan Beg	20,000	0.01
	<b>186,778,651</b>	<b>97.11</b>

# ANALYSIS OF WARRANTHOLDING FOR WARRANT A

GULA PERAK BERHAD

AS AT 6 AUGUST 2002

Size of Holdings	Number of Holders	%	Number of Warrants Held	%
1-999	311	13.29	122,316	0.91
1,000-10,000	1,883	80.47	5,849,847	43.55
10,001-100,000	135	5.77	3,472,000	25.85
100,001-671,551 *	10	0.43	2,986,884	22.24
671,552 ** and above	1	0.04	1,000,000	7.45
	<b>2,340</b>	<b>100.00</b>	<b>13,431,047</b>	<b>100.00</b>

Remark : \* - Less than 5% of issued Warrant A  
 \*\* - 5% and above of issued Warrant A

Thirty (30) Largest Warrant Holders for Warrant A	Number of Warrants Held	% of Issued Warrant A
AMSEC Nominees (Tempatan) Sdn Bhd AmFinance Berhad for Shariffudin bin Shawal	1,000,000	7.45
Lim Moi Tee	600,000	4.47
HDM Nominees (Tempatan) Sdn Bhd Town Hang Securities Co. Ltd. for Yakin Tenggara Sdn Bhd	561,000	4.18
James Thomas Pugh	444,000	3.31
Mayban Securities Nominees (Asing) Sdn Bhd pledged securities account for Au Kouk Fai (REM 178)	238,000	1.77
CIMSEC Nominees (Tempatan) Sdn Bhd pledged securities account for Pek Kiam Kek (MM 0606)	230,000	1.71
Sim Chin Kuan	210,000	1.56
Pak Cheow Koon Jason	202,000	1.50
Selvandran A/L Ponniah	190,000	1.41
Menteri Kewangan Malaysia Section 29 (SICDA)	186,884	1.39
Tan Ang Khan @ Chan Yin Kong	125,000	0.93
Yong Chai Lai	100,000	0.74
Lau Kiew Yiing	100,000	0.74
Muguthan A/L Ragharan	90,000	0.67
Choo Siew Chan	70,000	0.52
Yap Hon Kong	70,000	0.52
Lim Hoo Ling	68,000	0.51
Yu Jn Min	62,000	0.46
Mayban Securities Nominees (Tempatan) Sdn Bhd pledged securities account for Ng Boey Heng (REM 107-Margin)	60,000	0.45
Lim Kim Boon @ Ban Choon	60,000	0.45
Chan Kam Fei	60,000	0.45
Yeoh Kian Chin	57,000	0.42
Chin Sin Mew	57,000	0.42
AMSEC Nominees (Tempatan) Sdn Bhd Arab-Malaysian Credit Berhad for Chua Sook Hwa	55,000	0.41
RViknaesVaran A/L Ramalingam	50,000	0.37
Yap Keng Hock	49,000	0.36
Tan Bing Huat	46,000	0.34
Tan Kia Loke	43,000	0.32
Yap Seng Chai @ Yap Seng Heor	40,000	0.30
Ng Boey Heng	40,000	0.30
	<b>5,163,884</b>	<b>38.45</b>

# ANALYSIS OF WARRANTHOLDING FOR WARRANT B

GULA PERAK BERHAD

AS AT 6 AUGUST 2002

Size of Holdings	Number of Holders	%	Number of Warrants Held	%
1-999	90	8.90	38,294	0.06
1000-10,000	824	81.50	2,611,970	4.30
10,001-100,000	69	6.82	1,697,389	2.79
100,001-3,039,006 *	24	2.37	25,516,000	41.98
3,039,007 ** and above	4	0.40	30,916,500	50.87
	1,011	100.00	60,780,153	100.00

Remark : \* - Less than 5% of issued Warrant B  
 \*\* - 5% and above of issued Warrant B

Thirty (30) Largest Warrant Holders for Warrant B	Number of Warrants Held	% of Issued Warrant B
Bank Kerjasama Rakyat Malaysia Berhad pledged securities account for Kesenta Development Sdn Bhd	14,244,500	23.44
HDM Nominees (Tempatan) Sdn Bhd Malaysian Assurance Alliance Berhad for Tan Ang Khan @ Chan Yin Kong	7,340,000	12.08
AllianceGroup Nominees (Tempatan) Sdn Bhd pledged securities account for KerisWangsa Sdn Bhd	5,000,000	8.23
HDM Nominees (Tempatan) Sdn Bhd Town Hang Securities Co. Ltd. for Consolidated Goodwill Ltd	4,332,000	7.13
Bank Kerjasama Rakyat Malaysia Berhad pledged securities account for Kok Aik Kong	2,996,700	4.93
RHB Capital Nominees (Tempatan) Sdn Bhd pledged securities account for Lim Hok Lian (KAB 871014)	2,950,000	4.85
Lim Moi Tee	2,299,000	3.78
RHB Capital Nominees (Tempatan) Sdn Bhd pledged securities account for Yu Jn Min (KAB 871013)	2,250,000	3.70
RHB Capital Nominees (Tempatan) Sdn Bhd pledged securities account for Shariffudin bin Shawal (KAB 871012)	1,835,000	3.02
RHB Capital Nominees (Tempatan) Sdn Bhd pledged securities account for Law Swee Kee @ Low Siew Heoh (KAB 871015)	1,770,500	2.91
RHB Capital Nominees (Tempatan) Sdn Bhd pledged securities account for Low Ah Suan (KAB 871016)	1,500,000	2.47
HDM Nominees (Tempatan) Sdn Bhd Town Hang Securities Co.Ltd. for Far East Universal Ltd	1,381,000	2.27
RHB Capital Nominees (Tempatan) Sdn Bhd pledged securities account for Lim Moi Tee (KAB 871017)	1,340,000	2.20
HDM Nominees (Tempatan) Sdn Bhd Town Hang Securities Co.Ltd. for Low Shu Lan	1,240,500	2.04

Yu Jn Min	987,000	1.62
Affin-ACF Nominees (Tempatan) Sdn Bhd pledged securities account for Lim Soo Ka	800,000	1.32
Affin-ACF Nominees (Tempatan) Sdn Bhd pledged securities account for Low Siew Hoong	800,000	1.32
AllianceGroup Nominees (Tempatan) Sdn Bhd pledged securities account for Juara Sentosa Sdn Bhd	600,000	0.99
Low Ah Suan	500,000	0.82
Tan Ang Khan @ Chan Yin Kong	452,000	0.74
Selvandran A/L Ponniah	427,000	0.70
HDM Nominees (Tempatan) Sdn Bhd Town Hang Securities Co.Ltd. for Juara Sentosa Sdn Bhd	300,000	0.49
HDM Nominees (Tempatan) Sdn Bhd Town Hang Securities Co.Ltd. for Shariffudin Bin Shawal	252,000	0.41
HDM Nominees (Tempatan) Sdn Bhd Town Hang Securities Co.Ltd. for Mirage Point (M) Sdn Bhd	220,000	0.36
Kenanga Nominees (Asing) Sdn Bhd pledged securities account for Daud bin Drahman @ Daud bin Abdul Rahman	200,000	0.33
Eng Nominees (Tempatan) Sdn Bhd O CBC Securities Private Limited for Ang Guan Seng	150,000	0.25
Mah King Woon Sendirian Berhad	135,000	0.22
AmFinance Berhad pledged securities account for Mah Sau Cheong	130,300	0.21
HDM Nominees (Tempatan) Sdn Bhd Town Hang Securities Co.Ltd. for Low Ah Suan	90,500	0.15
U.B. Nominees (Tempatan) Sdn Bhd Bank Utama (Malaysia) Bhd	88,000	0.14
	<b>56,611,000</b>	<b>93.14</b>

# GROUP PROPERTIES

as 31 March 2002

GULA PERAK BERHAD

DESCRIPTION	LOCATION	ACREAGE	TENURE	EXISTING USE	VALUATION/ ACQUISITION/ COMPLETION DATE	AGE OF BUILDING (YEARS)	NET BOOK VALUE (RM' MILLION)
1) Agricultural land know as Bernam Estate	PN 43178, Lot N o.11445 Mukim Durian Sebatang, Hilir Perak, Perak	3,000.00	Lesahold -60 years expiring 2033	O il Palm Estate	3/3/2000	-	8.9
2) Agricultural land know as Sitiawan Estate	H.S.(D) LP 1668. PT 1058 Mukim Durian Sebatang, Hilir Perak, Perak	1,000.00	Leseahold -60 years expiring 2034	O il Palm Estate	3/3/2000	-	
3) Land for development in Batang Berjuntai	Geran 29953 Lot 24 and Geran 32993 Lot 458 Mukim Batang Berjuntai Selangor	284.35	Freehold	Development in-progress	17/1/2002	-	60.9
4) 4 lots of development land	H.S.(D) 1155 PT N o. 2986 H.S.(D) 1156 PT N o. 2987 H.S.(D) 1157 PT N o. 2988 H.S.(D) 1166 PT N o. 2997 Mukim Batang Berjuntai Selangor	18.67	Freehold	Vacant	14/1/2002	-	6.3
5) Land for development in Cheras	Geran 20936 Lot 2837 Geran 20937 Lot 2838 Geran 20938 Lot 2839 Mukim Cheras District of Hulu Selangor Selangor	28.96	Freehold	Land for development	17/1/2002	-	5.1
6) Land for development in Setapak known as Villa Sempurna Condominium	Geran 811 Lot 1140 Geran 526 Lot 3767 CT 15561 Lot 81 of Section 85 CT 15562 Lot 82 of Section 85 Mukim Setapak, Kuala Lumpur	2.72	Freehold	Development in-progress	14/1/2002	-	10.7
7) Dynasty Hotel Kuala Lumpur	218, Jalan Ipoh, 51200 Kuala Lumpur	929,476 sq ft (Built-up) Freehold	Hotel	Building	20/7/2000	7	545.0
8) Empress Hotel Sepang	Jalan ST1C/7, Medan 88, Bandar Baru Salak Tinggi, 43900 Sepang	253,852 sq ft (Built-up) Leasehold	-99 years expiring 2092	Hotel Building	17/1/2002	4	109.6
9) Empress Hotel Kuala Lumpur	423, Jalan Tuanku Abdul Rahman 50100 Kuala Lumpur.	145,658 sqft (Build up)	Freehold	Hotel Building	21/11/2000	2	94.9

# FORM OF PROXY

GULA PERAK BERHAD

(Company no: 8104-X)

(Incorporated in Malaysia)

I/We, \_\_\_\_\_

of \_\_\_\_\_

being a member/members of the above Company, hereby appoint \_\_\_\_\_ of

or failing him/her, the Chairman of the Meeting as my/our Proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Function Room 1, Level 4, Dynasty Hotel, No. 218, Jalan Ipoh, 51200 Kuala Lumpur on Wednesday, 25 September 2002 at 10.00 a.m. The Proxy is to vote on the resolutions set out in the Notice of Annual General Meeting, as indicated with an "X" in the appropriate spaces.

RESOLUTION NO.	FOR	AGAINST
1		
2		
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12		

Subject to any voting instructions so given, the proxy will vote, or may abstain from voting, on any resolution, as he may think fit.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2002

No. of Ordinary Shares Held

\_\_\_\_\_  
Signature(s)

## Notes:

- A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and to vote in his stead. A proxy need not be a member of the Company. The instruments appointing proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its attorney duly authorised.*
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.*
- The instrument appointing a proxy and the power of attorney or other authority under which it is signed, shall be deposited at the registered office of the Company at Level 7, Dynasty Hotel, 218 Jalan Ipoh, 51200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or adjournment at which the persons named in such instrument proposed to vote.*

