



Bintai Kinden Group specialises in mechanical and electrical works including design, planning and procurement under the following five broad categories...

- ELECTRICAL INSTALLATIONS
- MECHANICAL INSTALLATIONS
- ELECTRICAL POWER SUPPLY INSTALLATIONS
- INSTRUMENTATION AND BUILDING AUTOMATION
- MAINTENANCE OF ELECTRICAL AND MECHANICAL SYSTEMS

OUR CHARTER: -

We aim to provide total satisfaction to customers through high quality workmanship and services by consistently applying the highest level of technological know-how, quality management and management standards.

In essence, our aim is to consistently live up to our guarantee on responsibility for safety and quality of projects delivered.

In pursuit of our aim, we will strive to inculcate among our staff a progressive, trustworthy, honest and positive attitude. At the same time provide them the best possible workplace with an excellent, safe and pleasant environment that makes work enjoyable and rewarding.



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of the Company will be held at Grand Prince Ballroom, Level 3, Prince Hotel & Residence Kuala Lumpur, Jalan Conlay, 50450 Kuala Lumpur on Wednesday, 27 August 2003 at 12.00 noon for the following purposes:

As Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31 March 2003, together with the Reports of Directors and Auditors thereon. (Resolution 1)
2. To declare a final dividend of 1 sen gross per share less income tax at 28% for the year ended 31 March 2003 as recommended by the Directors in their Report. (Resolution 2)
3. To re-elect the following Directors who retire pursuant to Article 101 of the Company's Articles of Association:
 - a) Dato' Ang Liang Kim (Resolution 3)
 - b) Tan Hee Chai (Resolution 4)
 - c) Kenji Tamura (Resolution 5)
4. To re-elect Teo Tong Kooi who retires pursuant to Article 106 of the Company's Articles of Association. (Resolution 6)
5. To re-appoint the Director, Syed Ahmad bin Abu Bakar who is over 70 years of age and retires pursuant to Section 129(6) of the Companies Act, 1965, to hold office until the next Annual General Meeting. (Resolution 7)
6. To approve the increase and payment of Directors' fees for the year ended 31 March 2003. (Resolution 8)
7. To re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company and authorise the Directors to fix their remuneration. (Resolution 9)

As Special Business

8. To consider and, if thought fit, to pass the following resolutions:
 - a) Ordinary Resolution No. 1 – Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

“ THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of the relevant regulatory authorities, the Directors be and are hereby authorised to issue shares in the Company, at any time and upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution shall not exceed 10% of the issued capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.” (Resolution 10)



NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

b) Ordinary Resolution No. 2 – Proposed Shares Buy-Back

“ THAT, subject to the provisions of the Companies Act, 1965 (as may be amended, modified or re-enacted from time to time), the Company’s Articles of Association, the Listing Requirements of the Kuala Lumpur Stock Exchange (“ KLSE”) and any applicable laws, rules, orders, requirements, regulations and guidelines for the time being in force or as may be amended, modified or re-enacted from time to time and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase on the market of the KLSE and/or hold such number of the Company’s ordinary shares of RM1.00 each (“ BKCB Shares”) (“ Proposed Shares Buy-Back”) as may be determined by the Directors of the Company (“ Directors”) from time to time through the KLSE upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company provided that the total aggregate number of BKCB Shares purchased or to be purchased pursuant to this resolution shall not exceed ten percent (10%) of the total issued and paid-up share capital of the Company and an amount not exceeding the total of the Company’s retained profits and share premium account be allocated by the Company for the Proposed Shares Buy-Back (based on the latest audited financial statements as at 31 March 2003, retained profits and share premium account amounting to RM9,042,000 and RM1,157,000 respectively) AND THAT in respect of each purchase of BKCB Shares, the Directors shall have the discretion to decide whether such shares purchased are to be cancelled and/or retained as treasury shares and distributed as dividends or resold on the market of the KLSE or subsequently cancelled AND THAT such authority shall commence immediately upon passing of this ordinary resolution until the conclusion of the next Annual General Meeting of the Company (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting) but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provision of the guidelines issued by the KLSE or any other relevant authorities AND THAT the Directors of the Company be and are hereby authorised to take all such steps to give full effect to the said Proposed Shares Buy-Back and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company.”

(Resolution 11)

9. To transact any other business for which due notice has been given.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)



NOTICE OF BOOK CLOSURE FOR PAYMENT OF DIVIDEND

NOTICE IS HEREBY GIVEN that the Register of Members will be closed from 20 September 2003 to 21 September 2003 (both dates inclusive) to determine shareholders' entitlement to the dividend payment. The dividend if approved, will be paid on 8 October 2003 to shareholders whose names appear in the Record of Depositors on 19 September 2003.

A depositor shall qualify for entitlement only in respect of: -

- a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 19 September 2003 in respect of ordinary transfers; and
- b) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

By Order of the Board

Hew Ling Sze (MAICSA 7010381)
Secretary

Kuala Lumpur
4 August 2003

Notes :

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies to attend and vote on his behalf. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. Where a member appoints two or more proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hands of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal, or the hand of its attorney duly authorised.
4. The Proxy Form must be deposited at the Registered Office of the Company at No. 43-0-2, Jalan 1/48A, Sentul Perdana, Bandar Baru Sentul, 51000 Kuala Lumpur not less than forty-eight (48) hours before the time fixed for the meeting or any adjournment thereof.



NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

5. Explanatory Notes on Special Business of the Agenda 8

Ordinary Resolution No. 1 - Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

The proposed ordinary resolution no. 1 under Agenda 8, if passed, will empower the Directors to allot and issue shares in the Company up to an aggregate amount not exceeding 10% of the issued share capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

Ordinary Resolution No. 2 - Proposed Shares Buy-Back

The proposed ordinary resolution no. 2 under Agenda 8, if passed, will empower the Company to purchase its own shares up to an amount not exceeding 10% of the issued and paid-up share capital of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

For further information on the Proposed Shares Buy-Back, please refer to the Circular to Shareholders dated 4 August 2003 enclosed together with this annual report.

Statement accompanying Notice of Ninth Annual General Meeting

The Directors who are standing for election, re-election and re-appointment and their attendance at the four (4) Board Meetings held during the financial year were as follows:-

- i) Dato' Ang Liang Kim, attended all the four (4) Board Meetings.
- ii) Tan Hee Chai, attended all the four (4) Board Meetings.
- iii) Kenji Tamura, attended two (2) Board Meetings.
- iv) Teo Tong Kooi, attended all the two (2) Board Meetings held after his appointment on 27 November 2002 during the financial year.
- v) Syed Ahmad bin Abu Bakar, attended all the four (4) Board Meetings.

The Ninth Annual General Meeting will be held at Grand Prince Ballroom, Level 3, Prince Hotel & Residence Kuala Lumpur, Jalan Conlay, 50450 Kuala Lumpur on Wednesday, 27 August 2003 at 12.00 noon.

The further details of the Directors who are standing for election, re-election and re-appointment are set out on pages 7 to 9 of this annual report.

**BOARD OF DIRECTORS**

Syed Ahmad bin Abu Bakar
Acting Chairman/Vice Chairman
 Ong Puay Koon
Managing Director
 Dato' Ang Liang Kim
Executive Director
 Tan Hee Chai
Executive Director
 YB Dato' Hamzah bin Zainudin
 Peter John Farrar
 Teo Tong Kooi
 Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali
 Kenji Tamura (Alternate: Shinichi Kotoku)
 Ong Choon Lui

AUDIT COMMITTEE

Peter John Farrar
Chairman
(Independent Non-Executive Director)

YB Dato' Hamzah bin Zainudin
Member
(Independent Non-Executive Director)

Tan Hee Chai
Member
(Executive Director)

Teo Tong Kooi
Member
(Independent Non-Executive Director)

COMPANY SECRETARY

Hew Ling Sze (MAICSA 7010381)

AUDITORS

PricewaterhouseCoopers
 Chartered Accountants

SOLICITORS

Azam Lim & Pang
 Advocates & Solicitors
 Suite 3B-10-5
 10th Floor, Block 3B
 Plaza Sentral, Jalan Stesen Sentral 5
 Kuala Lumpur Sentral
 50470 Kuala Lumpur

Tay & Helen Wong
 Advocates & Solicitors
 Suite 505, Block F
 Phileo Damansara 1
 No. 9 Jalan 16/11
 46350 Petaling Jaya
 Selangor Darul Ehsan

REGISTERED OFFICE

No. 43-0-2, Jalan 1/48A
 Sentul Perdana
 Bandar Baru Sentul
 51000 Kuala Lumpur
 Tel: 603-4042 6233
 Fax: 603-4044 8246

REGISTRAR

Tenaga Koperat Sdn Bhd
 20th Floor Plaza Permata
 Jalan Kampar
 Off Jalan Tun Razak
 50400 Kuala Lumpur
 Tel: 603-4041 6522
 Fax: 603-4042 6352

PRINCIPAL BANKERS

Affin Bank Berhad
 Bangkok Bank Berhad
 Bank Muamalat Malaysia Berhad
 Bumiputra - Commerce Bank Berhad
 Hong Leong Bank Berhad
 HSBC Bank Malaysia Berhad
 Malayan Banking Berhad
 Public Bank Berhad
 RHB Bank Berhad
 United Overseas Bank (Malaysia) Berhad
 United Overseas Bank Limited

STOCK EXCHANGE LISTING

Kuala Lumpur Stock Exchange
 Main Board





BOARD OF DIRECTORS' PROFILE

Syed Ahmad Bin Abu Bakar

Aged 79, a Malaysian, was appointed to the Board as Executive Vice Chairman on 21 October 1997 and assumed the position of acting Chairman in 2001. He began his career with the government where he served for 36 years and became the Director of National Registration Department, Sabah in 1979, a position he held until his retirement in 1982. In 1982, he established Kejuruteraan Bintai Kinden Sdn Bhd ("KBK") together with Mr. Ong Puay Koon and Kinden Corporation ("Kinden") and was appointed Chairman of KBK, a position he held since then. He has more than 21 years of experience in the field of mechanical and electrical engineering. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. Tuan Syed Ahmad was conferred the Bintang Ahli Mangku Negara (A.M.N.) by D.Y.M.M. Yang di-Pertuan Agong in 1976. He has no convictions for any offences during the past ten (10) years.

Ong Puay Koon

Aged 60, a Malaysian, has served as Chief Executive Officer and Managing Director since 21 October 1997. In 1965 he graduated with a Diploma of Electrical Engineering from Singapore Polytechnic and was admitted as an Associate Member of the Institution of Incorporated Engineers, UK in 1978. An engineer with extensive experience in Electrical and Mechanical Engineering design and construction, Mr. Ong's expertise also covers project management and project financing. In 1973 he founded Bintai Kinden (M) Sdn. Bhd. ("BKM") and successfully led the business development team. In support of the Government's goals of technology transfer, in 1982 Mr. Ong ventured with Tuan Syed Ahmad bin Abu Bakar and the Kinden Corporation of Japan, to form KBK, which subsequently led to the listing of Bintai Kinden Corporation Berhad ("BKCB") on the Main Board of the Kuala Lumpur Stock Exchange in 1998. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company other than his son, Mr. Ong Choon Lui, who is also one of the directors of the Company. Mr. Ong does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Dato' Ang Liang Kim

Aged 55, a Singaporean domiciled in Malaysia, was appointed to the Board as Executive Director and Chief Operating Officer on 12 September 2000. He has been involved in project management since 1972 and became Engineering Manager of Contium Engineering Pte Ltd and Project Superintendent of a Canadian consulting firm. He was a Senior Manager of Bintai Kinden Pte Ltd ("BKPL") (1979 - 1988) and an Associate Director of BKM (1988). He joined KBK in July 1996 as an Executive Vice President and is currently the Director and President/Chief Executive Officer of KBK. He has more than 31 years of experience, extensive knowledge and exposure in the mechanical and electrical engineering industries. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Tan Hee Chai

Aged 63, a Singaporean, was appointed to the Board as Executive Director on 21 October 1997. He is a member of the Audit Committee of the Company. He graduated from the Singapore Polytechnic with a Professional Diploma in Accountancy, and became a member of the Australian Society of Accountants (now known as CPA Australia) on successful completion of the examinations in 1964. He also obtained an accountancy degree from the University of Singapore in 1971. He is a Certified Public Accountant of Singapore and a Fellow of CPA, Australia. He started his career as management trainee with Esso Standard and the last position he held in that group was Head of Treasury (1961 to 1966). He then moved on to be the Group Chief Accountant and Company Secretary of Metal Box Group of Companies (1966 - 1974), the Group Chief Accountant of the Sime Darby Berhad Group of Companies (1974 - 1980), the Group General Manager of Haw Par Brothers International Ltd (1980 - 1992) and the Group Executive Director of Setron (Malaysia) Berhad (1992 - 1995). He was appointed consultant to BKPL until July 1996 when he joined KBK to oversee and strengthen the finance and corporate planning functions. In 1998, Mr. Tan was appointed a director of KBK but resigned in 2000. On 1 March 2000, he was appointed director of BKPL and has been its Chairman since 10 April 2001. Mr. Tan was appointed the Chairman of Mostrans Pte Ltd on 29 May 2000. In June 2002, he was appointed Vice Chairman of MAE Engineering Ltd. Save as disclosed, he does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.



YB Dato' Hamzah Bin Zainudin

Aged 46, a Malaysian, was appointed to the Board as an Independent Non-Executive Director on 29 August 2001. He is a member of the Audit Committee of the Company. He graduated from the Universiti Teknologi Malaysia with a Diploma in Quantity Surveying in 1979. He was the General Manager of Maju Bangun Sdn Bhd, a subsidiary of the State Economic Development Corporation of Perak from 1981 to 1984. He was a director of Justera Sdn Bhd, a subsidiary of Construction & Supplies House Berhad from 1984 to 1991. Dato' Hamzah also served as a member of the Board of Ipoh City Council and Stadium Merdeka Corporation from 1987 to 1993 and 1991 to 1997 respectively. Presently, he is a Senator in Malaysia's Dewan Negara (Senate). He is the Chairman of Hexagon Holdings Berhad and Evermaster Group Berhad since 1996 and a Director of Tanah Emas Corporation Berhad and Asian Pac Holdings Berhad. These companies are listed on the Kuala Lumpur Stock Exchange. YB Senator is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Peter John Farrar

Aged 56, British, was appointed to the Board as an Independent Non-Executive Director on 29 August 2001. He is also Chairman of the Company's Audit Committee. He graduated from the University of Newcastle upon Tyne with a degree in economics and accounting in 1968. He is a Fellow of the Institute of Chartered Accountants of England and Wales, qualifying in 1971. He joined Price Waterhouse in the UK in 1968 as a member of the audit staff and became a partner in 1980. He was seconded to the Middle East from 1980 to 1987 and returned to London in 1987 where he was a partner in the firm's financial services audit practice. In 1996, he joined Saudi International Bank as Chief Financial Officer and was appointed a director in April 1999. He left in 2000 to join the IslamiQ Group as Chief Financial Officer, later becoming an independent consultant in the financial services industry. He is currently a Managing Director of WJB Chiltern Group plc, a London based professional services firm. He has extensive experience in international business and financial services. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Kenji Tamura

Aged 58, a Japanese, was appointed to the Board on 7 November 1997. He is a Non-Executive Director of the Company. He graduated from Kansei Gakuin University with a degree in Sociology in 1969. He has been with Kinden since 1969 and was promoted to the position of General Manager of the Administration Department for International Division, Kinden in 1995. Presently, he is the Chief Executive to International Division, Kinden. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company other than Kinden, a substantial shareholder of the Company. He does not have any conflict of interest with the Company and attended two (2) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali

Aged 31, a Malaysian, was appointed to the Board on 23 June 1999. He is an Independent Non-Executive Director of the Company. He completed his degree in accounting at Edith Cowan University, Perth, Australia, in 1994 and has been a member of Australian Society of Certified Practising Accountants (now known as ASCPA Australia) since 1995. He began his accounting profession in 1994 with Price Waterhouse where he was involved in corporate finance related work. In 1997, Encik Ahmad Razlan joined Artic Building and Civil Engineering Sdn Bhd, a family-owned construction company, as the Managing Director. He was Senior Manager of Business Development, Vice President, and the Head of the Internal Audit Division of BKCB (1997 - 2000). Presently, he is the Director of WAP Portal Sdn Bhd, a company in the business of providing wireless application protocol services. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.



BOARD OF DIRECTORS' PROFILE (CONTINUED)

Ong Choon Lui

Aged 31, a Singaporean, was appointed to the Board as Non-Executive Director on 2 August 2000. He obtained his Bachelor in Engineering (Honours Second Class Upper Division) from Nanyang Technological University, School of Electrical and Electronics Engineering, Singapore, in 1997 and has been a member of Institute of Electrical and Electronics Engineer, Inc. since 1997. He began his engineering profession in 1997 as an electrical engineer with Bechtel International, Inc. where he was principally involved in electrical contracting, design and research of electrical system of industrial chemical plants. He was attached with Kinden primarily to study its operations in advanced technology (2000-2001). He is now overseeing the business development of the Group. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company other than his father, Mr. Ong Puay Koon, who is the Managing Director and substantial shareholder of the Company. He does not have any conflict of interest with the Company and attended three (3) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Teo Tong Kooi

Aged 46, a Malaysian, was appointed to the Board as an Independent Non-Executive Director on 27 November 2002. He is a member of the Audit Committee of the Company. He graduated with a BSc in Marketing Management, Master of Business Administration and Stanford University Executive Programme from the USA. He held senior management position in Deutsche Bank (M) Bhd from 1989 to 1994 as the Head of Corporate Banking. From 1994 to 2002, he was with Hong Leong Bank Bhd where he last held position was Chief Operating Officer. By virtue of his senior positions in the above banks, he possesses extensive experience in banking and finance comprising all aspects of commercial and corporate lending, business risk evaluation, project financing, loan syndication, loan restructuring and rehabilitation, mergers and acquisitions. He is currently the Managing Director of Tasek Corporation Berhad; Independent Non-Executive Director of Mechmar Corporation (Malaysia) Berhad and MAE Engineering Ltd; and Non-Independent Non-Executive Director of Rock Chemical Industries (Malaysia) Berhad. Save as disclosed, Mr. Teo does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the two (2) Board Meetings held since his appointment in the financial year. He has no convictions for any offences during the past ten (10) years.

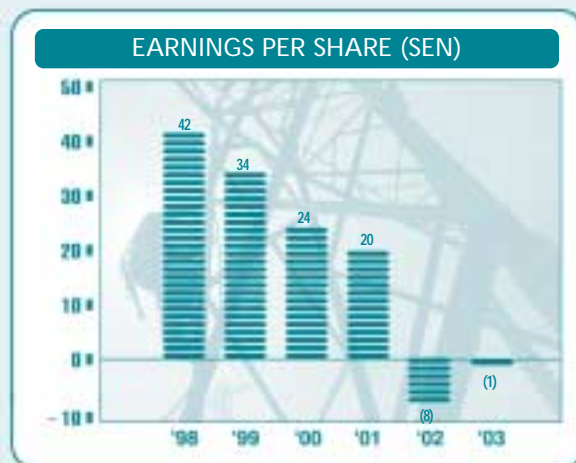
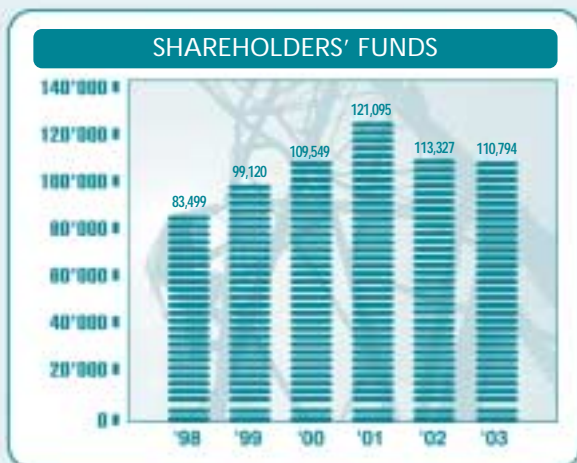
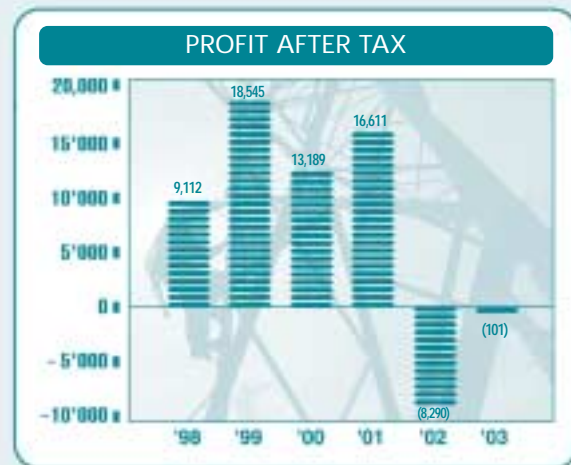
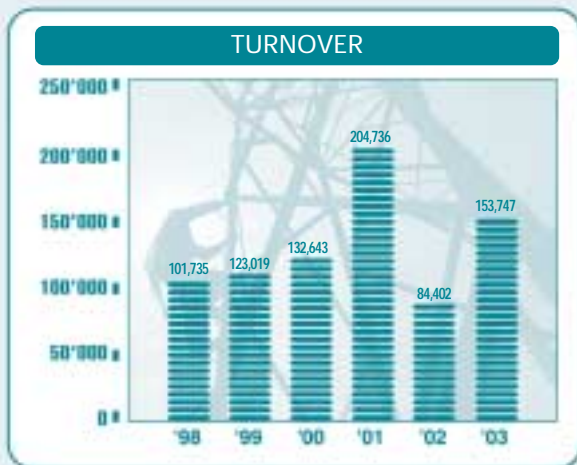
Shinichi Kotoku [alternate to Kenji Tamura]

Aged 42, a Japanese, was appointed as an alternate Director to Mr. Kenji Tamura on 27 August 2002. He is an alternate Director to Mr. Kenji Tamura in BKCB. He graduated from Kansai University, Osaka, Japan with a Bachelor Degree in Economics in 1983. He started his career in 1983 with Kinden where he was involved in Finance and Administration Division. He was a Finance Director of PT Rakintam, Indonesia from November 1989 to March 1995. Mr. Kotoku was then appointed as Director of BKPL, in charge of Finance and Business Division in March 1995. In April 2001, he was appointed as Finance Director of PT Rakintam again and resigned in July 2002. He was appointed as Director of KBK in August 2002. He has about 21 years of experience in finance, administration and marketing in construction industry. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company other than Kinden, a substantial shareholder of the Company. He does not have any conflict of interest with the Company and attended two (2) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.



GROUP FINANCIAL HIGHLIGHTS

	2003 RM'000	2002 RM'000	2001 RM'000	2000 RM'000	1999 RM'000	1998 RM'000
TURNOVER	153,747	84,402	204,736	132,643	123,019	101,735
PROFIT/(LOSS) BEFORE TAX	(442)	(10,632)	23,423	18,637	18,545	13,109
PROFIT/(LOSS) AFTER TAX	(101)	(8,290)	16,611	13,189	18,545	9,112
NET DIVIDEND PAYABLE	748	1,869	4,140	2,760	2,760	1,987
Earnings per share (sen)	(1)	(8)	20	24	34	42
Dividend per share (sen)	1	2.5	5	5	5	5
SHAREHOLDERS' FUNDS	110,794	113,327	121,095	109,549	99,120	83,499
Compound Growth in Shareholders' Funds %	(2.24)	(6.41)	10.54	10.52	18.71	N/A





STATEMENT ON CORPORATE GOVERNANCE

Board Responsibilities

The Board of Directors subscribes to the recommendations of the Malaysian Code of Corporate Governance issued by the Finance Committee on Corporate Governance and the Listing Requirements of the Kuala Lumpur Stock Exchange ("Stock Exchange") and will strive to ensure that the Company complies with Best Practice in Corporate Governance.

A. BOARD OF DIRECTORS

Composition of the Board

The Board currently has ten (10) members of whom four are Independent Directors, which is in excess of the Stock Exchange's requirement of one-third. Together, the Directors have a wide range of business, financial and technical experience. The mixture of skills and experience is vital for the successful direction of the Group. A brief profile of the members is presented in the annual report.

The Board is responsible for reviewing and adopting proposals on strategic business and action plans. The Board also oversees business operations and performance; ensuring the existence of appropriate processes and internal controls to measure and manage business risks in general and, specifically, operational, credit, market and liquidity risk.

There is a clear division of responsibility between the Chairman and Group Managing Director to ensure that there is a balance of power and authority. The Chairman is responsible for ensuring Board effectiveness whilst the Group Managing Director has overall responsibilities over the operating units, organisational effectiveness and implementation of Board policies and decisions. The presence of Independent Non-Executive Directors fulfils 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 judgement to take account of the interests, not only of the Group, but also of shareholders, employees, customers, suppliers and the communities in which the Group conducts business.

Board meetings

Board meetings are held once every quarter to discuss the quarterly results and review the quarterly projected cash-flow and income statements. The Board also reports the progress of business operations and approves any proposals that require the Board's approval during the Board meetings. Special Board meetings are also held on an ad-hoc basis to review and approve those matters that require the Board's urgent consideration.

The attendance of the Directors at Board meetings held during the financial year ended 31 March 2003 was as follows:

Name of Directors	No. of meetings attended
Tuan Syed Ahmad bin Abu Bakar	4 out of 4
Mr. Ong Puay Koon	4 out of 4
Dato' Ang Liang Kim	4 out of 4
Mr. Tan Hee Chai	4 out of 4
YB Dato' Hamzah bin Zainudin	4 out of 4
Mr. Peter John Farrar	4 out of 4
Mr. Kenji Tamura	2 out of 4
Mr. Shinichi Kotoku (alternate to Mr. Kenji Tamura)	2 out of 4
Mr. Ong Choon Lui	3 out of 4
Encik Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali	4 out of 4
Mr. Teo Tong Kooi (appointed on 27 November 2002)	2 out of 2



Supply of information

All Directors are notified of the agenda of the Board meetings and Audit Committee meetings prior to the meetings. All Directors have access to the advice and services of the Company Secretary and also independent professional advisers in carrying out their duties.

Directors' training

All members of the Board have attended the Mandatory Accreditation Programme organised by Research Institute of Investment Analysts Malaysia, the training arm of the Stock Exchange. Directors are encouraged to attend continuous education programmes and seminars to keep abreast with developments in the market place.

Re-election of Directors

Pursuant to Section 129(6) of the Companies Act, 1965, the Directors over the age of seventy (70) years retire at every annual general meeting and shall be eligible for re-appointment to hold office until the next annual general meeting.

In accordance with the Articles of Association of the Company, all Directors who are appointed by the Board are subject to election by shareholders at the next annual general meeting after their appointment.

In accordance with the Articles of Association of the Company, one-third of the remaining Directors, inclusive of the Managing Director, are subject to re-election by rotation at each annual general meeting.

Board Nominating Committee and Remuneration Committee

The Board has considered and deliberated on the establishment of these two Committees. The Board believes that it is not appropriate for these Committees to be established at the present time as the Board needs more time to consider the appointments thereto. These matters will be reviewed again during the current financial year in the light of the Board's development.

The Audit Committee

This is covered separately in the Audit Committee report.

Directors' remuneration

Directors' remuneration is to attract and retain the Directors of calibre needed to run the Group successfully. The determination of the fees of the Directors is recommended by the Board as a whole and approved by the shareholders during the annual general meeting. The Directors are paid annual fees and attendance allowances for each meeting they attended.

The particulars relating to the aggregate remuneration of Directors for the financial year ended 31 March 2003 are as follows:

	RM
Fees	
Non-Executive	112,000
Executive	450,000
Salary & other emoluments	
Non-Executive	153,000
Executive	1,881,000
Benefits-in-kind	
Non-Executive	-
Executive	-
	2,596,000



STATEMENT ON CORPORATE GOVERNANCE (CONTINUED)

The number of Directors whose remuneration fell into the following bands are as follows:

Range of Remuneration	Non-Executive	Executive
Less than RM50,000	3	1
RM50,000 to RM100,000	1	-
RM100,001 to RM150,000	1	1
RM150,001 to RM200,000	-	1
RM200,001 to RM250,000	-	1
RM250,001 to RM300,000	-	1

B. SHAREHOLDERS

The Board recognises the importance of transparency and accountability to its shareholders. The substantial shareholders whose shareholding exceeds 5% of the paid up capital of the Company and are represented on the Board of Directors are informed of the Company's business affairs through Board meetings. There are, however, other substantial shareholders whose shareholding exceeds 5% who are not represented on the Board. The Company reaches out to its shareholders through its annual reports.

The Company's annual general meeting continues to be the main medium of the Company's communication with shareholders (including minority shareholders). The quarterly report is an additional channel to keep the shareholders informed of the progress made by the Company during the year.

The Kuala Lumpur Stock Exchange through its website at www.klse.com.my publishes all the Company's announcements including a full version of the quarterly results announcements and the annual report. In addition, the Company has a website at www.bintai.com.my which the shareholders can access for information.

C. ACCOUNTABILITY AND AUDIT

Financial reporting

The Directors present a comprehensive report on the Group's financial position on a going concern basis and its prospects in compliance with the provisions of the Companies Act, 1965 and applicable approved accounting standards by the Malaysian Accounting Standards Board.

The Directors are assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of the financial reporting.

Directors' responsibilities for Financial Reporting

The Directors are responsible for ensuring that the annual financial statements of the Group are drawn up in accordance with the requirements of the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965. They are to ensure that the annual financial statements of the Group give a true and fair view of the state of affairs of the Group as at the end of the financial year and the results and cash flows for the year then ended.

The Directors have applied the appropriate and relevant accounting policies consistently and supported by reasonable and prudent judgements and estimates.

Relationship with Auditors

Through the Audit Committee, the Board maintains a good working relationship with the external Auditors and ensures their independence. The Audit Committee meets with the external auditors at least twice a year to discuss the audit plan, annual financial statements and their findings. The Audit Committee also meets with the external auditors without the presence of the Executive Directors and management at least once a year.



Introduction

The Malaysian Code on Corporate Governance stipulates that the Board of Directors of listed companies should maintain a sound system of internal control to safeguard shareholders' investments and Group's assets. The Board of Directors are pleased to provide the following statement, which outlines the nature and scope of internal control for the year ended 31 March 2003. This statement on internal control is made in compliance with Paragraph 15.27 of the Kuala Lumpur Stock Exchange Listing Requirements and the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

Board Responsibility

The Board acknowledges its responsibilities for maintaining a sound system of internal control to safeguard shareholders' interests and the Group's assets, and for reviewing the adequacy and integrity of the system. However, such a system is designed to manage the Group's risks within an acceptable tolerance, rather than to eliminate the risk of failure to achieve the business objectives of the Group. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss.

Risk Management

During the period under review, the Board with the assistance of an external professional firm of consultants undertook a review of the existing risk management practices its major operating subsidiary with the aim of formalising the risk management processes across the Group. In order to strengthen the risk management processes, the following initiatives were undertaken during the financial year:

- Risk awareness seminars were held for management and staff to generate greater awareness of risk and its management.
- Enterprise Risk Management trainings was held for management and staff to provide a methodology to manage risks using an integrated and holistic approach.
- Interviews were conducted with senior management, including the Managing Director, to analyse the principal risks that may impede the Group in achieving its business objectives.
- Workshops were conducted with selected business units of the major operating subsidiary to identify, evaluate and manage risks within the business units.
- A Risk Management Policy was formalised and issued to management and staff.
- All business units of the major operating subsidiary are to conduct risk assessment for their units which includes identification of risks, outcomes, controls in place and their values, likelihood and consequences ratings, decisions on acceptable/ unacceptable risk, risk mitigation strategy identification and implementation planning.
- All risks assessment is to be reviewed by the Risk Management Committee. The Committee was formed in early 2002, with the Head of Internal Audit being the secretary, to assist the Board in managing risks across the Group.
- A database of key risks identified and related controls is being established to produce detailed risk registers for business units of the major operating subsidiary.

The Board and management view Risk Management as a continuous process to identify and mitigate risks. The processes to identify and manage key risks within the Group are an integral part of the internal control environment and are continuously reviewed and improved upon.

Internal Audit Function

The Internal Audit Department monitors compliance with policies and procedures and the effectiveness of the internal control systems. It highlights significant findings in respect of any non-compliance and recommends process improvements where appropriate. Control failures, weaknesses and process improvements are reported to the Audit Committee after discussion with management.





STATEMENT ON INTERNAL CONTROL (CONTINUED)

During the current financial year, the Internal Audit Department carried out the following key activities:-

- Appraised the adequacy and integrity of the internal control and management information system of the Group.
- Appraised the effectiveness of administrative and financial controls applied and the reliability of data that is produced within the Group.
- Assessed the adequacy of controls for safeguarding the Group's assets from material losses of all kinds.
- Formalised the Group Risk Management policy and processes to ensure that a systematic disciplined approach in evaluating and improving their effectiveness is adopted.
- Conducted special reviews requested by management.

Other Risk and Control Processes

- a. There is an organisation structure which formally defines lines of responsibility and delegation of authority.
- b. Key functions such as finance, treasury, tax, procurement and legal matters are controlled centrally.
- c. There are policy guidelines and authority limits imposed on Executive Directors and management within the Group in respect of day-to-day operations, acquisition and disposal of assets.
- d. Policies and procedures of all departments within the major operating subsidiary company are documented in the Departmental Operations Manual.
- e. Corporate values, which emphasise ethical behavior and quality of service, are set out in the Employee Handbook.
- f. The major operating subsidiary has been accredited with ISO9002 Quality Assurance by BM Trada in year 2000 to provide quality assurance to its customers on the Mechanical and Electrical Contracting and Engineering works. During the current financial year, the company was upgraded to ISO9001 : 2000 standard and further expanded the quality scope to include the Construction and Special Projects

Internal quality audits are carried out according to an approved plan. Non-Conformance Reports are reviewed by a senior member of management and corrective actions are implemented.

- g. The Group establishes several committees comprised of senior management to ensure effective management and supervision of the Group's business activities and operations. Each committee conducts separate meetings for the following purposes:-

- Business Development and Management Committee (BDMC)

The members of BDMC comprise the Managing Director, the Executive Directors and the Group Financial Controller. Meetings are held on a monthly basis to assess business opportunities, to deliberate on major corporate matters and for high-level decision making.

- Executive Committee (EXCO)

The members of EXCO comprise the Executive Directors and Executive/Senior/Vice Presidents of all departments. Meetings are held on a bi-weekly basis to deliberate and decide upon all operational matters that require EXCO attention and approval.

- Executive Management Committee (EMC)

The members of EMC comprise the Executive Vice President and Senior/Vice Presidents of all departments. Meetings are held on a monthly basis to discuss operational matters and action plan where appropriate. The areas of discussion include financial, project progress, potential projects, risk management and any other operational matters.

No weaknesses have been identified or failures of control arisen which have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report.

The Group's system of internal control does not apply to associated companies or other investee companies.



1. MEMBERSHIP AND MEETINGS

The Audit Committee comprises the following members and details of attendance of each member at Committee meetings held during the year are as follows:-

Composition of Audit Committee	Number of Committee Meetings	
	Held	Attended
Peter John Farrar Chairman/Independent Non-Executive Director (A Fellow of the Institute of Chartered Accountants in England and Wales)	4	4
YB Dato' Hamzah bin Zainudin Member/Independent Non-Executive Director	4	2
Tan Hee Chai Member/Executive Director (A Fellow of The Australian Society of Accountants)	4	4
Teo Tong Kooi Member/Independent Non-Executive Director) (appointed w.e.f 27 November 2002)	1	1

Secretary

Hew Ling Sze

Both the Financial Controller and Head of Internal Audit were in attendance at each Audit Committee meeting, together with other members of management as appropriate. The External Auditors were present at certain meetings to report to the Audit Committee on their activities and other specific issues. The independent non-executive members of the Audit Committee also met with the External Auditors without management present.

2. TERMS OF REFERENCE

2.1 Objectives

The principal objectives of the Audit Committee are to provide an independent overview of the way in which the Group conducts its affairs and to ensure conformity with good corporate governance in terms of good internal controls, reliable financial information and giving additional emphasis to the audit function performed by the internal and external auditors.

It provides assistance to the Board in fulfilling its fiduciary responsibilities relating to financial accounting and reporting practices and enhances the independence of the external and internal audit functions.

The Committee seeks to create a climate of discipline and control which will reduce the opportunity for fraud; it reviews high level operational procedures and controls to ensure transparency, integrity and accountability in the conduct of the Group's activities so as to safeguard the rights and interests of the Shareholders.

2.2 Criteria for membership

- a. A majority of the members shall be Independent Non-Executive Directors and no alternate Director is appointed to the Committee.
- b. At least one member of the Committee must meet the criteria of an Accountant as specified by the KLSE Listing Requirements Paragraph 15.10(1c).



AUDIT COMMITTEE REPORT (CONTINUED)

- c. The members shall collectively have knowledge of the industries in which the Group operates.
- d. The members have the ability to read and understand financial statements, cash flow and key performance indicators.
- e. Members shall have the ability to understand key business risks as well as financial risks and related controls.

2.3 Authority

The Audit Committee is authorised by the Board:

- a. to review any activity of the Group within its Terms of Reference.
- b. to have unrestricted access to any employee and information pertaining to the Group.
- c. to obtain independent legal or other professional advice if it considers necessary.

2.4 Duties and Responsibilities

- a. To consider and recommend to the Board the appointment, resignation and / or dismissal of the External Auditors, the audit fee and any matters related thereto. To discuss the issues and recommendations arising from the interim and final audits and any matter the auditor may wish to discuss (in the absence of the management if necessary).
- b. To appoint the Head of Internal Audit; and to approve any appointment or termination of senior staff members of the Internal Audit Function. To review any appraisal or assessment of the performance of member of the Internal Audit Function and also to provide the resigning staff member an opportunity to submit reasons for resigning.
- c. To review with the External and/or Internal Auditors:-
 - the audit plan, its scope and nature.
 - the system of internal controls and its effectiveness, particularly those relating to areas of significant risks.
 - any matter arising including audit report or management letter and management response.
 - the adequacy of scope, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work.
 - the Internal Audit program and consider the major findings of internal audit investigations, Risk Management reports and management response thereto.
- d. To review and recommend adoption or amendment of major accounting policies, principles and practices.
- e. To review with the management and/or Internal Auditors the quarterly, half yearly and yearly unaudited financial statements of the Group and the Company before the submission to the Board, focusing particularly on:-
 - any changes in accounting policies and practices
 - major judgmental areas
 - significant adjustments
 - the going concern assumption
 - compliance with accounting standards
 - compliance with the KLSE Listing Requirements and other legal requirements.
- f. To review related party transactions that may arise within the Group or the Company and any other major transactions outside the normal course of business of the Group and the Company.
- g. Such other matters as the Board may from time to time determine.



3. SUMMARY OF ACTIVITIES

During the financial year, the Audit Committee carried out the following activities:

3.1 Financial Results

- a. Review of each quarterly unaudited financial results of the Company and the Group with the Financial Controller and Head of Internal Audit before recommending them for approval by the Board of Directors.
- b. Review of the annual audited financial statements of the Company and the Group with the external auditors, the Financial Controller and Head of Internal Audit prior to submission to the Board of Directors for their approval. The review was, inter-alia, to ensure compliance with:-
 - Listing Requirements of the Kuala Lumpur Stock Exchange;
 - Applicable approved accounting standards in Malaysia; and
 - Other legal and regulatory requirements.

3.2 Internal Audit

- a. Review of the terms of reference of the Committee, together with the mandate and scope of the Internal Audit function in relation to the terms of reference.
- b. Review of the Internal Audit Charter.
- c. Review of the annual plan of the Committee.
- d. Review of the scope and areas to be covered by the annual internal audit plan.
- e. Review of the Internal Audit department's audit methodology on a risk based approach.
- f. Review of the audit programs, internal audit reports, audit recommendations made and management response to these recommendations.
- g. Monitor the implementation of the audit recommendations through follow up audit reports to ensure that all key risks and controls have been addressed.

3.3 External Audit

- a. Review of the external auditors' scope of work and annual audit plan. Prior to the annual audit, the Committee met with the external auditors who presented their audit strategy and plan.
- b. Review of the external audit results, audit reports and management letter together with management's response to the findings of the external auditors.
- c. Evaluate the performance of the external auditors and make recommendations to the Board on their appointment and remuneration.

3.4 Risk Management

- a. Review of findings by an external consultant on the Group's risk management practices.
- b. Review of the risk management methodology implemented by the external consultant.
- c. Review of the Group Risk Management Policy before recommending it for approval by the Board of Directors.

3.5 Other activities

- a. Review of related party transactions.
- b. Review of compliance with the KLSE Listing Requirements.
- c. Review of Corporate Governance Gap analysis.

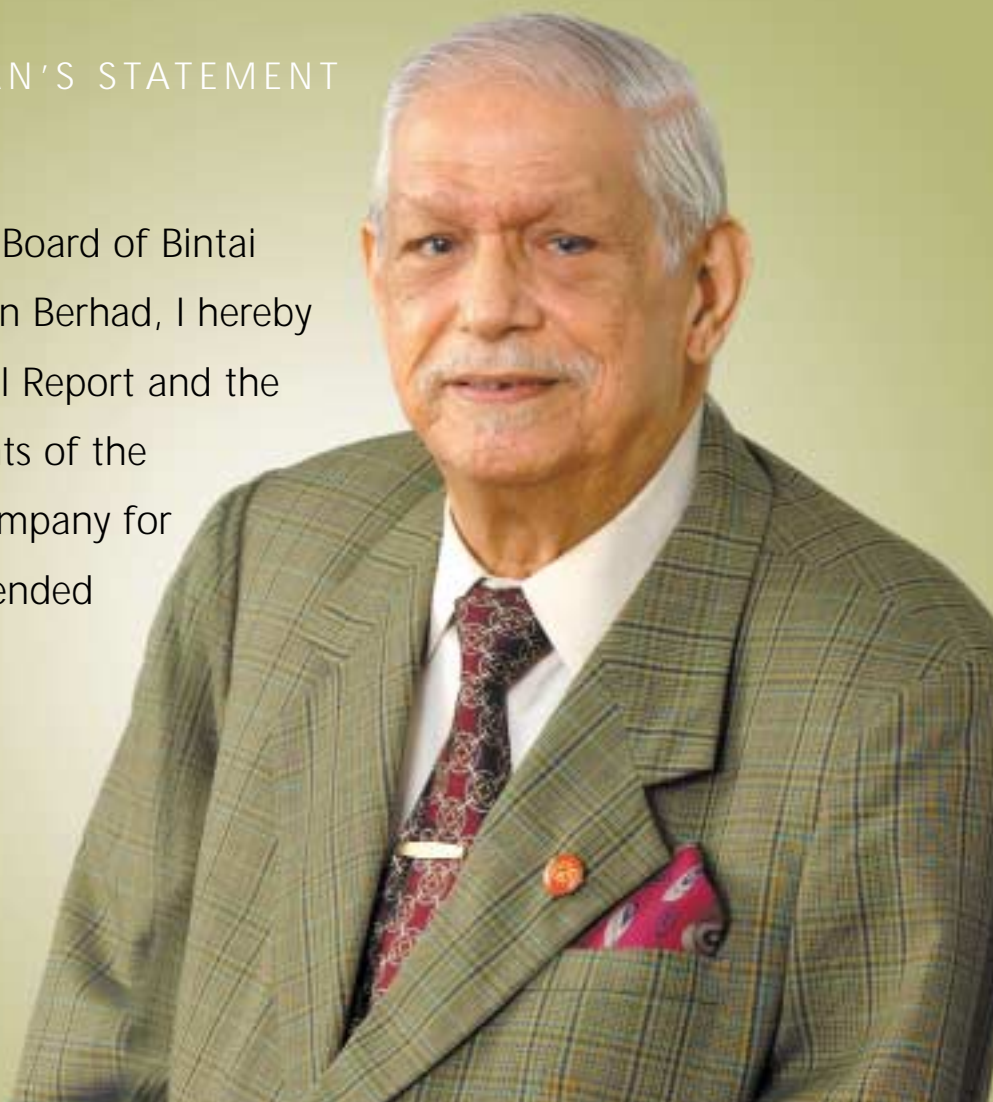
4. INTERNAL AUDIT FUNCTION

The Group has an Internal Audit Department which assists the Audit Committee in the discharge of its duties and responsibilities. Its role is to undertake independent and systematic reviews of the systems of internal controls so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.

Further details of the Internal Audit Department are set out in the Statement on Internal Control.



“On behalf of the Board of Bintai Kinden Corporation Berhad, I hereby present the Annual Report and the Financial Statements of the Group and the Company for the financial year ended 31 March 2003.”



Brief Economic Review

Despite the uncertainties in the global environment, most economists remain positive about the 2003 growth prospects for Malaysia. The Malaysian economy is expected to grow by 6 to 6.5 per cent for 2003, arising from a broader-based economy that would be propelled by a revitalised and dynamic private sector, according to the Economic Report 2003. With additional measures directed towards further stimulating economic activity in 2003, the Economic Report has forecasted that both private sector investment and consumption would likely to rebound by 16.5 per cent and 9.9 per cent respectively. The private sector must resume its role as the main driver of economic growth in Malaysia, as the Government could not continuously implement expansionary fiscal policies.

Conditions in the local construction market are expected to remain tough. Bank Negara Malaysia projects a reduced growth rate of 1.9 per cent for the sector in 2003. Demand in the property sector was principally concentrated in the residential market. Despite a low interest rate environment and ample supply, take-up rates were relatively low.

Financial Results

For the financial year under review, the Group achieved a higher turnover of RM153.747 million compared to the previous financial year of RM84,402 million. The Group recorded a loss before taxation of RM442,000, representing an improvement of 96% from last year. The better performance achieved this year was attributable to the increased revenue from both the turnkey and mechanical and electrical segments. This can be evidenced by the increase in the other operating income in the area of turnkey management fees. This improvement was however partially offset by the need to provide against a debt which became doubtful of full recovery after the financial year end.

Dividend

The Board has recommended a final dividend of 1 sen gross per share, less income tax, against a final tax dividend of 2.5 sen gross per share last year. Subject to shareholder approval at the forthcoming Annual General Meeting, the total dividend payable for the financial year ended 31 March 2003 will be RM748,003 (2002 : RM1,868,657). No interim dividend has been paid or declared for the financial year ended 31 March 2002 (2001 : nil).



CHAIRMAN'S STATEMENT (CONTINUED)



Langkawi Harbour Park Valley & Marina



Anjung Villa Condominium

Review Of Operations

In view of the rapid industrialisation and economic growth which has and continues to usher our nation into the realms of the developed countries, there is an important economic need for our Group to provide quality mechanical and electrical engineering. The Group has taken great strides in successfully overcoming the financial difficulties during the recent global economic turmoil and adverse conditions.

The Group remains focused on its core business whereby the mechanical and electrical services and turnkey projects contributed RM111.623 million in revenue, representing the major contributor for the financial year ended 31 March 2003. During the financial year, the Group completed a substantial portion of the contract works, including Great Eastern Life Office Interior Fit-Out works, Universiti Malaysia Sabah Phase 1B, renovation work for Menara Telekom at Level 50 – 55, Sony Logistic at Bangi and Fujikura Extension at Shah Alam.

Sentul Perdana, its maiden turnkey project, is a privatisation project awarded by The Datuk Bandar Kuala Lumpur. The completion of Anjung Villa Phase 1 of Sentul Perdana Project in November 2002 enabled the Group to hand over vacant possession to purchasers earlier than

scheduled. The Group is committed to build quality homes at reasonable prices to achieve total customer satisfaction. Phase 4, comprising 800 units of medium cost apartments, will be launched towards end of the third quarter of 2003. To date, there has been an overwhelming response for these units where substantial purchasers have registered themselves for their dream homes.

In view of our expertise and proven record, the concessionaire Asie Sdn Bhd of the Jalan Pekeliling flats redevelopment scheme has given us great recognition in entrusting us to complete the Sri Rampai Parcel 1 Project. The Sri Rampai Project is the Government Relocation Project with the main objective of relocating the tenants of Jalan Pekeliling flats to the new housing units upon completion. The funds raised by Aseambankers Malaysia Bhd has given great confidence that the Sri Rampai Project shall be completed in time and it is the main focus and interest of the Group to ensure timely completion and hand over of the Project to Asie Sdn Bhd.

Other notable projects secured by the Group are the proposed construction of the 16 Floors of Residential Commercial and Emporium Complex on PT 3114, Serdang, mechanical and electrical works services for Assunta Hospital, Langkawi Harbour Park Valley & Marina, the remaining and reinstatement work for 5-Star International Hotel K-5, Hanoi, Vietnam, East Malaysia Hospitals Project, The Proposed New MLNG Office Annex Building at Bintulu Sarawak and the Turnkey Contract for Sri Rampai Parcel 2.

The above mentioned projects are expected to contribute positively to the Group's overall earnings for the current financial year.

Corporate Development

During the financial year, the Company also teamed up with Terra Corporation, Japan ("Terra Japan") to set up the world's first multi-player online game portal by swapping its entire investment in Terra e-Games (M) Sdn Bhd with the shares of the holding company, Terra ICT (M) Sdn Bhd. This will provide Terra ICT (M) Sdn Bhd access to a growth business in online game market in South East Asia region. The participation of Terra Japan in Terra ICT (M) Sdn Bhd Group is promising and will enable the Group to embark fully in developing and delivering the first locally developed massive multi-player online games through technology transfer from Terra Japan and Terra Korea Inc, subsidiary of Terra Japan.



5-Star International Hotel K-5, Hanoi, Vietnam



CHAIRMAN'S STATEMENT (CONTINUED)



SIGNING CEREMONY - Syndicated Term Loan Facility
" ASEAMBANKERS - KEJURUTERAAN BINTAI KINDENKO SDN BHD"



Pangsapuri Mawar

After the financial year end, the Company purchased from the open market a total of 685,900 shares for RM1,389,973 or at an average price of RM2.03 per share. All the shares purchased are held as treasury shares.

Future Prospects

The year 2004 continues to be a challenging one for the Group. As we look ahead, a number of key factors cause uncertainty to the markets in which we operate, for instance, the economic fragility compounded by the negative impact of the Iraq war and the most recent World Health Organisation warning on Severe Acute Respiratory Syndrome centered in the Asian continent.



Staff

The financial stability of the Group over the last decade will enable us to focus on our core competency as mechanical and electrical engineering specialists. The performance of the Group's core business has been satisfactory. Focus will also be placed on our Sri Rampai turnkey project and a joint venture privatisation project with The Datuk Bandar Kuala Lumpur. We are also negotiating for a number of other projects and are optimistic for the outcome.



Pusat kemahiran Bintai Kinden

Barring any unforeseen circumstances, the Board is optimistic that the results for the current financial year should improve.

Acknowledgment

On behalf of the Board, I wish to place on record my appreciation to the management and staff at all levels for their loyalty and dedication. I also wish to express my sincere gratitude to my fellow directors for their invaluable advice and guidance during the financial year. I wish to thank all our business associates, clients, bankers and shareholders for their continuing support and confidence in the Group. Last but not least, I wish to welcome our new Director, who assumed duties on 27 November 2002, namely Mr. Teo Tong Kooi. We look forward to fostering stronger ties in years to come.

Syed Ahmad bin Abu Bakar
Acting Chairman

30 June 2003



Saya bagi pihak Lembaga Pengarah Bintai Kinden Corporation Bhd dengan ini membentangkan Laporan Tahunan dan Penyata Kewangan Syarikat Kumpulan dan Syarikat bagi tahun kewangan berakhir 31 Mac 2003.

Ulasan Ringkas Ekonomi

Walaupun ketidakpastian menyelubungi iklim ekonomi global, kebanyakan ahli ekonomi masih berpandangan positif terhadap prospek pertumbuhan ekonomi Malaysia pada tahun 2003. Menurut Laporan Ekonomi 2003, ekonomi negara dijangka akan berkembang daripada 6.0 ke 6.5 peratus dalam tahun 2003 hasil daripada perkembangan ekonomi negara yang dijana oleh pertumbuhan sektor swasta yang kini pulih dinamik. Selain daripada itu, dengan pelbagai langkah tambahan daripada kerajaan untuk merangsang aktiviti ekonomi dalam tahun 2003, Laporan Ekonomi juga meramalkan kedua-dua pelaburan dan perbelanjaan sektor swasta masing-masing akan melonjak naik sebanyak 16.5 peratus dan 9.9 peratus. Sektor swasta digesa untuk terus memainkan peranan sebagai penjana pertumbuhan ekonomi Malaysia kerana kerajaan tidak mungkin selamanya melaksanakan dasar fiskal pengembangan.



Senior Management

Suasana industri pembinaan tempatan pula dijangka akan terus mencabar. Bank Negara Malaysia meramalkan pertumbuhan sektor yang lebih rendah dalam tahun 2003, iaitu pada 1.9 peratus. Permintaan dalam sektor hartanah masih tertumpu dalam pasaran hartanah rumah kediaman. Meskipun kadar faedah pinjaman pembiayaan kini lebih rendah dan penawaran hartanah masih tinggi, kadar pembelian hartanah secara relatifnya masih kurang menggalakkan.

Prestasi Kewangan

Bagi tahun kewangan ini, Kumpulan mencapai perolehan yang lebih tinggi berjumlah RM153.747 juta berbanding dengan perolehan sebanyak RM84.420 pada tahun kewangan lepas. Walaupun Kumpulan mencatatkan kerugian sebelum cukai sebanyak RM442,000, ia sebenarnya mencerminkan kenaikan sebanyak 96% berbanding dengan tahun kewangan lepas. Prestasi yang lebih baik dalam suku tahun ini adalah sumbangan daripada peningkatan hasil perolehan di segmen serah kunci dan segmen mekanikal dan elektrik.

Dividen

Lembaga Pengarah mencadangkan dividen akhir kasar pada 1 sen sesaham ditolak cukai berbanding dengan dividen akhir pada 2.5 sen sesaham tahun lepas. Tertakluk kepada kelulusan pemegang saham pada Mesyuarat Agung yang akan datang, jumlah dividen belum bayar bagi tahun kewangan berakhir 31 Mac 2003 ialah RM748,003 (2002: RM1,868,657). Tiada dividen interim telah dibayar atau diisytiharkan bagi tahun kewangan berakhir 31 Mac 2002 (2001: kosong).

Prestasi Operasi

Negara kita kini sedang mengorak langkah ke arah negara maju dengan proses perindustrian dan pertumbuhan ekonomi yang pesat. Justeru itu, Kumpulan harus menyediakan perkhidmatan kejuruteraan mekanikal dan elektrik yang bermutu untuk memenuhi permintaan pasaran. Kumpulan juga mengambil usaha gigih dan telah berjaya mengatasi kesukaran masalah kewangan semasa krisis dan kegawatan ekonomi global.

Kumpulan masih memfokuskan kepada bidang perniagaan teras sepanjang tahun kewangan ini. Projek mekanikal dan elektrik serta serah kunci masih menjadi penyumbang utama hasil Kumpulan bagi tahun kewangan berakhir 31 Mac 2003 dengan sumbangan sebanyak RM111.623 juta. Dalam tahun kewangan ini, Kumpulan berjaya menyempurnakan banyak kerja kontrak projek seperti projek kelengkapan dalaman pejabat Great Eastern Life, Fasa 1B Universiti Malaysia Sabah, kerja pengubahsuaian untuk Menara Telekom di Tingkat 50-55, Sony Logistic di Bangi dan Fujikura Extension di Shah Alam.

Sentul Perdana, projek serah kunci Kumpulan yang pertama, merupakan projek penswastan yang dianugerahkan oleh Datuk Bandar Kuala Lumpur. Dengan penyempurnaan Fasa 1 Anjung Villa di Sentul Perdana dalam November 2002, Kumpulan telah menyerahkan pemilikan hartanah kepada pembeli lebih awal daripada yang dijadualkan. Di samping itu, Kumpulan juga komited untuk membina kediaman yang berkualiti dengan harga yang berpatutan agar pelanggan sentiasa berpuas hati dengan perkhidmatan Kumpulan. Selaras dengan komitmen ini, Fasa 4 yang terdiri daripada 800 unit pangsapuri kos sederhana akan dilancarkan pada bulan Ogos 2003. Sehingga tarikh ini, sambutan untuk pangsapuri ini begitu menggalakkan dengan ramai pembeli telah mendaftarkan diri mereka untuk kediaman impian mereka.



PENYATA PENGERUSI (SAMBUNGAN)

Setelah menilai kepakaran dan rekod cemerlang Kumpulan, Asie Sdn Bhd, pemegang konsesi skim pembangunan semula rumah pangsa Pekeliling telah memberi amanah kepada Kumpulan bagi menyempurnakan Bidang 1 Projek Sri Rampai. Projek Sri Rampai ialah Projek Penempatan Semula Kerajaan dengan objektif utama menempatkan semula penduduk rumah pangsa di Jalan Pekeliling ke kawasan perumahan baru. Dana yang disediakan oleh Aseambankers Malaysia Bhd memberi keyakinan bahawa Projek Sri Rampai akan disempurnakan seperti yang dijadualkan. Kumpulan juga banyak memberi tumpuan dan kepentingan terhadap projek ini bagi memastikan ia disempurnakan mengikut perancangan dan menyerahkan semula projek ini kepada Asie Sdn Bhd.

Selain itu, lain-lain projek penting adalah seperti cadangan pembinaan 16 Tingkat Kompleks Kediaman, Komersial dan Emporium di PT 3114, Serdang, kerja mekanikal dan elektrik untuk Hospital Assunta, Langkawi Harbour Park Valley & Marina, kerja pemulihan untuk Hotel 5 bintang K-5 di Hanoi, Vietnam, Projek Hospital Malaysia Timur, cadangan pembinaan Bangunan Annex Pejabat Baru MLNG di Bintulu Sarawak dan Kontrak Serah Kunci untuk Bahagian/Parcel 2 Sri Rampai.

Kesemua projek yang disebut di atas dijangka akan menyumbang secara positif kepada perolehan Kumpulan untuk tahun kewangan semasa.

Perkembangan Korporat

Dalam tahun kewangan, Syarikat dan Terra Corporation di Jepun ("Terra Japan") menubuhkan portal permainan dalam talian berbilang pemain yang pertama di dunia. Ini dilaksanakan melalui pelaburan Syarikat di Terra e-Games (M) Sdn Bhd dengan saham syarikat induk, Terra ICT (M) Sdn Bhd. Ini memberikan akses kepada Terra ICT (M) Sdn Bhd ke dunia perniagaan permainan dalam talian yang kini berkembang pesat di rantau Asia Tenggara.

Penyertaan Terra Japan dalam Kumpulan Terra ICT (M) Sdn Bhd amat menggalakkan dan ini membolehkan Kumpulan menceburkan diri dalam pembangunan dan penyediaan permainan dalam talian berbilang pemain hasil usaha tempatan melalui pemindahan teknologi daripada Terra Japan dan Terra Korea Inc, sebuah anak syarikat Terra Japan.

Selepas tahun kewangan ini, Syarikat telah membeli sejumlah 685,900 saham daripada pasaran terbuka yang bernilai RM1,389,973 atau pada harga purata RM2.03 sesaham. Semua saham yang dibeli kini dipegang sebagai saham perbendaharaan.

Prospek Masa Depan

Tahun 2004 akan terus menjadi tahun yang penuh dengan cabaran bagi Kumpulan. Apabila kita meninjau ke hadapan, terdapat beberapa faktor penting yang menyebabkan ketidakpastian dalam pasaran di mana Kumpulan beroperasi. Sebagai contoh, keadaan ekonomi yang kurang menentu ekoran daripada impak Perang Iraq dan amaran Badan Kesihatan Sedunia mengenai ancaman wabak Sindrom Pernafasan Akut Teruk (SARS) yang menyelubungi benua Asia.

Kestabilan kedudukan kewangan Kumpulan sepanjang dekad yang lepas membolehkan Kumpulan menumpukan kecekapan teras Kumpulan sebagai pakar mekanikal dan elektrik. Prestasi perniagaan teras Kumpulan adalah memuaskan. Tumpuan akan terus diberikan kepada projek serah kunci Sri Rampai dan projek penswastaan usaha sama dengan Datuk Bandar Kuala Lumpur. Kami juga telah merundingkan beberapa projek dan bersikap optimistik dengan hasil rundingan projek ini.

Melainkan sebarang keadaan yang tidak dapat dijangka, Lembaga Pengarah berkeyakinan bahawa pencapaian Kumpulan dalam tahun kewangan yang akan datang akan bertambah baik.

Penghargaan

Bagi pihak Lembaga Pengarah, saya ingin merakamkan penghargaan kepada pihak pengurusan dan kakitangan atas kesetiaan dan dedikasi mereka yang tidak berbelah bagi. Saya juga ingin mengucapkan penghargaan saya kepada rakan pengarah atas nasihat dan tunjuk ajar mereka yang tidak ternilai sepanjang tahun kewangan ini. Saya juga berterimakasih kepada semua rakan niaga, pelanggan, bank dan pemegang saham atas sokongan yang berterusan dan keyakinan mereka terhadap Kumpulan. Akhir kata, saya ingin mengalu-alukan kedatangan Pengarah baru, Encik Teo Tong Kooi yang telah memulakan tugasnya pada 27 November 2002. Kami mengharapkan kerjasama yang lebih erat dengannya dalam tahun-tahun akan datang.

Syed Ahmad bin Abu Bakar
Pemangku Pengerusi

30 Jun 2003



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DIRECTORS' REPORT

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 2003.

PRINCIPAL ACTIVITIES

The principal activities of the Group are the provision of specialised services in mechanical and electrical works including design, planning and procurement under the following five broad categories:

- electrical installations;
- mechanical installations;
- electrical power supply installations;
- instrumentation and building automation; and
- maintenance of electrical and mechanical systems,

construction of power plants and transmission lines, property investment and development and undertaking of turnkey construction projects.

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies.

There were no significant changes in the nature of these principal activities of the Company and its subsidiary companies during the financial year.

FINANCIAL RESULTS

	<u>Group</u> RM'000	<u>Company</u> RM'000
Net (loss)/profit for the financial year	(101)	905

DIVIDENDS

The dividends paid or declared by the Company since 31 March 2002 were as follows:

In respect of the financial year ended 31 March 2002, as shown in the Directors' report for that year:

	RM'000
Final dividend of 2.5 sen gross per share, less income tax at 28%, paid on 8 October 2002.	<u>1,869</u>

The Directors now recommend the payment of a final dividend of 1 sen gross per share, less income tax at 28% amounting in total to RM748,003 in respect of the financial year ended 31 March 2003, subject to the approval of members at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES

During the financial year, the issued and paid-up share capital of the Company was increased from RM103,714,253 to RM103,889,253 through the issue of 175,000 new ordinary shares of RM1.00 each for cash pursuant to the exercise of options under the Company's Employee Share Option Scheme ("ESOS") at an exercise price of RM3.92 per share.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.



REPURCHASE OF SHARES

The shareholders of the Company had, at the Eighth Annual General Meeting held on 27 August 2002, granted a mandate for the Company to purchase up to 10% of the issued and paid-up share capital of the Company. The mandate will expire at the conclusion of the forthcoming Annual General Meeting and renewal of the mandate will be sought at the forthcoming Annual General Meeting.

The Company has not made any purchase of shares during the financial year.

EMPLOYEE SHARE OPTION SCHEME

The main features of the ESOS are as follows:

- (i) The total number of ordinary shares to be issued by the Company under the ESOS shall not exceed ten percent (10%) of the total issued and paid-up ordinary shares of the Company.
- (ii) The eligibility for participation in the ESOS is at the discretion of the ESOS Committee. Eligible persons are confirmed employees of the Group, including full-time Executive Directors of the Group who have been employed for at least a continuous period of one (1) year in the Group on or prior to the date of offer and for an employee serving under an employment contract, the contract term should be for a duration of at least three (3) years.
- (iii) No options shall be granted for less than one thousand (1,000) new ordinary shares or more than five hundred thousand (500,000) new ordinary shares unless so adjusted in the event of any alteration in the capital structure of the Company during the option period. The number of new ordinary shares relating to the option so far as unexercised or the option price or both may be adjusted following any alteration in the capital structure of the Company.
- (iv) The option price shall be determined by the weighted average market price of the ordinary shares of the Company for the five (5) market days immediately preceding the date of offer, or at a discount of not more than ten percent (10%) from the 5 day weighted average market price of the underlying shares at the date the option is granted.
- (v) The ESOS shall be in force for a period of five (5) calendar years commencing 16 November 2000.
- (vi) No eligible employees of the Group may participate at any time in more than one (1) ESOS implemented by any one or more companies within the Group.
- (vii) An option granted under the ESOS shall be capable of being exercised by notice in writing to the Company commencing from the dates of the offer which included 8 January 2001, 22 January 2001 and 26 October 2001 and expiring on 15 November 2005. Exercise of the option granted shall not exceed the maximum allowable limit as follows:

Number of new shares granted pursuant to the option and unexercised as at 31.03.2003	Percentage of new shares in respect of which option is exercisable				
	Year 1	Year 2	Year 3	Year 4	Year 5
Below 20,000	100%	-	-	-	-
20,000 to less than 100,000	40% ¹	30%	30% ²	-	-
100,000 and above	20%	20%	20%	20%	20%

1. 40% or 20,000 new shares, whichever is higher
 2. 30% or the remaining number of new shares under the unexercised part of the option





DIRECTORS' REPORT (CONTINUED)

During the financial year, the movement in the options to take up unissued ordinary shares of RM1.00 each is as follows:

Option Date	Option Price	As at 1.4.2002	Granted during the financial year	Lapsed due to resignation	Exercised	As at 31.3.2003
8.1. 2001	RM3.92	5,933,250	0	2,250	175,000	5,756,000
22.1.2001	RM3.74	250,000	0	0	0	250,000
26.10.2001	RM4.41	62,500	0	0	0	62,500
		<u>6,245,750</u>	<u>0</u>	<u>2,250</u>	<u>175,000</u>	<u>6,068,500</u>

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the list of option holders and their holdings except for those employees who have been granted options over 300,000 and above ordinary shares of RM1.00 each pursuant to the ESOS during the financial year as follows:

Name of employee	Number of options over ordinary shares of RM1.00 each
Syed Ahmad bin Abu Bakar	937,500
Ong Puay Koon	937,500
Tan Hee Chai	937,500
Dato' Ang Liang Kim	812,500

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

During the financial year, the Company:

- completed the disposal of 49% equity interest in Bintai Kinden Pte. Ltd. comprising 1,715,000 ordinary shares of S\$1.00 each for a total consideration of S\$2,352,000 or approximately RM5,103,840 satisfied by the issuance of 15,680,000 new ordinary shares of S\$0.05 each in MAE Engineering Ltd. at an issue price of S\$0.15 per share on 27 June 2002.
- accepted an offer made by Oxford.Com Sdn. Bhd. (now known as Terra ICT (M) Sdn. Bhd.) ("Terra ICT") for the disposal of 26.01% equity interest in JOC Technology (M) Sdn. Bhd. (now known as Terra e-Games (M) Sdn. Bhd.) comprising 26,010 ordinary shares of RM1.00 each for a total consideration of RM6,500,000 satisfied by the issuance of 6,500,000 new ordinary shares of RM1.00 each in Terra ICT. Subsequently, the Company entered into a call option and put option agreements with a major shareholder of Terra ICT whereby an option was granted to call upon the Company to sell 1,500,000 ordinary shares of RM1.00 each in Terra ICT within a period of six (6) months from the call option agreement dated 24 March 2003, at a purchase price of RM3.00 per share vide the call option agreement. The Company was granted an option to require the major shareholder to purchase from the Company 1,500,000 ordinary shares of RM1.00 each in Terra ICT within a period of two (2) months commencing from the expiry of the call option period also at a price of RM3.00 per share vide the put option agreement.

DIRECTORS

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

Syed Ahmad bin Abu Bakar	
Ong Puay Koon	
Dato' Ang Liang Kim	
Tan Hee Chai	
YB Dato' Hamzah bin Zainudin	
Peter John Farrar	
Kenji Tamura	
Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali	
Ong Choon Lui	
Shinichi Kotoku (alternate to Kenji Tamura)	(appointed on 27.08.2002)
Teo Tong Kooi	(appointed on 27.11.2002)
Hisayuki Ikeuchi (alternate to Kenji Tamura)	(resigned on 27.08.2002)

In accordance with Article 101 of the Company's Articles of Association, Dato' Ang Liang Kim, Tan Hee Chai and Kenji Tamura retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.



In accordance with Article 106 of the Company's Articles of Association, Teo Tong Kooi who was appointed during the period, retires at the forthcoming Annual General Meeting and, being eligible, offers himself for election.

In accordance with Section 129(6) of the Companies Act, 1965, Syed Ahmad bin Abu Bakar, being over seventy years of age, retires at the forthcoming Annual General Meeting and offers himself for re-appointment to hold office until the conclusion of the next Annual General Meeting of the Company.

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 other body corporate, except for the options granted to certain Directors pursuant to the Company's Employee Share Option Scheme (see Note 25 to the financial statements).

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than Directors' remuneration disclosed in Note 4 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the particulars of interests of Directors who held office at the end of the financial year in shares in and options over shares of the Company are as follows:

	<u>Number of ordinary shares of RM1.00 each</u>			
	<u>As at 1.4.2002 or Date of appointment</u>	<u>Bought</u>	<u>Sold</u>	<u>As at 31.3.2003</u>
<u>Shareholdings in the name of the Director</u>				
Syed Ahmad bin Abu Bakar	12,202,500	0	12,187,500	15,000
Ong Puay Koon	20,835,000	0	20,300,000	535,000
Dato' Ang Liang Kim	28,125	100,000	0	128,125
Tan Hee Chai	15,000	0	0	15,000
YB Dato' Hamzah bin Zainudin	37,500	0	0	37,500
Teo Tong Kooi	200,000	0	0	200,000
Kenji Tamura	15,000	0	0	15,000
<u>Indirect interest by virtue of shares held by companies in which the Directors are deemed to have an interest</u>				
Syed Ahmad bin Abu Bakar	0	4,687,500	0	4,687,500
Ong Puay Koon	0	22,000,000	0	22,000,000
<u>Number of options over ordinary shares of RM1.00 each</u>				
	<u>As at 1.4.2002</u>	<u>Granted</u>	<u>Exercised</u>	<u>As at 31.3.2003</u>
<u>Shareholdings in the name of the Director</u>				
Syed Ahmad bin Abu Bakar	937,500	0	0	937,500
Ong Puay Koon	937,500	0	0	937,500
Dato' Ang Liang Kim	812,500	0	0	812,500
Tan Hee Chai	937,500	0	0	937,500

None of the other Directors who held office at the end of the financial year has any interest in shares of the Company and its related corporations during the financial year.





DIRECTORS' REPORT (CONTINUED)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets of the Group and of the Company 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 of 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 of 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 of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group 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 and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

OTHER STATUTORY INFORMATION

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

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 28 May 2003

SYED AHMAD BIN ABU BAKAR
VICE CHAIRMAN

DATO' ANG LIANG KIM
EXECUTIVE DIRECTOR

Kuala Lumpur



INCOME STATEMENTS

INCOME STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2003

	Note	Group		Company	
		2003 RM'000	2002 RM'000	2003 RM'000	2002 RM'000
Revenue	2	153,747	84,402	9,610	2,850
Cost of sales	2	(134,828)	(71,579)	0	0
Gross profit		18,919	12,823	9,610	2,850
Other operating income		6,574	2,213	0	0
Selling and distribution expenses		(138)	(152)	(8)	(27)
Administrative expenses		(23,338)	(22,350)	(3,175)	(2,169)
Other operating expenses:					
- gain/(loss) on partial disposal of equity interest in a subsidiary company		81	0	(3,561)	0
- others		(1,339)	(276)	(30)	(114)
Profit/(loss) from operations	3	759	(7,742)	2,836	540
Finance cost	5	(561)	(868)	0	0
Share of losses of associated companies		(927)	(1,592)	0	0
Share of amortised goodwill arising from acquisition of associated companies		(362)	(430)	0	0
Gain on disposal of an associated company		649	0	0	0
(Loss)/profit from ordinary activities before tax		(442)	(10,632)	2,836	540
Tax					
- Company and subsidiary companies		(4,143)	2,277	(1,931)	(338)
- associated companies		0	65	0	0
	6	(4,143)	2,342	(1,931)	(338)
(Loss)/profit from ordinary activities after tax		(4,585)	(8,290)	905	202
Minority interest		4,484	0	0	0
Net (loss)/profit for the financial year		(101)	(8,290)	905	202
Loss per share (sen)					
- basic	7	(0.10)	(8.00)		
- diluted	7	(0.10)	(7.86)		
Dividend per share (sen)	8	1.0	2.5	1.0	2.5





BALANCE SHEETS

BALANCE SHEETS AS AT 31 MARCH 2003

	Note	Group		Company	
		2003 RM'000	2002 RM'000	2003 RM'000	2002 RM'000
NON CURRENT ASSETS					
Property, plant and equipment	9	13,754	13,904	0	0
Goodwill on consolidation	10	544	1,115	0	0
Investment property - at cost	11	2,784	2,784	2,784	2,784
Subsidiary companies	12	0	0	64,251	72,918
Associated companies	13	7,010	14,722	7,933	12,279
Other investments	14	18,866	7,874	16,903	7,256
Long term receivable	15	48,794	27,327	0	0
		<u>91,752</u>	<u>67,726</u>	<u>91,871</u>	<u>95,237</u>
CURRENT ASSETS					
Development property expenditure	16	5,643	17,321	0	0
Inventories	17	3,821	1,127	0	0
Receivables	18	108,415	69,706	22,033	19,146
Tax recoverable		6,653	6,080	916	325
Deposits, bank and cash balances	20	44,258	47,132	222	105
		<u>168,790</u>	<u>141,366</u>	<u>23,171</u>	<u>19,576</u>
LESS: CURRENT LIABILITIES					
Provisions	21	754	1,714	0	0
Payables	22	92,271	65,599	954	447
Provision for tax		1,143	254	0	0
Borrowings (interest bearing)	23	53,683	26,635	0	0
		<u>147,851</u>	<u>94,202</u>	<u>954</u>	<u>447</u>
NET CURRENT ASSETS		<u>20,939</u>	<u>47,164</u>	<u>22,217</u>	<u>19,129</u>
LESS: NON CURRENT LIABILITIES					
Provisions	21	1,286	1,114	0	0
Hire purchase payables	24	611	449	0	0
		<u>1,897</u>	<u>1,563</u>	<u>0</u>	<u>0</u>
		<u>110,794</u>	<u>113,327</u>	<u>114,088</u>	<u>114,366</u>
CAPITAL AND RESERVES					
Share capital		103,889	103,714	103,889	103,714
Reserves		6,905	9,613	10,199	10,652
Shareholders' equity		<u>110,794</u>	<u>113,327</u>	<u>114,088</u>	<u>114,366</u>
Minority interest		0	0	0	0
		<u>110,794</u>	<u>113,327</u>	<u>114,088</u>	<u>114,366</u>



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2003

	Issued and fully paid Ordinary shares of RM1 each		Non-distributable				Distributable	Total RM'000
	Note	Number of shares 000	Nominal value RM'000	Share premium RM'000	Reserve on consolidation RM'000	Exchange reserve RM'000	Retained earnings RM'000	
At 1 April 2002		103,714	103,714	646	4,863	(602)	4,706	113,327
Amortisation of reserve on consolidation		0	0	0	(256)	0	0	(256)
Currency translation differences not recognised in income statement		0	0	0	0	391	0	391
Dilution of interest in an associated company	13	0	0	0	0	0	(1,384)	(1,384)
Net loss for the financial year		0	0	0	0	0	(101)	(101)
Dividend for financial year ended 31 March 2002	8	0	0	0	0	0	(1,869)	(1,869)
Issue of shares:								
- exercise of share options	25	175	175	511	0	0	0	686
At 31 March 2003		103,889	103,889	1,157	4,607	(211)	1,352	110,794
At 1 April 2001		82,800	82,800	15,510	5,119	(544)	22,349	125,234
Amortisation of reserve on consolidation		0	0	0	(256)	0	0	(256)
Currency translation differences not recognised in income statement		0	0	0	0	(58)	0	(58)
Net loss for the financial year		0	0	0	0	0	(8,290)	(8,290)
Dividend for financial ended 31 March 2001		0	0	0	0	0	(4,143)	(4,143)
Issue of shares:								
- bonus issue		20,720	20,720	(15,510)	0	0	(5,210)	0
- exercise of share options		194	194	646	0	0	0	840
At 31 March 2002		103,714	103,714	646	4,863	(602)	4,706	113,327





COMPANY STATEMENT OF CHANGES IN EQUITY

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2003

	Note	Issued and fully paid Ordinary shares		Non-	Distributable	Total
		Number of shares 000	Nominal value RM'000	Share premium RM'000	Retained earnings RM'000	
At 1 April 2002		103,714	103,714	646	10,006	114,366
Net profit for the financial year		0	0	0	905	905
Dividend for financial year ended 31 March 2002	8	0	0	0	(1,869)	(1,869)
Issue of shares:						
- exercise of share options	25	175	175	511	0	686
At 31 March 2003		<u>103,889</u>	<u>103,889</u>	<u>1,157</u>	<u>9,042</u>	<u>114,088</u>
At 1 April 2001		82,800	82,800	15,510	19,157	117,467
Net profit for the financial year		0	0	0	202	202
Dividend for financial year ended 31 March 2001		0	0	0	(4,143)	(4,143)
Issue of shares:						
- bonus issue		20,720	20,720	(15,510)	(5,210)	0
- exercise of share options		194	194	646	0	840
At 31 March 2002		<u>103,714</u>	<u>103,714</u>	<u>646</u>	<u>10,006</u>	<u>114,366</u>



CASH FLOW STATEMENTS

CASH FLOW STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2003

	Group		Company	
	2003 RM'000	2002 RM'000	2003 RM'000	2002 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/profit from ordinary activities after tax	(101)	(8,290)	905	202
Adjustments for non cash items:				
Amortisation of reserve on consolidation	(256)	(256)	0	0
Amortisation of goodwill on consolidation	30	49	0	0
Minority interest	(4,484)	0	0	0
Unrealised gain on foreign exchange	0	(2)	0	0
Write back of allowance for doubtful debts	(394)	(50)	0	0
Allowance for doubtful debts	2,803	1,630	0	0
Bad debts written off	151	2,043	0	0
Share of losses of associated companies	927	1,592	0	0
Share of amortised goodwill arising from acquisition of associated companies	362	430	0	0
Property, plant and equipment				
- Depreciation	1,324	1,425	0	0
- Write off	12	0	0	0
- Gain on disposal	(37)	(80)	0	0
Allowance for diminution in value of unquoted investment	105	0	0	0
Interest income	(1,031)	(1,485)	0	0
Interest expense	561	868	0	0
Dividend income	0	0	(9,004)	(2,562)
Tax	4,143	(2,342)	1,931	338
Gain on disposal of an associated companies	(649)	0	0	0
(Gain)/loss on partial disposal of equity interest of a subsidiary company	(81)	0	3,561	0
Provision for warranty and defects	(818)	(1,544)	0	0
Operating profit /(loss) before working capital changes	2,567	(6,012)	(2,607)	(2,022)
Changes in working capital:				
- Development property expenditure	11,678	(8,802)	0	0
- Inventories	(2,694)	33	0	0
- Receivables	(62,628)	50,456	(2,887)	(2,548)
- Payables	26,642	(39,636)	507	5
Cash flow from operations	(24,435)	(3,961)	(4,987)	(4,565)
Interest paid	(561)	(868)	0	0
Interest received	198	398	0	0
Tax paid	(3,824)	(8,600)	0	(92)
Net cash out flows from operating activities	(28,622)	(13,031)	(4,987)	(4,657)





CASH FLOW STATEMENTS (CONTINUED)

CASH FLOW STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2003

	Note	Group		Company	
		2003 RM'000	2002 RM'000	2003 RM'000	2002 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of shares in a subsidiary company		0	0	0	(5,481)
Acquisition of shares in associated companies		0	(5,481)	0	(4,421)
Purchase of property, plant and equipment		(922)	(765)	0	0
Purchase of unquoted shares		(196)	(38)	(196)	(38)
Proceeds from disposal of property, plant and equipment		223	183	0	0
Dividend income received		0	0	6,483	18,002
Interest income received		879	1,100	0	0
Acquisition of investment property		0	(99)	0	(99)
Net cash flows from investing activities		(16)	(5,100)	6,287	7,963
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid		(1,869)	(4,143)	(1,869)	(4,143)
Proceeds from short term bank borrowings		40,956	18,407	0	0
Repayments of short term bank borrowings		(11,335)	(16,276)	0	0
Repayment of hire purchase payables		(272)	0	0	0
Deposits pledged as security		2,177	(1,819)	0	0
Proceeds from Employee Share Option Scheme shares issued		686	840	686	840
Net cash flows from financing activities		30,343	(2,991)	(1,183)	(3,303)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		1,705	(21,122)	117	3
Currency translation differences		382	67	0	0
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		19,804	40,859	105	102
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	20	21,891	19,804	222	105



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-31 MARCH 2003

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - 31 MARCH 2003

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

A BASIS OF PREPARATION

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

The financial statements comply with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

The preparation of financial statements in conformity with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reported financial year. Actual results could differ from those estimates.

B GROUP ACCOUNTING

(i) Subsidiary companies

Subsidiary companies 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. Subsidiary companies are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed of are included from the date of acquisition up to the date of disposal. At the date of acquisition, the fair values of the subsidiary companies' net assets are determined and these values are reflected in the consolidated financial statements. The excess of the cost of acquisition over the fair value of the Group's share of the subsidiary companies' identifiable net assets at the date of acquisition is reflected as goodwill on consolidation.

Intragroup transactions, balances and unrealised gains on transactions are eliminated; unrealised losses are also eliminated unless costs cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiary companies to ensure consistency of accounting policies with those of the Group.

Minority interest is measured at the minorities' share of the post acquisition fair values of the identifiable assets and liabilities of the acquiree. Separate disclosure is made of minority interest.

The gain or loss on disposal of a subsidiary company is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised balance of goodwill on acquisition.

(ii) Associated companies

Associated companies are enterprises in which the Group exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associated companies but not control over those policies. Investments in associated companies are accounted for in the consolidated financial statements by the equity method of accounting.

Equity accounting involves recognising in the income statement the Group's share of the results of associated companies for the financial year. The Group's investments in associated companies are carried in the balance sheet at an amount that reflects its share of the net assets of the associated companies and includes goodwill (net of accumulated amortisation) on acquisition. Equity accounting is discontinued when the carrying amount of the investment in an associated company reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associated company.





SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-31 MARCH 2003 (CONTINUED)

B GROUP ACCOUNTING (CONTINUED)

(ii) Associated companies (continued)

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the asset transferred. Where necessary, in applying the equity method, adjustments are made to the financial statements of associated companies to ensure consistency of accounting policies with those of the Group.

(iii) Transaction costs

External costs directly attributable to an acquisition, other than costs of issuing shares and other capital instruments, are included as part of the cost of acquisition.

C GOODWILL

Goodwill represents the excess of the cost of acquisition of subsidiary and associated companies over the fair value of the Group's share of their identifiable net assets at the date of acquisition.

Goodwill on acquisition of subsidiary companies is included in the balance sheet as intangible assets. Goodwill on acquisition of associated companies is included in investments in associated companies.

Reserve on consolidation represents the excess of the fair value of the Group's share of identifiable net assets acquired over the cost of acquisition. Reserve on consolidation is presented in the same balance sheet classification as goodwill. To the extent that reserve on consolidation relates to expectations of future losses and expenses that are identified in the Group's plan for the acquisition and can be measured reliably, but which do not represent identifiable liabilities, that portion of reserve on consolidation is recognised in the income statement when the future losses and expense are recognised. Any remaining reserve on consolidation, not exceeding the fair values of the non-monetary assets acquired, is recognised in the income statement over the remaining weighted average useful life of those assets; reserve on consolidation in excess of the fair values of those assets is recognised in the income statement immediately.

Goodwill and reserve on consolidation is amortised using the straight line method over its estimated useful economic life of 25 years.

D INVESTMENTS

Investments in subsidiary and associated companies are shown at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Marketable securities (within current assets) are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investment. Cost is derived at on the weighted average basis. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date. Increases / (decreases) in the carrying amount of marketable securities are credited/(charged) to the income statement.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to the income statement.

E OTHER INVESTMENTS

Investments in other non-current investments are shown at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of an investment, such a decline is recognised as an expense in the financial year in which the decline is identified.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-31 MARCH 2003 (CONTINUED)

F INVESTMENT PROPERTY

Investment property comprising freehold land and building is carried at cost and not subject to depreciation.

At each balance sheet date, the Directors will assess the net realisable value of these properties. If there is any indication of impairment, the impairment loss is charged to the income statement directly.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amounts is charged or credited to the income statement.

G PROPERTY, PLANT AND EQUIPMENT

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

Leasehold land and buildings are amortised in equal instalments over the period of the respective leases that ranges from 99 to 999 years. Other property, plant and equipment are depreciated on the straight line basis to write off the cost of the assets over their estimated useful lives. The principal annual rates of depreciation are as follows:

Buildings	2%
Motor vehicles	20%
Office equipment, furniture and fittings	10% to 20%
Machines and tools	20%
Computers and computer software	33 1/3% to 40%
Office renovations	33 1/3%

Depreciation on assets under construction commences when the assets are ready for their intended use.

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

Gain and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss from operations.

H INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods comprises the purchase cost but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

Inventories of completed properties comprise development and land costs incurred apportioned by the relative sales value of the total units of the development.

I CONSTRUCTION CONTRACTS

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract as revenue and expenses respectively. The Group uses the percentage of completion method to determine the appropriate amount of revenue and costs to recognise in a given period; the stage of completion is measured by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total costs for the contract.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; contract costs are recognised when incurred.





SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-31 MARCH 2003 (CONTINUED)

I CONSTRUCTION CONTRACTS (CONTINUED)

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The aggregate of the costs incurred and the profit/loss recognised on each contract is compared against the progress billings up to the financial year end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as amounts due from customers on construction contracts. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amounts due to customers on construction contracts.

J TRADE RECEIVABLES

Trade receivables are carried at invoiced amount less an estimate made for doubtful debts based on a review of outstanding amounts at the financial year end. Bad debts are written off when identified.

K CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks, bank overdrafts and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

L SHARE CAPITAL

(i) Classification

Ordinary shares are classified as equity.

(ii) Share issue costs

External costs directly attributable to the issue of new shares are shown as a deduction, net of tax, from equity proceeds.

(iii) Dividends

Dividends on ordinary shares are recognised as liabilities when approved by the annual general meeting.

M DEVELOPMENT PROPERTY EXPENDITURE

The development costs common to whole projects and direct building costs are carried forward as development property expenditure at cost plus profit accrued to the appropriate stage of completion less progress billings. Development property expenditure is that in which significant work has been undertaken and are expected to be completed within the normal operating cycle of two to three years.

N INTEREST CAPITALISATION

Interest incurred on borrowings related to turnkey contract project, development property expenditure are capitalised during the financial year when activities to prepare and develop the property are carried out.

All other interest on borrowings is expensed when incurred.

O DEFERRED TAXATION

The deferred tax expense is determined on the basis of tax effect accounting using the liability method. Deferred taxation is recognised for timing differences except when there is reasonable evidence that such timing differences will not reverse in the foreseeable future. The tax effect of timing differences that result in a debit balance or a debit to the deferred tax balance is not carried forward unless there is a reasonable expectation of its realisation.

The potential tax saving relating to a tax loss carry forward is only recognised if there is assurance beyond any reasonable doubt that future taxable income will be sufficient for the benefit of the loss to be realised.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-31 MARCH 2003 (CONTINUED)

P HIRE PURCHASE PAYABLES

Hire purchase of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as hire purchase payables.

Assets held under hire purchase agreements are capitalised in the balance sheets and are depreciated in accordance with the policy set out in Note G. Outstanding obligations due under the hire purchase agreements after deducting hire purchase interest are included as liabilities in the financial statements. The interest element of the finance charges is charged to the income statement on a straight line basis over the lease period.

Q PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

The Group recognises the estimated liability to rectify or replace completed construction works under defect or replace construction materials under warranty at the balance sheet date. Provision for warranty and defects is calculated based on past history of the level of warranty and defects.

R REVENUE RECOGNITION

(i) Contract revenue

When the outcome of contracts can be estimated reliably, the total revenue and expenses associated with the contracts are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date. When the outcome of the contracts cannot be estimated reliably, no profit is recognised. Expected losses are recognised as expenses immediately.

The stage of completion of the contract activity is measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the contract.

(ii) Property development

Revenue from property development is recognised upon the sale of properties, both completed and uncompleted. Profit on completed and uncompleted properties contracted for is accrued based on the stage of completion. The stage of completion of the property development activity is measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the development.

(iii) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(iv) Interest income

Interest income is recognised on an accrual basis unless collectibility is in doubt.

(v) Rental income

Rental income is recognised on an accrual basis.

S FOREIGN CURRENCIES

(i) Foreign entities

Income statements of the Group's foreign entities are translated into Ringgit Malaysia at average exchange rates for the financial year and the balance sheets are translated at exchange rates ruling at the balance sheet date. Exchange differences arising from the translation of the net investment in foreign entities is taken to 'Exchange Reserve' in shareholders' equity. On disposal of the foreign entity, such translation differences are recognised in the income statement as part of the gain or loss on disposal.





SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-31 MARCH 2003 (CONTINUED)

S FOREIGN CURRENCIES (CONTINUED)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the Company and are translated accordingly at the exchange rate ruling at the date of the transaction.

(ii) Foreign currency transactions

Foreign currency transactions are accounted for at exchange rates prevailing at the transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the balance sheet date. Exchange differences 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 rate used in translation of foreign currency amounts is as follows:

Foreign currency	<u>31.3.2003</u>	<u>31.3.2002</u>
	RM	RM
1 Singapore Dollar	2.150	2.084

T FINANCIAL INSTRUMENTS

(i) Financial instruments recognised on the balance sheet

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual policy statements associated with each item.

(ii) Fair value

The fair value of publicly traded derivatives and securities is based on quoted market prices at the balance sheet date.

In assessing the fair value of financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices for the specific or similar instruments are used for long term debt. Other techniques, such as estimated discounted value of future cash flows, are used to determine fair value for the remaining financial instruments. In particular, the fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

The face values, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.



NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003

1 GENERAL INFORMATION

The principal activities of the Group are:

- (i) the provision of specialised services in mechanical and electrical works including design, planning and procurement under the following five broad categories:
 - electrical installations;
 - mechanical installations;
 - electrical power supply installations;
 - instrumentation and building automation; and
 - maintenance of electrical and mechanical systems,
- (ii) construction of power plants and transmission lines, property investment and development and undertaking of turnkey construction projects.

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies.

The number of employees in the Group and the Company as at 31 March 2003 were 344 and 10 (2002: 350 and 8) respectively.

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 as follows:

No.43-0-2, Jalan 1/48A
Sentul Perdana
Bandar Baru Sentul
51000 Kuala Lumpur

2 REVENUE AND COST OF SALES

	Group		Company	
	2003	2002	2003	2002
	RM'000	RM'000	RM'000	RM'000
Revenue comprise:				
Construction contracts	111,623	75,564	0	0
Development property	42,088	8,820	0	0
Dividend income	0	0	9,004	2,562
Management fees	0	0	606	288
Rental income	36	18	0	0
	<u>153,747</u>	<u>84,402</u>	<u>9,610</u>	<u>2,850</u>

	Group	
	2003	2002
	RM'000	RM'000
Cost of sales comprise:		
Contract costs	97,000	63,415
Development property costs	37,828	8,164
	<u>134,828</u>	<u>71,579</u>





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

3 PROFIT/(LOSS) FROM OPERATIONS

	Group		Company	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) from operations is arrived at after charging/(crediting) the following:				
Auditors' remuneration				
- statutory audit fees	112	107	8	8
- audit related work	29	51	21	46
- other services	13	13	4	4
Amortisation of reserve on consolidation	(256)	(256)	0	0
Amortisation of goodwill on consolidation	30	49	0	0
Unrealised gain on exchange	0	(2)	0	0
Rental of office premises	740	700	0	0
Technical fees paid/payable to a third party/shareholder	786	227	0	0
Staff costs (including Executive Directors' remuneration)	19,110	18,178	1,865	1,305
Bad debts written off	151	2,043	0	0
Write back of allowance for doubtful debts	(394)	(50)	0	0
Allowance for doubtful debts	2,803	1,630	0	0
Allowance for diminution in value of unquoted investments	105	0	0	0
Property plant and equipment				
- depreciation	1,324	1,425	0	0
- write off	12	0	0	0
- gain on disposal	(37)	(80)	0	0
Gross dividend from a subsidiary company	0	0	(9,004)	(2,562)
Gross dividend from unquoted investments	(1)	0	0	0
Rental income	(25)	(19)	0	0
Interest income	(1,031)	(1,485)	0	0

4 DIRECTORS' REMUNERATION

The aggregate amounts of emoluments receivable by Directors of the Company in respect of the financial year are as follows:

	Group		Company	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
	RM'000	RM'000	RM'000	RM'000
Non-executive Directors:				
- fees	112	95	92	90
- other emoluments	153	0	153	0
Executive Directors:				
- fees	450	272	308	210
- other emoluments	1,881	1,796	887	854
	<u>2,596</u>	<u>2,163</u>	<u>1,440</u>	<u>1,154</u>



NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

5 FINANCE COST

	Group	
	2003	2002
	RM'000	RM'000
Interest expense on:		
- bank overdrafts	412	654
- hire purchase	35	37
- revolving credits	114	177
	<u>561</u>	<u>868</u>

6 TAX

	Group		Company	
	2003	2002	2003	2002
	RM'000	RM'000	RM'000	RM'000
In respect of the current year:				
- Malaysian income tax	(2,752)	(128)	(1,931)	(357)
- foreign tax	0	(475)	0	0
Deferred tax	0	1,419	0	0
	<u>(2,752)</u>	<u>816</u>	<u>(1,931)</u>	<u>(357)</u>
(Under)/overprovision in respect of prior years:				
- Malaysian income tax	0	1,964	0	19
- foreign tax	(1,391)	(438)	0	0
	<u>(4,143)</u>	<u>2,342</u>	<u>(1,931)</u>	<u>(338)</u>

The effective tax rate of the Company is higher than the statutory tax rate as certain expenses are not deductible for tax purposes.

Even though the Group recorded a loss before taxation in the current financial year, the tax liability arises mainly from the non-availability of group relief where tax losses of certain subsidiary companies cannot be set-off against the taxable profits of other subsidiary companies and certain expenses being disallowed for tax purposes.

	Group	
	2003	2002
	RM'000	RM'000
Tax losses:		
Tax savings as a result of the utilisation of current year tax losses for which credit is recognised during the financial year	4	0
Tax losses for which the related tax credit has not been recognised in the financial statements	<u>0</u>	<u>1,683</u>

7 LOSS PER SHARE

(a) Basic loss per share

Basic loss per share of the Group is calculated based on the net loss for the financial year by the weighted average number of ordinary shares in issue during the financial year.

	2003	2002
Net loss for the financial year (RM'000)	(101)	(8,290)
Weighted average number of ordinary shares in issue ('000)	103,827	103,587
Basic loss per share (sen)	<u>(0.10)</u>	<u>(8.00)</u>





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

7 LOSS PER SHARE (CONTINUED)

(b) Diluted loss per share

For the diluted loss per share calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

The Company's dilutive potential ordinary shares are share options granted to employees.

A calculation is done to determine the number of shares that could have been acquired at market price (determined as the average annual share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. This calculation serves to determine the bonus element to the ordinary shares outstanding for the purpose of computing the dilution. No adjustment is made to net loss for the financial year for the share options calculation.

	<u>2003</u>	<u>2002</u>
Net loss for the financial year (RM'000)	(101)	(8,290)
Weighted average number of ordinary shares in issue ('000)	103,827	103,587
Adjustment for share options ('000)	2,060	1,800
Weighted average number of ordinary shares for diluted loss per share ('000)	105,887	105,387
Diluted loss per share (sen)	(0.10)	(7.86)

8 DIVIDENDS

	Group and Company			
	<u>2003</u>		<u>2002</u>	
	<u>Gross dividend per share</u>	<u>Amount of dividend, net of tax</u>	<u>Gross dividend per share</u>	<u>Amount of dividend, net of tax</u>
	Sen	RM'000	Sen	RM'000
Final dividend paid	0	0	2.5	1,869
Proposed final dividend	1.0	748	0	0
	1.0	748	2.5	1,869

A final gross dividend of 1.0 sen less 28% income tax (2002: gross dividend of 2.5 sen less 28% income tax) for the financial year ended 31 March 2003 has been proposed by the Board of Directors for approval by the shareholders at the forthcoming Annual General Meeting. The financial statements do not reflect this final dividend amounting in total to RM748,003 (2002: RM1,869,000), which will only be paid in the financial year ending 31 March 2004 after approval by the shareholders.



NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

9 PROPERTY, PLANT AND EQUIPMENT

<u>Group</u>	<u>Land and buildings</u>	<u>Motor vehicles</u>	<u>Office equipment, furniture and fittings</u>	<u>Machines and tools</u>	<u>Computers and computer software</u>	<u>Office renovations</u>	<u>Capital work in progress</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>2003</u>								
<u>Cost</u>								
As at 1 April 2002	12,465	5,549	2,038	42	3,040	862	312	24,308
Additions	0	816	149	0	266	106	0	1,337
Disposals/written off	0	(1,062)	(1)	0	(5)	0	0	(1,068)
Foreign currency translation	0	77	24	0	8	3	0	112
As at 31 March 2003	12,465	5,380	2,210	42	3,309	971	312	24,689
<u>Accumulated depreciation</u>								
As at 1 April 2002	1,154	3,886	1,696	42	2,796	830	0	10,404
Charge for the financial year	147	648	145	0	316	68	0	1,324
Disposals/written off	0	(864)	(1)	0	(5)	0	0	(870)
Foreign currency translation	0	47	22	0	6	2	0	72
As at 31 March 2003	1,301	3,717	1,862	42	3,113	900	0	10,935
Net book value as at 31 March 2003	11,164	1,663	348	0	196	71	312	13,754
<u>2002</u>								
<u>Cost</u>								
As at 1 April 2001	11,703	5,256	2,550	253	3,299	1,252	855	25,168
Additions	0	843	98	0	132	0	219	1,292
Disposals/written off	0	(528)	(597)	(209)	(386)	(385)	0	(2,105)
Reclassification	762	0	0	0	0	0	(762)	0
Foreign currency translation	0	(22)	(13)	(2)	(5)	(5)	0	(47)
As at 31 March 2002	12,465	5,549	2,038	42	3,040	862	312	24,308
<u>Accumulated depreciation</u>								
As at 1 April 2001	1,007	3,565	2,127	252	2,877	1,199	0	11,027
Charge for the financial year	147	767	180	0	310	21	0	1,425
Disposals/written off	0	(425)	(597)	(209)	(386)	(385)	0	(2,002)
Foreign currency translation	0	(21)	(14)	(1)	(5)	(5)	0	(46)
As at 31 March 2002	1,154	3,886	1,696	42	2,796	830	0	10,404
Net book value as at 31 March 2002	11,311	1,663	342	0	244	32	312	13,904

Capital work in progress as at 31 March 2003 represent progress payments made in respect of one unit of two-storey shop houses under construction.





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Analysis of land and buildings is as follows:-

<u>Group</u>	<u>Freehold land</u> RM'000	<u>Long leasehold land</u> RM'000	<u>Buildings</u> RM'000	<u>Total</u> RM'000
<u>2003</u>				
<u>Cost</u>				
As at 1 April 2002 and 31 March 2003	4,603	1,131	6,731	12,465
<u>Accumulated depreciation</u>				
As at 1 April 2002	0	128	1,026	1,154
Charge for the financial year	0	12	135	147
As at 31 March 2003	0	140	1,161	1,301
Net book value as at 31 March 2003	<u>4,603</u>	<u>991</u>	<u>5,570</u>	<u>11,164</u>
<u>2002</u>				
<u>Cost</u>				
As at 1 April 2002	4,527	1,131	6,045	11,703
Reclassification from capital work in progress	76	0	686	762
As at 31 March 2002	4,603	1,131	6,731	12,465
<u>Accumulated depreciation</u>				
As at 1 April 2001	0	103	904	1,007
Charge for the financial year	0	25	122	147
As at 31 March 2002	0	128	1,026	1,154
Net book value as at 31 March 2002	<u>4,603</u>	<u>1,003</u>	<u>5,705</u>	<u>11,311</u>
			<u>Group</u>	
			<u>2003</u>	<u>2002</u>
			RM'000	RM'000
Asset under hire purchase:				
- motor vehicles:				
additions during the financial year			415	0
net book value at end of the financial year			<u>386</u>	<u>0</u>



NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

10 GOODWILL ON CONSOLIDATION

<u>Group</u>	RM'000
<u>Net book value</u>	
As at 1 April 2001	1,164
Amortisation charge	(49)
	<hr/>
As at 31 March 2002	1,115
Reversal arising from partial disposal of equity interest in a subsidiary company	(541)
Amortisation charge	(30)
	<hr/>
As at 31 March 2003	<u>544</u>
 <u>As at 31 March 2002</u>	
Cost	1,213
Accumulated amortisation	(98)
	<hr/>
Net book value	<u>1,115</u>
 <u>As at 31 March 2003</u>	
Cost	619
Accumulated amortisation	(75)
	<hr/>
Net book value	<u>544</u>

11 INVESTMENT PROPERTY – AT COST

	<u>Group and Company</u>	
	<u>Carrying amount</u> RM'000	<u>Fair value</u> RM'000
Freehold land and building	<u>2,784</u>	*

* It was not practicable due to the constraints of timeliness and cost to estimate the fair value.

12 SUBSIDIARY COMPANIES

	<u>Company</u>	
	<u>2003</u> RM'000	<u>2002</u> RM'000
Unquoted shares, at cost	<u>64,251</u>	<u>72,918</u>





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

12 SUBSIDIARY COMPANIES (CONTINUED)

Details of the subsidiary companies are as follows:

<u>Name of Company</u>	<u>Country of incorporation</u>	<u>Equity interest</u>		<u>Principal activity</u>
		<u>2003</u> %	<u>2002</u> %	
Kejuruteraan Bintai Kinden Sdn Bhd	Malaysia	100	100	Provision of specialised services in electrical and mechanical works including design, planning, procurement and undertaking of turnkey construction and property development projects.
Bintai Kinden Property Sdn Bhd	Malaysia	100	100	Investment holding
Bintai Kinden Integrated Power Engineering Sdn Bhd	Malaysia	100	100	Construction of power plants and transmission lines.
Bintai Winsome Sdn Bhd	Malaysia	100	100	Property development.
* Bintai Facilities Management Sdn Bhd	Malaysia	100	0	Provision of property management services
* Bintai Kinden Pte Ltd	Singapore	51	100	Provision of specialised services in electrical and mechanical works.

* Audited by another firm of auditors

(a) Acquisition of Bintai Facilities Management Sdn Bhd

On 12 December 2002, the Company subscribed for the entire equity interest in Bintai Facilities Management Sdn Bhd. The principal activity of Bintai Facilities Management Sdn Bhd is to carry on the business as property management company to manage the facilities and services of condominiums and apartments.

The effect of the acquisition of Bintai Facilities Management Sdn Bhd of RM2.00 on the financial results of the Group for the financial year ended 31 March 2003 is insignificant.

(b) Partial disposal of equity interest in Bintai Kinden Pte Ltd

On 27 June 2002, the Company completed the disposal of 49% equity interest in Bintai Kinden Pte Ltd comprising 1,715,000 ordinary shares of S\$1.00 each for a total consideration of S\$2,352,000 or approximately RM5,103,840 satisfied by the issuance of 15,680,000 new ordinary shares of S\$0.05 each in MAE Engineering Ltd. at an issue price of S\$0.15 per share.



13 ASSOCIATED COMPANIES

	<u>2003</u> RM'000	<u>2002</u> RM'000
<u>Company</u>		
Unquoted shares, at cost	7,933	12,279
<u>Group</u>		
Share of net (liabilities)/assets other than goodwill of associated companies	(372)	1,889
Goodwill on acquisition	7,382	12,833
	<u>7,010</u>	<u>14,722</u>

Details of the associated companies are as follows:

<u>Name of Company</u>	<u>Country of incorporation</u>	<u>Equity interest</u>		<u>Principal activity</u>
		<u>2003</u> %	<u>2002</u> %	
<u>Held by Bintai Kinden Corporation Berhad:</u>				
Bintai Kinden Education Sdn Bhd	Malaysia	30	30	Education provider
Konsortium CEP Sdn Bhd	Malaysia	30	30	Dormant
Nusantara Exploration & Production Sdn Bhd	Malaysia	20	20	Investment holding
Nusantara Steel Power Sdn Bhd	Malaysia	16	16	Independent power producer for steel industry
<u>Held by Nusantara Exploration & Production Sdn Bhd:</u>				
Nusantara Steel Power Sdn Bhd	Malaysia	11	11	Independent power producer for steel industry
<u>Held by Kejuruteraan Bintai Kinden Sdn Bhd:</u>				
Landas Timur Sdn Bhd	Malaysia	40	40	Dormant
<u>Held by Bintai Kinden Pte Ltd:</u>				
Mostrans Pte Ltd	Singapore	18	36	Warehousing and transport services

The results of Mostrans Pte Ltd are no longer equity accounted for from 1 July 2002 as the Group has ceased to exercise significant influence in the financial and operating policy decision of Mostrans Pte Ltd following the disposal of the Group's 49% equity interest in Bintai Kinden Pte Ltd. The effect of the dilution of interest in the associated company is RM1,384,000.





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

14 OTHER INVESTMENTS

	<u>Group</u>		<u>Company</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
	RM'000	RM'000	RM'000	RM'000
Unquoted investments				
- in Malaysia	13,238	7,255	11,797	7,256
- outside Malaysia	170	165	0	0
Allowance for diminution in value	(105)	0	0	0
	<u>13,303</u>	<u>7,420</u>	<u>11,797</u>	<u>7,256</u>
Quoted investments, at cost				
- outside Malaysia	5,106	0	5,106	0
	<u>18,409</u>	<u>7,420</u>	<u>16,903</u>	<u>7,256</u>
Golf club memberships, at cost	457	454	0	0
	<u>18,866</u>	<u>7,874</u>	<u>16,903</u>	<u>7,256</u>
Quoted investments, at market value	2,025		2,025	
Golf club memberships, at fair value	461		0	
	<u>2,486</u>		<u>2,025</u>	

The market value at the balance sheet date of quoted investments approximated the fair value.

The fair values of the unquoted investments were estimated based on the investees' net tangible assets value. The Directors are of the view that the fair values of these investments at the balance sheet date are not significantly different from the cost shown in the financial statements.

15 LONG TERM RECEIVABLE

During the last financial year, the Company's subsidiary company, Kejuruteraan Bintai Kinden Sdn Bhd ("KBK") entered into a development project with a third party to develop the Sri Rampai public housing project for Dewan Bandaraya Kuala Lumpur. As a turnkey contractor for the project, KBK will only receive the total contract payment at the end of the contract period. The contract sum payment is secured by a bank guarantee.

As a result of this special arrangement, the contract progress claims have been reclassified from trade receivable to long term receivable.

The targeted contract completion date is the end of 2004. The fair value of the contract in progress has been estimated at 8% discounted value of future cash flow.

	<u>Group</u>	
	<u>2003</u>	<u>2002</u>
	RM'000	RM'000
Long term receivable	<u>48,794</u>	<u>27,327</u>

At the balance sheet date, the carrying value of long term receivable represents the fair value. The long term receivable is denominated in Ringgit Malaysia.



16 DEVELOPMENT PROPERTY EXPENDITURE

	Group	
	2003 RM'000	2002 RM'000
Development property expenditure incurred to date	19,129	20,243
Profit attributable to development work performed to date	2,598	964
	21,727	21,207
Progress billings	(16,084)	(3,886)
	5,643	17,321
Included in development expenditure are the following items:		
(i) interest capitalised	138	262
(ii) net reversal of provisions for warranty and defects	37	0
(iii) land cost paid and payable to a jointly controlled operations venturer	0	540

17 INVENTORIES

At cost:

	2003 RM'000	2002 RM'000
Raw material	955	994
Completed properties	2,866	133
	3,821	1,127

18 RECEIVABLES

	Group		Company	
	2003 RM'000	2002 RM'000	2003 RM'000	2002 RM'000
Trade receivables	64,860	37,423	0	0
Allowance for doubtful debts	(6,568)	(4,160)	0	0
	58,292	33,263	0	0
Amounts due from customers on contracts (Note 19)	43,476	32,865	0	0
Amounts due from subsidiary companies	0	0	21,810	18,937
Other receivables	5,620	3,123	192	90
Allowance for doubtful debts	(1,331)	(1,331)	0	0
	4,289	1,792	192	90
Deposits	2,053	1,570	2	102
Prepayments	305	216	29	17
	108,415	69,706	22,033	19,146

The Group and the Company's normal trade credit terms range from 14 to 90 days. Other credit terms are assessed and approved on a case by case basis.

Amounts due from subsidiary companies are unsecured, interest free and have no fixed terms of repayment.





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

18 RECEIVABLES (CONTINUED)

The Group and Company have no significant concentration of credit risk that may arise from exposure to a single customer or large groups of customers other than those classified under non current assets as long term receivable.

The currency exposure profile of trade receivables is as follows:

	<u>Group 2003 RM'000</u>	<u>Company 2003 RM'000</u>
Ringgit Malaysia	40,795	0
Singapore Dollar	17,497	0
	<u>58,292</u>	<u>0</u>

19 AMOUNTS DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	<u>2003 RM'000</u>	<u>Group 2002 RM'000</u>
Aggregate costs incurred to date	132,166	68,573
Attributable profit	16,774	15,675
	<u>148,940</u>	<u>84,248</u>
Progress billings	(110,501)	(56,761)
	<u>38,439</u>	<u>27,487</u>
Represented by:		
Amounts due from customers on contracts (Note 18)	43,476	32,865
Amounts due to customers on contracts (Note 22)	(5,037)	(5,378)
	<u>38,439</u>	<u>27,487</u>
Retention sums	<u>2,402</u>	<u>4,984</u>
Included in contract costs are the following items:		
(i) net reversal of provisions for warranty and defects	781	1,540
(ii) interest on bills payable	249	243
(iii) overdraft /term loan interest	1,495	0



NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

20 CASH AND CASH EQUIVALENTS

	Group		Company	
	2003 RM'000	2002 RM'000	2003 RM'000	2002 RM'000
Deposits with licensed banks	28,597	44,222	0	0
Cash held under Housing Development Accounts	10,200	1,132	0	0
Cash and bank balances	5,461	1,778	222	105
Deposits, bank and cash balances	44,258	47,132	222	105
Bank overdrafts (Note 23)	(13,785)	(16,569)	0	0
Deposits with licensed banks pledged as security (Note 23)	(8,582)	(10,759)	0	0
	21,891	19,804	222	105

The currency exposure profile of deposits, bank and cash balance is as follows:

	Group	Company
	2003 RM'000	2002 RM'000
Ringgit Malaysia	31,818	222
Singapore Dollar	7,989	0
Euro Dollar	3,789	0
Japanese Yen	37	0
US Dollar	625	0
	44,258	222

The weighted average interest rates of deposits, bank and cash balances that were effective as at end of the financial year are as follows:

	Group 2003 %
Deposits with licensed banks	2.04
Cash held under Housing Development Accounts	2.01

Cash held under the Housing Development Accounts consist of receipts from purchasers of residential properties, less payments or withdrawals provided under the Housing Development (Housing Development Account) Regulations 1991.

Deposits of the Group and Company have an average maturity of 45 days. Bank balances are deposits held at call with banks.





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

21 PROVISIONS

<u>Group</u>	<u>Warranty</u> RM'000	<u>Defects</u> RM'000	<u>Total</u> RM'000
At 1 April 2002	2,095	733	2,828
Charged to income statement	540	452	992
Unutilised amount written back	(1,314)	(496)	(1,810)
Foreign currency translation	15	15	30
	<hr/>	<hr/>	<hr/>
At 31 March 2003	1,336	704	2,040
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2003			
Current	459	295	754
Non current	877	409	1,286
	<hr/>	<hr/>	<hr/>
	1,336	704	2,040
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2002			
Current	1,266	448	1,714
Non current	829	285	1,114
	<hr/>	<hr/>	<hr/>
	2,095	733	2,828
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Company makes provision for defects and warranty on contracts and property development and undertakes to rectify or replace completed construction work under defect or replace construction materials under warranty at the balance sheet date. A provision has been recognised at the financial year end for expected claims based on past history of the level of warranty and defects.

22 PAYABLES

	<u>Group</u>		<u>Company</u>	
	<u>2003</u> RM'000	<u>2002</u> RM'000	<u>2003</u> RM'000	<u>2002</u> RM'000
Trade payables	75,266	58,465	0	0
Other payables	10,622	1,156	249	324
Hire purchase payables (Note 24)	183	180	0	0
Accruals	1,163	420	654	80
Amounts due to customers on contracts (Note 19)	5,037	5,378	0	0
Amount due to a subsidiary company	0	0	51	43
	<hr/>	<hr/>	<hr/>	<hr/>
	92,271	65,599	954	447
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The normal trade credit terms granted to the Group range from 30 to 180 days.

The currency exposure profile of payables is as follows:

	<u>Group</u> <u>2003</u> RM'000	<u>Company</u> <u>2002</u> RM'000
	Ringgit Malaysia	61,245
Singapore Dollar	14,021	0
	<hr/>	<hr/>
	75,266	0
	<hr/> <hr/>	<hr/> <hr/>

Amount payable to a subsidiary company is unsecured, interest free and has no fixed terms of repayment.



NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

23 BORROWINGS (INTEREST BEARING)

	<u>2003</u>	<u>Group</u> <u>2002</u>
	RM'000	RM'000
Secured:		
Bills payable	11,528	555
Bank overdrafts	13,785	7,268
Revolving credits	28,370	6,252
	<u>53,683</u>	<u>14,075</u>
Unsecured:		
Bills payable	0	3,259
Bank overdrafts	0	9,301
	<u>53,683</u>	<u>26,635</u>

The borrowings are secured by the pledge of a subsidiary company's deposits with licensed banks (Note 20).

The weighted average effective interest rates at the end of the financial year are as follows:

	<u>Group</u> <u>2003</u>
	%
Bank overdraft	7.75
Revolving credit	5.97
Bills payable	4.75

The currency exposure profile of borrowings is as follows:

	<u>Group</u> <u>2003</u>
	RM'000
Ringgit Malaysia	42,798
Singapore Dollar	10,885
	<u>53,683</u>

24 HIRE PURCHASE PAYABLES

	<u>2003</u>	<u>Group</u> <u>2002</u>
	RM'000	RM'000
Minimum hire purchase payables:		
- not later than one year	217	205
- later than 1 year and not later than 2 years	217	205
- later than 2 years and not later than 5 years	471	297
- later than 5 years	41	24
	<u>946</u>	<u>731</u>
Future finance charges	(152)	(102)
	<u>794</u>	<u>629</u>





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

24 HIRE PURCHASE PAYABLES (CONTINUED)

	<u>2003</u>	<u>Group</u> <u>2002</u>
	RM'000	RM'000
Representing payables:		
- not later than one year	183	180
- later than 1 year and not later than 2 years	183	180
- later than 2 years and not later than 5 years	394	269
- later than 5 years	34	0
	<u>794</u>	<u>629</u>
Current (Note 22)	183	180
Non Current	611	449
	<u>794</u>	<u>629</u>

Hire purchase payables are effectively secured as the rights to the hire purchased asset revert to the financier in the event of default.

Estimated fair value

The fair value of hire purchase payables at balance sheet date is as follows:

	<u>Carrying</u> <u>amount</u>	<u>Group</u> <u>Fair</u> <u>value</u>
	RM'000	RM'000
Hire purchase payables	<u>794</u>	<u>751</u>

25 SHARE CAPITAL

	<u>2003</u>	<u>Company</u> <u>2002</u>
	RM'000	RM'000
Authorised:		
Ordinary shares of RM1.00 each		
At beginning of the financial year	500,000	100,000
Created during the financial year	0	400,000
	<u>500,000</u>	<u>500,000</u>



NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

25 SHARE CAPITAL (CONTINUED)

Employee Share Option Scheme ("ESOS"):

The main features of the ESOS are as follows:

- (i) The total number of ordinary shares to be issued by the Company under the ESOS shall not exceed ten percent (10%) of the total issued and paid-up ordinary shares of the Company.
- (ii) The eligibility for participation in the ESOS is at the discretion of the ESOS Committee. Eligible persons are confirmed employees of the Group, including full-time Executive Directors of the Group who have been employed for at least a continuous period of one (1) year in the Group on or prior to the date of offer and for an employee serving under an employment contract, the contract term should be for a duration of at least three (3) years.
- (iii) No options shall be granted for less than one thousand (1,000) new ordinary shares or more than five hundred thousand (500,000) new ordinary shares unless so adjusted in the event of any alteration in the capital structure of the Company during the option period. The number of new ordinary shares relating to the option so far as unexercised or the option price or both may be adjusted following any alteration in the capital structure of the Company.
- (iv) The option price shall be determined by the weighted average market price of the ordinary shares of the Company for the five (5) market days immediately preceding the date of offer, or at a discount of not more than ten percent (10%) from the 5 day weighted average market price of the underlying shares at the date the option is granted.
- (v) The ESOS shall be in force for a period of five (5) calendar years commencing 16 November 2000.
- (vi) No eligible employees of the Group may participate at any time in more than one (1) ESOS implemented by any one or more companies within the Group.
- (vii) An option granted under the ESOS shall be capable of being exercised by notice in writing to the Company commencing from the dates of the offer which included 8 January 2001, 22 January 2001 and 26 October 2001 and expiring on 15 November 2005. Exercise of the option granted shall not exceed the maximum allowable limit as follows:

Number of new shares granted pursuant to the option and unexercised as at 31.03.2003	Percentage of new shares in respect of which option is exercisable				
	Year 1	Year 2	Year 3	Year 4	Year 5
Below 20,000	100%	-	-	-	-
20,000 to less than 100,000	40% ¹	30%	30% ²	-	-
100,000 and above	20%	20%	20%	20%	20%

1. 40% or 20,000 new shares, whichever is higher
2. 30% or the remaining number of new shares under the unexercised part of the option





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

25 SHARE CAPITAL (CONTINUED)

During the financial year, the movement in the options to take up unissued ordinary shares of RM1.00 each is as follows:

Option Date	Option Price	As at 1.4.2002	Granted during the financial year	Lapsed due to resignation	Exercised	As at 31.3.2003
8.1. 2001	RM3.92	5,933,250	0	2,250	175,000	5,756,000
22.1.2001	RM3.74	250,000	0	0	0	250,000
26.10.2001	RM4.41	62,500	0	0	0	62,500
		6,245,750	0	2,250	175,000	6,068,500

26 RETAINED EARNINGS

Subject to agreement with the relevant tax authorities, the Company has sufficient tax credits under Section 108(6) of the Income Tax Act, 1967 to frank all its retained earnings at 31 March 2003 if paid out as dividends.

The Company has tax exempt income amounting to approximately RM 9,547,000 (2002: RM8,265,000) available for distribution as tax exempt dividends.

27 SIGNIFICANT RELATED PARTY BALANCES AND TRANSACTIONS

The related parties and their relationships with the Group and Company are as follows:

Related companies	Relationship
** Kinden Corporation, Japan	Substantial shareholder
* Bintai Kinden (M) Sdn Bhd	Related to a director
* Artic Building and Civil Engineering Sdn Bhd	Related to a director
* AR Industrial Development Services (M) Sdn Bhd	Related to a director
* Artic Greatwall Sdn Bhd	Related to a director
* Artic Builders (M) Sdn Bhd	Related to a director
* Ong Puay Koon Holdings Sdn Bhd	Related to directors
* Broadband Access (M) Sdn Bhd	Related to directors of subsidiary companies
* Tahan Kinabalu Holdings Sdn Bhd	Related to a director
* RAS Sdn Bhd	Jointly controlled operations venture partner of a subsidiary company
* Bintai Kinden Education Sdn Bhd	Associated company
*** Sun Continental Investment & Trading Pte Ltd	Related to directors
*** Fortuna Development Pte Ltd	Related to directors
* Companies incorporated in Malaysia	
** Company incorporated in Japan	
*** Companies incorporated in Singapore	

During the financial year, the Group and Company undertook various transactions in the normal course of business with its subsidiary companies and with other companies deemed related to the Directors and a substantial shareholder.



NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

27 SIGNIFICANT RELATED PARTY BALANCES AND TRANSACTIONS (CONTINUED)

The significant related party balances at the balance sheet date and significant related party transactions are set out below:

	<u>Transactions</u>		<u>Outstanding balance</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
	RM'000	RM'000	RM'000	RM'000
<u>Receivables</u>				
Contract fees receivable from an associated company, Terra e-Games (M) Sdn Bhd	0	303	0	0
Rental income received from an associated company, Bintai Kinden Education Sdn Bhd	17	18	0	0
Contract fees receivable from a substantial shareholder of the Company, Kinden Corporation, Japan	0	1,875	0	1,875
<u>Payables</u>				
Staff secondment salaries paid and payable to companies related to directors				
- Tahan Kinabalu Holdings Sdn Bhd	8	15	0	0
- Artic Building and Civil Engineering Sdn Bhd	97	92	0	0
Rental paid and payable to companies related to directors				
- Artic Builders (M) Sdn Bhd	17	8	17	0
- Bintai Kindenko (M) Sdn Bhd	48	48	0	0
- Ong Puay Koon Holdings Sdn Bhd	84	84	0	0
- Fortuna Development Pte Ltd	16	15	0	0
- Sun Continental Investment & Trading Pte Ltd	391	381	0	0
Material costs payable to a substantial shareholder of the Company, Kinden Corporation, Japan	91	266	91	0
Technical royalty fees paid or payable to a substantial shareholder of the Company, Kinden Corporation, Japan	786	0	786	0
Contract fees paid and payable to - Artic Greatwall Sdn Bhd	28	318	17	13
Contract fees paid and payable to a company related to directors	2,138	4,350	427	1,486
Share of gross revenue due to a jointly controlled operations venture partner, RAS Sdn Bhd	1,381	1,220	0	(60)

Trade receivables and amounts due from companies related to directors are unsecured, interest free and have no fixed terms of repayment.

Amounts due from/(to) related companies are unsecured, interest free and have no fixed terms of repayment.





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

28 CONTINGENT LIABILITY - UNSECURED

	Company	
	<u>2003</u>	<u>2002</u>
	RM'000	RM'000
Corporate guarantees given to licensed banks for banking facilities extended to subsidiary companies	150,730	95,995

29 COMMITMENTS

	Group	
	<u>2003</u>	<u>2002</u>
	RM'000	RM'000
(i) Commitment for capital expenditure contracted for but not provided for in the financial statements are as follows:		
- Land and buildings	34	34

(ii) Other Commitments

The subsidiary company, Kejuruteraan Bintai Kindenko Sdn Bhd ("KBK") had entered into a Privatisation Agreement on 13 November 2001 with the Datuk Bandar Kuala Lumpur ("DBKL") to carry out a development project at Sentul Perdana, Bandar Baru Sentul, Kuala Lumpur

Under the Privatisation Agreement, KBK is committed to complete the construction of 196 units of partially completed high cost apartments, to construct 1,973 units of medium cost apartments including public amenities and 1 unit of community hall, for the benefit of DBKL with a minimum guaranteed profit of RM5,083,795.

30 SEGMENT REPORTING

The Group is organised into three main business segments:

- (i) Construction - undertake turnkey construction project and mechanical and electrical engineering services
 - (ii) Property development - the development of residential and commercial properties
 - (iii) Investment holding - investment holding and provision of management services
- (a) Primary reporting format - business segments

<u>2003</u>	<u>Property Construction</u> RM'000	<u>Investment development</u> RM'000	<u>holding</u> RM'000	<u>Total</u> RM'000
<u>Sales</u>				
Total sales	111,623	42,088	9,646	163,357
Intersegment sales	0	0	(9,610)	(9,610)
External sales	111,623	42,088	36	153,747



30 SEGMENT REPORTING (CONTINUED)

(a) Primary reporting format - business segments (continued)

<u>2003</u>	<u>Property Construction</u> RM'000	<u>Investment development</u> RM'000	<u>holding</u> RM'000	<u>Total</u> RM'000
<u>Results</u>				
Segment results	4,999	1,286	26	6,311
Unallocated income				6,072
Unallocated costs				(11,624)
Profit from operations				759
Finance cost				(561)
Associated companies				(640)
Profit from ordinary activities before tax				(442)
Tax				(4,143)
Profit from ordinary activities after tax				(4,585)
Minority interest				4,484
Net loss for the financial year				(101)
<u>Other information</u>				
Segment assets	150,431	36,230	26,296	212,957
Associated companies				7,010
Unallocated assets				40,575
Total assets				260,542
Segment liabilities	137,482	9,644	908	148,034
Unallocated assets				1,714
Total liabilities				149,748
Capital expenditure				1,337
Depreciation				1,324
Amortisation of goodwill				136





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

30 SEGMENT REPORTING (CONTINUED)

(a) Primary reporting format - business segments (continued)

	<u>Construction</u> RM'000	<u>Property development</u> RM'000	<u>Investment holding</u> RM'000	<u>Total</u> RM'000
<u>2002</u>				
<u>Sales</u>				
Total sales	75,564	8,820	324	84,708
Intersegment sales	0	0	(306)	(306)
External sales	<u>75,564</u>	<u>8,820</u>	<u>18</u>	<u>84,402</u>
<u>2003</u>				
<u>Results</u>				
Segment results	1,856	376	13	2,245
Unallocated income				2,132
Unallocated costs				(12,119)
Loss from operations				(7,742)
Finance cost				(868)
Associated companies				(2,022)
Profit from ordinary activities before tax				(10,632)
Tax				2,342
Net loss for the financial year				<u>(8,290)</u>
<u>Other information</u>				
Segment assets	110,357	21,102	15,608	147,067
Associated companies				14,722
Unallocated assets				47,303
Total assets				<u>209,092</u>
Segment liabilities	91,088	2,628	407	94,123
Unallocated liabilities				1,642
Total liabilities				<u>95,765</u>
Capital expenditure				1,292
Depreciation				1,425
Amortisation of goodwill				223

Segment assets consist primarily of intangible assets, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities and exclude items such as taxation.



NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

30 SEGMENT REPORTING (CONTINUED)

(b) Secondary reporting format - geographical segments

The Group's business segments are managed in Malaysia and Singapore:

- Malaysia - mainly construction activities
- Singapore - mainly mechanical and electrical engineering services

	Sales		Total assets		Capital expenditure	
	2003	2002	2003	2002	2003	2002
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Malaysia	122,168	68,753	182,843	122,568	1,092	706
Singapore	31,579	15,649	30,114	24,498	245	586
	<u>153,747</u>	<u>84,402</u>	<u>212,957</u>	<u>147,066</u>	<u>1,337</u>	<u>1,292</u>
Associated company			7,010	14,722		
Unallocated assets			40,575	47,304		
			<u>260,542</u>	<u>209,092</u>		

31 FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The operations of the Group are subject to a variety of financial risks, including credit risk, foreign currency exchange risk, interest rate risk, liquidity risk and cash flow risk. The Group has formulated guidelines and policies as well as internal controls which seek to minimise the Group's exposure to risks associated with the financing, investing and operating activities of the Group.

(i) Credit risk

The Group has a credit policy in place to evaluate customers requiring credit over a certain amount or period. Credit risk is further minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's management reporting procedures.

(ii) Foreign currency exchange risk

The Group is not exposed to any significant foreign currency risk, other than its 51% owned subsidiary company, Bintai Kindenko Pte Ltd which operates in Singapore and whose revenue and expenses are denominated exclusively in Singapore Dollar.

(iii) Interest rate risk

The Group's primary interest rate risk relates to interest-bearing debts. The investment in financial assets are mainly short term in nature and they are not held for speculative purposes but have been placed in such investments which yield better returns than cash at bank.

(iv) Liquidity risk and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash and cash equivalents to meet its working capital requirements and prudently balances its portfolio of short term and long term funding requirements.





NOTES TO THE FINANCIAL STATEMENTS-31 MARCH 2003 (CONTINUED)

32 COMPARATIVES

- (i) Comparatives have not been disclosed upon first application of MASB Standard 24 "Financial Instruments: Disclosures and Presentation", as permitted by the Standard.
- (ii) The following receivables comparative have been classified separately under non current assets in the balance sheet of the Group, as the amount is no longer considered as current.

<u>Balance Sheet</u>	<u>As previously stated</u> RM'000	<u>Reclassification</u> RM'000	<u>As restated</u> RM'000
<u>Non current assets</u>			
Long term receivables	0	27,327	27,327
<u>Current assets</u>			
Receivables	97,283	(27,327)	69,956

STATEMENT BY DIRECTORS PURSUANT TO SECTION 169 (15) OF THE COMPANIES ACT, 1965



We, Syed Ahmad Bin Abu Bakar and Dato' Ang Liang Kim, two of the Directors of Bintai Kinden Corporation Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 30 to 65 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 2003 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 28 May 2003.

SYED AHMAD BIN ABU BAKAR
VICE CHAIRMAN

DATO' ANG LIANG KIM
DIRECTOR

Kuala Lumpur

DECLARATION PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT 1965

I, Goh Kong Teng, the officer primarily responsible for the financial management of Bintai Kinden Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 30 to 65 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

GOH KONG TENG

Subscribed and solemnly declared by the abovenamed Goh Kong Teng at Kuala Lumpur in Malaysia on 28 May 2003 before me.

Talib bin Adam
(No.: W352)
Commissioner for Oaths
Lot 2-42, 2nd Floor
The Mall, 100 Jalan Putra,
50350 Kuala Lumpur





REPORT OF THE AUDITORS TO THE MEMBERS OF BINTAI KINDEN CORPORATION BERHAD

We have audited the financial statements set out on pages 30 to 65. 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 of the Company as at 31 March 2003 and of the results and cash flows of the Group and of 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 its subsidiary companies of which we have acted as auditors' have been properly kept in accordance with the provisions of the Act.

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

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

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

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

THAYAPARAN A/L S. SANGARAPILLAI
(No. 2085/09/04 (J))
Partner of the firm

Kuala Lumpur
28 May 2003



LIST OF PROPERTIES HELD

Location	Land Area (Built-up Area)	Tenure	Existing Use	Age of Building	Date of last revaluation/ Date of acquisition	Net Book Value as at 31.03.2003 (RM)
No. 5C, Jalan Semarak 54100 Kuala Lumpur	19,874 sq ft (4,885 sq ft)	Freehold	Use as Training Centre	62 years	14/11/1996	4,134,000
Land H.S. (D) 40596 P.T. 13 Lot 101 Section 94A Kuala Lumpur	20,091 sq ft	Leasehold 99 years expiring 12/10/2080	Investment purposes and no immediate plan	N/A	06/03/1987	216,419
Land H.S. (D) 37660 PN6264 Lot 102 Section 94B Kuala Lumpur	14,079 sq ft	Leasehold 99 years expiring 05/04/2080	Investment purposes and no immediate plan	N/A	31/01/1992	199,896
Lot No. 11 CF02 11th Floor, Block C Kompleks Karamunsing 88300 Kota Kinabalu Sabah	(2,472 sq ft)	Leasehold 99 years expiring 2901	Rented out	17 years	03/02/1986	569,549
Lot 152 & 152A Jalan Jasa 5 Taman Jasa Sg. Tua 68100 Batu Caves Selangor Darul Ehsan	3,036 sq ft (2,622 sq ft)	Freehold	Owner occupied for storage purposes	15 years	19/09/1986	178,447
Lot 19 Jalan Bagan Terap 26/11 Seksyen 26 Kawasan Perindustrian Hicom, Sektor B 40000 Shah Alam Selangor Darul Ehsan	3,900 sq ft (3,150 sq ft)	Freehold	Branch office and warehouse	10 years	19/06/1991	285,117
Lot 21 Jalan Bagan Terap 26/11 Seksyen 26 Kawasan Perindustrian Hicom, Sektor B 40000 Shah Alam Selangor Darul Ehsan	9,248 sq ft (3,150 sq ft)	Freehold	Branch office and warehouse	10 years	19/06/1991	374,307
BL-B/PH-4 Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(5,089 sq ft)	Freehold	To be rented out	9 years	21/12/1991	749,301
BL-A/4/4B Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(1,711 sq ft)	Freehold	Owner occupied for staff	9 years	21/12/1991	378,883





LIST OF PROPERTIES HELD (CONTINUED)

Location	Land Area (Built-up Area)	Tenure	Existing Use	Age of Building	Date of last revaluation/ Date of acquisition	Net Book Value as at 31.03.2003 (RM)
BL-A/7/1B Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(1,711 sq ft)	Freehold	Owner occupied for staff	9 years	21/12/1991	380,531
BL-A/4/3A Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(1,776 sq ft)	Freehold	To be rented out	9 years	21/12/1991	391,232
BL-C/6/2D Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(2,185 sq ft)	Freehold	To be rented out	9 years	27/01/1999	391,426
43-0-1, 43-1-1 43-2-1, 43-2-2 Jalan 1/48A Sentul Perdana Bandar Baru Sentul 51000 Kuala Lumpur	2,560 sq ft (6,440 sq ft)	Leasehold 99 years expiring 19/09/2087	Head Office	7 years	14/12/1994	534,208
43-0-2, 43-1-2 43-2-3, 43-2-4 Jalan 1/48A Sentul Perdana Bandar Baru Sentul 51000 Kuala Lumpur	1,760 sq ft (4,840 sq ft)	Leasehold 99 years expiring 19/09/2087	Head Office	7 years	14/12/1994	490,505
43-0-3, 43-1-3 43-2-5, 43-2-6 Jalan 1/48A Sentul Perdana Bandar Baru Sentul 51000 Kuala Lumpur	1,760 sq ft (4,840 sq ft)	Leasehold 99 years expiring 19/09/2087	Head Office	7 years	14/12/1994	490,505
43-0-4, 43-1-4 43-2-7, 43-2-8 Jalan 1/48A Sentul Perdana Bandar Baru Sentul 51000 Kuala Lumpur	1,760 sq ft (4,840 sq ft)	Leasehold 99 years expiring 19/09/2087	Head Office	7 years	14/12/1994	490,505
Lot No. B3-01-03 Pangsapuri Perdana Jalan Lompat Pagar 13/37 Seksyen 13 40675 Shah Alam Selangor Darul Ehsan	(850 sq ft)	Leasehold 99 years expiring 13/04/2094	To be rented out	3 years	19/03/1999	89,472



LIST OF PROPERTIES HELD (CONTINUED)

Location	Land Area (Built-up Area)	Tenure	Existing Use	Age of Building	Date of last revaluation/ Date of acquisition	Net Book Value as at 31.03.2003 (RM)
Lot No. B3-01-07 Pangsapuri Perdana Jalan Lompat Pagar 13/37 Seksyen 13 40675 Shah Alam Selangor Darul Ehsan	(850 sq ft)	Leasehold 99 years expiring 13/04/2094	To be rented out	3 years	19/03/1999	84,809
No. 294 Jalan MacAlister 10450 Georgetown Penang	28,286 sq ft	Freehold	Investment purposes and no immediate plan	21 years	09/01/2001	2,783,058
12-1 Jalan Kajang Perdana 9 Kajang Perdana 43000 Kajang Selangor Darul Ehsan	(1,191 sq ft)	Leasehold 99 years expiring 27/08/2089	To be rented out	2 years	27/11/2000	108,852
13A-1 Jalan Kajang Perdana 9 Kajang Perdana 43000 Kajang Selangor Darul Ehsan	(1,191 sq ft)	Leasehold 99 years expiring 27/08/2089	To be rented out	2 years	27/11/2000	108,852
16-1 Jalan Kajang Perdana 9 Kajang Perdana 43000 Kajang Selangor Darul Ehsan	(1,191 sq ft)	Leasehold 99 years expiring 27/08/2089	To be rented out	2 years	27/11/2000	108,852
18-1 Jalan Kajang Perdana 9 Kajang Perdana 43000 Kajang Selangor Darul Ehsan	(1,191 sq ft)	Leasehold 99 years expiring 27/08/2089	To be rented out	2 years	21/11/2000	108,852
No. 29 Jalan Kenari 10 Lembah Beringin 44110 Kuala Kubu Baru Selangor Darul Ehsan	1,764 sq ft (3,529 sq ft)	Freehold	Under construction	N/A	09/10/2000	-
No. 2 Jalan Chamar 1B/1 Lembah Beringin 44110 Kuala Kubu Baru Selangor Darul Ehsan	3,993 sq ft (1,625 sq ft)	Freehold	To be rented out	2 years	09/10/2000	200,237
No. 15 Jalan Chamar 1B/3 Lembah Beringin 44110 Kuala Kubu Baru Selangor Darul Ehsan	1,430 sq ft (945 sq ft)	Freehold	To be rented out	2 years	09/10/2000	99,252





ANALYSIS OF SHAREHOLDINGS

ANALYSIS OF SHAREHOLDINGS AS AT 4 JULY 2003

Authorised Share Capital	:	500,000,000 ordinary shares of RM1.00 each
Issued and Fully Paid-up Share Capital	:	103,203,353 ordinary shares of RM1.00 each (Excluding 685,900 Treasury Shares)
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One vote per share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	Number of Holders	Total Holdings	Percentage
Less than 100	9	282	0.00
100 to 1,000	1,141	1,036,425	1.00
1,001 to 10,000	2,157	8,843,325	8.57
10,001 to 100,000	426	11,757,896	11.39
100,001 to less than 5% of issued shares	61	36,109,675	34.99
5% and above of issued shares	3	45,455,750	44.05
	3,797	103,203,353	100.00

THIRTY LARGEST SHAREHOLDERS

	Shareholders	No. of Shares	%
1	Kinden Corporation, Japan	21,348,750	20.69
2	Bintai Holdings (M) Sdn Bhd	18,000,000	17.44
3	Employees Provident Fund Board	6,107,000	5.92
4	UOBM Nominees (Tempatan) Sdn Bhd United Overseas Bank Nominees (Pte) Ltd for Bintai Holdings (M) Sdn Bhd	3,000,000	2.91
5	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Inforlec Sdn Bhd	2,900,000	2.81
6	Thong & Kay Hian Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for MAE Engineering Ltd	2,300,000	2.23
7	Affin-UOB Nominees (Tempatan) Sdn Bhd UOB Kay Hian Pte Ltd for Agronaxis Sdn Bhd	2,211,375	2.14
8	Affin-UOB Nominees (Tempatan) Sdn Bhd UOB Kay Hian Pte Ltd for Harvest Farm Sdn Bhd	2,000,000	1.94
9	HLG Nominee (Asing) Sdn Bhd China Nationalities International Trust and Investment Co.	1,500,000	1.45
10	HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for World Phoenix Fund	1,370,750	1.33
11	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Omega Securities Sdn Bhd	1,246,875	1.21
12	HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for Mahonia Developments Limited	1,193,750	1.16
13	Lembaga Tabung Haji	1,143,750	1.11
14	Insan Ikram Sdn Bhd	1,140,000	1.10
15	Affin-UOB Nominees (Tempatan) Sdn Bhd UOB Kay Hian Pte Ltd for Bintai Holdings (M) Sdn Bhd	1,000,000	0.97
16	Harvest Farm Sdn Bhd	1,000,000	0.97
17	HLG Nominee (Asing) Sdn Bhd HSBC Trustee (Singapore) Limited for The Prajna Charitable Star Trust	1,000,000	0.97
18	Agronaxis Sdn Bhd	788,625	0.76
19	HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for Webvoice International Limited	708,750	0.69
20	Affin-UOB Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for Bin Tai Holdings Pte Ltd	700,000	0.68

ANALYSIS OF SHAREHOLDINGS (CONTINUED)



Shareholders		No. of Shares	%
21	Cartaban Nominees (Asing) Sdn Bhd Credit Suisse Singapore for Luis Investments Limited	660,000	0.64
22	HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for Brilliant Shine Group Limited	635,250	0.62
23	HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for Business Connections Investment Ltd	588,750	0.57
24	Hiah Mui Kiang	429,500	0.42
25	HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for World Phoenix Fund	408,000	0.40
26	Inforlec Sdn Bhd	402,000	0.39
27	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Puay Koon @ Mah Sock Heng	400,000	0.39
28	Hong Leong Finance Berhad Pledged Securities Account for Hon Woh Woh	354,500	0.34
29	Winston Cheong Fook Woh	330,000	0.32
30	PRB Nominees (Tempatan) Sdn. Bhd. Rubber Industry Smallholders Development Authority	328,125	0.32
		75,195,750	72.86

SUBSTANTIAL SHAREHOLDERS

	No of shares held		Percentage	
	Direct	Indirect	Direct	Indirect
Bintai Holdings (M) Sdn Bhd	22,000,000	-	21.32	-
Kinden Corporation	21,348,750	-	20.69	-
Employees Provident Fund Board	6,425,750	-	6.23	-
Ong Puay Koon	535,000	22,000,000	0.52	21.32
Ong Choon Lui	-	22,535,000	-	21.84

DIRECTORS' SHAREHOLDINGS

	No of shares held		Percentage	
	Direct	Indirect	Direct	Indirect
Syed Ahmad bin Abu Bakar	15,000	-	0.01	-
Ong Puay Koon	535,000	22,000,000	0.52	21.32
Dato' Ang Liang Kim	128,125	-	0.12	-
Tan Hee Chai	15,000	-	0.01	-
YB Dato' Hamzah bin Zainudin	37,500	-	0.04	-
Teo Tong Kooi	200,000	-	0.19	-
Kenji Tamura	15,000	-	0.01	-
Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali	-	15,000	-	0.01
Ong Choon Lui	-	22,535,000	-	21.84
Peter John Farrar	-	-	-	-



BINTAI KINDEN CORPORATION BERHAD
(290870-P)
(INCORPORATED IN MALAYSIA)

No. of shares held	
--------------------	--

I/We _____
of _____
being a member/members of the abovenamed Company, hereby appoint _____
_____ of _____
or failing him/her _____
of _____
or failing him/her THE CHAIRMAN OF THE MEETING as my/our proxy, to vote for me/us and on my/our behalf at the Ninth Annual General Meeting of the Company, to be held at Grand Prince Ballroom, Level 3, Prince Hotel & Residence Kuala Lumpur, Jalan Conlay, 50450 Kuala Lumpur on Wednesday, 27 August, 2003 at 12.00 noon and at any adjournment thereof.

No.	Resolution	For	Against
1.	Adoption of Reports and Financial Statements		
2.	Approval of Dividend		
3.	Re-election of Dato' Ang Liang Kim as Director		
4.	Re-election of Tan Hee Chai as Director		
5.	Re-election of Kenji Tamura as Director		
6.	Re-election of Teo Tong Kooi as Director		
7.	Re-appointment of Syed Ahmad bin Abu Bakar as Director		
8.	Approval of Directors' fees		
9.	Re-appointment of PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration		
10.	Ordinary Resolution No. 1 – Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965		
11.	Ordinary Resolution No. 2 - Proposed Shares Buy-Back		

Please indicate with an "X" against each resolution how you wish your proxy to vote. In the absence of specific directions, the proxy will vote or abstain at his discretion.

Dated this _____ day of _____ 2003 Signature _____

Notes :

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy/proxies to attend and vote on his behalf. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. Where a member appoints two or more proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hands of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal, or the hand of its attorney duly authorised.
4. The Proxy Form must be deposited at the Registered Office of the Company at No. 43-0-2, Jalan 1/48A, Sentul Perdana, Bandar Baru Sentul, 51000 Kuala Lumpur not less than forty-eight hours before the time fixed for the meeting or any adjournment thereof.

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STAMP

Bintai Kinden Corporation Berhad (290870-P)
No. 43-0-2, Jalan 1/48A
Sentul Perdana
Bandar Baru Sentul
51000 Kuala Lumpur

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