

Company No. : 29579 - T

**GAMUDA BERHAD**  
**Company No. : 29579 - T**  
**(Incorporated in Malaysia)**

**ACCOUNTS AS AT 31 JULY, 2000**  
**TOGETHER WITH DIRECTORS' AND AUDITORS' REPORTS**

GAMUDA BERHAD  
Company No. : 29579 - T  
(Incorporated in Malaysia)

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GAMUDA BERHAD  
(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors hereby submit their report together with the audited accounts of the Company and of the Group for the financial year ended 31 July, 2000.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and civil engineering construction.

The principal activities of the subsidiaries are described in Note 11 to the accounts.

There have been no significant changes in these activities during the financial year except for the activities of the new subsidiaries.

RESULTS

	<u>Group</u> RM'000	<u>Company</u> RM'000
Profit before taxation	206,062	114,871
Taxation	<u>(57,321)</u>	<u>(29,539)</u>
Profit after taxation and before minority interests	<u>148,741</u>	<u>85,332</u>

DIVIDENDS

The amount of dividends paid by the Company since 31 July, 1999 were as follows:

RM'000

In respect of the financial year ended 31 July, 1999

Interim dividend of 6% less 28% taxation paid on 30 April, 1999	12,528
Final dividend of 6% tax exempted paid on 26 January, 2000	<u>18,484</u>

In respect of the financial year ended 31 July, 2000

Interim dividend of 4% tax exempted (based on enlarged capital after one for one bonus issue in March, 2000) paid on 15 May, 2000	<u>26,012</u>
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The directors recommend a final dividend of 4% tax exempted amounting to RM26,608,000 in respect of the current financial year.

### RESERVES AND PROVISIONS

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

### BAD AND DOUBTFUL DEBTS

Before the income statements and balance sheets were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amounts written off for bad debts or the amount of provision for doubtful debts in the accounts of the Company and of the Group inadequate to any substantial extent.

### CURRENT ASSETS

Before the income statements and balance sheets were made out, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business their values as shown in the accounting records of the Company and of the Group have 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 which would render the values attributed to the current assets in the accounts of the Company and of the Group misleading.

### VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Company and of the Group misleading or inappropriate.

### CONTINGENT AND OTHER LIABILITIES

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

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

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

### CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the accounts of the Company or of the Group which would render any amount stated in the accounts misleading.

### ITEMS OF AN UNUSUAL NATURE

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

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, in the opinion of the directors, to affect substantially the results of the operations of the Company or of the Group for the financial year in which this report is made.

### SIGNIFICANT EVENTS

During the financial year,

- (a) the Company subscribed for 240,000 ordinary shares of RM1.00 each representing 80% of the issued and paid-up share capital in Valencia Development Sdn. Bhd. (formerly known as Seni Pasifik Sdn. Bhd.)
- (b) the Company subscribed for 750,000 ordinary shares of RM1.00 each and 20,000 redeemable preference shares of RM1.00 each representing 100% of the issued and paid-up share capital in Gamuda Engineering Sdn. Bhd.
- (c) the Company acquired 7,859,189 ordinary shares of RM1.00 each representing 43.78% of the issued and paid-up share capital in Dyna Plastics Sdn. Bhd. for a total consideration of RM67,997,000.
- (d) the Company subscribed for additional 1,055,665 ordinary shares of RM1.00 each in Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd.
- (e) the Company's subsidiary, Valencia Development Sdn. Bhd. (formerly known as Seni Pasifik Sdn. Bhd.), acquired a piece of land for the purpose of property development amounting to RM86,000,000 for cash.
- (f) the issued and paid-up share capital of the Company was increased to RM665,190,672 via the following:
  - (1) Issuance of 18,998,578 new ordinary shares of RM1.00 each arising from the exercise of warrants 1995/2000 at the exercise price of RM3.51 per share and 24,249 new ordinary shares of RM1.00 each arising from the exercise of warrants 1996/2006 at the exercise price of RM8.60 per share (adjusted to RM4.30 per share after one for one bonus issue during the year) for cash in accordance with the provisions of the Deed Poll constituting the warrants dated 12 January, 1995.

- (2) Issuance of 28,150,000 new ordinary shares of RM1.00 each pursuant to the exercise of Employees' Share Option Scheme at prices between RM2.66 to RM9.65 (before one for one bonus issue).
- (3) Issuance of 322,213,836 new ordinary shares of RM1.00 each pursuant to the one for one bonus issue on 3 March, 2000.

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

- (g) the Company announced to the Kuala Lumpur Stock Exchange the following corporate proposals:
- (1) Proposed issue of RM400,000,000 nominal value 7 year 3% Redeemable Unsecured Bonds.
  - (2) Proposed Rights Issue of up to 185,724,779 warrants at an issue price to be determined later on the basis of one (1) new warrant for every four (4) existing ordinary shares of RM1.00 each held in the Company.
  - (3) Proposed Restricted Issue of 10,000,000 warrants to key management staff of the Company and its subsidiaries.
  - (4) Proposed Employees' Share Option Scheme for eligible employees and Executive Directors of the Company and its subsidiaries.

#### SUBSEQUENT EVENTS

On 7 September, 2000, the Securities Commission approved the aforementioned Proposed Bond Issue, Proposed Rights Issue of warrants, Proposed Restricted Issue of warrants and Proposed Employees Share Option Scheme.

On 28 September, 2000, the Board of Directors decided to abort the Restricted Issue of 10,000,000 warrants and approved a maximum number of 185,460,328 warrants to be issued pursuant to the Proposed Rights Issue of warrants instead of the quantum of warrants as previously announced.

On 13 October, 2000, the issued and paid-up share capital of a subsidiary, GB Kuari Sdn. Bhd. was increased from RM500,000 comprising 500,000 ordinary shares of RM1.00 each to RM750,000 comprising 750,000 ordinary shares of RM1.00 each.

#### WARRANTS

The Warrants 1995/2000 are constituted by a Deed Poll dated 12 January, 1995 executed by the Company for the holders of the Warrants 1995/2000.

The Warrants 1995/2000 may be exercised at any time on and after 18 January, 1995 up to 17 January, 2000. Each Warrant 1995/2000 carries the entitlement to subscribe for one new ordinary share of RM1.00 in the Company at an exercise price of RM3.51 each, which have been adjusted in accordance with the provisions in the Deed Poll from RM8.50 previously. Any Warrants 1995/2000 which have not been exercised at the date of maturity will lapse and cease to be valid for any purpose.

The shares arising from the exercise of Warrants 1995/2000 shall rank pari passu in all respects with the ordinary shares of the Company except that they shall not be entitled to any rights, dividends or other distributions unless the exercise of Warrants 1995/2000 was effected before the book closure of the share registers for the determination of the entitlement to such rights or distributions.

All Warrants 1995/2000 have been exercised on the expiry dated 17 January, 2000.

The Warrants 1996/2001 are constituted by a Deed Poll dated 30 December, 1996 executed by the Company for the holders of the Warrants 1996/2001. In 1997, the subscription period was extended for a further period of five (5) years from 29 December, 2001 to 29 December, 2006.

The Warrants 1996/2006 may be exercised at any time on and after 30 December, 1996 up to 29 December, 2006. Each Warrant 1996/2006 carries the entitlement to subscribe for one new ordinary share of RM1.00 in the Company at an exercise price of RM4.30 each (after one for one bonus issue during the year), which are subject to adjustment in accordance with the provisions in the Deed Poll. Any Warrants 1996/2006 which have not been exercised at the date of maturity will lapse and cease to be valid for any purpose.

The shares arising from the exercise of Warrants 1996/2006 shall rank pari passu in all respects with the ordinary shares of the Company except that they shall not be entitled to any rights, dividends or other distributions unless the exercise of Warrants 1996/2006 was effected before the book closure of the share registers for the determination of the entitlement to such rights or distributions.

As at the balance sheet date, the total number of Warrants 1996/2006 which remain unexercised amounted to 76,650,642 units.

#### EMPLOYEES' SHARE OPTION SCHEME (ESOS)

In the financial year ended 31 July, 1995, the Company implemented the Gamuda Berhad Employees' Share Option Scheme. Pursuant to the Scheme, options to subscribe for 9,050,854 new ordinary shares of RM1.00 each were granted to eligible employees.

The principal features of the ESOS are as follows:

- (i) Eligible persons are any employee of the Group (other than a part time or contract employee) who has been confirmed in writing as a full time employee of the Group and any Executive Director or Subsidiary Executive Director who has been in the employment of the Group for at least one year in the case of Malaysians and at least five years in the case of non-Malaysians prior to the Date of Offer and who falls within the description of any of the categories of employees set out in Clause 6 of the by-laws.

- (ii) The total number of shares to be offered shall not exceed 10% of the issued and paid-up share capital of the Company at any time.
- (iii) The Scheme shall be in force for a period of 5 years from 17 July, 1995.
- (iv) The subscription price under the Scheme shall be the average of the mean market quotation of the shares as shown in the Daily Official List issued by the Kuala Lumpur Stock Exchange for the 5 market days immediately preceding the date of offer of the options or at par value of the share, whichever is higher.
- (v) The options granted under the Scheme are not assignable.
- (vi) The new shares allotted upon any exercise of the option shall rank pari passu in all respects with the then existing issued and paid-up ordinary shares of the Company.

The above ESOS expired on 16 July, 2000.

#### DIRECTORS

The directors who served since the date of the last report are:

Y.Bhg. Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim  
Y.Bhg. Dato' Lin Yun Ling  
Y.A.M. Raja Dato' Seri Eleena Azlan Shah  
Chan Kuan Nam @ Chan Yong Foo  
Heng Teng Kuang  
Ng Kee Leen  
Goon Heng Wah  
Y.Bhg. Dato' Kamarul Zaman bin Mohd Ali  
Ha Tiing Tai  
Wong Chin Yen  
Saw Wah Theng

In accordance with the Company's Articles of Association, Y.Bhg. Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim, Heng Teng Kuang and Wong Chin Yen retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

#### DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company or its subsidiaries is a party with the object 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.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Notes 19 and 20 to the accounts or the fixed salary of a full time employee of the Company) by reason of a contract made by the Company or a related corporation with 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 interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	<u>Number of Ordinary Shares of RM1.00 Each</u>					
	<u>1 August, 1999</u>	<u>Conversion of warrants</u>	<u>ESOS</u>	<u>Bonus issue</u>	<u>Sold</u>	<u>31 July, 2000</u>
<u>Gamuda Berhad</u>						
<u>Direct Holding</u>						
Y. Bhg. Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim	412,914	-	-	412,914	-	825,828
Y. Bhg. Dato' Lin Yun Ling	28,368,409	-	112,000	28,368,409	-	56,848,818
Chan Kuan Nam @ Chan Yong Foo	9,703,831	400	45,000	9,089,231	660,000	18,178,462
Heng Teng Kuang	9,031,997	100,400	90,000	7,292,397	1,840,000	14,674,794
Ng Kee Leen	6,721,057	570,000	434,000	7,291,057	500,000	14,516,114
Goon Heng Wah	5,952,979	15,600	434,000	5,518,579	450,000	11,471,158
Ha Tiing Tai	6,704,969	-	234,000	6,678,969	170,000	13,447,938
Y. Bhg. Dato' Kamarul Zaman bin Mohd Ali	600,000	-	498,000	500,000	100,000	1,498,000
Saw Wah Theng	-	-	540,000	-	-	540,000

	<u>Number of Ordinary Shares of RM1.00 Each</u>					
	<u>1 August, 1999</u>	<u>Conversion of Warrants</u>	<u>ESOS</u>	<u>Bonus issue</u>	<u>Sold</u>	<u>31 July, 2000</u>
<u>Indirect Holding</u>						
Y.A.M. Raja Dato' Seri Eleena Azlan Shah*	46,230,864	12,600	-	46,243,464	-	92,486,928

\* Indirect interest held through Generasi Setia (M) Sdn Bhd.

Employees' Share Option Scheme:

	1 August, <u>1999</u>	<u>Number of Options</u>			31 July, <u>2000</u>
		<u>Addition</u>	<u>Bonus issue</u>	<u>Exercised</u>	
Y. Bhg. Dato' Lin Yun Ling	-	56,000	56,000	112,000	-
Chan Kuan Nam @ Chan Yong Foo	-	56,000	11,000	45,000	22,000
Heng Teng Kuang	-	56,000	56,000	90,000	22,000
Ng Kee Leen	172,800	56,000	228,800	434,000	23,600
Goon Heng Wah	172,800	56,000	228,800	434,000	23,600
Ha Tiing Tai	144,000	56,000	56,000	234,000	22,000
Y. Bhg. Dato' Kamarul Zaman bin Mohd Ali	204,000	56,000	260,000	498,000	22,000
Saw Wah Theng	214,200	68,000	282,200	540,000	24,400

Warrants: (1995/2000)

		<u>Number of Warrants</u>		
	1 August, <u>1999</u>	<u>Bought</u>	<u>Sold</u>	31 July, <u>2000</u>
<u>Direct Holding</u>				
Ng Kee Leen	570,000	-	570,000	-

Each warrant entitles the registered holder to subscribe for one (1) new share in the Company at any time of five (5) years following the date of issue on 17 January, 1995.

Warrants: (1996/2006)

	<u>Number of Warrants</u>			
	1 August, <u>1999</u>	Bonus <u>issue</u>	<u>Sold</u>	31 July, <u>2000</u>
<u>Direct Holding</u>				
Y. Bhg. Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim	55,055	55,055	-	110,110
Y. Bhg. Dato' Lin Yun Ling	4,026,721	4,026,721	-	8,053,442
Chan Kuan Nam @ Chan Yong Foo	1,978,666	1,978,666	-	3,957,332
Heng Teng Kuang	1,776,538	1,776,538	-	3,553,076
Ng Kee Leen	1,144,000	1,144,000	-	2,288,000
Goon Heng Wah	894,079	894,079	-	1,788,158
Ha Tiing Tai	852,000	852,000	-	1,704,000
Y.Bhg. Dato' Kamarul Zaman bin Mohd Ali	86,000	86,000	-	172,000

Indirect Holding

Y.A.M. Raja Dato' Seri Eleena Azlan Shah*	6,862,000	6,862,000	-	13,724,000
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\* Indirect interest held through Generasi Setia (M) Sdn. Bhd.

Each warrant entitles the registered holder to subscribe for one (1) new share in the Company at any time within ten (10) years following the date of issue on 30 December, 1996.

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

NUMBER OF EMPLOYEES AND REGISTERED OFFICE

The average number of employees in the Group was 948 in 2000 and 838 in 1999. The registered office of the Group is located at 55-61, Jalan SS22/23, Damansara Jaya, 47400 Petaling Jaya.

AUDITORS

Arthur Andersen & Co. retire and have indicated their willingness to accept re-appointment.

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

Y.BHG. TAN SRI DATO' IR. TALHA BIN  
HAJI MOHD HASHIM  
Chairman

SAW WAH THENG  
Finance Director

Petaling Jaya  
Dated: 20 October, 2000

GAMUDA BERHAD  
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

We, Y. BHG. TAN SRI DATO' IR. TALHA BIN HAJI MOHD HASHIM and SAW WAH THENG, being two of the directors of GAMUDA BERHAD, do hereby state that, in the opinion of the directors, the accompanying balance sheets of the Company and of the Group as at 31 July, 2000 and the statements of changes in equity, income and cash flow statements of the Company and of the Group for the year then ended, together with the notes thereto, give a true and fair view of the state of affairs of the Company and of the Group as at 31 July, 2000 and of the results and cash flows of the Company and of the Group for the year then ended, and have been properly drawn up in accordance with applicable approved accounting standards in Malaysia.

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

Y. BHG. TAN SRI DATO' IR. TALHA  
BIN HAJI MOHD HASHIM

SAW WAH THENG

Petaling Jaya  
Dated: 20 October, 2000

STATUTORY DECLARATION

I, SAW WAH THENG, the director primarily responsible for the financial management of GAMUDA BERHAD, do solemnly and sincerely declare that the accompanying balance sheets of the Company and of the Group as at 31 July, 2000 and statements of changes in equity, income and cash flow statements of the Company and of the Group for the year then ended, together with the notes thereto are, to the best of my knowledge and belief correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by	)	
the abovenamed SAW WAH THENG	)	
at Petaling Jaya in Selangor Darul	)	
Ehsan on 20 October, 2000	)	SAW WAH THENG

Before me:

Commissioner for Oaths

AUDITORS' REPORT

To the Shareholders of  
GAMUDA BERHAD

We have audited the accounts of GAMUDA BERHAD ("the Company") and the consolidated accounts of GAMUDA BERHAD AND ITS SUBSIDIARIES ("the Group") as at 31 July, 2000. These accounts are the responsibility of the Company's directors. Our responsibility is to express an opinion on these accounts based on our audit.

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

In our opinion,

- (a) the accounts give a true and fair view of the state of affairs of the Company and of the Group as at 31 July, 2000 and of the results and cash flows of the Company and of the Group for the year then ended, and have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries, have been properly kept in accordance with the provisions of the Act.

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

Company No. : 29579 - T

The audit reports on the accounts of the subsidiaries were not subject to any qualification or any adverse comment made under subsection (3) of section 174 of the Act.

Arthur Andersen & Co.  
No. AF 0103  
Public Accountants

Abraham Verghese a/l T.V. Abraham  
No. 1664/10/02(J)  
Partner of the Firm

Dated: 20 October, 2000

**GAMUDA BERHAD**  
(Incorporated in Malaysia)

**BALANCE SHEETS - 31 JULY, 2000**

		<u>Group</u>		<u>Company</u>	
	<u>Note</u>	<u>2000</u> RM'000	<u>1999</u> RM'000	<u>2000</u> RM'000	<u>1999</u> RM'000
<b>CURRENT ASSETS</b>					
Cash and bank balances		3,874	6,041	1,738	5,034
Deposits	3	167,204	209,503	100,190	159,457
Debtors	4	173,535	280,659	334,815	311,282
Stocks	5	15,347	5,188	1,012	-
Development properties	6	99,967	-	-	-
Amount due from customers for construction contracts	7	32,293	3,324	3,009	3,324
		<u>492,220</u>	<u>504,715</u>	<u>440,764</u>	<u>479,097</u>
<b>CURRENT LIABILITIES</b>					
Bank borrowings	8	10,691	7,047	-	-
Bonds	16 (a)	-	75,000	-	75,000
Creditors	9	93,208	68,982	81,979	76,433
Amount due to customers for construction contracts	7	27,200	29,766	26,985	24,890
Taxation		25,901	9,426	21,038	4,765
Proposed dividend		26,727	17,827	26,727	17,827
		<u>183,727</u>	<u>208,048</u>	<u>156,729</u>	<u>198,915</u>
NET CURRENT ASSETS		308,493	296,667	284,035	280,182
OTHER INVESTMENTS	10	3,975	3,973	718	773
SUBSIDIARIES	11	-	-	69,540	65,410
ASSOCIATED COMPANIES	12	776,184	532,620	588,665	398,836
FIXED ASSETS	13	125,005	117,719	61,344	59,992
NET GOODWILL ARISING ON CONSOLIDATION	14	5,211	5,459	-	-
		<u>1,218,868</u>	<u>956,438</u>	<u>1,004,302</u>	<u>805,193</u>
Financed by:					
SHARE CAPITAL	15	665,191	295,904	665,191	295,904
RESERVES		407,424	515,975	213,843	383,877
		1,072,615	811,879	879,034	679,781
MINORITY INTERESTS		18,490	16,595	-	-
LONG TERM LIABILITIES	16	127,763	127,964	125,268	125,412
		<u>1,218,868</u>	<u>956,438</u>	<u>1,004,302</u>	<u>805,193</u>

The accompanying notes are an integral part of these balance sheets.

**GAMUDA BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 JULY, 2000**

<u>Group</u>	<u>Share capital</u> RM'000	<u>Share premium</u> RM'000	<u>Retained profits</u> RM'000	<u>Total</u> RM'000
At 31 July, 1998	289,696	170,298	218,099	678,093
Conversion of warrants	1,617	4,304	-	5,921
Exercise of ESOS	4,491	15,231	-	19,722
Share application monies	100	-	-	100
Net profit for the year	-	-	138,328	138,328
Dividends (Note 23)	-	-	(30,285)	(30,285)
At 1 August, 1999	295,904	189,833	326,142	811,879
Conversion of warrants	19,023	47,625	-	66,648
Exercise of ESOS	28,150	72,573	-	100,723
Allotment of bonus shares	322,214	-	-	322,214
Conversion for bonus issue	-	(270,992)	(51,222)	(322,214)
Share application monies	(100)	-	-	(100)
Net profit for the year	-	-	146,815	146,815
Dividends (Note 23)	-	-	(53,350)	(53,350)
At 31 July, 2000	<u>665,191</u>	<u>39,039</u>	<u>368,385</u>	<u>1,072,615</u>
<u>Company</u>				
At 31 July, 1998	289,696	170,298	151,860	611,854
Conversion of warrants	1,617	4,304	-	5,921
Exercise of ESOS	4,491	15,231	-	19,722
Share application monies	100	-	-	100
Net profit for the year	-	-	72,469	72,469
Dividends (Note 23)	-	-	(30,285)	(30,285)
At 1 August, 1999	295,904	189,833	194,044	679,781
Conversion of warrants	19,023	47,625	-	66,648
Exercise of ESOS	28,150	72,573	-	100,723
Allotment of bonus shares	322,214	-	-	322,214
Conversion for bonus issue	-	(270,992)	(51,222)	(322,214)
Share application monies	(100)	-	-	(100)
Net profit for the year	-	-	85,332	85,332
Dividends (Note 23)	-	-	(53,350)	(53,350)
At 31 July, 2000	<u>665,191</u>	<u>39,039</u>	<u>174,804</u>	<u>879,034</u>

The accompanying notes are an integral part of these statements.



**GAMUDA BERHAD**  
(Incorporated in Malaysia)

**INCOME STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY, 2000**

		<u>Group</u>		<u>Company</u>	
	<u>Note</u>	<u>2000</u> RM'000	<u>1999</u> RM'000	<u>2000</u> RM'000	<u>1999</u> RM'000
Revenue		815,833	510,428	577,397	266,362
Share of associated companies' revenue		(178,345)	(194,914)	-	-
Revenue excluding associated companies' revenue	17	637,488	315,514	577,397	266,362
Other operating income	18	8,527	9,532	10,788	7,514
Changes in stock of finished goods and work in progress		(13,627)	(2,797)	1,012	-
Raw materials and consumables		(29,609)	(22,887)	-	-
Construction contract costs recognised as contract expenses	7	(433,359)	(150,181)	(456,632)	(169,134)
Production overhead		(2,346)	(1,726)	-	-
Staff costs	19	(18,989)	(34,773)	(13,232)	(28,752)
Depreciation		(10,410)	(14,267)	(2,527)	(2,536)
Other operating expenses	20	(16,311)	(40,696)	(5,516)	(13,457)
Profit from operations		121,364	57,719	111,290	59,997
Net finance income	21	5,318	11,504	3,581	8,218
Share of profit of associated companies		79,380	73,810	-	-
Profit before taxation		206,062	143,033	114,871	68,215
Taxation	22	(57,321)	(2,002)	(29,539)	4,254
Profit after taxation and before minority interests		148,741	141,031	85,332	72,469
Minority interests		(1,926)	(2,703)	-	-
Net profit for the year		<u>146,815</u>	<u>138,328</u>	<u>85,332</u>	<u>72,469</u>
Earnings per share	24				
Basic earnings per share		23 sen	24 sen		
Fully diluted earnings per share		<u>22 sen</u>	<u>22 sen</u>		

The accompanying notes are an integral part of these statements.

GAMUDA BERHAD  
(Incorporated in Malaysia)

CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY, 2000

	<u>2000</u> RM'000	<u>1999</u> RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	206,062	143,033
Adjustments for:		
Attributable profits on construction contracts	(95,254)	(95,294)
Depreciation	10,410	14,267
Fixed assets written off	537	359
Bad debts written off	-	380
Gain on foreign exchange	(17)	-
Loss on disposal of investments	-	1,084
Provision for contingency	-	4,700
Provision for retirement benefits	94	4,238
Provision for diminution in value of investment	-	500
Provision for doubtful debts	263	2,844
Provision for stock obsolescence	18	-
Writeback of provision for diminution in value of investment	(57)	-
Gain on disposal of fixed assets	(875)	(546)
Stocks written off	19	18
Share of associated companies' profits	(79,380)	(73,810)
Net goodwill on consolidation amortised	248	25
Interest income	(11,363)	(18,990)
Dividend income	(4,783)	(74)
Interest expense	6,045	7,486
Operating profit/(loss) before working capital changes	31,967	(9,780)
Decrease/(increase) in working capital:		
Stocks	(10,196)	2,080
Debtors	106,860	(192,174)
Development properties	(99,967)	-
Net amount due from/to customers for construction contract	63,719	122,945
Creditors	24,298	(10,929)
Cash generated from/(used in) operations	116,681	(87,858)
Dividend received from associated companies	3,031	-
Income taxes paid	(18,382)	(20,356)
Interest paid	(6,045)	(7,486)
Retirement benefits paid	(144)	(28)
Net cash generated from/(used in) operating activities	95,141	(115,728)

	<u>2000</u> RM'000	<u>1999</u> RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of investments	35	13,575
Purchase of other investments	-	(721)
Purchase of fixed assets	(24,979)	(6,513)
Proceeds from sale of fixed assets	7,621	1,059
Investment in associated companies	(189,829)	(59,924)
Interest received	11,363	18,990
Dividend received from investments	4,783	74
Net cash used in investing activities	<u>(191,006)</u>	<u>(33,460)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from conversion of warrants	66,550	5,920
Share application monies	-	100
Proceeds from ESOS	100,721	19,722
Dividend paid to shareholders	(44,450)	(25,002)
Dividend paid to minority shareholders	(66)	(66)
Repayment of bonds	(75,000)	-
Net cash generated from financing activities	<u>47,755</u>	<u>674</u>
Net decrease in cash and cash equivalents	(48,110)	(148,514)
Cash and cash equivalents at 1 August	<u>208,497</u>	<u>357,011</u>
Cash and cash equivalents at 31 July	<u><u>160,387</u></u>	<u><u>208,497</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances	3,874	6,041
Fixed deposits	167,204	209,503
Bank borrowings	(10,691)	(7,047)
	<u><u>160,387</u></u>	<u><u>208,497</u></u>

The accompanying notes are an integral part of this statement.

GAMUDA BERHAD  
(Incorporated in Malaysia)

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY, 2000

	<u>2000</u> RM'000	<u>1999</u> RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	114,871	68,215
Adjustments for :		
Attributable profits on construction contracts	(60,991)	(32,552)
Depreciation	2,527	2,536
Fixed assets written off	150	145
Bad debts written off	-	165
Provision for retirement benefits	-	4,140
Provision for doubtful debts	-	2,000
Provision for project contingencies	-	4,700
Gain on disposal of fixed assets	(508)	(165)
Interest income	(9,226)	(15,080)
Dividend income	(4,573)	(4,440)
Interest expense	5,645	6,862
Operating profit before working capital changes	47,895	36,526
Stocks	(1,012)	-
Debtors	(23,503)	(135,328)
Net amount due from/to customers for construction contract	65,581	59,044
Creditors	5,546	(7,976)
Cash generated from/(used in) operations	94,507	(47,734)
Income taxes paid	(11,986)	(17,968)
Interest paid	(5,645)	(6,862)
Retirement benefit paid	(144)	-
Net cash generated from/(used in) operating activities	76,732	(72,564)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of other investments	(35)	(720)
Purchase of fixed assets	(7,166)	(4,285)
Proceeds from sale of fixed assets	1,464	761
Investment in subsidiaries	(4,040)	(10,100)
Investment in associated companies	(189,829)	(59,924)
Interest received	9,197	15,498
Dividend received	3,293	3,197
Net cash used in investing activities	(187,116)	(55,573)

	<u>2000</u> RM'000	<u>1999</u> RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from conversion of warrants	66,550	6,018
Proceeds from ESOS	100,721	19,724
Dividend paid to shareholders	(44,450)	(25,002)
Repayment of bonds	(75,000)	-
Net cash generated from financing activities	<u>47,821</u>	<u>740</u>
Net decrease in cash and cash equivalent	(62,563)	(127,397)
Cash and cash equivalent at 1 August	<u>164,491</u>	<u>291,888</u>
Cash and cash equivalent at 31 July	<u><u>101,928</u></u>	<u><u>164,491</u></u>
Cash and cash equivalent comprise:		
Cash and bank balances	1,738	5,034
Fixed deposit	<u>100,190</u>	<u>159,457</u>
	<u><u>101,928</u></u>	<u><u>164,491</u></u>

The accompanying notes are an integral part of this statement.

GAMUDA BERHAD  
(Incorporated in Malaysia)

NOTES TO THE ACCOUNTS - 31 JULY, 2000

1. PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and civil engineering construction.

The principal activities of the subsidiaries are described in Note 11.

There have been no significant changes in these activities during the financial year except for the activities of the new subsidiaries.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The accounts are prepared under the historical cost convention modified by the revaluation of certain land and buildings and comply with applicable approved accounting standards in Malaysia.

(b) Basis of Consolidation

The consolidated accounts include the accounts of the Company and all its subsidiaries made up to the end of the financial year. Related company transactions are eliminated on consolidation and the consolidated accounts reflect external transactions only.

The excess of the purchase price over the fair value of the net assets of subsidiaries at the date of acquisition is included in the consolidated balance sheet as goodwill arising on consolidation. Goodwill arising on consolidation is amortised over its estimated useful economic life, subject to annual reviews for permanent diminution in the carrying value.

The deficit of the purchase price over the fair value of the net assets of subsidiaries at the date of acquisition is included in the consolidated balance sheet as reserve arising on consolidation. This reserve is credited to the income statements over the period it is estimated to accrue.

(c) Currency Conversion and Translation

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into Ringgit Malaysia at rates of exchange ruling at that date. All exchange differences are taken to the income statements.

Accounts of foreign consolidated subsidiaries are translated at year-end exchange rates with respect to the balance sheet, and at exchange rates at the dates of the transactions with respect to income statement. All resulting translation differences are taken to reserves.

The exchange rates ruling at balance sheet date used are as follows:

	<u>2000</u> RM	<u>1999</u> RM
United States Dollars	3.80	3.80
Singapore Dollars	2.19	2.25

(d) Fixed Assets and Depreciation

Fixed assets are stated at cost or valuation less accumulated depreciation.

Freehold land and construction in progress are not depreciated. Leasehold land is depreciated over the period of the lease. Depreciation of other fixed assets is provided on a straight line basis calculated to write off the cost or valuation of each asset over its estimated useful life.

The principal annual rates of depreciation are:

Long term leasehold land	Over a period of 60 years
Short term leasehold land and buildings thereon	Over periods of 30 to 50 years
Buildings and improvements	2%
Plant, machinery and office equipment	12% - 33%
Furniture and fittings	10% - 15%
Motor vehicles	12% - 25%

Freehold land, long term and short term leasehold land and buildings of the Company and of the Group have not been revalued since they were first revalued in 1991. The directors have not adopted a policy of regular revaluation of such assets. As permitted under the transitional provisions of International Accounting Standards (IAS) No. 16 (Revised): Property, Plant and Equipment adopted by the Malaysian Accounting Standards Board, these assets are stated at their 1991 valuation less accumulated depreciation.

(e) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis. Cost of finished goods and work-in-progress includes direct materials, direct labour and appropriate production overheads.

(f) Retirement Benefits

Contributions are made to the Company's Retirement Benefit Scheme, a defined benefit plan. The cost of retirement benefits under this Scheme is based on accrued benefit valuation method.

(g) Revenue Recognition on Construction Contracts

Income from construction contracts is accounted for based on the "percentage of completion" method for the construction contracts with outcome that can be reliably estimated. Full provision is made for foreseeable losses.

The percentage of completion is measured by reference to the certified work done to date.

(h) Amount Due From /To Customers For Construction Contract

Amount due from customers for construction contract is the net amount of costs incurred plus recognised profits less the sum of recognised losses and progress billing for all contracts in progress which costs incurred plus recognised profits (less recognised losses) exceeds progress billings.

Amount due to customers for construction contract is the net amount of costs incurred plus recognised profits less the sum of recognised losses and progress billings for all contracts in progress for which progress billings exceeds costs incurred plus recognised profits (less recognised losses).

Cost includes direct materials, labour, sub-contract sum and attributable overheads paid or payable to date.

(i) Deferred Taxation

Deferred taxation is provided under the liability method for all material timing differences except where there is reasonable evidence that these timing differences will not reverse in the foreseeable future.

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in banks and deposits at call, net of outstanding bank overdrafts.

(k) Investments

Investments in subsidiaries and other investments are stated at cost less provision for any permanent diminution in value.

(l) Investments in Associated Companies

The Group treats as associated companies those companies in which a long term equity interest of between 20 to 50 percent is held and where it exercises significant influence through management participation.



The Group's profits of associated companies is included in the consolidated income statements based on management accounts to 31 July, 2000 and the Group's interest in associated companies is stated at cost plus adjustment to reflect changes in the Group's share of the net assets of the associated companies.

(m) Joint Ventures

This includes all joint ventures entered into by the Company that are treated as jointly controlled operations with percentage of share of profits or losses ranging from 65% to 70%.

The share of profits or losses of the joint ventures are incorporated in the Company and the Group accounts based on the percentage share of profit or losses of each joint venture.

3. DEPOSITS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	131,384	180,722	64,370	150,375
Deposits with discount houses	35,820	19,699	35,820	-
	<u>167,204</u>	<u>200,421</u>	<u>100,190</u>	<u>150,375</u>
Sinking fund	-	9,082	-	9,082
	<u>167,204</u>	<u>209,503</u>	<u>100,190</u>	<u>159,457</u>

The sinking fund in prior year arose from the conversion of the Company's warrants held by a trustee for the redemption of the Company's unsecured bonds. The unsecured bonds expired in January 2000.

4. DEBTORS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Trade debtors*	108,186	217,532	86,419	195,084
Retention sums	20,786	21,071	20,786	21,071
Other debtors	29,993	29,117	25,667	25,128
Due from subsidiaries	-	-	187,110	55,166
Dividends receivable	16,833	16,833	16,833	16,833
	<u>175,798</u>	<u>284,553</u>	<u>336,815</u>	<u>313,282</u>
Provision for doubtful debts	(2,263)	(3,894)	(2,000)	(2,000)
	<u>173,535</u>	<u>280,659</u>	<u>334,815</u>	<u>311,282</u>

\* Included in trade debtors of the Group and the Company are debts due from joint ventures of RM74,537,456 (1999: RM186,484,979).

5. STOCKS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Raw materials	8,609	1,803	-	-
Work-in-progress	1,391	523	-	-
Finished goods	739	1,579	-	-
Crusher run and aggregates	3,596	781	-	-
Consumable stores and spares	1,012	502	1,012	-
	<u>15,347</u>	<u>5,188</u>	<u>1,012</u>	<u>-</u>

6. DEVELOPMENT PROPERTIES

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Freehold land, at cost	99,344	-	-	-
Development expenditure	623	-	-	-
	<u>99,967</u>	<u>-</u>	<u>-</u>	<u>-</u>

7. AMOUNT DUE FROM/(TO) CUSTOMERS FOR CONSTRUCTION CONTRACTS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Construction costs	2,669,226	2,108,878	2,412,056	1,898,059
Recognised profits less recognised losses	222,040	162,490	214,472	153,481
Progress billings received and receivable	<u>(2,886,173)</u>	<u>(2,297,810)</u>	<u>(2,650,504)</u>	<u>(2,073,106)</u>
	<u>5,093</u>	<u>(26,442)</u>	<u>(23,976)</u>	<u>(21,566)</u>
Represented by:				
Due from customers for construction contracts	32,293	3,324	3,009	3,324
Due to customers for construction contracts	<u>(27,200)</u>	<u>(29,766)</u>	<u>(26,985)</u>	<u>(24,890)</u>
	<u>5,093</u>	<u>(26,442)</u>	<u>(23,976)</u>	<u>(21,566)</u>

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Included in the amount due from/(to) customers for construction contract are:				
Construction contract costs incurred during the year	<u>560,348</u>	<u>257,952</u>	<u>513,997</u>	<u>209,582</u>
Construction contract costs recognised as contract expenses during the year	<u>433,359</u>	<u>150,181</u>	<u>456,632</u>	<u>169,134</u>
Included in construction contract costs incurred during the year are:				
Depreciation	5,729	2,549	2,180	2,197
Interest expense	7,036	8,515	5,645	6,862
Staff costs	13,761	15,262	11,210	8,578
Rental of equipment	<u>14,610</u>	<u>19,618</u>	<u>8,205</u>	<u>19,387</u>

8. BANK BORROWINGS

	<u>Group</u>	
	<u>2000</u>	<u>1999</u>
	RM'000	RM'000
Bank overdrafts	3,487	738
Bankers acceptance	<u>7,204</u>	<u>6,309</u>
	<u>10,691</u>	<u>7,047</u>

The bank borrowings are secured against certain assets of the Group and bear interest of between 3.95% to 8.5% (1999 : 9.74% to 15.75%) per annum.

9. CREDITORS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Trade creditors	47,814	32,097	24,371	20,358
Other creditors	45,394	36,885	34,768	33,852
Due to subsidiaries	-	-	22,840	22,223
	<u>93,208</u>	<u>68,982</u>	<u>81,979</u>	<u>76,433</u>

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

#### 10. OTHER INVESTMENTS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
At cost				
Quoted shares	3,703	3,703	3	3
Unquoted shares	50	140	50	140
Investment in transferable club memberships	665	630	665	630
	4,418	4,473	718	773
Provision for diminution in value	(443)	(500)	-	-
	3,975	3,973	718	773
Market value				
Quoted shares	3,643	3,197	17	14

#### 11. SUBSIDIARIES

	<u>Company</u>	
	<u>2000</u>	<u>1999</u>
	RM'000	RM'000
Unquoted shares, at cost	69,540	65,410

The subsidiaries, all of which are incorporated in Malaysia except for Gamuda Overseas Investment Ltd. which is incorporated in British Virgin Islands, are as follows:

<u>Name of Company</u>	<u>Paid-up Capital</u>	<u>Effective Interests</u>		<u>Principal Activities</u>
		<u>2000</u>	<u>1999</u>	
		%	%	
Gammau Construction Sdn. Bhd.	RM6,000,000	100	100	Civil engineering and earthwork construction
Masterpave Sdn. Bhd.	RM2,500,000	100	100	Manufacture, supply and laying of road surfacing materials
Gamuda Paper Industries Sdn. Bhd.	RM18,000,000	95	90	Manufacture and sale of paper and paper related products
Ganaz Bina Sdn. Bhd.	RM3,000,000	100	100	Civil engineering construction

<u>Name of Company</u>	<u>Paid-up Capital</u>	<u>Effective Interests</u>		<u>Principal Activities</u>
		<u>2000</u> %	<u>1999</u> %	
G.B. Kuari Sdn. Bhd.	RM500,000	70*	70*	Operation of quarry and road laying
Megah Capital Sdn. Bhd.	RM2	100	100	Investment holding and trading
Megah Sewa Sdn. Bhd.	RM100,002	100	100	Hire and rental of plant and machinery
Gamuda Overseas Investment Ltd.	US\$100,000	100	100	Investment holding
GIT Services Sdn. Bhd.	RM100,000	100	100	Information technology services and trading
Megah Management Services Sdn. Bhd.	RM50,000	100	100	Insurance agency
Valencia Development Sdn. Bhd. (formerly known as Seni Pasifik Sdn. Bhd.)	RM300,000	80	80	Property development and management of golf club
Reka Strategi Sdn. Bhd	RM2	100	100	Dormant
GPI Trading Sdn. Bhd. (formerly known as Inisiatif Bakat Sdn. Bhd.)	RM2	95**	-	Trading of paper and paper related products
Gamuda Engineering Sdn. Bhd.	RM770,000	100	-	Civil engineering and construction of buildings
Gamuda Trading Sdn. Bhd. (formerly known as Cita-Tiara Corporation Sdn. Bhd.)	RM109,000	100	-	Trading of construction materials

\* 100% held by Ganaz Bina Sdn. Bhd.

\*\* 100% held by Gamuda Paper Industries Sdn. Bhd.

12. ASSOCIATED COMPANIES

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost	360,810	200,229	360,810	200,229
Redeemable Preference Shares	50,000	50,000	50,000	50,000
Group's share of profits, net of dividends receivable	<u>146,558</u>	<u>113,235</u>	<u>-</u>	<u>-</u>
	<u>557,368</u>	<u>363,464</u>	<u>410,810</u>	<u>250,229</u>
Represented by:				
Share of net assets	492,073	363,464	410,810	250,229
Goodwill	<u>65,295</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>557,368</u>	<u>363,464</u>	<u>410,810</u>	<u>250,229</u>
Quoted shares, at cost	177,855	148,607	177,855	148,607
Group's share of profits, net of dividends receivable	<u>40,961</u>	<u>20,549</u>	<u>-</u>	<u>-</u>
	<u>218,816</u>	<u>169,156</u>	<u>177,855</u>	<u>148,607</u>
Represented by:				
Share of net assets	203,302	169,156	177,855	148,607
Goodwill	<u>15,514</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>218,816</u>	<u>169,156</u>	<u>177,855</u>	<u>148,607</u>
	<u>776,184</u>	<u>532,620</u>	<u>588,665</u>	<u>398,836</u>
Market value:				
Quoted shares, in Malaysia	<u>578,803</u>	<u>507,223</u>	<u>518,803</u>	<u>507,223</u>

The associated companies, all of which are incorporated in Malaysia, are as follows:

<u>Name of Company</u>	<u>Paid-up Capital</u> RM	<u>Effective Interest</u>		<u>Principal Activities</u>
		<u>2000</u> %	<u>1999</u> %	
Kesas Holdings Bhd.	470,914,840	30	30	Investment holding
Hicom Gamuda Development Sdn. Bhd.	6,053,004	50	50	Property development
Sussen (M) Sdn. Bhd.	600,000	50	50	Manufacturing and trading of bitumen emulsion products
Lingkar Trans Kota Holdings Berhad*	451,891,000	41.05	39.05	Investment holding and provision of management services

<u>Name of Company</u>	<u>Paid-up Capital</u> RM	<u>Effective Interest</u>		<u>Principal Activities</u>
		<u>2000</u> %	<u>1999</u> %	
Madang Permai Sdn. Bhd.	5,000,000	36	36	Concession holder
Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd.	5,450,000	49	30	Investment holding
Gabungan Cekap Sdn. Bhd.	50,000,000	30	30	Investment holding
Dyna Plastic Sdn. Bhd.	17,951,552	43.78	-	Manufacturing and sale of plastic Lithium ion batteries and related accessories

\* Quoted shares in Malaysia

13. FIXED ASSETS

<u>Group</u>	<u>Land and buildings*</u> RM'000	<u>Construction-in-progress</u> RM'000	<u>Other assets**</u> RM'000	<u>Total</u> RM'000
<u>Valuation/Cost</u>				
At 1 August, 1999	44,333	24,843	139,939	209,115
Additions	16	1,223	23,740	24,979
Disposals	-	-	(4,613)	(4,613)
Write off	-	-	(1,317)	(1,317)
At 31 July, 2000	44,349	26,066	157,749	228,164
<u>Accumulated Depreciation</u>				
At 1 August, 1999	5,179	-	86,217	91,396
Charge	687	-	15,452	16,139
Disposals	-	-	(3,806)	(3,806)
Write off	-	-	(570)	(570)
At 31 July, 2000	5,866	-	97,293	103,159
<u>Net Book Value</u>				
At 31 July, 2000	38,483	26,066	60,456	125,005
At 31 July, 1999	39,154	24,843	53,722	117,719
Depreciation charge for 1999	687	-	16,129	16,816

• LAND AND BUILDINGS

	<----- AT VALUATION ----->			AT COST	
	Freehold land RM'000	Long term leasehold land and buildings RM'000	Short term leasehold land and buildings RM'000	Freehold land and buildings RM'000	Total RM'000
<u>Valuation/Cost</u>					
At 1 August, 1999	1,192	3,171	14,500	25,470	44,333
Additions	-	-	-	16	16
At 31 July, 2000	1,192	3,171	14,500	25,486	44,349
<u>Accumulated Depreciation</u>					
At 1 August, 1999	-	462	3,835	882	5,179
Charge	-	60	479	148	687
At 31 July, 2000	-	522	4,314	1,030	5,866
<u>Net Book Value</u>					
At 31 July, 2000	1,192	2,649	10,186	24,456	38,483
At 31 July, 1999	1,192	2,709	10,665	24,588	39,154
Depreciation charge for 1999	-	60	479	148	687

\*\* OTHER ASSETS

	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Plant, machinery and equipment RM'000	Total RM'000
<u>Cost</u>				
At 1 August, 1999	33,325	11,565	95,049	139,939
Additions	5,493	2,472	15,775	23,740
Disposals	(2,290)	(415)	(1,908)	(4,613)
Write off	(456)	(143)	(718)	(1,317)
At 31 July, 2000	36,072	13,479	108,198	157,749
<u>Accumulated Depreciation</u>				
At 1 August, 1999	17,094	8,502	60,621	86,217
Charge	4,083	1,715	9,654	15,452
Disposals	(1,755)	(283)	(1,768)	(3,806)
Write off	(152)	(118)	(300)	(570)
At 31 July, 2000	19,270	9,816	68,207	97,293



	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Plant, machinery and equipment RM'000	Total RM'000
<u>Net Book Value</u>				
At 31 July, 2000	16,802	3,663	39,991	60,456
At 31 July, 1999	16,235	3,022	34,465	53,722
Depreciation charge for 1999	3,867	1,839	10,423	16,129

	<- AT VALUATION ->		<-----AT COST----->	
<u>Company</u>	Land and buildings* RM'000	Construction- in-progress RM'000	Other assets** RM'000	Total RM'000
<u>Valuation/Cost</u>				
At 1 August, 1999	20,970	24,843	33,649	79,462
Additions	-	1,223	5,943	7,166
Transfer in	-	-	247	247
Transfer out	-	-	(331)	(331)
Disposals	-	-	(2,967)	(2,967)
Write off	-	-	(435)	(435)
At 31 July, 2000	20,970	26,066	36,106	83,142

<u>Accumulated Depreciation</u>				
At 1 August, 1999	764	-	18,706	19,470
Charge	108	-	4,599	4,707
Transfer in	-	-	164	164
Transfer out	-	-	(209)	(209)
Disposals	-	-	(2,049)	(2,049)
Write off	-	-	(285)	(285)
At 31 July, 2000	872	-	20,926	21,798

<u>Net Book Value</u>				
At 31 July, 2000	20,098	26,066	15,180	61,344
At 31 July, 1999	20,206	24,843	14,943	59,992
Depreciation charge for 1999	109	-	4,624	4,733

## \* LAND AND BUILDINGS

	<-----AT VALUATION----->		<-AT COST ->	
	<u>Freehold land</u>	Long term <u>leasehold land</u> <u>and buildings</u>	<u>Freehold land</u> <u>and building</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
<u>Valuation/Cost</u>				
At 1 August, 1999/ 31 July, 2000	780	2,623	17,567	20,970
<u>Accumulated Depreciation</u>				
At 1 August, 1999	-	375	389	764
Charge	-	49	59	108
At 31 July, 2000	-	424	448	872
<u>Net Book Value</u>				
At 31 July, 2000	780	2,199	17,119	20,098
At 31 July, 1999	780	2,248	17,178	20,206
Depreciation charge for 1999	-	49	60	109

## \*\* OTHER ASSETS

	<u>Motor vehicles</u>	Office equipment, furniture and <u>fittings</u>	Plant, machinery and <u>equipment</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
<u>Cost</u>				
At 1 August, 1999	20,983	8,821	3,845	33,649
Additions	4,500	1,350	93	5,943
Transfer in	132	-	115	247
Transfer out	(205)	(35)	(91)	(331)
Reclassifications	(125)	(9)	134	-
Disposals	(2,568)	(393)	(6)	(2,967)
Write off	(3)	(135)	(297)	(435)
At 31 July, 2000	22,714	9,599	3,793	36,106
<u>Accumulated Depreciation</u>				
At 1 August, 1999	9,528	6,476	2,702	18,706
Charge	2,980	1,285	334	4,599
Transfer in	120	-	44	164
Transfer out	(137)	(35)	(37)	(209)
Reclassifications	(67)	-	67	-
Disposals	(1,787)	(256)	(6)	(2,049)
Write off	(3)	(113)	(169)	(285)
At 31 July, 2000	10,634	7,357	2,935	20,926

	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Plant, machinery and equipment RM'000	Total RM'000
<u>Net Book Value</u>				
At 31 July, 2000	12,080	2,242	858	15,180
At 31 July, 1999	11,455	2,345	1,143	14,943
Depreciation charge for 1999	2,775	1,507	342	4,624

- (a) The values of land and buildings stated at valuation are arrived at based on independent professional valuation as at 15 July, 1991 adjusted for variations required by relevant authorities.

Land and building amounting to RM7,259,565 of the Group have been pledged to a financial institution for credit facilities granted to the Group.

- (b) Included in fixed assets of the Group and the Company are fully depreciated plant and equipment which are still in use costing RM36,727,748 and RM13,925,024 respectively.
- (c) Had the revalued fixed assets been carried at historical cost less accumulated depreciation, the net book value of each class of fixed assets that would have been included in the accounts of the Group and the Company are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2000</u> RM'000	<u>1999</u> RM'000	<u>2000</u> RM'000	<u>1999</u> RM'000
Freehold land	14,572	14,572	14,572	14,572
Long term leasehold land	157	165	-	-
Buildings	<u>2,547</u>	<u>2,607</u>	<u>2,547</u>	<u>2,607</u>

#### 14. NET GOODWILL ARISING ON CONSOLIDATION

	<u>Group</u>	
	<u>2000</u> RM'000	<u>1999</u> RM'000
Goodwill arising on consolidation	7,444	7,444
Reserve arising on consolidation	(1,787)	(1,787)
	<u>5,657</u>	<u>5,657</u>
Cumulative amortisation of goodwill	(2,233)	(1,985)
Cumulative recognition of reserve	<u>1,787</u>	<u>1,787</u>
	<u>5,211</u>	<u>5,459</u>

- (a) The goodwill on consolidation is attributable to the acquisition of Ganaz Bina Sdn. Bhd. Group. The goodwill is amortised over a period of 30 years in line with the lease period of the quarry which is the principal asset of the Ganaz Bina Sdn. Bhd. Group.
- (b) The reserve arising on consolidation is attributable to the acquisition of Gammau Construction Sdn. Bhd. The reserve is amortised to the profit and loss account over a period of 8 years based on the approximate average life of major fixed assets acquired.

15. SHARE CAPITAL

	<u>Group and Company</u>	
	<u>2000</u>	<u>1999</u>
	RM'000	RM'000
Authorised:		
Ordinary shares of RM1 each	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid:		
Ordinary shares of RM1 each		
At 1 August	295,904	289,696
Conversion of warrants	19,023	1,617
Exercise of ESOS	28,150	4,491
One for one bonus issue	<u>322,214</u>	<u>-</u>
	665,291	295,804
Share application monies	<u>(100)</u>	<u>100</u>
At 31 July	<u>665,191</u>	<u>295,904</u>

- (a) The issued and paid-up share capital was increased via the following:
- (i) Issuance of 18,998,578 new ordinary shares of RM1.00 each arising from the exercise of Warrants 1995/2000 at the exercise price of RM3.51 per share and 24,249 new ordinary shares of RM1.00 each arising from the exercise of Warrants 1996/2006 at exercise price of RM8.60 per share (adjusted to RM4.30 per share after one for one bonus issue during the year) for cash in accordance with the provisions of the Deed Poll constituting the Warrants dated 12 January, 1995.
- (ii) Issuance of 28,150,000 new ordinary shares of RM1.00 each pursuant to the exercise of Employees' Share Option Scheme.
- (iii) Issuance of 322,213,836 new ordinary shares of RM1.00 each pursuant to the one for one bonus on 3 March, 2000.

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

- (b) The principal features of the ESOS are as follows:
- (i) Eligible persons are any employee of the Group (other than a part time or contract employee) who has been confirmed in writing as a full time employee of the Group and any Executive Director or Subsidiary Executive Director who has been in the employment of the Group for at least one year in the case of Malaysians and at least five years in the case of non-Malaysians prior to the Date of Offer and who falls within the description of any of the categories of employees set out in Clause 6 of the by-laws.
  - (ii) The total number of shares to be offered shall not exceed 10% of the issued and paid-up share capital of the Company at any time.
  - (iii) The Scheme shall be in force for a period of 5 years from 17 July, 1995.
  - (iv) The subscription price under the Scheme shall be the average of the mean market quotation of the shares as shown in the Daily Official List issued by the Kuala Lumpur Stock Exchange for the 5 market days immediately preceding the date of offer of the options or at par value of the share, whichever is higher.
  - (v) The options granted under the Scheme are not assignable.
  - (vi) The new shares allotted upon any exercise of the option shall rank pari passu in all respects with the then existing issued and paid-up ordinary shares of the Company.

The above ESOS expired on 16 July, 2000.

As at the financial year ended 31 July, 2000, 28,147,600 shares have been issued under ESOS.

- (c) In the financial year ended 31 July, 1995, the Company issued 31,031,500 Warrants 1995/2000 as described in Note 16(a)(i) which expired on 17 January, 2000. As at the balance sheet date, there are no unexercised Warrants 1995/2000.
- (d) In the financial year ended 31 July, 1997, the Company issued 38,351,903 Warrants 1996/2006 as described in Note 16(a)(ii). As at the balance sheet date, the total number of Warrants 1996/2006 which remain unexercised amounted to 76,650,642 units after adjustment for the one for one bonus issue during the year (1999 : 38,349,570).

16. LONG TERM LIABILITIES

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Bonds (a)	115,000	115,000	115,000	115,000
Deferred taxation (b)	7,986	8,136	6,272	6,272
Provision for retirement benefits (c)	4,777	4,828	3,996	4,140
	<u>127,763</u>	<u>127,964</u>	<u>125,268</u>	<u>125,412</u>

	<u>Group and Company</u>	
	<u>2000</u>	<u>1999</u>
	RM'000	RM'000
(a) Bonds		
Nominal amount of 3% Bank Guaranteed Redeemable Unsecured Bonds 1995/2000	-	75,000
Nominal amount of 4% Redeemable Unsecured Bonds 1996/2001	<u>115,000</u>	<u>115,000</u>
	115,000	190,000
Reclassification to short term	<u>-</u>	<u>(75,000)</u>
	<u>115,000</u>	<u>115,000</u>

The principal features of the bonds are as follows:

- (i) The RM75,000,000 nominal amount of 3% Bank Guaranteed Redeemable Unsecured Bonds 1995/2000 were issued with 31,031,500 detachable warrants to a primary subscriber and subsequently resold to the shareholders on the basis of one warrant for every two (2) existing ordinary shares held at an offer price of 50.3 sen per warrant. Each warrant entitles the registered holder to subscribe for one (1) new share in the Company at any time on or before the expiry date at the end of five (5) years following the date of issue on 18 January, 1995 at an exercise price of RM8.50 per share. The exercise price was adjusted to RM3.51 in accordance with the conditions set out in the deed poll created on 12 January, 1995.

The bonds were issued at 100% of the nominal amount and carry a fixed coupon rate of 3% per annum payable annually in arrears. At the end of its tenure, the bonds will be redeemed at 100% nominal value together with interest accrued to the date of maturity on 17 January, 2000.

- (ii) The RM115,000,000 nominal amount of 4% Redeemable Unsecured Bonds 1996/2001 were issued with 38,351,903 detachable warrants to a primary subscriber and subsequently resold to the shareholders on the basis of one warrant for every three (3) existing ordinary shares held at an offer price of 58.4 sen per warrant. Each warrant entitles the registered holder to subscribe for one (1) new share in the Company at any time on or before the expiry date at the end of five (5) years following the date of issue on 30 December, 1996 at an exercise price of RM8.60 per share. The exercise price was adjusted to RM4.30 per share after one for one bonus issue during the year. The exercise price is subject to adjustments from time to time in accordance with the conditions set out in the deed poll created on 30 December, 1996.

The bonds were issued at 100% of the nominal amount and carry a fixed coupon rate of 4% per annum payable annually in arrears. At the end of its tenure, the bonds will be redeemed at 100% nominal value together with interest accrued to the date of maturity on 29 December, 2001.

- (b) Deferred taxation

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
At 1 August	8,136	11,637	6,272	9,593
Transfer to income statement	(150)	(3,501)	-	(3,321)
At 31 July	<u>7,986</u>	<u>8,136</u>	<u>6,272</u>	<u>6,272</u>

- (c) The provision for retirement benefits is non-funded and is determined based on the schedule of benefits stipulated in the group policies and agreements.

## 17. REVENUE

Revenue of the Group and the Company consist of the following:

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Construction	577,397	266,362	577,397	266,362
Quarry sales	32,740	28,144	-	-
Paper sales	24,132	20,231	-	-
Construction materials sales	1,531	-	-	-
Hiring income of plant and machinery	964	777	-	-
Golf sales	724	-	-	-
	<u>637,488</u>	<u>315,514</u>	<u>577,397</u>	<u>266,362</u>

18. OTHER OPERATING INCOME

Included in other operating income are:

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Management fees from a subsidiary	-	-	475	460
Dividends receivable from				
- subsidiaries	-	-	2,225	4,400
- investment in associated companies (unquoted)	-	-	-	40
- investment in associated companies (quoted)	-	-	2,348	-
- other investments (quoted)	94	74	-	-
Gain on sale of fixed assets	875	546	508	165
Gain on foreign exchange	17	-	-	-
Rental income				
- subsidiary	-	-	271	248
- others	72	72	24	9

19. STAFF COSTS

Included in staff costs are:

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Directors' remuneration*	2,944	2,661	2,753	2,114
Provision for retirement benefits	94	4,238	-	4,140

\* The estimated monetary value of other benefits not included in the above received by the directors was RM299,031 (1999: RM244,608)

20. OTHER OPERATING EXPENSES

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration	150	123	53	45
Bad debts written off	-	380	-	165
Directors' fees	122	20	20	20
Provision for doubtful debts	263	2,844	-	2,000
Provision for project contingencies	-	4,700	-	4,700
Provision for stock obsolescence	18	-	-	-
Stocks written off	19	18	-	-
Hire of plant and equipment*	13,109	15,747	8,205	19,387
Rental expense of premises*	1,401	1,710	816	810
Fixed assets written off	537	359	150	145



- \* A portion of these expenses is charged to contract work-in-progress whereby profits attributed to the percentage of completion of each individual project have been recognised in the accounts.

21. NET FINANCE INCOME

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Interest expense	(6,045)	(7,486)	(5,645)	(6,862)
Interest income	11,363	18,990	9,226	15,080
	<u>5,318</u>	<u>11,504</u>	<u>3,581</u>	<u>8,218</u>

22. TAXATION

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Current year provision	35,179	1,292	30,095	1,243
Transfer from deferred taxation	(150)	(3,501)	-	(3,321)
Taxation overprovided in previous year	(323)	(1,284)	(556)	(2,176)
Share of taxation of associated companies	22,615	5,495	-	-
	<u>57,321</u>	<u>2,002</u>	<u>29,539</u>	<u>(4,254)</u>

Prior year tax charge, other than tax on dividend income, have been waived in accordance with the Income Tax (Amendment) Act, 1999.

The Company has sufficient tax credit under Section 108 of the Income Tax Act, 1967 and balance in the tax exempt income to frank the payment of dividend out of its entire retained profits as at 31 July, 2000.

23. DIVIDENDS

	<u>Group and Company</u>			
	<u>Amount</u>		<u>Dividend per share</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	Sen	Sen
Interim dividend paid of 4% tax exempted (1999 : 6% less taxation)	26,012	12,528	4.0	4.3
Proposed final dividend of 4% tax exempted (1999 : 6% tax exempted)	26,608	17,754	4.0	6.0
Underprovision of prior year's proposed final dividend	730	3	-	-
	<u>53,350</u>	<u>30,285</u>		

24. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the Group's profit after taxation and minority interests of RM146,815,802 (1999 : RM138,328,395) by the weighted average number of shares in issue during the year of 639,493,653 (1999 : 581,497,718\*)

The fully diluted earnings per share has been calculated based on the adjusted Group profit after taxation and minority interests of RM156,161,632 (1999: RM156,479,669) and on the shares of 716,144,295 (1999: 723,221,246\*) that would be in issue as at the end of the years had all the share options been exercised.

\* The comparative weighted average number of shares has been adjusted for the issuance of bonus issue during the year.

25. CAPITAL COMMITMENTS

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Approved and contracted for				
- Purchase of crane	940	552	515	-
- Purchase of plant	<u>104</u>	<u>-</u>	<u>-</u>	<u>-</u>

26. CONTINGENT LIABILITIES (UNSECURED)

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	RM'000	RM'000	RM'000	RM'000
Indemnities and guarantees given to financial and insurance corporations for facilities granted to subsidiaries	-	-	3,222	1,053
Performance and retention sum guarantees	<u>299,677</u>	<u>107,076</u>	<u>299,677</u>	<u>107,076</u>
	<u>299,677</u>	<u>107,076</u>	<u>302,899</u>	<u>108,129</u>

27. SIGNIFICANT RELATED COMPANY TRANSACTIONS

	<u>Company</u>	
	<u>2000</u>	<u>1999</u>
	RM'000	RM'000
Contract services rendered to subsidiaries	-	15
Contract services rendered by subsidiaries	76,955	47,314
Gross dividends receivable from subsidiaries	2,435	4,400
Interest payable to subsidiaries	82	93
Management fees receivable from subsidiaries	475	460
Rental received from subsidiary	22	-
Interest receivable from subsidiaries	459	-
Transfer of fixed assets to subsidiaries	221	341
Transfer of fixed assets from subsidiaries	<u>84</u>	<u>-</u>

The directors are of the opinion that the transactions have been entered into in the normal course of business and have been established on a negotiated basis.

28. SIGNIFICANT EVENTS

During the financial year,

- (a) the Company subscribed for 240,000 ordinary shares of RM1.00 each representing 80% of the issued and paid-up share capital in Valencia Development Sdn. Bhd. (formerly known as Seni Pasifik Sdn. Bhd.)
- (b) the Company subscribed for 750,000 ordinary shares of RM1.00 each and 20,000 redeemable preference shares of RM1.00 each representing 100% of the issued and paid-up share capital in Gamuda Engineering Sdn. Bhd.
- (c) the Company acquired 7,859,189 ordinary shares of RM1.00 each representing 43.78% of the issued and paid-up share capital in Dyna Plastics Sdn. Bhd. for a total consideration of RM67,997,000.
- (d) the Company subscribed for additional 1,055,665 ordinary shares of RM1.00 each in Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd.
- (e) the Company's subsidiary, Valencia Development Sdn. Bhd. (formerly known as Seni Pasifik Sdn. Bhd.) acquired a piece of land for the purpose of property development amounting to RM86,000,000 for cash.

(f) the issued and paid-up share capital of the Company was increased to RM665,190,672 via the following:

- (1) Issuance of 18,998,578 new ordinary shares of RM1.00 each arising from the exercise of warrants 1995/2000 at the exercise price of RM3.51 per share and 24,249 new ordinary shares of RM1.00 each arising from the exercise of warrants 1996/2006 at the exercise price of RM8.60 per share (adjusted to RM4.30 per share after one for one bonus issue during the year) for cash in accordance with the provisions of the Deed Poll constituting the warrants dated 12 January, 1995.
- (2) Issuance of 28,150,000 new ordinary shares of RM1.00 each pursuant to the exercise of Employees' Share Option Scheme at prices between RM2.66 to RM9.65 (before one for one bonus issue).
- (3) Issuance of 322,213,836 new ordinary shares of RM1.00 each pursuant to the one for one bonus issue on 3 March, 2000.

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

(g) the Company has announced to the Kuala Lumpur Stock Exchange the following corporate proposals:

- (1) Proposed issue of RM400,000,000 nominal value 7 year 3% Redeemable Unsecured Bonds.
- (2) Proposed Rights Issue of up to 185,724,779 warrants at an issue price to be determined later on the basis of one (1) new warrant for every four (4) existing ordinary shares of RM1.00 each held in the Company.
- (3) Proposed Restricted Issue of 10,000,000 warrants to key management staff of the Company and its subsidiaries.
- (4) Proposed Employees' Share Option Scheme for eligible employees and Executive Directors of the Company and its subsidiaries.

## 29. SUBSEQUENT EVENTS

On 7 September, 2000, the Securities Commission approved the aforementioned Proposed Bond Issue, Proposed Rights Issue of warrants, Proposed Restricted Issue of warrants and Proposed Employees Share Option Scheme.

On 28 September, 2000, the Board of Directors decided to abort the Restricted Issue of 10,000,000 warrants and approved a maximum number of 185,460,328 warrants to be issued pursuant to the Proposed Rights Issue of warrants instead of the quantum of warrants as previously announced.

On 13 October, 2000, the issued and paid-up share capital of a subsidiary, GB Kuari Sdn. Bhd. was increased from RM500,000 comprising 500,000 ordinary shares of RM1.00 each to RM750,000 comprising 750,000 ordinary shares of RM1.00 each.

30. SEGMENTAL ANALYSIS

	<u>Revenue</u>	<u>Profit Before Taxation</u>	<u>Tangible Assets Employed</u>
	RM'000	RM'000	RM'000
Analysis by activities:			
<u>2000</u>			
Construction	577,398	109,898	1,125,619
Manufacturing, quarrying and others	60,363	17,281	168,410
Property development	79,216	16,445	103,356
Tolling and others	98,856	62,438	-
	<u>815,833</u>	<u>206,062</u>	<u>1,397,385</u>
Less:			
Share of revenue in associated companies	<u>(178,345)</u>		
	<u>637,488</u>		
<u>1999</u>			
Construction	266,362	63,031	1,040,454
Manufacturing, quarrying and others	49,152	6,192	118,573
Property development	157,666	42,992	-
Tolling and others	37,248	30,818	-
	<u>510,428</u>	<u>143,033</u>	<u>1,159,027</u>
Less:			
Share of revenue in associated companies	<u>(194,914)</u>		
	<u>315,514</u>		

The activities of the Group are principally carried out in Malaysia.

31. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

32. CURRENCY

All amounts are stated in Ringgit Malaysia unless otherwise stated.