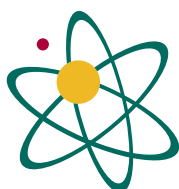


Annual Report

2002

Laporan Tahunan



Matrix International Berhad (Company No. 3907-W)

(Formerly known as Gold Coin [Malaysia] Berhad)
(Incorporated in Malaysia)

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Datuk Amar Lee Hun Hoe
– Chairman

Chan Kien Sing

Mark Wee Liang Yee

Robert Yong Kuen Loke

Derek Chin Chee Seng

Heng Kiah Choong

John Ko Wai Seng
(Alternate Director to Mark Wee Liang Yee)

SECRETARIES

Su Swee Hong (MAICSA No. 0776729)
Wong Pooi Cheong (MAICSA No. 0782043)

AUDIT COMMITTEE

Tan Sri Datuk Amar Lee Hun Hoe
– Chairman/Independent Non-Executive Director

Chan Kien Sing
– Non-Independent/Non-Executive Director

Heng Kiah Choong
– Independent Non-Executive Director

REGISTRAR

Berjaya Registration Services Sdn Bhd
Lot C1-C3, Block C, 2nd Floor, KL Plaza
179 Jalan Bukit Bintang, 55100 Kuala Lumpur
Tel: 03-2145 0533
Fax: 03-2145 9702

AUDITORS

Ernst & Young
Chartered Accountants
Room 401, 4th Floor
Kompleks Antarabangsa
Jalan Sultan Ismail
50250 Kuala Lumpur

REGISTERED OFFICE

11th Floor, Menara Berjaya
KL Plaza, 179 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel: 03-2935 8888
Fax: 03-2935 8043

PRINCIPAL BANKERS

United Overseas Bank (Malaysia) Berhad
Bumiputra-Commerce Bank Berhad

STOCK EXCHANGE LISTING

Main Board of Kuala Lumpur Stock Exchange

STOCK SHORT NAME

MATRIX (3239)

PLACE OF INCORPORATION AND DOMICILE

Malaysia

TAN SRI DATUK AMAR LEE HUN HOE

Chairman

(Independent Non-Executive)

77 years of age, Malaysian

He was appointed to the Board on 28 September 2001. He holds a B.A (Law) (Hon) Degree from University of Southampton and a Post-Graduate Certificate from Council of Legal Education, London. He started his career in civil service in 1949 in the Secretariat Department in Sarawak and was subsequently transferred to the Judicial Department in January 1951. He was attached to the Judicial Department as Stipendiary Magistrate and also acted as Deputy Public Prosecutor and Registrar from 1956 to 1965. He was appointed as Chairman of the Advisory Committee under the Preservation of Public Security Ordinance (Sarawak) from 1962 to 1964. In May 1965, he was appointed as Judge of the High Court in Borneo and was subsequently appointed as Chairman of the Royal Commission of Inquiry to look into the Malpractice and Maladministration of the Seremban Town Board. In August 1968, he was posted to Sabah as Senior Puisne Judge. He acted as Chief Justice from October to December 1973 until his appointment to the substantive post of Chief Justice in January 1974, a position he held until his retirement in December 1990. He has the distinction of being the longest serving Chief Justice of the High Court in Borneo. Currently, he is also the Chairman of Natural Avenue Sdn Bhd, a subsidiary of the Company.

**TAN SRI DATUK AMAR
LEE HUN HOE****CHAN KIENG SING****CHAN KIENG SING**

(Non-Independent/Non-Executive)

46 years of age, Malaysian

He was appointed to the Board on 9 April 2001. He is a member of The Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. Having articulated with Messrs Peat Marwick Mitchell (now known as KPMG) from 1975 to 1981, he subsequently joined Arab-Malaysian Merchant Bank Berhad specialising in the area of corporate finance until 1989 when he joined Berjaya Group Berhad as General Manager, Investments.

Currently, he is the Chief Executive Officer of Berjaya Capital Berhad and an Executive Director of Berjaya Group Berhad and Berjaya Sports Toto Berhad. He is also an alternate Director of DiGi.Com Berhad, a Director of Berjaya Vacation Club Berhad, Berjaya Holdings (HK) Limited and International Lottery & Totalizator Systems Inc. (United States of America). He also holds directorships in several private limited companies in the Berjaya Group of Companies and DiGi Telecommunications Sdn Bhd.

PROFILE OF BOARD OF DIRECTORS

MARK WEE LIANG YEE

(Non-Independent/Non-Executive)
36 years of age, Malaysian

He was appointed to the Board on 9 April 2001. Upon completion of his secondary education in 1983, he was appointed as Managing Director in his family business until 1986 under Wee Hood Teck Group of Companies which are involved in the development of shophouses, industrial factories and condominium development projects. He was the Deputy Managing Director of Empat Nombor Ekor (East Malaysia) Sdn Bhd for two years overseeing the number forecast operation. In 1988, he incorporated Tropicfair Sdn Bhd and Megaquest Sdn Bhd to conduct and operate sweepstakes and number forecast operation for the Sarawak Turf and Equestrian Club and serves as Executive Chairman in both companies.



MARK WEE LIANG YEE



ROBERT YONG KUEN LOKE

ROBERT YONG KUEN LOKE

(Non-Independent/Non-Executive)
50 years of age, Malaysian

He was appointed to the Board on 9 April 2001. He is a fellow member of The Institute of Chartered Accountants (England and Wales), Member of Malaysian Institute of Accountants and Institute of Certified Public Accountants of Singapore. He is also a Council Member of Malaysian Institute of Certified Public Accountants. He has many years of working experience in the fields of accounting, audit, treasury and financial management. He started his career in London in 1973 and worked for more than five years in chartered accounting firms in London, including two years with Moore Stephens & Co. Subsequently, he served as an Audit Manager with Price Waterhouse, Singapore from 1979 to 1982. Prior to joining the Berjaya Group of Companies in 1987, he served as Group Finance Manager in UMW Holdings Berhad and as Group Treasurer in Edaran Otomobil Nasional Bhd.

Currently, he is an Executive Director of Berjaya Group Berhad, Berjaya Land Berhad and Berjaya Sports Toto Berhad. He is also a Director of Cosway Corporation Berhad, Berjaya Capital Berhad and Tiaga Forest Products Ltd. (Canada). He also holds directorships in Berjaya Golf Resort Berhad and various subsidiaries of the Berjaya Group of Companies.

DEREK CHIN CHEE SENG

(Non-Independent/Non-Executive)
45 years of age, Malaysian

He was appointed to the Board on 9 April 2001. He holds a BA (Hons) Business Law degree from City of London Polytechnic (now known as London Guildhall University) and is a Barrister-at-law. He is currently heading the Legal Department of Berjaya Group of Companies as its Senior General Manager. Prior to joining Berjaya Group Berhad in August 1989, he was practising as an Advocate & Solicitor for six years with the legal firm of Allen & Gledhill in Kuala Lumpur.

Currently, he is also a Director of Berjaya Holdings (HK) Limited and holds directorships in various subsidiaries and associate companies of the Berjaya Group of Companies.



DEREK CHIN CHEE SENG



HENG KIAH CHOONG

HENG KIAH CHOONG

(Independent Non-Executive)
53 years of age, Malaysian

He was appointed to the Board on 27 February 2001. He started his sports-related business upon completion of his Secondary Education in 1966. Currently, he is the Managing Director of Sai (M) Sdn Bhd, overseeing the overall management of the graphic design and Sports Event Management departments. He has extensive interest in sports-related businesses and activities. He is currently the Vice-President of the Malaysian Tenpin Bowling Congress, President of Kuala Lumpur Tenpin Bowling Congress, Chairman of the Asian Bowling Federation Marketing & Development committee and a Member of the World Tenpin Bowling Association Marketing Committee. His company is the marketing representative of the International Sepak Takraw Federation responsible in the marketing and promotion of sepak takraw and distribution of sepak takraw equipment.

Save as disclosed, none of the Directors have:-

1. any family relationship with any Director and/or major shareholder of the Company;
2. any conflict of interest with the Company; and
3. any convictions for offences within the past 10 years other than traffic offences.

GROUP FINANCIAL HIGHLIGHTS

	After change in share- holding*	Before change in shareholding*				
	2002 RM'000	2001 RM'000	2000 RM'000	1999 RM'000	1998 RM'000	1997 RM'000
RESULTS						
Revenue	333,751	1,215,953	1,013,563	912,446	943,391	872,977
Profit before taxation	21,211	28,538	15,339	11,028	21,634	28,627
Profit attributable to members	14,230	13,276	17,367	4,898	15,214	19,758
BALANCE SHEET						
Property, plant and equipment	22,355	126,972	134,356	146,308	123,924	108,391
Associated company	-	1,413	1,888	1,970	1,980	1,750
Investments	1,120	-	-	-	-	-
Goodwill	158,043	-	-	-	-	-
Deferred expenditure	-	-	312	1,634	220	82
Net current assets	38,653	373,736	326,766	279,955	320,571	266,061
Assets Employed	220,171	502,121	463,322	429,867	446,695	376,284
Shareholders' funds	202,969	191,420	180,071	174,656	184,100	174,207
Minority interests	2,553	12,095	11,376	15,918	14,779	9,388
Short and long-term liabilities (Note 1)	13,745	298,606	271,807	239,225	247,748	192,621
Deferred taxation	904	-	68	68	68	68
Total Funds Invested	220,171	502,121	463,322	429,867	446,695	376,284
FINANCIAL RATIOS						
Gross dividend rate (%)	3.00	6.45	40.0	48.0	12.5	12.5
Earnings per share (sen) (Note 2)	34.3	32.0	41.8	11.8	36.7	47.6
Debt : equity ratio	1:0.07	1:1.6	1:1.5	1:1.4	1:1.3	1:1.1
Net tangible assets per share (RM)	1.08	4.61	4.33	4.17	4.43	4.20

Notes:

1. Short and long-term liabilities comprise short and long-term borrowings, trade creditors and bills payable.
2. Earnings per share is computed based on profit attributable to members divided by the weighted average shares in issue during the year.
3. Figures for 1997 to 2001 are for the years ended 31 December; figures for 2002 are for the 16-months period ended 30 April 2002.

* Change in shareholding relates to a major change in directorate and direction of the Company.

CHAIRMAN'S STATEMENT PENYATA PENERUSI

On behalf of the Board, I am pleased to present the Annual Report and Financial Statements of the Group for the financial period ended 30 April 2002.

FINANCIAL RESULTS

Following the completion of the Mandatory General Offer by Berjaya Land Berhad to other shareholders of the Company on 8 May 2001, the Company is now a subsidiary of Berjaya Land Berhad. In order to be co-terminous with the financial year end of its new holding company, the Company has changed its financial year end from December to April. Thus, the new financial year ended on 30 April 2002 and the financial period under review covered 16 months.

For the financial period ended 30 April 2002, the Group registered a revenue of RM333.8 million compared to RM1.2 billion in the previous financial year ended 31 December 2000. Pre-tax profit declined from RM28.5 million in the previous year to RM21.2 million for the period under review. The decrease in both revenue and pre-tax profit was mainly due to the deconsolidation of all its subsidiaries and associated companies except Sabah Flour and Feed Mills Sdn Bhd following the completion of the disposal of these companies on 14 February 2001.

DIVIDEND

The Board declared a first interim dividend of 3% less 28% income tax in respect of the 16-month period ended 30 April 2002. The interim dividend was paid on 22 July 2002.

CORPORATE DEVELOPMENTS

On 14 February 2001, the Company completed the disposal of its entire equity interest in all its subsidiaries and associated companies other than Sabah Flour and Feed Mills Sdn Bhd ("SFFM") for a total cash consideration of RM104 million.

On 5 October 2001, the Company completed the acquisition of 100% interest in Rentas Padu Sdn Bhd ("RPSB"), Dayadil Sdn Bhd, Bumisuci Sdn Bhd and Ishandal Sdn Bhd for a total cash consideration of RM162.5 million. These companies hold an effective equity interest of 65% in Natural Avenue Sdn Bhd ("NASB"). NASB is principally involved in the management and promotion of the Special Cash Sweep Number Forecast Lotteries via its appointment as the exclusive management agent by Sarawak Turf and Equestrian Club. NASB conducts, manages and operates the Numbers Forecast Lotteries comprising 1+3D Big and Small Special Cash Sweep, and 3D Big and (Small "A" series and "B" series)



The Lottery Draw Hall of Sarawak Turf and Equestrian Club.

Bagi pihak Lembaga, dengan sukacitanya saya mengemukakan Laporan Tahunan dan Penyata Kewangan Kumpulan untuk tempoh kewangan berakhir 30 April 2002.

KEPUTUSAN KEWANGAN

Ekoran penyempurnaan Tawaran Am Mandatori oleh Berjaya Land Berhad kepada lain-lain pemegang saham Syarikat yang lain pada 8 Mei 2001, Syarikat kini merupakan syarikat subsidiari Berjaya Land Berhad. Untuk membolehkan Syarikat mempunyai tahun kewangan yang bertempoh sama dengan tahun kewangan syarikat pemegangannya yang baru, Syarikat telah mengubah akhir tempoh kewangannya daripada Disember kepada April. Oleh yang demikian, akhir tempoh kewangan baru ialah 30 April 2002 dan tempoh kewangan dalam kajian adalah selama 16 bulan.

Untuk tempoh kewangan berakhir 30 April 2002, Kumpulan mencatatkan perolehan sebanyak RM333.8 juta berbanding RM1.2 bilion pada tahun kewangan sebelumnya berakhir 31 Disember 2000. Untung sebelum cukai merosot daripada RM28.5 juta pada tahun sebelumnya kepada RM21.2 juta untuk tempoh dalam kajian. Kemosrotan dalam perolehan dan untung sebelum cukai ini sebahagian besarnya disebabkan oleh pemecahan gabungan semua syarikat subsidiari dan syarikat bersekutunya kecuali Sabah Flour and Feed Mills Sdn Bhd ekoran penyempurnaan pelupusan semua syarikat ini pada 14 Februari 2001.

DIVIDEN

Lembaga mengisytiharkan dividen interim pertama sebanyak 3% tolak 28% untuk cukai pendapatan yang berkaitan dengan tempoh 16 bulan berakhir 30 April 2002. Dividen interim ini telah dibayar pada 22 Julai 2002.

PEMBANGUNAN KORPORAT

Pada 14 Februari 2001, Syarikat menyempurnakan pelupusan seluruh kepentingan ekuitinya dalam semua syarikat subsidiari dan syarikat bersekutunya kecuali dalam Sabah Flour and Feed Mills Sdn. Bhd. ("SFFM") dengan balasan tunai berjumlah RM104 juta.

CHAIRMAN'S STATEMENT

PENYATA Pengerusi

Special Cash Sweep in Sarawak. NASB has a total of 74 outlets throughout the state of Sarawak.

On 12 November 2001, the Company proposed to undertake a 3 for 1 bonus issue of 124.5 million new ordinary shares. To accommodate the proposed bonus issue, the Company proposed to increase its authorised share capital from 50 million to 500 million ordinary shares. The proposed bonus issue would increase the capital base of Matrix to a level which better reflect the Company's scale of business. It would also enhance the marketability and liquidity of the Company's shares in the market. The above proposal is pending the approvals of the shareholders and KLSE for the listing and quotation of the new Matrix shares to be issued pursuant to the Proposed Bonus Issue.

On 8 May 2002, the Company proposed the disposal of its entire equity interest in SFFM to Interflour Holdings Limited for a cash consideration of RM26 million. A total net dividend of RM6 million will be distributed by SFFM to the Company prior to the completion of the disposal. In aggregate, the cash proceeds received by the Company from the proposed disposal would amount to approximately RM32 million. The proposal is pending the approval of shareholders of the Company at an Extraordinary General Meeting to be convened.

On 21 June 2002, Matrix announced that it has entered into a Conditional Sale and Purchase Agreement with Puncak Buana Sdn Bhd to acquire the entire equity interest in Sublime Cartel Sdn Bhd ("Sublime") for a total cash consideration of RM28 million. Sublime was incorporated in Malaysia on 27 July 1998 and commenced operations in October 1999. Sublime is principally involved in the provision of lottery consultancy and related services. On 17 June 1999, Sublime entered into a Deed of Sale with

Pada 5 Oktober 2001, Syarikat menyempurnakan pemerolehan 100% kepentingan dalam Rentas Padu Sdn. Bhd. ("RPSB"), Dayadil Sdn. Bhd., Bumisuci Sdn. Bhd. dan Ishandal Sdn. Bhd. dengan balasan tunai berjumlah RM162.5 juta. Semua syarikat ini memegang kepentingan ekuiti berkesan sebanyak 65% dalam Natural Avenue Sdn. Bhd. ("NASB"). NASB terlibat terutamanya dalam pengurusan dan promosi Loteri Nombor Pertaruhan "Special Cash Sweep" melalui pelantikannya sebagai ejen pengurusan khas oleh Sarawak Turf and Equestrian Club. NASB melaksanakan, menguruskan dan mengendalikan Loteri Nombor Pertaruhan tersebut yang terdiri daripada "Special Cash Sweep" 1+3D Besar dan Kecil, dan 3D Besar dan "Special Cash Sweep" (siri "A" dan siri "B" Kecil) di Sarawak. NASB mempunyai sebanyak 74 buah cawangan di seluruh negeri Sarawak.

Pada 12 November 2001, Syarikat bercadang untuk melaksanakan terbitan bonus 3 untuk 1 bagi 124.5 juta saham biasa baru. Untuk menjayakan pelaksanaan terbitan bonus cadangan itu, Syarikat bercadang untuk meningkatkan modal sahamnya yang dibenarkan daripada 50 juta kepada 500 juta saham biasa. Terbitan bonus cadangan akan meningkatkan skala modal Matrix ke tahap lebih baik yang mencerminkan asas perniagaan Syarikat. Terbitan tersebut juga meningkatkan kebolehpasaran dan kecairan saham Syarikat di pasaran. Cadangan di atas masih menunggu kelulusan pemegang saham dan BSKL untuk penyenaiaan dan sebutharga saham Matrix baru yang akan diterbitkan menurut Terbitan Bonus Cadangan tersebut.

Pada 8 Mei 2002, Syarikat bercadang untuk melupuskan seluruh kepentingan ekuitinya di SFFM kepada Interflour Holdings Limited dengan balasan tunai sebanyak RM26 juta. Dividen bersih berjumlah RM6 juta akan diagihkan oleh SFFM kepada Syarikat sebelum pelupusan selesai. Dari segi agregat, hasil tunai yang diterima oleh Syarikat daripada pelupusan yang dicadangkan itu, berjumlah kira-kira RM32 juta. Cadangan tersebut masih menunggu kelulusan pemegang saham Syarikat pada Mesyuarat Agung Luar Biasa yang akan diadakan.

Pada 21 Jun 2002, Matrix mengumumkan bahawa ia telah mengikat Perjanjian Jual Beli Bersyarat dengan Puncak Buana Sdn. Bhd. untuk memperoleh seluruh kepentingan ekuiti di Sublime Cartel Sdn. Bhd. ("Sublime") dengan balasan tunai berjumlah RM28 juta. Sublime diperbadankan di Malaysia pada 27 Julai 1998 dan memulakan operasinya pada bulan Oktober 1999. Sublime terlibat terutamanya untuk memberikan khidmat rundingan tentang loteri dan khidmat yang berkaitan dengannya. Pada 17 Jun 1999, Sublime menandatangani Surat Ikatan Jualan dengan Sarawak Turf and Equestrian Club ("STEC") untuk membeli seluruh royalti yang belum diterima oleh STEC, kecuali 0.5% untuk tempoh 30 tahun, bermula dari 17 Oktober 1999. Hasil Sublime diperoleh semata-mata daripada royalti belum terima yang dibeli daripada STEC. Menurut satu perjanjian agensi bertarikh 31 Mac 1991 dan surat ikatan variasi bertarikh 6 Julai 1995, STEC menerima bayaran royalti daripada NASB pada kadar 2.25% atau pada kadar lain yang ditetapkan untuk pelbagai permainan dengan berasaskan jualan kasar pertaruhan masing-masing. NASB dilantik oleh STEC sebagai ejen tunggal dan khas untuk menguruskan, melaksanakan dan mengendalikan Loteri Nombor Pertaruhan. Di bawah Surat Ikatan Jualan, Sublime membeli daripada STEC, bayaran royalti



A gaming outlet in Sarawak

CHAIRMAN'S STATEMENT PENYATA PENERUSI

Sarawak Turf and Equestrian Club ("STEC") to purchase the entire royalty receivable by STEC, except for 0.5%, for a period of 30 years commencing from 17 October 1999. Sublime's revenue is solely derived from the royalty receivable purchased from STEC. Pursuant to an agency agreement dated 31 March 1991 and a deed of variation dated 6 July 1995, STEC receives royalty payments from NASB at a rate of 2.25% or such other rates determined for variant games based on the gross sales of the respective games. NASB was appointed by STEC as the sole and exclusive agent to manage, conduct and operate the number forecast lotteries. Under the Deed of Sale, Sublime purchased from STEC the royalty payment of 1.75% of the gross turnover on all games operated by NASB. The acquisition of Sublime will be substantially financed from the cash proceeds to be received from the proposed disposal of SFFM of RM32 million announced on 8 May 2002.

REVIEW OF OPERATIONS

In line with the holding company's accounting period, **Natural Avenue Sdn Bhd** has extended its accounting period by four months to coincide and end on 30 April 2002. The principal activities of the company as agent for the STEC for its number forecast lotteries remained unchanged. Being a highly government controlled and regulated industry, there are no significant changes in the company's operations. In spite of this, revenue for the period under review has grown by an average of 16% over the previous year. This was due to the growing awareness and acceptance of the company's products.

In line with its objective as a caring and responsible corporate citizen, the company has pledged to continuously support STEC Kidney Foundation to further the Foundation's cause to assist those who suffer from renal failure in Sarawak by providing financial aid for their treatment. Currently, there are 45 patients under the care of the Foundation. Similarly, numerous other contributions were given to social and charitable organisations in Sarawak.

The management does not foresee any significant changes in the coming year. However, the company will continue to work on promoting awareness and acceptance of its products for greater market penetration and expect a sustained growth in the coming year.

For the financial period under review, **Sabah Flour and Feed Mills Sdn Bhd** faced a difficult market environment due to intense competition. In the domestic flour market, excess milling capacity and seasonal low market demand weighed down margin and sales for the



An agent's outlet in Sarawak.

sebanyak 1.75% daripada pusing ganti kasar semua pertaruhan yang dikendalikan oleh NASB. Pemerolehan Sublime sebahagian besarnya dibiaya oleh hasil tunai yang akan diterima daripada pelupusan yang dicadangkan SFFM sebanyak RM32 juta seperti yang diumumkan pada 8 Mei 2002.

KAJIAN SEMULA OPERASI

Selaras dengan tempoh perakaunan syarikat pemegang, **Natural Avenue Sdn Bhd** telah melanjutkan tempoh perakaunannya selama empat bulan supaya bersamaan dengan dan berakhir pada 30 April 2002. Aktiviti utama syarikat sebagai ejen STEC untuk Loteri Nombor Pertaruhan tetap tidak berubah. Sebagai industri yang dikawal ketat dan diselia oleh kerajaan, syarikat tidak melakukan apa-apa perubahan yang bererti pada operasinya. Meskipun berkeadaan sedemikian, namun hasil untuk tempoh dalam kajian bertambah dengan purata 16% berbanding tahun sebelumnya. Pertumbuhan ini berpunca daripada kesedaran dan penerimaan masyarakat akan produk syarikat.

Selaras dengan objektifnya sebagai warga korporat yang penyayang dan bertanggungjawab, syarikat berikrar untuk terus menyokong Yayasan Buah Pinggang STEC demi meneruskan perjuangan Yayasan dalam membantu mereka yang menderita akibat sakit buah pinggang di Sarawak dengan memberikan bantuan kewangan untuk rawatan mereka. Pada masa ini, terdapat 45 pesakit di bawah jagaan Yayasan. Di samping itu, banyak sumbangan lain turut diberikan kepada pertubuhan sosial dan pertumbuhan amal di Sarawak.

Pengurusan tidak menjangkakan apa-apa perubahan bererti akan berlaku pada tahun akan datang. Walau bagaimanapun, syarikat akan terus berusaha untuk memupuk kesedaran dan penerimaan masyarakat akan produknya supaya pasaran yang lebih besar dapat ditembusi dan pertumbuhan mapan diharap dapat dicapai pada tahun yang akan datang.

Untuk tempoh tahun kewangan dalam kajian, **Sabah Flour and Feed Mills Sdn Bhd** menghadapi keadaan pasaran yang sukar akibat persaingan yang amat sengit. Dalam pasaran tepung domestik pula, jumlah pengilangan yang berlebihan dan permintaan pasaran yang rendah dan bermusim membebani

CHAIRMAN'S STATEMENT PENYATA Pengerusi

period under review. Despite such an unfavourable condition, the Flour division managed to maintain its position in the industry.

Total feed milling capacity in the industry recorded a drastic increase of 60% over the previous financial year while demand for feed recorded was at a rate of less than 3%. As a result, profit margin deteriorated with the slashing of feed prices among feed millers. There was also a tremendous threat as a few companies in the industry merged through aggressive acquisitions of existing farms making them bigger and stronger.

In spite of the turbulent time in the industry, the Feed Mill division made significant growth of more than 20% in revenue during the period under review through customer focus strategy to increase customer loyalty.

FUTURE OUTLOOK

With the disposal of SFFM, the Company will re-align its business and concentrate on its gaming business. The cash proceeds from the disposal of SFFM will be substantially utilised to finance the proposed acquisition of Sublime and viable investments to be identified for the long-term interest of Matrix and its shareholders.

With the acquisition of NASB and Sublime, the Directors believed that these new cash generating businesses would contribute positively to the results of the Group with attractive returns, strong cashflow and long term growth potential.

Barring unforeseen circumstances, the Directors anticipate that the results for the current year ending 30 April 2003 will be satisfactory.

APPRECIATION

On behalf of the Board, I would like to express my appreciation to the management, employees and agents for their commitment and dedication in their work and all our customers, shareholders, business associates, financiers and the government authorities for their co-operation and support.

Tan Sri Datuk Amar Lee Hun Hoe
Chairman
8 August 2002

margin dan jualan untuk tempoh dalam kajian. Walaupun wujud keadaan yang tidak memuaskan ini, namun bahagian Tepung masih berupaya mengekalkan kedudukannya dalam industri.

Jumlah pengilangan makanan ternakan dalam industri secara keseluruhannya mencatatkan peningkatan mendadak sebanyak 60% berbanding tahun kewangan sebelumnya, sementara permintaan untuk makanan ternakan mencatatkan kadar peningkatan yang kurang daripada 3%. Oleh yang demikian, margin keuntungan untung merosot akibat berlakunya pengurangan harga makanan di kalangan pengilang makanan ternakan. Di samping itu terdapat ancaman amat besar apabila sebilangan syarikat dalam industri bergabung melalui pemerolehan ladang sedia ada yang dibuat secara agresif untuk membentuk syarikat yang lebih besar dan lebih teguh.

Meskipun industri mengalami pergolakan, namun bahagian Kilang Makanan Ternakan mencatatkan pertumbuhan hasil yang besar sebanyak lebih daripada 20% sepanjang tempoh dalam kajian melalui strategi tumpuan terhadap pelanggan dalam meningkatkan kesetiaan mereka.

GAMBARAN MASA DEPAN

Dengan pelupusan SFFM, Syarikat akan melaraskan semula perniagaannya dan menumpukan perhatian kepada perniagaan pertaruhannya. Hasil tunai daripada pelupusan SFFM sebahagian besarnya akan digunakan untuk membiayai pemerolehan cadangan Sublime seperti yang dicadangkan dan pelaburan berdaya maju yang akan dikenal pasti sebagai dapat memberikan kepentingan jangka panjang Matrix dan pemegang sahamnya.

Dengan pemerolehan NASB dan Sublime, para Pengarah yakin bahawa perniagaan baru yang menjana tunai ini akan memberikan sumbangan yang positif terhadap keputusan Kumpulan dengan pulangan menarik, aliran tunai yang teguh dan potensi pertumbuhan jangka panjang.

Kecuali berlaku keadaan yang tidak diduga, para Pengarah menjangkakan bahawa keputusan untuk tahun kewangan semasa berakhir 30 April 2003 adalah memuaskan.

PENGHARGAAN

Bagi pihak Lembaga, saya ingin merakamkan penghargaan saya kepada pengurusan, pekerja dan ejen atas komitmen dan dedikasi mereka dalam menjalankan tugas dan juga kepada semua pelanggan, pemegang saham, rakan perniagaan, pembiaya dan pihak berkuasa kerajaan atas kerjasama dan sokongan mereka.

Tan Sri Datuk Amar Lee Hun Hoe
Pengerusi
8 Ogos 2002

AUDIT COMMITTEE COMPOSITION

Tan Sri Datuk Amar Lee Hun Hoe
– Chairman/Independent Non-Executive Director

Chan Kien Sing
– Non-Independent/Non-Executive Director

Heng Kiah Choong
– Independent Non-Executive Director

AUDIT COMMITTEE MEMBERS' MEETING ATTENDANCES

The Audit Committee held three (3) meetings during the financial period ended 30th April 2002. The details of attendance of the Audit Committee members are as follows:-

Name	Attendance
Dr Tan Eng Liang (resigned on 30.4.2001)	1/1*
Dato' Letchumi Kandan s/o Vengadasalam (resigned on 9.4.2001)	1/1*
Datuk Pengiran Mohd Hussein bin OKK Datuk Pengiran Haji Mohd. Tahir Nasruddin (resigned on 27.2.2001)	1/1*
Tan Sri Datuk Amar Lee Hun Hoe (appointed on 28.9.2001)	2/2*
Chan Kien Sing (appointed on 3.5.2001)	2/2*
Heng Kiah Choong (appointed on 16.8.2001)	2/2*

* Reflects the attendance and the number of meetings held during the period the Audit Committee member held office.

TERMS OF REFERENCE

1. MEMBERSHIP

The Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three members, a majority of whom shall be Independent Directors and at least one member of the Committee must be a member of the Malaysian Institute of Accountants or such other qualifications and experience as approved by the Kuala Lumpur Stock Exchange.

A quorum shall consist of two members and a majority of the members present must be Independent Directors.

If a member of the audit committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three, the board of directors shall, within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

2. CHAIRMAN

The Chairman of the Committee shall be an Independent Director appointed by the Board. He shall report on each meeting of the Committee to the Board.

3. SECRETARY

The Company Secretary shall be the Secretary of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to the Committee members prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the audit committee and circulating them to the Committee members and to the other members of the Board of Directors.

4. FREQUENCY OF MEETINGS

Meetings shall be held not less than four times a year and will normally be attended by the Director charged with the responsibilities of the Group's finance and Head of Internal Audit. The presence of external auditors will be requested if required and the external auditors may also request a meeting if they consider it necessary.

AUDIT COMMITTEE TERMS OF REFERENCE

5. AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Committee is also authorised by the Board to obtain external legal or other independent professional advice as necessary.

The Committee is also authorised to convene meetings with the external auditors excluding the attendance of the executive members of the Committee, wherever deemed necessary.

6. DUTIES

The duties of the Committee shall be:-

- (a) To consider the appointment of external auditors, the audit fee and any questions of resignation or dismissal including recommending the nomination of person or persons as external auditors;
- (b) To discuss with the external auditors where necessary, on the nature and scope of audit and to ensure coordination of audit where more than one audit firm is involved;
- (c) To review the quarterly results and year-end financial statements prior to the approval by the Board, focusing on:-
 - going concern assumption
 - compliance with accounting standards and regulatory requirements
 - any changes in accounting policies and practices
 - significant issues arising from the audit
 - major judgemental areas
- (d) To prepare Audit Committee Report at the end of each financial year;
- (e) To discuss problems and reservations arising from the interim and final external audits, and any matters the external auditors may wish to discuss (in the absence of management, where necessary);
- (f) To review the external auditors' management letter and management's response;
- (g) To review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (h) To do the following when the internal audit function is established:-
 - review the adequacy of scope, functions and resources of the internal audit department and that it has the necessary authority to carry out its work;
 - review internal audit programme;
 - ensure coordination of external audit with internal audit;
 - consider the major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
 - review any appraisal or assessment of the performance of the staff of the internal audit function;
 - approve any appointment or termination of senior staff member of the internal audit function;
 - inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reason for resignation;
 - to monitor related party transactions entered into by the Company and its subsidiaries, and to ensure that the Directors report such transactions annually to shareholders via the annual report;
 - to review and monitor the effectiveness of internal control systems and to evaluate the systems with the external auditors;
- (i) To carry out such other responsibilities, functions or assignments as may be defined jointly by the Audit Committee and the Board of Directors from time to time;
- (j) In compliance with Paragraph 15.17 of the Kuala Lumpur Stock Exchange ("the Exchange") Listing Requirements, where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Committee must promptly report such matter to the Exchange.

During the financial period ended 30 April 2002, three meetings of the Committee were held. The main activities undertaken by the Committee in accordance with its Terms of Reference during the year included the following:-

- (a) Reviewed the quarterly financial reports.
- (b) Reviewed the external auditors' scope of work and audit plans for the year.
- (c) Reported and updated the Board on the new developments on accounting standards issued by Malaysian Accounting Standards Board and concerns discussed during the Committee's meetings and made the necessary recommendations to the Board.

Currently, the Company does not have an internal audit function following the change in the shareholding structure and management during the financial period under review. However, in order to discharge its duties, the Committee worked closely with the external auditors in reviewing the audit plan, systems of control and review any related party transactions. The recommendations of the external auditors are taken up at the Board level by the Committee for implementation.

The Committee has also placed reliance on its external auditors to highlight any material weaknesses in the internal control system of the Group arising as a result of the statutory audit of the Group.

In compliance with the Kuala Lumpur Stock Exchange Listing Requirements, the Committee is evaluating and recommending to the Board to set up an internal audit function by outsourcing it to the immediate holding Company's internal auditors.

The audit and non-audit fees paid to the auditors for the financial period ended 30 April 2002 has been disclosed in Note 18 to the financial statements.

The Committee is confident that the processes for identifying, evaluating and managing the significant risk faced by the Company have been in place throughout the financial period ended 30 April 2002 and provide reasonable assurance on the effectiveness and efficiency of both the financial and operational aspects of the Company.

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors is committed to ensuring that the principles and best practices in corporate governance under the Malaysian Code on Corporate Governance are practised by the Company.

Set out below is a description of how the Corporate Governance framework is applied by the Company for the financial period ended 30 April 2002:-

A. DIRECTORS

i) The Board

The Board is responsible for the effective leadership and control of the Matrix group and this includes the following:-

- (a) Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- (b) Identifying principal risks to ensure the implementation of appropriate systems to manage these risks;
- (c) Maintaining shareholders and investors relations of the Company; and
- (d) Reviewing the adequacy and integrity of the Company's internal control systems and management systems; including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board currently has seven members and is comprised of four Non-Independent/Non-Executive Directors, two Independent Non-Executive Directors and one Alternate Director. The qualifications and experience of each of the Director is set out in the Directors' profile from Page 3 to Page 5 of the Annual Report.

During the financial period from 1 January 2001 to 30 April 2002, five Board Meetings were held and the attendance record of the Directors is set out below:-

<u>Name of Directors</u>	<u>Number of Meetings Attended *</u>
Tan Sri Datuk Amar Lee Hun Hoe (appointed on 28.9.2001)	1
Mark Wee Liang Yee	2
Chan Kien Sing	4
Robert Yong Kuen Loke	3
Derek Chin Chee Seng	4
Heng Kiah Choong	4

* Prior to the completion of the disposal of Matrix International Berhad (Formerly known as Gold Coin (Malaysia) Berhad) ["Matrix"] by Gold Coin Investment Pte Ltd to Berjaya Land Berhad on 8 May 2001 and the appointment of the abovementioned Directors between 27 February 2001 to 28 September 2001, the previous Board of Matrix has convened one Board Meeting on 26 February 2001.

ii) Nomination Committee

A Nomination Committee comprising Non-Executive Directors was set up in March 2002. The members of the Committee are as follows:-

- (a) Chan Kien Sing
- Chairman/Non-Executive Director
- (b) Tan Sri Datuk Amar Lee Hun Hoe
- Independent/Non-Executive Director
- (c) Heng Kiah Choong
- Independent/Non-Executive Director

The Committee is empowered by its terms of reference and its primary function is to recommend to the Board, candidates for directorships of the Company and its subsidiaries and Directors to fill the seats on Board Committees.

The Committee will review the required mix of skills and experience of the Directors of the Board, in determining the appropriate Board balance and size of the non-executive participation.

iii) Directors' Training

All Directors and Alternate Director have attended and completed the Mandatory Accreditation Programme ("MAP") conducted by the Research Institute of Investment Analysts Malaysia ("RIIAM"), an affiliate company of the Kuala Lumpur Stock Exchange.

The Directors will continue to undergo other relevant training programme to further enhance their skills and knowledge on a continuous basis.

iv) Supply of Information

The Directors are provided with the relevant agenda and Board papers in sufficient time prior to Board Meetings to enable the Directors to obtain further clarifications or explanations, if any to facilitate informed decision making. The Board papers include reports on financial, operational and corporate developments of the group. The Directors also have access to the advice and services of the Company Secretaries and independent professional advice, where necessary at the expense of the Company.

v) Re-election

All Directors are required to submit themselves for re-election and at least once in every three years. New Directors appointed since the last Annual General Meeting will be subject to re-election at the forthcoming Annual General Meeting. Pursuant to Section 129(6) of the Companies Act, 1965, Directors who are over seventy (70) years of age are required to submit themselves for re-appointment at the Annual General Meeting.

B. DIRECTORS' REMUNERATION

i) Remuneration Committee

A Remuneration Committee comprising mainly Non-Executive Directors was set up in March 2002. The members of the committee are as follows:-

- (a) Tan Sri Datuk Amar Lee Hun Hoe
- Chairman/Independent Non-Executive Director
- (b) Heng Kiah Choong
- Independent/Non-Executive Director
- (c) Chan Kien Sing
- Non-Executive Director

The primary functions of the Remuneration Committee is to set up the policy framework and to recommend to the Board on all elements of the remuneration package of the executive directors. The determination of remuneration packages of non-executives directors, including the non-executive Chairman, is a matter for the Board as a whole with the Directors concerned abstaining from deliberation and voting on decision in respect of his individual remuneration.

The fees payable to the Directors will be recommended by the Board for approval by shareholders at the Annual General Meeting.

STATEMENT ON CORPORATE GOVERNANCE

ii) Details of the Directors' remuneration

For the period ended 30 April 2002, the aggregate Directors' remuneration paid or payable to all Directors of the Company categorised into appropriate components are as follows:-

	Fees (RM)	Other Emoluments (RM)	Total (RM)
Executive	-	-	-
Non-Executive	73,000	4,500	77,500
	<hr/> 73,000	<hr/> 4,500	<hr/> 77,500

The number of Directors of the Company who served during the financial period and whose total remuneration from the Group falling within the respective band are as follows:-

	Number of Directors	
	Executive	Non-Executive
Below RM50,000	-	3

C. RELATIONS WITH SHAREHOLDERS AND INVESTORS

Shareholders are encouraged to attend and participate at the Company's Annual General Meeting where the Board members, senior management and Auditors in attendance will clarify any questions or issues in relation to the Company's performance, operations or any other concerns or expectation.

Shareholders, investors and members of the public can also have an overview of the group's performance and operation via the quarterly financial reports, annual reports, announcements and circular to shareholders made by the Company to the Kuala Lumpur Stock Exchange ("KLSE") during the year. Such information may also be obtained from the Group's website at www.berjaya.cc or the KLSE website at www.klse.com.my

The Board has appointed Tan Sri Datuk Amar Lee Hun Hoe as the Senior Non-Executive Director to whom shareholders' concerns may be conveyed.

D. ACCOUNTABILITY AND AUDIT

i) Financial Reporting

The Directors aim to provide a balanced and meaningful assessment of the Group's financial performance and prospects, primarily through the Annual Report and quarterly financial statements.

The Directors are also responsible for ensuring the annual financial statements are prepared in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards in Malaysia.

A statement by the Directors of their responsibilities in the preparation of financial statements is set out in the ensuing section.

ii) Statement of Directors' Responsibility in respect of the Financial Statements

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group and of the results and cash flows of the Company and of the Group for that period. In preparing those financial statements, the Directors are required to:-

- (a) select suitable accounting policies and then apply them consistently;
- (b) state whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the financial statements;
- (c) make judgements and estimates that are reasonable and prudent; and
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and to enable them to ensure that the financial statements comply with the Companies Act 1965. The Directors are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

iii) Internal Controls

The Board of Directors of Matrix International Berhad recognises that it is responsible for the Group's system of internal control and for reviewing its adequacy and integrity. The system of internal control of the Group is designed to manage rather than eliminate the risk of failure to achieve business objectives and thus can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board's primary objective and direction in managing the Group's risks are focused on the achievement of the Group's business objectives. The Board, throughout the financial period under review, has identified, evaluated and managed the significant risks faced by the Group through the monitoring of the Group's performance and profitability at its Board meetings.

The Group is currently re-aligning its business to focus on gaming activities. In line with this, Natural Avenue Sdn Bhd ("NASB") was acquired during the financial period under review. The Group is also in the process of disposing Sabah Flour and Feed Mills Sdn Bhd ("SFFM"), which is currently independently managed, as SFFM is not aligned with the Group's future strategic direction. Until the disposal is completed, the Board has appointed a senior person from the Group to the Board of SFFM to serve the Group's interest.

Management is delegated with responsibility of managing the day-to-day operations of the Group. Management of NASB, led by its General Manager, ensure that there are adequate controls in place to manage the strategic, operational and financial aspects of the business. The Board also receives regular updates on the Group's performance from management at Board meetings.

The key features of the framework which encompasses NASB's system of internal control include:

- Clear reporting lines
- Segregation of duties
- Monitoring mechanisms (reports & meetings)
- Surprise checks on agents
- Physical security and Systems access controls
- Trained personnel
- Formal operating and draw procedures

STATEMENT ON CORPORATE GOVERNANCE

The Board has tasked the Audit Committee, in its Terms of Reference, with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control. The Board reviews the minutes of the Audit Committee's meetings. The Report of the Audit Committee is set out on page 13, of the Annual Report. Internal Audit reviews of the Group, which will commence in the coming financial year, will be provided by the immediate holding company. Internal audit reviews will primarily focus on the Group's gaming activities. The Internal Audit function will report directly to the Audit Committee.

Subsequent to the financial period under review, a high-level current state assessment of the Group's system of internal control was undertaken to assess the Group's readiness to make the Statement of Internal Control, based on the Guidance issued by the Kuala Lumpur Stock Exchange's Task Force on Internal Control. The Board together with management will review the results of this assessment, and where appropriate, will take measures to further enhance the Group's system of internal control.

The Board is committed towards operating a sound system of internal control and recognises that the system must continuously evolve to support the type of business and size of operations of the Group. As such, the Board will, when necessary, put in place appropriate action plans to rectify any potential weaknesses or further enhance the system of internal control.

iv) Relationship with the External Auditors

Through the Audit Committee, the Company has established a transparent and appropriate relationship with the Group's external auditors. From time to time, the auditors highlight to the Audit Committee and the Board on matters that require the Board's attention.

E. BEST PRACTICES OF CORPORATE GOVERNANCE

The Company has complied with the Best Practices of Corporate Governance as set out in the Code throughout the financial period ended 30 April 2002 with the exception of the following:-

- i) The internal audit functions were not set up for the financial period ended 30 April 2002. However, the Audit Committee has evaluated and recommended to the Board to set up an internal audit function by outsourcing it to the immediate holding company's internal auditors to carry out the internal audit of the Group commencing from the financial year ending 30 April 2003.

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DIRECTORS' REPORT**DIRECTORS' REPORT**

The Directors have pleasure in presenting their report together with the audited financial statements of the Company and of the Group for the period ended 30 April 2002.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiary companies consist of:-

- (i) manufacture of feed, flour and other related activities;
- (ii) general trading and commission agent for the Special Cash Sweep Number Forecast Lotteries; and
- (iii) investment holding.

There have been no significant changes in the nature of the Group's activities during the period other than the disposal and acquisition of subsidiary and associated companies as disclosed in Note 27 to the financial statements.

CHANGE OF NAME

The name of the Company was changed to Matrix International Berhad on 2 October 2001.

CHANGE OF ACCOUNTING YEAR END

Following the completion of the Mandatory General Offer by Berjaya Land Berhad ("BLB") to other shareholders of the Company on 8 May 2001, the Company is now a subsidiary of BLB. In order to be co-terminous with the financial year end of its new holding company, the Company changed its financial year end from December to April. Thus, the new financial year end is 30 April 2002 and as such the current financial period covers 16 months.

RESULTS

	Group RM'000	Company RM'000
Profit before taxation	21,211	45,251
Taxation	(6,511)	2,657
Profit after taxation	14,700	47,908
Minority interests	(470)	-
Profit attributable to members of the Company	14,230	47,908
Retained profit brought forward	122,531	93,589
Profit available for appropriation	136,761	141,497
Interim dividend of 3.0% less 28% income tax	(896)	(896)
Retained profit carried forward	135,865	140,601

RESULTS (CONT'D)

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

In the opinion of the Directors, the results of the Company and of the Group during the financial period have not been substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in Note 19 to the financial statements.

DIVIDENDS

During the financial period, the Company paid an interim dividend of 6.45% per share on 41,501,170 ordinary shares, less 28% income tax, amounting to RM1,927,306 in respect of the previous financial year.

The Directors declared an interim dividend of 3.0% per share on 41,501,170 ordinary shares, less 28% income tax, amounting to RM896,425 which was paid on 22 July 2002.

DIRECTORS

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

Tan Sri Datuk Amar Lee Hun Hoe	(Appointed on 28.9.2001)
Mark Wee Liang Yee	(Appointed on 9.4.2001)
Chan Kien Sing	(Appointed on 9.4.2001)
Robert Yong Kuen Loke	(Appointed on 9.4.2001)
Derek Chin Chee Seng	(Appointed on 9.4.2001)
Heng Kiah Choong	
John Ko Wai Seng	(Resigned on 26.6.2001)
(Alternate to Mark Wee Liang Yee)	(Reappointed as alternate director on 12.11.2001)
Dato' Tan Han Kook	(Resigned on 14.8.2001)
Loh Chen Peng	(Resigned on 28.9.2001)
Dr. Tan Eng Liang	(Resigned on 30.4.2001)
Dato' Letchumi Kandan s/o Vengadasalam	(Resigned on 9.4.2001)
Louis P.Schwendener	(Resigned on 30.4.2001)
Pierre Jean-Claude Moccand	(Resigned on 30.4.2001)
Dr. Thomas Stunzi Zuellig	(Resigned on 30.4.2001)

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest required to be disclosed by Section 169(8) of the Companies Act, 1965.

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN SHARES

The following Directors who held office at the end of the financial period had, according to the register required to be kept under Section 134 of the Companies Act, 1965, an interest in shares and debentures of related corporations as stated below:-

ULTIMATE HOLDING COMPANY

Berjaya Group Berhad	At date of appointment	No. of Ordinary Shares of RM1.00 each		At 30.4.2002
		Bought	Sold	
Robert Yong Kuen Loke	200,000	-	-	200,000

No. of RM1.00 Nominal Value of 5% Irredeemable Convertible Unsecured Loan Stocks 1999/2009

Robert Yong Kuen Loke	At date of appointment	No. of RM1.00 Nominal Value of 5% Irredeemable Convertible Unsecured Loan Stocks 1999/2009		At 30.4.2002
		Bought	Sold	
Robert Yong Kuen Loke	139,000	-	-	139,000

HOLDING COMPANY

Berjaya Land Berhad	At date of appointment	No. of Ordinary Shares of RM1.00 each		At 30.4.2002
		Bought	Sold	
Robert Yong Kuen Loke	90,000	-	-	90,000

No. of RM1.00 Nominal Value of 5% Irredeemable Convertible Unsecured Loan Stocks 1999/2009

Derek Chin Chee Seng	At date of appointment	No. of RM1.00 Nominal Value of 5% Irredeemable Convertible Unsecured Loan Stocks 1999/2009		At 30.4.2002
		Bought	Sold	
Derek Chin Chee Seng	30,000	-	30,000	-

RELATED CORPORATIONS

Cosway Corporation Berhad	At date of appointment	No. of Ordinary Shares of RM1.00 each		At 30.4.2002
		Bought	Sold	
Robert Yong Kuen Loke	780,000	-	-	780,000

No. of Ordinary Shares of RM1.00 each

Berjaya Capital Berhad	At date of appointment	No. of Ordinary Shares of RM1.00 each		At 30.4.2002
		Bought	Sold	
Chan Kien Sing	10,000	-	-	10,000
Robert Yong Kuen Loke	168,000	-	-	168,000

No. of Ordinary Shares of RM1.00 each

Berjaya Sports Toto Berhad	At date of appointment	No. of Ordinary Shares of RM1.00 each		At 30.4.2002
		Bought	Sold	
Chan Kien Sing	-	120,000	100,000	20,000
Robert Yong Kuen Loke	250,000	120,000	-	370,000
Derek Chin Chee Seng	25,000	121,000	35,000	111,000

DIRECTORS' INTERESTS IN SHARES (CONT'D)

Berjaya Sports Toto Berhad	<u>No. of Options Over Ordinary Shares of RM1.00 each</u>			At 30.4.2002
	At date of appointment	Granted	Exercised	
Chan Kien Sing	300,000	–	120,000	180,000
Robert Yong Kuen Loke	300,000	–	120,000	180,000
Derek Chin Chee Seng	215,000	–	121,000	94,000

Unza Holdings Berhad	<u>No. of Ordinary Shares of RM1.00 each</u>			At 30.4.2002
	At date of appointment	Bought	Sold	
Robert Yong Kuen Loke	79,000	–	–	79,000
Derek Chin Chee Seng	12,000	–	1,000	11,000

HOLDING COMPANY

The Directors regard Berjaya Land Berhad as the immediate holding company and Berjaya Group Berhad as the ultimate holding company.

SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

Significant events during the financial period are disclosed in Note 27 to the financial statements.

SIGNIFICANT EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

Significant events subsequent to the balance sheet date are disclosed in Note 28 to the financial statements.

OTHER STATUTORY INFORMATION

- (a) Before the balance sheets and income statements of the Company and of the Group were made out, the Directors took reasonable steps:-
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts;
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business have been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:-
- (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the Company and the Group inadequate to any substantial extent;
 - (ii) the values attributed to current assets in the financial statements of the Company and of the Group misleading.

DIRECTORS' REPORT**OTHER STATUTORY INFORMATION (CONT'D)**

- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets and liabilities of the Company and of the Group misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company and of the Group which would render any amount stated in the financial statements and the consolidated financial statements misleading.
- (e) As at the date of this report, there does not exist:-
 - (i) any charge on the assets of the Company or of the Group which has arisen since the end of the financial period which secures the liabilities of any other person;
 - (ii) any contingent liability in respect of the Company or of the Group which has arisen since the end of the financial period.
- (f) In the opinion of the Directors:-
 - (i) no contingent liabilities or other liabilities have become enforceable or are likely to become enforceable within the period of twelve months after the end of the financial period which will or may affect the ability of the Company or of the Group to meet their obligations as and when they fall due;
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Company or of the Group for the financial period in which this report is made.

AUDITORS

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

On behalf of the Board,

CHAN KIEN SING
Director

ROBERT YONG KUEN LOKE
Director

Kuala Lumpur, Malaysia
8 August 2002

STATEMENT BY DIRECTORS

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

We, CHAN KIEN SING and ROBERT YONG KUEN LOKE, being two of the Directors of MATRIX INTERNATIONAL BERHAD (Formerly known as Gold Coin (Malaysia) Berhad), do hereby state that in the opinion of the Directors, the financial statements set out on pages 27 to 51 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of:-

- (i) the state of affairs of the Company and of the Group as at 30 April 2002 and of the results of the business of the Company and of the Group for the period ended on that date; and
- (ii) the cash flows of the Company and of the Group for the period ended 30 April 2002.

On behalf of the Board,

CHAN KIEN SING
Director

ROBERT YONG KUEN LOKE
Director

Kuala Lumpur, Malaysia
8 August 2002

STATUTORY DECLARATION

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

I, ROBERT YONG KUEN LOKE, being the Director primarily responsible for the financial management of MATRIX INTERNATIONAL BERHAD (Formerly known as Gold Coin (Malaysia) Berhad), do solemnly and sincerely declare that the financial statements set out on pages 27 to 51 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 ROBERT YONG KUEN LOKE at Kuala Lumpur in the Federal Territory on 8 August 2002.

Before me,

SOH AH KAU (W315)
Commissioner for Oaths
Kuala Lumpur

REPORT OF THE AUDITORS**TO THE MEMBERS OF MATRIX INTERNATIONAL BERHAD
(FORMERLY KNOWN AS GOLD COIN (MALAYSIA) BERHAD)**

We have audited the financial statements set out on pages 27 to 51. 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 standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:-

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:-
 - (i) the financial position of the Company and of the Group as at 30 April 2002 and of the results and cash flows of the Company and of the Group for the period then ended; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company and of the Group.
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiary companies for which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and the Auditors' Reports of the subsidiary companies for which we have not acted as auditors, as indicated in Note 29 to the financial statements, being financial statements which are included in the consolidated financial statements.

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 purpose of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The Auditors' Reports on the financial statements of the subsidiary companies were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Companies Act, 1965.

ERNST & YOUNG AF: 0039
Chartered Accountants

Ong Seng Pheow 1021/3/03(J/PH)
Partner

Kuala Lumpur, Malaysia
8 August 2002

BALANCE SHEETS

AS AT 30 APRIL 2002

	Note	Group		Company	
		30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
PROPERTY, PLANT AND EQUIPMENT	2	22,355	126,972	-	-
SUBSIDIARY COMPANIES	3	-	-	198,115	91,739
ASSOCIATED COMPANIES	4	-	1,413	-	300
INVESTMENTS	5	1,120	-	-	-
CURRENT ASSETS					
Inventories	6	14,931	158,773	-	-
Receivables	7	20,082	224,088	34	62,258
Deposits	8	4,997	7,815	3,804	1,615
Cash and bank balances		9,727	47,661	16	88
		49,737	438,337	3,854	63,961
CURRENT LIABILITIES					
Payables	9	15,790	238,500	345	758
Short term borrowings	10	5,130	83,517	-	-
Proposed dividend		896	1,927	896	1,927
Taxation		3,013	13,814	1,523	1,122
		24,829	337,758	2,764	3,807
NET CURRENT ASSETS		24,908	100,579	1,090	60,154
GOODWILL ON CONSOLIDATION	11	158,043	-	-	-
		206,426	228,964	199,205	152,193
FINANCED BY:					
SHARE CAPITAL	12	41,501	41,501	41,501	41,501
SHARE PREMIUM	13	17,103	17,103	17,103	17,103
RESERVES	14	144,365	132,816	140,601	93,589
SHAREHOLDERS' FUNDS		202,969	191,420	199,205	152,193
MINORITY INTERESTS		2,553	12,095	-	-
CAPITAL FUNDS		205,522	203,515	199,205	152,193
LONG TERM LIABILITIES	15	-	25,449	-	-
DEFERRED TAXATION	16	904	-	-	-
		206,426	228,964	199,205	152,193

The annexed notes form an integral part of these financial statements.

INCOME STATEMENTS

FOR THE PERIOD ENDED 30 APRIL 2002

	Note	Group		Company	
		16 Months to 30.4.2002 RM'000	12 Months to 31.12.2000 RM'000	16 Months to 30.4.2002 RM'000	12 Months to 31.12.2000 RM'000
REVENUE	17	333,751	1,215,953	(3,487)	-
COST OF SALES		(295,236)	(1,102,952)	-	-
GROSS PROFIT		38,515	113,001	(3,487)	-
OTHER OPERATING INCOME		3,513	4,082	3,017	20,809
DISTRIBUTION AND MARKETING EXPENSES		(5,596)	(17,521)	-	-
ADMINISTRATION AND OTHER OPERATING EXPENSES		(22,678)	(64,389)	(832)	(1,233)
PROFIT/(LOSS) FROM OPERATIONS BEFORE EXCEPTIONAL ITEMS	18	13,754	35,173	(1,302)	19,576
EXCEPTIONAL ITEMS	19	7,970	(382)	46,553	-
PROFIT FROM OPERATIONS AFTER EXCEPTIONAL ITEMS		21,724	34,791	45,251	19,576
FINANCE COSTS	20	(483)	(6,521)	-	(2)
SHARE OF RESULTS OF ASSOCIATED COMPANIES		(30)	268	-	-
PROFIT BEFORE TAXATION		21,211	28,538	45,251	19,574
TAXATION	21	(6,511)	(14,457)	2,657	(5,455)
PROFIT AFTER TAXATION		14,700	14,081	47,908	14,119
MINORITY INTERESTS		(470)	(805)	-	-
PROFIT ATTRIBUTABLE TO MEMBERS OF THE COMPANY		14,230	13,276	47,908	14,119
DIVIDEND PER SHARE (SEN)	22	2.16	4.64	2.16	4.64
EARNINGS PER SHARE (SEN) Basic	23	34.3	32.0		

The annexed notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 APRIL 2002

	Note	Non-distributable			Distributable		
		Share capital RM'000	Share premium RM'000	Reserve on consolidation RM'000	Other reserves RM'000	Retained profit RM'000	Total RM'000
GROUP							
At 1 January 2000		41,501	17,103	6,658	3,627	111,182	180,071
Profit for the year		-	-	-	-	13,276	13,276
Dividend	22	-	-	-	-	(1,927)	(1,927)
At 31 December 2000		41,501	17,103	6,658	3,627	122,531	191,420
At 1 January 2001		41,501	17,103	6,658	3,627	122,531	191,420
Profit for the period		-	-	-	-	14,230	14,230
Disposal of subsidiary companies	14	-	-	1,842	(3,627)	-	(1,785)
Dividend	22	-	-	-	-	(896)	(896)
At 30 April 2002		41,501	17,103	8,500	-	135,865	202,969

The annexed notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 APRIL 2002

	Note	Non-distributable		Distributable	Total RM'000
		Share capital RM'000	Share premium RM'000	Retained profit RM'000	
COMPANY					
At 1 January 2000		41,501	17,103	81,397	140,001
Profit for the year		-	-	14,119	14,119
Dividend	22	-	-	(1,927)	(1,927)
At 31 December 2000		<u>41,501</u>	<u>17,103</u>	<u>93,589</u>	<u>152,193</u>
At 1 January 2001		41,501	17,103	93,589	152,193
Profit for the period		-	-	47,908	47,908
Dividend	22	-	-	(896)	(896)
At 30 April 2002		<u>41,501</u>	<u>17,103</u>	<u>140,601</u>	<u>199,205</u>

The annexed notes form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED 30 APRIL 2002

	Note	16 Months to 30.4.2002 RM'000	12 Months to 31.12.2000 RM'000
OPERATING ACTIVITIES			
Receipts from customers/operating revenue		233,428	1,174,871
Payment to suppliers and prize winners and other operating expenses		(202,264)	(1,149,943)
Payment for pool betting duties, gaming tax, royalties and other government contributions		(11,838)	-
Payment of taxes		(6,773)	(7,376)
Other receipts/(payments)	(a)	295	(221)
Net cash generated from operating activities		12,848	17,331
INVESTING ACTIVITIES			
Cash inflow arising from disposal of subsidiary and associated companies	(b)	78,168	-
Sale of investments in associated companies		-	383
Sale of property, plant and equipment		52	442
Acquisition of property, plant and equipment	(c)	(1,515)	(6,519)
Cash outflow from acquisition of subsidiary companies	(b)	(162,085)	-
Interest received		3,156	1,172
Inter-company repayments by subsidiary companies disposed		47,364	-
Other receipts/(payments) arising from investments	(d)	1,228	(6,315)
Net cash used in investing activities		(33,632)	(10,837)
FINANCING ACTIVITIES			
Drawdown of bank borrowings and loans		5,130	13,296
Repayment of bank borrowings and loans		(2,121)	(4,320)
Interest paid		(123)	(5,568)
Payment of hire purchase/lease liabilities		-	(238)
Payment of other borrowings		(1,260)	-
Dividends paid to shareholders of the Company		(1,927)	(6,061)
Net cash used in financing activities		(301)	(2,891)
NET CASH (OUTFLOW)/INFLOW		(21,085)	3,603
OPENING CASH AND CASH EQUIVALENTS		35,809	32,206
CLOSING CASH AND CASH EQUIVALENTS	(e)	14,724	35,809

(a) Other receipts in operating activities comprise mainly insurance claims on stolen motor vehicle.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED 30 APRIL 2002

(b) Analysis of the effects of subsidiary companies disposed and acquired:-

	Subsidiaries disposed 16 Months to 30.4.2002 RM'000	Subsidiaries acquired 16 Months to 30.4.2002 RM'000
Property, plant and equipment	112,270	(12,190)
Associated companies	365	(30)
Other investment	-	(1,136)
Current assets	408,061	(15,640)
Short and long term liabilities	(412,289)	21,809
Minority interest	(12,202)	2,190
Exceptional gain on disposal	8,352	-
Capital reserve	(2,500)	-
Goodwill disposed/(acquired)	1,842	(158,425)
Net cash disposed/(acquired)	103,899	(163,422)
Cash and cash equivalents of subsidiary companies (disposed)/acquired	(25,731)	1,337
Cash flow on disposal/(acquisition)	78,168	(162,085)

The effect on the Group's results from the date of disposal of subsidiary and associated companies was the profit after taxation of RM1,888,000 being consolidated to the date of disposal and an exceptional gain arising from the disposal of RM8,352,000.

The effect on the Group's results from the date of acquisition resulting in the companies becoming subsidiary companies was an additional profit after taxation of RM1,021,000 being consolidated as the effect to the shareholders' funds.

- (c) The acquisitions of property, plant and equipment were by way of cash payments.
- (d) Other payments arising from investments comprise mainly receipts from other debtors.
- (e) The closing cash and cash equivalents comprise the following:-

	16 Months to 30.4.2002 RM'000	12 Months to 31.12.2000 RM'000
Deposits (Note 8)	4,997	7,815
Cash and bank balances	9,727	47,661
Bank overdrafts (Note 10)	-	(19,667)
	14,724	35,809

The closing cash and cash equivalents include deposit of RM41,000 (31.12.2000 : Nil) which is pledged by a subsidiary company for banking facilities granted.

The annexed notes form an integral part of these financial statements.

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 30 APRIL 2002

	Note	Company	
		16 Months to 30.4.2002 RM'000	12 Months to 31.12.2000 RM'000
OPERATING ACTIVITIES			
Payment for operating expenses		(1,258)	(794)
Payment of taxes		(429)	(98)
Other receipts		-	60
Net cash used in operating activities		(1,687)	(832)
INVESTING ACTIVITIES			
Sale of investment in subsidiary and associated companies		103,899	-
Acquisition of investments in subsidiary companies		(163,422)	-
Interest received		3,018	15
Dividend received		13,000	14,929
Inter-company repayments by subsidiary companies disposed		47,337	-
Other receipts/(payments) arising from investments		1,899	(6,265)
Net cash generated from investing activities		5,731	8,679
FINANCING ACTIVITIES			
Inter-company advances		-	(738)
Dividends paid to shareholders of the Company		(1,927)	(5,976)
Net cash used in financing activities		(1,927)	(6,714)
NET CASH INFLOW		2,117	1,133
OPENING CASH AND CASH EQUIVALENTS		1,703	570
CLOSING CASH AND CASH EQUIVALENTS	(a)	3,820	1,703
(a) The closing cash and cash equivalents comprise the following:-			
Deposits (Note 8)		3,804	1,615
Cash and bank balances		16	88
		3,820	1,703

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements are prepared under the historical cost convention modified to include the valuation of certain assets as indicated in Notes 2(e) and (f) to the financial statements and comply with applicable approved accounting standards issued by the Malaysian Accounting Standards Board ("MASB").

(b) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies. Intra group transactions are eliminated on consolidation and the consolidated financial statements only reflect external transactions only. Subsidiary companies are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiary companies are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases.

All the subsidiary companies are consolidated using the acquisition method of accounting.

Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed during the year are included from the date of acquisition or 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 difference between the acquisition cost and the fair values of attributable net assets acquired is reflected as goodwill or reserve on consolidation as appropriate.

Goodwill is written down only when the Directors are of the opinion that there is a permanent diminution in value.

The financial statements of subsidiary companies are prepared for the same reporting period as the Company. In the preparation of the consolidated financial statements, the financial statements of subsidiary companies are adjusted for the effects of any material dissimilar accounting policies.

(c) Associated Companies

Associated companies are investee companies that are not subsidiary companies and in which the Group or the Company has a long term equity interest of between 20 and 50 percent and where the Group or the Company can exercise significant influence over the financial and operating policies of the investee through Board representation.

The Group equity-accounts for its share of post-acquisition results and reserves of associated companies based on the latest audited or management financial statements of the companies concerned.

The Group's share of results and reserves of associated companies acquired or disposed is included in the consolidated financial statements from the date of acquisition and up to the date of disposal.

1 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(d) Property, Plant and Equipment**

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

Long term leasehold land is amortised on a straight line basis over the remaining period of the lease. Other property, plant and equipment are depreciated over their estimated useful lives on a straight line basis.

The annual rates used are :-

Long leasehold land	Over 54 - 60 years
Buildings	1.67 - 6.67%
Plant, machinery and equipment	6.67 - 33.33%
Furniture, fittings and equipment	10%
Computer equipment	10%
Renovation	10%
Motor vehicles	14%
Others	10%

Gains and losses on disposal of property, plant and equipment are determined by reference to the difference between the sales proceeds and their carrying amount and are taken into account in determining the profit from operations.

(e) Investments

Investments in subsidiary and associated companies and other long term investments are stated at cost. These investments are written down only when the Directors are of the opinion that there is a permanent diminution in value.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value after adequate provision has been made for damaged, obsolete and slow-moving items. Cost is determined on a first-in first-out basis.

Raw materials comprise cost, freight and transport charges.

Finished goods comprise cost of materials only. The amount of the related direct labour and factory overheads is not material.

Ticket inventories and gaming equipment components and parts are stated at the lower cost and net realisable value, after adequate provision for damaged, obsolete and slow moving items. Cost is determined on a first-in first-out basis.

(g) Trade Receivables

Trade receivables are recognised and carried at original invoiced amount less an allowance for any irrecoverable amounts. An estimation for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Leases and Hire Purchase

The cost of assets acquired under finance lease arrangements are capitalised as property, plant and equipment. The depreciation policy on these assets is similar to that of the Group's other assets as set out in 1(d). Outstanding obligations due under the lease agreements after deducting finance expenses are included as liabilities in the financial statements.

The finance expenses of the lease rentals and hire purchase instalments are charged to the income statement over the period of the respective agreements.

Lease rental incurred on operating leases are charged to the income statement in the year they become payable.

(i) Deferred Taxation

Deferred taxation is provided for on timing differences using the liability method except where it can be demonstrated with reasonable probability that the tax deferrals will continue in the foreseeable future. Deferred tax benefits are only recognised when there is a reasonable expectation of realisation in the near future.

(j) Revenue Recognition

(i) Investment Income

Dividend income from investments in subsidiary and associated companies is recognised when the right to receive the dividend payment is established. Dividend income from other investments is recognised on receipt basis.

Interest income from short term deposits, advances and unsecured loan stocks are recognised on the accrual basis.

(ii) Sale of goods

Revenue is recognised when significant risks and rewards of ownership of the goods have been passed to the buyer.

(iii) Gaming Activities

Revenue from gaming activities is recognised based on ticket sales in respect of draw days within the financial year.

(iv) Lottery Equipment Sale

Revenue from the sale of lottery equipment is recognised net of discounts upon delivery of products and customer acceptance.

(k) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts subject to insignificant risk of changes in value against which bank overdrafts, if any, are deducted.

NOTES TO THE FINANCIAL STATEMENTS

2 PROPERTY, PLANT AND EQUIPMENT

GROUP	Net book value as at 1.1.01 RM'000	Acquisition of subsidiary companies RM'000	Disposal of subsidiary companies RM'000	Additions RM'000	Disposals RM'000	Write-down RM'000	Depreciation RM'000	Net book value as at 30.4.02 RM'000
Freehold land	375	-	(375)	-	-	-	-	-
Long leasehold land	2,795	-	(1,241)	-	-	-	(51)	1,503
Short leasehold land	6,095	-	(6,095)	-	-	-	-	-
Buildings	66,007	832	(56,969)	23	-	(2,862)	(972)	6,059
Plant, machinery and equipment	51,700	7,189	(47,590)	1,135	-	-	(1,416)	11,018
Computer equipment	-	2,550	-	-	-	-	(270)	2,280
Renovation	-	111	-	-	-	-	(16)	95
Furniture, fittings and equipment	-	578	-	30	-	-	(63)	545
Motor vehicles	-	703	-	327	(259)	-	(112)	659
Others	-	227	-	-	-	-	(31)	196
	<u>126,972</u>	<u>12,190</u>	<u>(112,270)</u>	<u>1,515</u>	<u>(259)</u>	<u>(2,862)</u>	<u>(2,931)</u>	<u>22,355</u>

	Cost RM'000	Accumulated depreciation RM'000	Write-down RM'000	Net book value RM'000
As at 30 April 2002				
Long leasehold land	2,282	779	-	1,503
Buildings	25,829	16,908	2,862	6,059
Plant, machinery and equipment	35,932	24,914	-	11,018
Computer equipment	4,629	2,349	-	2,280
Renovation	275	180	-	95
Furniture, fittings and equipment	1,086	541	-	545
Motor vehicles	1,254	595	-	659
Others	533	337	-	196
	<u>71,820</u>	<u>46,603</u>	<u>2,862</u>	<u>22,355</u>

As at 31 December 2000				
Freehold land	375	-	-	375
Long leasehold land	3,602	807	-	2,795
Short leasehold land	7,547	1,452	-	6,095
Buildings	104,882	38,875	-	66,007
Plant, machinery and equipment	131,869	80,169	-	51,700
	<u>248,275</u>	<u>121,303</u>	<u>-</u>	<u>126,972</u>

NOTES TO THE FINANCIAL STATEMENTS

3 SUBSIDIARY COMPANIES

	Company	
	30.4.2002 RM'000	31.12.2000 RM'000
Unquoted shares		
- at cost	198,115	83,715
- at Directors' valuation in 1982	-	8,024
	<u>198,115</u>	<u>91,739</u>

The details of the subsidiary companies are set out in Note 29 to the financial statements.

4 ASSOCIATED COMPANIES

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Unquoted shares, at cost	30	300	-	300
Share of post acquisition (loss)/profit	(30)	1,113	-	-
	<u>-</u>	<u>1,413</u>	<u>-</u>	<u>300</u>

The details of the associated companies are set out in Note 29 to the financial statements.

The Group's interests in associated companies are analysed as below:-

	Group	
	30.4.2002 RM'000	31.12.2000 RM'000
Share of net tangible assets	-	647
Net premium on acquisition	-	766
	<u>-</u>	<u>1,413</u>

5 INVESTMENTS

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Malaysian Government Securities	1,145	-	-	-
Less: Amortisation of premium	(25)	-	-	-
	<u>1,120</u>	<u>-</u>	<u>-</u>	<u>-</u>
Market value of Malaysian Government Securities	<u>1,128</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

5 INVESTMENTS (CONT'D)

Included in the amortisation of premium is RM9,000 which relates to the amortisation charge incurred by a subsidiary company before it became a member of the Group.

The Malaysian Government Securities is pledged to the Malaysian Government as security for the issuance of the gaming licence by the Minister of Finance.

6 INVENTORIES

	Group	
	30.4.2002 RM'000	31.12.2000 RM'000
At cost:		
Ticket stocks	114	-
Gaming equipment	602	-
Machinery spare parts	-	1,169
	716	1,169
At net realisable value:		
Finished goods	1,494	15,455
Trading inventories	-	58,125
Raw materials	12,721	84,024
	14,931	158,773

7 RECEIVABLES

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Trade receivables	21,019	231,909	-	-
Other receivables	4,141	22,600	-	14,929
Prepayments	343	-	31	-
Amount owing by subsidiary companies	-	-	3	47,329
Amount owing by associated companies	-	360	-	-
	25,503	254,869	34	62,258
Provision for doubtful debts:				
- trade receivables	(5,421)	(30,781)	-	-
	20,082	224,088	34	62,258

The immediate holding company is Berjaya Land Berhad ("BLB") and the ultimate holding company is Berjaya Group Berhad ("BGB"). Both companies are incorporated in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

7 RECEIVABLES (CONT'D)

Related companies in these financial statements refer to member companies of the BGB group of companies other than subsidiary companies of the Company.

The amount owing by subsidiary companies are unsecured, non-interest bearing and have no fixed terms of repayment.

The amount owing by associated companies are unsecured, interest bearing and have no fixed terms of repayment.

8 DEPOSITS

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Deposits with:				
- Licensed banks	4,997	7,815	3,804	1,615

A deposit with a licensed bank amounting to RM41,000 (31.12.2000 : Nil) of the Group is pledged to the bank for banking facilities granted.

9 PAYABLES

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Trade payables	8,615	190,039	-	-
Other payables	5,581	48,250	338	628
Accruals	83	-	4	130
Lease creditors (Note a)	-	211	-	-
Agents' security deposits	1,508	-	-	-
	15,787	238,500	342	758
Amount owing to related company	3	-	3	-
	15,790	238,500	345	758

The amount owing to related company is unsecured, interest bearing and have no fixed terms of repayment.

NOTES TO THE FINANCIAL STATEMENTS

9 PAYABLES (CONT'D)

Note (a)	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Minimum lease payments				
- Not later than 1 year	-	254	-	-
- Later than 1 year but not later than 5 years	-	225	-	-
	-	479	-	-
Less: Future financing charges on lease creditors	-	(90)	-	-
	-	389	-	-
Present value of lease creditors				
- Not later than 1 year	-	211	-	-
- Later than 1 year but not later than 5 years (Note 15)	-	178	-	-
	-	389	-	-

10 SHORT TERM BORROWINGS

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Bank overdrafts - unsecured	-	19,667	-	-
Bankers' acceptances - unsecured	5,130	59,483	-	-
	5,130	79,150	-	-
Current portion of long term loans - secured (Note 15)	-	4,367	-	-
	5,130	83,517	-	-

The borrowings bear interest at rates ranging from 2.20% to 3.08% (31.12.2000 : 2.45% to 5.10%) per annum for the Group.

11 GOODWILL

	Group	
	30.4.2002 RM'000	31.12.2000 RM'000
At the beginning of the period/year	-	-
Arising from acquisition of investment in subsidiary companies	158,425	-
Goodwill written off	(382)	-
At the end of the period/year	158,043	-

NOTES TO THE FINANCIAL STATEMENTS

12 SHARE CAPITAL

	Group and Company			
	30.4.2002 No. of shares '000	30.4.2002 RM'000	31.12.2000 No. of shares '000	31.12.2000 RM'000
(a) Authorised: Ordinary shares of RM1.00 each At the beginning/end of the period/year	50,000	50,000	50,000	50,000
(b) Issued and fully paid: Ordinary shares of RM1.00 each At the beginning/end of the period/year	41,501	41,501	41,501	41,501

13 SHARE PREMIUM

	Group and Company	
	30.4.2002 RM'000	31.12.2000 RM'000
At the beginning/end of the period/year	17,103	17,103

14 RESERVES

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Non-distributable:				
Other reserve (Note a)	-	3,627	-	-
Reserve on consolidation (Note b)	8,500	6,658	-	-
Distributable:				
Retained profit (Note c)	135,865	122,531	140,601	93,589
	144,365	132,816	140,601	93,589

Note:-

(a) Other reserve

	Group	
	30.4.2002 RM'000	31.12.2000 RM'000
At the beginning of the period/year	3,627	3,627
On disposal of subsidiary companies	(3,627)	-
At the end of the period/year	-	3,627

NOTES TO THE FINANCIAL STATEMENTS

14 RESERVES (CONT'D)

(b) Reserve on consolidation

	Group	
	30.4.2002 RM'000	31.12.2000 RM'000
At the beginning of the period/year	6,658	6,658
On disposal of subsidiary companies *	1,842	-
At the end of the period/year	8,500	6,658

* Arising from the disposal of subsidiary companies during the financial period, goodwill previously carried in this account is reversed.

(c) Retained profit

The Company has Section 108 tax credit amounting to RM33,843,000 (31.12.2000 : RM31,325,000) subject to the agreement with the Inland Revenue Board.

The Company has tax exempt account amounting to RM30,791,000 (31.12.2000 : RM21,824,000) available for the payment of future tax exempt dividends, subject to agreement with the Inland Revenue Board.

Based on the estimated tax credits and tax exempt account balance available, approximately RM117,816,000 of the retained profit of the Company is available for distribution by way of dividends without the Company having to incur additional liability.

15 LONG TERM LIABILITIES

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Term loans – secured	-	28,800	-	-
– unsecured	-	617	-	-
Less: Amount repayable within 12 months included in current liabilities (Note 10)	-	-	-	-
	-	(4,367)	-	-
Lease creditors (Note 9)	-	25,050	-	-
Retirement benefits	-	178	-	-
	-	221	-	-
	-	25,449	-	-

NOTES TO THE FINANCIAL STATEMENTS

16 DEFERRED TAXATION

	Group	
	30.4.2002 RM'000	31.12.2000 RM'000
At the beginning of the period/year	-	68
Arising from acquisition of subsidiary companies	891	-
Transfer from/(to) income statement (Note 21)	13	(68)
	<hr/>	<hr/>
At the end of the period/year	904	-
	<hr/> <hr/>	<hr/> <hr/>

The Group has provided for deferred taxation in respect of both current and cumulative timing differences.

17 REVENUE

Group

Revenue represents betting ticket sales net of gaming tax, sales of betting terminals net of discounts, invoiced value of goods sold less returns and trade discounts and invoiced value of services rendered.

The main categories of revenue are as follows:

	16 months to 30.4.2002 RM'000	12 months to 31.12.2000 RM'000
Gaming	89,077	-
Trading	60,637	626,372
Sale of feed and wheat flour	184,037	589,581
	<hr/>	<hr/>
	333,751	1,215,953
	<hr/> <hr/>	<hr/> <hr/>

Company

Revenue represents gross dividend receivable from subsidiary companies. In the current financial period, the Company has adjusted for an over-recognition of dividend income in respect of prior year amounting to RM3,487,229.

NOTES TO THE FINANCIAL STATEMENTS

18 PROFIT/(LOSS) FROM OPERATIONS BEFORE EXCEPTIONAL ITEMS

	Group		Company	
	16 months to 30.4.2002 RM'000	12 months to 31.12.2000 RM'000	16 months to 30.4.2002 RM'000	12 months to 31.12.2000 RM'000
Profit/(loss) from operations before exceptional items is stated after charging:-				
Betting royalty	1,859	-	-	-
Depreciation of property, plant and equipment	3,900	14,006	-	-
Directors' remuneration				
- fees	73	90	53	84
- other emoluments	5	1,781	5	-
Fees paid to a firm in which a director is a partner	-	28	-	-
Auditors' remuneration				
- statutory audit	75	321	25	20
- under/(over)provision in respect of prior year	2	(30)	2	-
- other services	49	221	32	21
Property, plant and equipment written off	2,862	1	-	-
Amortisation of bond premium	16	-	-	-
Hire of plant and equipment	-	827	-	-
Bad and doubtful debts written off	-	601	-	-
Provision of doubtful debts	2,295	6,921	-	-
Rent of land and buildings	72	2,184	-	-
Staff cost	7,351	20,512	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
And after crediting :-				
Interest income	3,124	1,172	3,017	15
Gross dividend income from unquoted subsidiary companies	-	-	(3,487)	20,734
Rental income	240	1,062	-	-
Doubtful debts written back	-	3,990	-	-
Gain on disposal of property, plant and equipment	4	424	-	-
Realised exchange gain	-	38	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The number of employees of the Group as at end of the financial period is 165 (31.12.2000 : 590). The Company does not have any employees as at the end of the financial period.

The estimated benefits-in-kind of the Directors of the Group and of the Company are Nil (31.12.2000 : RM20,000) and Nil (31.12.2000 : Nil) respectively.

Included in the depreciation of property, plant and equipment is RM969,000 (31.12.2000 : Nil) relating to depreciation charge incurred by the subsidiary companies disposed.

NOTES TO THE FINANCIAL STATEMENTS

19 EXCEPTIONAL ITEMS

	Group		Company	
	16 months to 30.4.2002 RM'000	12 months to 31.12.2000 RM'000	16 months to 30.4.2002 RM'000	12 months to 31.12.2000 RM'000
Loss on disposal of property, plant and equipment	-	(382)	-	-
Gain on disposal of subsidiary and associated companies	8,352	-	46,553	-
Goodwill written off	(382)	-	-	-
	<u>7,970</u>	<u>(382)</u>	<u>46,553</u>	<u>-</u>

20 FINANCE COSTS

	Group		Company	
	16 months to 30.4.2002 RM'000	12 months to 31.12.2000 RM'000	16 months to 30.4.2002 RM'000	12 months to 31.12.2000 RM'000
Interest expense				
- loans	-	5,568	-	-
- other borrowings	483	-	-	2
Loan related expenses	-	953	-	-
	<u>483</u>	<u>6,521</u>	<u>-</u>	<u>2</u>

21 TAXATION

	Group		Company	
	16 months to 30.4.2002 RM'000	12 months to 31.12.2000 RM'000	16 months to 30.4.2002 RM'000	12 months to 31.12.2000 RM'000
Malaysian taxation based on results for the period/year:				
Current	6,498	14,875	830	5,805
Deferred taxation (Note 16)	13	(68)	-	-
	<u>6,511</u>	<u>14,807</u>	<u>830</u>	<u>5,805</u>
Taxation over provided in respect of prior years	-	(350)	(3,487)	(350)
	<u>6,511</u>	<u>14,457</u>	<u>(2,657)</u>	<u>5,455</u>

The disproportionate tax rate on the Company's profit for the period are mainly due to capital gains derived from investments which are not subject to corporate tax and certain expenses being disallowed for taxation purposes.

The effective tax rate on the Group's profit for the period is higher than the statutory tax rate due to certain expenses being disallowed for taxation purposes and non-availability of group tax relief in respect of losses incurred by certain subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

21 TAXATION (CONT'D)

As at 30 April 2002, unabsorbed tax losses and unutilised capital allowances of the Group amounted to approximately RM1,685,000 (31.12.2000 : RM14,154,000) and Nil (31.12.2000 : RM18,874,000) respectively. These amounts are subject to the agreement of the tax authorities.

22 DIVIDEND

	Group and Company			
	16 months to 30.4.2002	16 months to 30.4.2002 Amount of dividend net of tax RM'000	12 months to 31.12.2000	12 months to 31.12.2000 Amount of dividend net of tax RM'000
	Net per share Sen		Net per share Sen	
Interim dividend	2.16	896	4.65	1,927

23 EARNINGS PER SHARE

The earnings per share is calculated by dividing profit after taxation and minority interests of RM14,230,000 (31.12.2000 : RM13,276,000) on 41,501,170 (31.12.2000 : 41,501,170) ordinary shares of RM1.00 each in issue during the period.

24 CAPITAL COMMITMENTS

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Capital Expenditure:				
- approved and contracted	-	335	-	-
- approved but not contracted	2,355	14,274	-	-
	2,355	14,609	-	-

Details of significant commitment for acquisition of investment are included in Note 28 to the financial statements.

25 SIGNIFICANT RELATED PARTY TRANSACTIONS

	Group		Company	
	30.4.2002 RM'000	31.12.2000 RM'000	30.4.2002 RM'000	31.12.2000 RM'000
Sales to related companies	-	5,031	-	-
Purchases from related companies	-	64,558	-	-
Management fee payable to an associated investor	-	279	-	-
Management fee payable to immediate holding company	305	-	305	-

NOTES TO THE FINANCIAL STATEMENTS

26 SEGMENTAL REPORTING

Analysis by Industry	Revenue RM'000	Profit before tax RM'000	Total assets employed RM'000
30.4.2002			
Gaming	89,077	3,913	17,469
Feed and wheat flour	190,971	6,373	50,900
Trading	53,703	1,197	-
Investment holding and others	-	1,758	162,886
	<u>333,751</u>	<u>13,241</u>	<u>231,255</u>
Exceptional items - investment holding and others	-	7,970	-
	<u>333,751</u>	<u>21,211</u>	<u>231,255</u>
31.12.2000			
Feed and wheat flour	589,875	24,617	313,244
Trading	626,078	3,653	251,705
Investment holding and others	-	268	1,773
	<u>1,215,953</u>	<u>28,538</u>	<u>566,722</u>

Information on the Group's operations by geographical area is not provided as the Group operates principally in Malaysia.

27 SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

A COMPLETED EVENTS

- The Company completed the disposal of its entire equity interests in all its subsidiary and associated companies other than Sabah Flour & Feed Mills Sdn Bhd ("SFFM") to Gold Coin Investments Pte Ltd on 14 February 2001 for a total cash consideration of RM104,000,000.
- On 5 October 2001, the Company completed the acquisition of 50% interest in Rentas Padu Sdn Bhd ("RPSB") and 100% interest in Dayadil Sdn Bhd, Bumisuci Sdn Bhd and Ishandal Sdn Bhd, (collectively known as "Acquiree Companies") from BLB for a total cash consideration of RM118.75 million. On the same day, the Company also acquired an additional 50% interest in RPSB from Hornbill Timur Sdn Bhd for RM43.75 million. The Acquiree Companies together with the additional 50% interest in Rentas Padu hold an effective equity interest of 65% in Natural Avenue Sdn Bhd representing 130,000 ordinary shares of RM1.00 each.

B PENDING EVENT

On 12 November 2001, the Company proposed to undertake a 3 for 1 bonus issue of 124,503,510 new ordinary shares of RM1.00 each ("Proposed Bonus Issue"). In order to accommodate the Proposed Bonus Issue, the Company also proposed to increase its authorised share capital from 50,000,000 ordinary shares of RM1.00 each to 500,000,000 ordinary shares of RM1.00 each. This proposal is pending shareholders' approval.

28 SIGNIFICANT EVENTS SUBSEQUENT TO BALANCE SHEET DATE**PENDING EVENTS**

- 1 On 8 May 2002, the Company announced the proposed disposal of its entire equity interest in SFFM, comprising 31,997,997 ordinary shares of RM1.00 each, to Interflour Holdings Limited for a cash consideration of RM26,000,000. The disposal of SFFM shall be conditional on, amongst others, the declaration of a total net dividend of RM6,000,000 to its shareholders prior to completion. In aggregate, the cash proceeds receivable by the Company from the proposed disposal of SFFM would amount to approximately RM32,000,000. The approval from the Ministry of International Trade and Industry has been received and the disposal is now pending approval from the shareholders of the Company at an extraordinary general meeting to be convened.

- 2 On 21 June 2002, the Company announced the proposed acquisition of the entire equity interest in Sublime Cartel Sdn Bhd ("Sublime") from Puncak Buana Sdn Bhd ("PBSB") for a total cash consideration of RM28.0 million. The purchase consideration takes into consideration that Sublime shall be free from debts and liabilities and will have an enlarged share capital of at least RM6.1 million by capitalising the amount due to its shareholder, PBSB, into ordinary shares of RM1.00 each in Sublime prior to the completion of the proposed acquisition. Sublime currently has an authorised share capital of RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each with an issued and paid up share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Sublime is principally involved in the provision of lottery consultancy and related services. The proposed acquisition is subject to the following approvals:-

- (a) the Foreign Investment Committee;
- (b) the shareholders of the Company at an extraordinary general meeting to be convened; and
- (c) any other relevant authorities.

29 SUBSIDIARY AND ASSOCIATED COMPANIES

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			30.4.2002 %	31.12.2000 %
Subsidiary Companies				
Gold Coin Feedmills (Malaysia) Sdn Bhd	Malaysia	Manufacture of animal feeds	–	100
Zuellig Pharma Sdn Bhd	Malaysia	Marketing and distribution of pharmaceutical products	–	100
Zuellig Chemicals Sdn Bhd	Malaysia	Marketing and distribution of chemicals and agricultural products	–	60
Zuellig Technical Sdn Bhd	Malaysia	Management services	–	100

NOTES TO THE FINANCIAL STATEMENTS

29 SUBSIDIARY AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			30.4.2002 %	31.12.2000 %
Subsidiary Companies				
AIZ Information Services (M) Sdn Bhd	Malaysia	Development, marketing and administration of information technology	–	100
Gold Coin Sarawak Berhad	Malaysia	Manufacture of animal feeds	–	100
Bintawa Fishmeal Factory Sdn Bhd	Malaysia	Manufacture of fishmeal	–	73
GC Ta Kiong Sdn Bhd	Malaysia	Manufacture of animal feeds	–	51
Gold Coin Sabah Sdn Bhd	Malaysia	Dormant	–	100
Sabah Flour and Feed Mills Sdn Bhd	Malaysia	Manufacture of wheat flour and animal feeds	100	100
Sarawak Flour Mill Sdn Bhd	Malaysia	Manufacture of wheat flour and related products	–	50.1
Pangkal Unggul Sdn Bhd	Malaysia	Land holding investment - dormant	–	100
Prestasi Flour Mill (M) Sdn Bhd	Malaysia	Trading in flour	–	51
Bumisuci Sdn Bhd	Malaysia	Investment holding	100	–
Dayadil Sdn Bhd	Malaysia	Investment holding	100	–
Ishandal Sdn Bhd	Malaysia	Investment holding	100	–
* @ Natural Avenue Sdn Bhd	Malaysia	General trading and commission agent for the special cash sweep draw	65	–
Rentas Padu Sdn Bhd	Malaysia	Investment holding	100	–
# Sempurna Bahagia Sdn Bhd	Malaysia	Investment holding	100	–

* Effective interest

66.67% held by Bumisuci Sdn Bhd and 33.33% held by Ishandal Sdn Bhd

29 SUBSIDIARY AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			30.4.2002 %	31.12.2000 %
Subsidiary of Dayadil Sdn Bhd				
Imej Jasa Sdn Bhd	Malaysia	Investment holding	100	–
Subsidiaries of Imej Jasa Sdn Bhd				
Bahagia Jiwa Sdn Bhd	Malaysia	Investment holding	100	–
Muara Tebas Sdn Bhd	Malaysia	Investment holding	100	–
Subsidiary of Natural Avenue Sdn Bhd				
@ Petekat Sdn Bhd	Malaysia	General trading and acts as commission agent	100	–
Subsidiary of Rentas Padu Sdn Bhd				
Tropicfair Sdn Bhd	Malaysia	Investment holding	100	–
Associated Companies				
Gold Coin Specialities Sdn Bhd	Malaysia	Manufacture of aquaculture feeds	–	30
Megaquest Sdn Bhd	Malaysia	Investment holding	50	–

@ Audited by other firms of auditors

30 CURRENCY

The financial statements are expressed in Ringgit Malaysia.

31 COMPARATIVE FIGURES

Group and Company

Certain comparative figures have been reclassified to conform with the current period's presentation which include mainly:-

- Presentation of property, plant and equipment as disclosed in Note 2 to the financial statements has been changed to comply with the requirements of MASB No.15 - Property, Plant and Equipment.
- The presentation of the cash flow statement has been changed from the indirect method to the direct method, in line with the presentation of the holding company.

LIST OF PROPERTIES

AS AT 30 APRIL 2002

Location	Tenure	Size	Description/ Existing Use	Estimated Age of Building	Date of Acquisition	Net Book Value RM'000
Lot 8189 & 8190 Town East, Jalan Pending 93450 Kuching, Sarawak	Leasehold 60 years expiring on 11/5/2048	245 sq. m.	Office building	14 yrs	1996	822
Lot 206291616 Pulau Enoe Ranca Ranca Industrial Complex Federal Territory of Labuan	Leasehold 60 years expiring on 31/12/2032	7.67 acres	Building for industrial purposes	<23 yrs	1.1.1979	4,932
Lot 206292024 Pulau Enoe Ranca Ranca Industrial Complex Federal Territory of Labuan	Leasehold 30 years expiring on 31/12/2020	2 acres	Jetty and causeway	<23 yrs	30.4.1984	1,169
Lot 015493688 Sepangar Bay, Kota Kinabalu Sabah	Leasehold 90 years expiring on 31/12/2042	2.1 acres	Building for industrial purposes	<3 yrs	31.8.1992	639

Notes:

The Group does not adopt a policy of regular valuation.

MATERIAL CONTRACTS

The material contract entered into by Matrix International Berhad (Formerly known as Gold Coin (Malaysia) Berhad) ("Matrix") and its subsidiary companies involving Directors and major shareholders for the period ended 30 April 2002 is as follows:-

1. A Conditional Sale and Purchase Agreement dated 28th September 2001 entered into between Matrix and Berjaya Land Berhad ("BLand") and Hornbill Timur Sdn Bhd ("HTSB") for the proposed acquisition of the entire equity interests in Rentas Padu Sdn Bhd ("RPSB"), Dayadil Sdn Bhd, Bumisuci Sdn Bhd and Ishandal Sdn Bhd from BLand and HTSB which collectively owned an aggregate effective 65% equity interest in Natural Avenue Sdn Bhd ("NASB") for a total cash consideration of RM162,500,000.

These transactions were completed on 5th October 2001.

The Directors and major shareholders that were involved at the time the material contract was entered into are as follows:-

- a) Mark Wee Liang Yee is a Director of Matrix, HTSB, RPSB and NASB. He was also a major shareholder of Matrix, HTSB, RPSB and NASB. However, since 9th November 2001, Mark Wee Liang Yee has ceased to be a major shareholder of Matrix, HTSB, RPSB and NASB.
- b) Robert Yong Kuen Loke is a Director of BLand and Matrix and a shareholder of BLand.
- c) Tan Sri Dato' Seri Tan Chee Yioun is the Chief Executive Officer of BLand, the holding company of Matrix. He is also a shareholder of BLand and a deemed substantial shareholder of BLand, Matrix, RPSB and NASB.

STATEMENT OF DIRECTORS' SHAREHOLDINGS

MADE UP TO 2 AUGUST 2002

ULTIMATE HOLDING COMPANY

BERJAYA GROUP BERHAD

	No of ordinary shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Robert Yong Kuen Loke	200,000	0.01	-	-

	RM1.00 nominal amount of 5% Irredeemable Convertible Unsecured Loan Stock 1999/2009			
	Direct Interest	%	Deemed Interest	%
Robert Yong Kuen Loke	139,000	0.03	-	-

HOLDING COMPANY

BERJAYA LAND BERHAD

	No of ordinary shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Robert Yong Kuen Loke	90,000	0.01	-	-

RELATED COMPANIES

COSWAY CORPORATION BERHAD

	No of ordinary shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Robert Yong Kuen Loke	780,000	0.23	-	-

BERJAYA CAPITAL BERHAD

	No of ordinary shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Robert Yong Kuen Loke	168,000	0.03	-	-
Chan Kien Sing	10,000	0.002	-	-

BERJAYA SPORTS TOTO BERHAD

	No of ordinary shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Robert Yong Kuen Loke	370,000	0.07	-	-
Chan Kien Sing	20,000	0.004	-	-
Derek Chin Chee Seng	111,000	0.02	-	-

	No of options over ordinary shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Robert Yong Kuen Loke	180,000	0.03	-	-
Chan Kien Sing	180,000	0.03	-	-
Derek Chin Chee Seng	94,000	0.02	-	-

UNZA HOLDINGS BERHAD

	No of ordinary shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Robert Yong Kuen Loke	79,000	0.11	-	-
Derek Chin Chee Seng	11,000	0.02	-	-

STATISTICS OF SHAREHOLDINGS

AS AT 2 AUGUST 2002

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shares	%	No. of Shareholders	%
Less than 1,000	58,829	0.14	208	7.99
1,000 - 10,000	4,982,745	12.01	2,291	87.98
10,001 - 100,000	2,398,769	5.78	91	3.49
100,001 - 2,075,058	10,407,000	25.07	11	0.42
* 2,075,059 and above	23,653,827	57.00	3	0.12
	<u>41,501,170</u>	<u>100.00</u>	<u>2,604</u>	<u>100.00</u>

Note:

There is only one class of shares in the paid-up capital of the company. Each share entitles the holder to one vote.

* denotes 5% of the issued shares.

THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	Portal Access Sdn Bhd	13,870,730	33.42
2	Berjaya Land Berhad	6,652,827	16.03
3	Orkid Menawan Sdn Bhd	3,130,270	7.54
4	UOBM Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Orkid Menawan Sdn Bhd (KUC)</i>	2,000,000	4.82
5	Eng Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Dato' Tan Han Kook</i>	1,819,000	4.38
6	Bank Kerjasama Rakyat Malaysia Berhad <i>Pledged Securities Account For Berjaya Capital Berhad</i>	1,685,000	4.06
7	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Arsam Bin Damis (AA0023)</i>	1,296,000	3.12
8	Petaluma Sendirian Berhad	1,022,000	2.46
9	SJ Sec Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Immediate Capital Sdn Bhd</i>	841,000	2.03
10	Tan Sri Dato' Seri Vincent Tan Chee Yioun	700,000	1.69
11	Audette Management Services Sdn Bhd	605,000	1.46
12	Wadkin Robinson (Malaysia) Sdn Bhd	180,000	0.43
13	Immediate Capital Sdn Bhd	153,000	0.37
14	Berjaya General Insurance Berhad	106,000	0.26
15	Terence Derek Lai Chin Siew	100,000	0.24

AS AT 2 AUGUST 2002

THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
16	Kwok Chiap Fuat	70,000	0.17
17	Koperasi Angkatan Tentera Malaysia Berhad	70,000	0.17
18	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Tan Han Kook (AT0062)</i>	67,000	0.16
19	Menteri Kewangan Malaysia <i>Section 29 (SICDA)</i>	63,129	0.15
20	Yong Siew Lee	60,000	0.14
21	Bee Yong Sdn Berhad	60,000	0.14
22	Mayban Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Immediate Capital Sdn Bhd (51401114879A)</i>	59,000	0.14
23	BBMB Securities Nominees (Tempatan) Sdn Bhd <i>Petroleum Research Fund</i>	58,000	0.14
24	Ng Pui Siong @ Ng Thong Lay	56,266	0.14
25	Kian Hoe Plantations Berhad	55,000	0.13
26	Chow Mina	50,000	0.12
27	Mayban Nominees (Asing) Sdn Bhd <i>Dexia Banque International A Luxembourg S.A. S'pore Branch For Legend International Investment Inc. (200113)</i>	50,000	0.12
28	Amanah Raya Berhad <i>Kumpulan Wang Am</i>	50,000	0.12
29	PB Securities Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Wong Wai Ping (M)</i>	48,000	0.12
30	Tan Kow Choon @ Tang Ah Chong	45,000	0.11
		35,022,222	84.38

STATISTICS OF SHAREHOLDINGS

AS AT 2 AUGUST 2002

SUBSTANTIAL SHAREHOLDERS

AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholder	No. of Shares			
	Direct	%	Indirect	%
Orkid Menawan Sdn Bhd	5,130,270	12.36	-	-
Portal Access Sdn Bhd	13,870,730	33.42	-	-
Berjaya Land Berhad	6,652,827	16.03	14,923,730 (a)	35.96
Teras Mewah Sdn Bhd	-	-	21,576,557 (b)	51.99
Berjaya Group Berhad	-	-	23,367,557 (c)	56.31
Tan Sri Dato' Seri Vincent Tan Chee Yioun	700,000	1.69	23,367,557 (d)	56.31
Phua Yak Pang	-	-	5,130,270 (e)	12.36
Lu Hock Seng @ Loo Lee Hock	-	-	5,130,270 (e)	12.36

NOTES:-

- (a) Deemed interested by virtue of its 100% interest in Portal Access Sdn Bhd and 100% interest in Immediate Capital Sdn Bhd.
- (b) Deemed interested by virtue of its interests in Berjaya Land Berhad, the holding company of Portal Access Sdn Bhd and Immediate Capital Sdn Bhd.
- (c) Deemed interested by virtue of its 100% interest in Teras Mewah Sdn Bhd and its interests in the related companies, namely, Berjaya Capital Berhad and Berjaya General Insurance Berhad.
- (d) Deemed interested by virtue of his interest in Berjaya Group Berhad.
- (e) Deemed interested by virtue of their interests in Orkid Menawan Sdn Bhd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Second Annual General Meeting of the Company will be held at Langkawi Room, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Wednesday, 25th September 2002 at 10.30 a.m. for the following purposes:-

AGENDA

- 1 To receive and adopt the audited financial statements of the Company for the financial period ended 30 April 2002 and the Directors' and Auditors' Reports thereon. RESOLUTION 1

- 2 To approve the payment of Directors' fees amounting to RM53,000 for the financial period ended 30 April 2002. RESOLUTION 2

- 3 To re-elect the following Directors retiring pursuant to Article 102 of the Company's Articles of Association:-
 - a) Heng Kiah Choong RESOLUTION 3
 - b) Mark Wee Liang Yee RESOLUTION 4

- 4 To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration. RESOLUTION 5

- 5 As special business:
To consider and, if thought fit, pass the following Ordinary Resolution:-

"That, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

RESOLUTION 6

By Order of the Board

SU SWEE HONG
Secretary

Kuala Lumpur
3 September 2002

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1) APPOINTMENT OF PROXY

- (a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- (b) A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint one proxy in respect of each securities account.
- (c) If the appointor is a corporation, this form must be executed under its common seal or under the hand of its attorney.
- (d) The original instrument appointing a proxy, duly completed, must be deposited at the Company's Registered Office not less than 48 hours before the time set for the meeting or any adjournment thereof.

2) ORDINARY RESOLUTIONS 3 AND 4

The particulars of the Directors who are standing for re-election are as follows:-

- (a) Heng Kiah Choong (please refer to Profiles of Board of Directors on Page 5 and Directors' Meeting Attendance on Page 14)
- (b) Mark Wee Liang Yee (please refer to Profiles of Board of Directors on Page 4 and Directors' Meeting Attendance on Page 14)

3) SPECIAL BUSINESS

The Ordinary Resolution 6 is proposed pursuant to Section 132D of the Companies Act, 1965 and if passed, will give the Directors of the Company, from the date of the above general meeting, authority to issue and allot shares from the unissued capital of the Company for such purposes as the Directors may deem fit and in the interest of the Company. This authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

FORM OF PROXY

I/We _____
(Name in full)

I.C. or Company No. _____ CDS Account No. _____

of _____
(Address)

being a member/members of MATRIX INTERNATIONAL BERHAD hereby appoint:

_____ I.C. No. _____
(Name in full) (New and Old I.C. Nos.)

of _____
(Address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Forty-Second Annual General Meeting of the Company to be held at Langkawi Room, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Wednesday, 25th September 2002 at 10.30 a.m. or any adjournment thereof.

This proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

	FOR	AGAINST
ORDINARY RESOLUTION 1		
ORDINARY RESOLUTION 2		
ORDINARY RESOLUTION 3		
ORDINARY RESOLUTION 4		
ORDINARY RESOLUTION 5		
ORDINARY RESOLUTION 6		

No. of Shares Held

Signature of Shareholder(s)

Signed this _____ day of _____, 2002.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
2. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint one proxy in respect of each securities account.
3. If the appointor is a corporation, this form must be executed under its common seal or under the hand of its attorney.
4. The original instrument appointing a proxy, duly completed, must be deposited at the Company's Registered Office not less than 48 hours before the time set for the meeting or any adjournment thereof.

Fold this flap for sealing

Affix Stamp

THE COMPANY SECRETARY
MATRIX INTERNATIONAL BERHAD
(Formerly known as Gold Coin [Malaysia] Berhad)
11TH FLOOR, MENARA BERJAYA
KL PLAZA, 179 JALAN BUKIT BINTANG
55100 KUALA LUMPUR

2nd fold here

1st fold here

For further information, please contact:

THE COMPANY SECRETARY

11th Floor, Menara Berjaya, KL Plaza, 179 Jalan Bukit Bintang, 55100 Kuala Lumpur

Tel: 03-2935 8888 Fax: 03-2935 8043