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9. NOTES TO STATEMENT OF ASSETS AND LIABILITIES

9.1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Proforma Group and the Company have been prepared under the historical cost convention. The financial statements comply with the provisions of the Companies Act, 1965 and applicable Approved Accounting Standards in Malaysia.

(b) Basis of Consolidation

Subsidiaries

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

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

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

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

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

Associates

Associates are those companies in which the Proforma Group has a long term equity interest and where it exercises significant influence over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements by the equity method of accounting based on the audited or management financial statements of the associates. Under the equity method of accounting, the Proforma Group's share of profits less losses of associates during the period is included in the consolidated income statement. The Proforma Group's interest in associates is carried in the consolidated balance sheet at cost plus the Proforma Group's share of post-acquisition retained profits or accumulated losses and other reserves as well as goodwill on acquisition.

Unrealised gains on transactions between the Proforma Group and the associates are eliminated to the extent of the Proforma Group's interest in the associates. Unrealised losses are eliminated unless cost cannot be recovered.

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(c) Goodwill/Reserve on Consolidation

Goodwill/Reserve on consolidation represents the excess/deficit of the cost of acquisition over the Proforma Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill/Reserve is stated at cost less accumulated amortisation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 9.1(k). Goodwill/Reserve arising on the acquisition of subsidiaries is presented separately in the balance sheet while goodwill arising on acquisition of associates is included within the carrying amount of investment in associates.

Goodwill/Reserve is amortised on a straight line basis over its estimated useful life of not more than 5 years.

(d) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 9.1(k).

Freehold land and buildings in progress are not depreciated. Leasehold land and buildings are depreciated over the period of respective lease which ranges from 90 years to 97 years. Depreciation of other property, plant and equipment is provided for on a straight line basis to write off the cost of each asset to its residual value over the estimated useful life at the following annual rates:

Buildings	2%
Plant and machinery	10% - 12%
Renovation	20%
Motor vehicles	16% - 20%
Other assets	10% - 33%

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

(e) Inventories

Inventories are stated at the lower of cost (determined on the first-in, first-out basis) and net realisable value. Cost of finished goods includes direct materials, direct labour, other direct costs and appropriate production overheads. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

(f) Cash and Cash Equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at bank, deposits at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

(g) Leases

A lease is recognised as a finance lease if it transfers substantially to the Proforma Group all the risks and rewards incident to ownership.

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(i) Finance Leases

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheet as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Proforma Group's incremental borrowing rate is used.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is consistent with that for depreciable property, plant and equipment as described in Note 9.1(d).

(ii) Operating Leases

Operating lease payments are charged to the income statement on a straight line basis over the term of the relevant lease.

(h) Income Tax

Income tax on the profit or loss for the period comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the period and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

Prior to the adoption of MASB 25 Income Taxes on 1 October 2002, deferred tax was provided for using the liability method in respect of significant timing differences and deferred tax assets were not recognised unless there was reasonable expectation of their realisation.

(i) Revenue Recognition

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

(i) Sales of goods

Revenue relating to the sale of goods is recognised upon the transfer of risks and rewards.

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(ii) Revenue from services

Revenue from services is recognised net of discounts and when the services are performed.

(iii) Rental and interest income

Rental and interest income is recognised on a receivable basis.

(iv) Dividend income

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

(j) Foreign Currencies Transactions

Transactions in foreign currencies are initially converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. At each balance sheet date, foreign currency monetary items are translated into Ringgit Malaysia at exchange rates ruling at that date. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition and non monetary items which are carried at fair value are translated using the exchange rate that existed when the values were determined.

All exchange rate differences are taken to the income statement.

The principal exchange rates used for every unit of foreign currency ruling at balance sheet date used are as follows :

	RM
Singapore Dollar	2.19
United States Dollar	3.80

(k) Impairment of Assets

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

An impairment loss is charged to the income statement immediately.

(l) Provisions for Liabilities

Provisions for liabilities are recognised when the Proforma Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

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(m) Financial Instruments

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

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

(i) Marketable Securities

Marketable securities are carried at the lower of cost and market value, determined on an aggregate basis. Cost is determined on the weighted average basis while market value is determined based on quoted market values. Increases or decreases in the carrying amount of marketable securities are credited or charged to the income statement. On disposal of marketable securities, the difference between net disposal proceeds and the carrying amount is charged or credited to the income statement.

(ii) Trade Receivables

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

(iii) Trade Payables

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

(iv) Interest-Bearing Borrowings

Interest-bearing bank loans and overdrafts are recorded at the amount of proceeds received, net of transaction costs.

Borrowing costs directly attributable to the acquisition and construction of property, plant and equipment are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. All other borrowing costs are charged to the income statement as an expense in the period in which they are incurred.

(v) Other Non-Current Investments

Non-current investments other than investments in subsidiaries and associates are stated at cost less provision for any permanent diminution in value. The policy for the recognition and measurement of impairment losses is in accordance with Note 9.1(k).

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

(vi) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which the obligation to pay is established.

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9.2 **PROPERTY, PLANT AND EQUIPMENT**

	Cost RM'000	Accumulated Depreciation RM'000	Net Book Value RM'000
Proforma Group			
Freehold land	3,459	-	3,459
Leasehold land	9,771	(423)	9,348
Buildings	7,906	(729)	7,177
Building in progress	387	-	387
Plant and machinery	10,563	(4,406)	6,157
Other assets*	12,046	(9,261)	2,785
Total	44,132	(14,819)	29,313

* Included in other assets are motor vehicles, renovation, photographic equipment, electrical installation, office equipment, security protection equipment, tools, office equipment, furniture and fittings.

(a) Net book values of property, plant and equipment held under hire purchase and finance lease arrangements for the Proforma Group and the Company are as follow :

	Proforma Group RM'000	The Company RM
Motor vehicles	490	-
Plant and machinery	4,409	-
	4,899	-

(b) The net book values of property, plant and equipment pledged to financial institutions for bank borrowings referred to Note 9.10 are as follows :

	Proforma Group RM'000	The Company RM
Freehold land	2,809	-
Leasehold land	9,167	-
Buildings	5,654	-
Building-in-progress	387	-
	18,017	-

(c) Included in property, plant and equipment of the Proforma Group and the Company are the following cost of fully depreciated assets which are still in use :

	Proforma Group RM'000	The Company RM
Plant and machinery	1,561	-
Other assets	5,447	-
	7,008	-

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9.3 **ASSOCIATES**

	Proforma Group RM'000	The Company RM
Unquoted shares, at cost	60	-
Share of post acquisition reserves	11	-
	71	-
Less : Accumulated amortisation of goodwill	(1)	-
Impairment loss	(30)	-
	40	-
Represented by :		
Goodwill on acquisition	38	-
Share of net assets	3	-
	41	-
Less : Accumulated amortisation of goodwill	(1)	-
	40	-

9.4 **OTHER INVESTMENTS**

	Proforma Group RM'000	The Company RM
At cost :		
Quoted shares in Malaysia	11	-
Golf membership	39	-
	50	-
Market value of quoted shares	13	-

9.5 **INVENTORIES**

	Proforma Group RM'000	The Company RM
At cost :		
Raw materials	2,833	-
Work in progress	34	-
Finished goods	5,253	-
	8,120	-

9.6 **TRADE RECEIVABLES**

	Proforma Group RM'000	The Company RM
Due from an associate	76	-
Third parties	18,630	-
	18,706	-
Provision for doubtful debts	(2,387)	-
	16,319	-

The normal trade credit term of the Proforma Group ranges from 30 to 90 days. Other credit term are assessed and approved on a case-by-case basis.

The Proforma Group has no significant concentration of credit risk that may arise from exposure to a single debtor or to a group of debtors.

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9.7 OTHER RECEIVABLES

	Proforma Group RM'000	The Company RM
Due from an associate	250	-
Deposits	461	-
Prepayments	1,144	-
Sundry receivables	408	-
	2,263	-

The amount due from an associate is unsecured, interest free and has no fixed terms of repayment.

The Proforma Group has no significant concentration of credit risk that may arise from exposure to a single debtor or to a group of debtors.

9.8 MARKETABLE SECURITIES

	Proforma Group RM'000	The Company RM
Unit trusts in Malaysia, at cost	900	-
Less: Provision for diminution in value	(32)	-
	868	-
Market value of unit trusts	868	-

9.9 CASH AND CASH EQUIVALENTS

	Proforma Group RM'000	The Company RM
Cash on hand and at banks	1,864	-
Fixed deposits with licensed banks	6,629	-
Cash and bank balances	8,493	-
Less : Bank overdrafts (Note 9.10)	(1,309)	-
Cash and cash equivalents	7,184	-

Fixed deposits of the Proforma Group amounting to RM760,000 are pledged to licensed banks for credit facilities granted to the Proforma Group.

The interest rates of fixed deposits with licensed banks at balance sheet date of the Proforma Group were between 0.7% and 4%.

The average maturity of fixed deposits with licensed bank as at the end of the financial period of the Proforma Group were between 12 days and 31 days.

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9.10 BORROWINGS

	Proforma Group RM'000	The Company RM
Short term borrowings		
Secured :		
Bank overdrafts	1,309	-
Term loans	1,072	-
Hire purchase and finance lease payables (Note 9.11)	1,030	-
	3,411	-
Long term borrowings		
Secured :		
Term loans	3,315	-
Hire purchase and finance lease payables (Note 9.11)	2,543	-
	5,858	-
Total borrowings		
Bank overdraft (Note 9.9)	1,309	-
Term loans	4,387	-
Hire purchase and finance lease payables (Note 9.11)	3,573	-
	9,269	-
Maturity of borrowing (excluding hire purchase and finance leases)		
Within 1 year	2,381	-
More than 1 year and less than 2 years	707	-
More than 2 years and less than 5 years	1,524	-
5 years or more	1,084	-
	5,696	-

The secured short term borrowings of the Proforma Group are secured by certain assets of the Proforma Group as disclosed in Note 9.2.

The term loans are secured by the followings :

(a) First legal charge over the freehold and long term leasehold land as disclosed in Note 9.2; and

(b) Jointly guaranteed by directors of PPSB.

The borrowings excluding hire purchase and finance lease bore interest at the following interest rates as at the balance sheet date :

	Proforma Group %	The Company %
Bank overdrafts	6.0 to 8.9	-
Term loans :		
Fixed rates	4.00 to 4.25	-
Floating rates	5.25 to 8.0	-

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9.11 HIRE PURCHASE AND FINANCE LEASE PAYABLES

	Proforma Group RM'000	The Company RM
Minimum lease payments :		
Not later than 1 year	1,337	-
Later than 1 year and not later than 2 years	1,125	-
Later than 2 years and not later than 5 years	1,770	-
	4,232	-
Less : Future finance charges	(659)	-
	3,573	-
Present value of finance lease liabilities:		
Not later than 1 year	1,030	-
Later than 1 year and not later than 2 years	925	-
Later than 2 years and not later than 5 years	1,618	-
	3,573	-
Analysed as :		
Due within 12 months (Note 9.10)	1,030	-
Due after 12 months (Note 9.10)	2,543	-
	3,573	-

The hire purchase and lease payables of the Proforma Group bore interest as at balance sheet date of between 3.9% to 7% per annum.

9.12 TRADE PAYABLES

The normal credit term granted to the Group ranges from 30 to 90 days.

9.13 OTHER PAYABLES

	Proforma Group RM'000	The Company RM
Due to directors	208	-
Accruals	4,518	-
Royalty payables	5,244	-
Advance receipt from customers	612	-
Sundry payables	629	11
	11,211	11

The amount due to directors is unsecured, interest free and has no fixed terms of repayment.

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9.14 SHARE CAPITAL

	Number of Ordinary Shares of RM0.50 Each		Amount	
	Proforma Group '000	The Company '000	Proforma Group RM'000	The Company RM
Authorised	200,000	100,000	100,000	100,000
Issued and fully paid	68,000	*	34,000	**

* Represents 4 ordinary shares
** Represents RM2

9.15 RESERVES ON CONSOLIDATION

	Proforma Group RM'000	The Company RM
Goodwill before acquisition of subsidiaries	(548)	-
Reserves arising form acquisition of subsidiaries	7,997	-
	7,449	-
Less: Interim dividend of PPSB	(1,500)	-
	5,949	-

9.16 DEFERRED TAXATION

	Proforma Group RM'000	The Company RM
At 1 October 2002	515	-
Transfer to income statement	(646)	-
At 30 September 2003	(131)	-
Presented alter appropriate offsetting as follows :		
Deferred tax assets	(292)	-
Deferred tax liabilities	161	-
	(131)	-

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9.17 RELATED PARTY TRANSACTIONS

	Proforma Group RM'000	The Company RM
With associates :		
Sales to PMMSB	117	-
Purchases from PMMSB	180	-
Rental received from PMMSB	12	-
Rental received from PMESB	2	-
With an enterprise in which certain directors have an interest :		
Sales to Pelangi Tuisyen	2	-
Rental received from Pelangi Tuisyen	18	-
With directors :		
Rental paid to Mr. Sum Kown Cheek	48	-
Rental paid to Mr. Yap Chong Kong	60	-

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

9.18 COMMITMENTS

	Proforma Group RM'000
Capital expenditure approved and contracted for	3,722
Rental expenditure :	
Due within 12 months	265
Due after 12 months	121
	386

9.19 SUBSEQUENT EVENTS

On 30 October 2003, the directors of PPSB declared a special 60% tax exempt interim dividend in respect of financial year ending 30 September 2004 amounting to RM1,500,000 paid on 4 February 2004 to its shareholders registered on PPSB's Register of Members as at the close of business on 30 September 2003.

On 8 November 2003, Pelangi Publishing completed its acquisition of the entire issued and paid-up share capital of Penerbitan Pelangi Sdn. Bhd. (PPSB) together with its subsidiaries, Tunas Pelangi Sdn. Bhd. (TPSB), Sutera Ceria Sdn. Bhd. (SCSB), Pelangi Education Sdn. Bhd. (PESB), Pelangi Publishing International Sdn. Bhd. (PPISB) and Pelangi Publishing Holdings Sdn. Bhd. (PPHSB) together with its subsidiaries, for a total purchase consideration of RM33,588,135. The consideration was satisfied by the issue of 64,299,996 ordinary shares of RM0.50 each in the Company at an issue price of approximately RM0.52 per ordinary share and a cash consideration of RM9,900;

On 12 February 2004, Pelangi Publishing issued a rights issue of 3,700,000 ordinary shares of RM0.50 each in Pelangi Publishing at an issue price of RM0.50 per shares.

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Upon the completion of the Acquisitions and the Rights Issue, the share capital of Pelangi Publishing was as follows:

(a) The authorised share capital was increased from RM100,000 to RM100,000,000 through the creation of 199,800,000 ordinary shares of RM0.50 each; and

(b) The issued and paid-up share capital was increased from RM2 to RM34,000,000 by way of issuance 67,999,996 ordinary shares of RM0.50 each.

9.20 CONTINGENT LIABILITIES

Unsecured :

In 1993, PPSB secured the exclusive right to distribute certain multi-media products in Malaysia. In 1994, a sole and exclusive distributor was appointed for the said products in East Malaysia.

Subsequently, PPSB gave notice to terminate the distributorship and took legal action against the distributor for failing to satisfy certain conditions in the distribution agreement claiming approximately RM1 million in loss of profits.

The High Court decided that the distribution agreement was lawfully terminated but both parties claims were dismissed with no order as to costs except for :

a) a claim for RM66,000 by the distributor was dismissed with cost; and

b) a claim for RM50,730 by the distributor was decided in favour of the distributor with statutory interest and costs. PPSB has since settled this judgement sum.

Both parties have appealed to the Court of Appeal against the High Court decision. Todate, no hearing has been fixed for the appeal and cross appeal. The solicitors of PPSB has indicated that both appeal actions are not likely to succeed. Accordingly, no further provision is made in the financial statements for these claims.

9.21 FINANCIAL INSTRUMENTS AND ITS RELATED DISCLOSURES

(a) Financial Risk Management Objectives and Policies

The Proforma Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Proforma Group's businesses whilst managing its interest rate, liquidity and credit risks. The Proforma Group operates within clearly defined guidelines that are approved by the Board and the Proforma Group's policy is not to engage in speculative transactions.

(b) Interest Rate Risk

The Proforma Group's primary interest rate risk relates to interest-bearing debt; the Proforma Group had no substantial long term interest-bearing assets as at 30 September 2003. The investments in financial assets are mainly short term in nature and they are not held for speculative purposes but have been mostly placed in fixed deposits or occasionally, in short term commercial papers which yield better returns than cash at bank.

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The Proforma Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Proforma Group actively reviews its debt portfolio taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

(c) Liquidity Risk

The Proforma Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Proforma Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Proforma Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Proforma Group raises committed funding from financial institutions and prudently balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

(d) Credit Risk

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

The Proforma Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instruments.

(e) Fair Values

The carrying value of current financial assets and current financial liabilities of the Proforma Group approximate their value due to their short term nature whilst the carrying value of long term borrowings is estimated to be approximate the fair value estimated based on the current rates available for borrowing with the same maturity profile.

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10. NET TANGIBLE ASSETS COVER

Based on the statement of assets and liabilities of Pelangi Publishing Profroma Group as at 30 September 2003, the proforma consolidated net tangible assets per ordinary share is calculated as follows:

	RM'000
Net tangible assets of Pelangi Publishing Group after the acquisition of the subsidiaries and rights issue but before public issue	41,376
Proceeds from public issue	9,000
Less : Estimated listing expenses	(1,300)
Proforma net tangible assets	49,076
Number of ordinary shares	'000
As at 30 September 2003	*
Add :	
Issue as consideration for acquisition of the subsidiaries	64,300
Rights issue	3,700
	68,000
Public issue	12,000
Enlarged issued and paid-up share capital	80,000
Proforma net tangible assets per ordinary share before public issue (RM)	0.61
Proforma net tangible assets per ordinary share after public issue (RM)	0.61

* Represents 4 ordinary shares.

11. AUDITED FINANCIAL STATEMENTS

No audited financial statements have been made up in respect of any period subsequent to 30 September 2003.

Yours faithfully

ERNST & YOUNG
AF : 0039
Chartered Accountants

WUN MOW SANG
1821/12/04(J)
Partner