

# Financial Statements

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## Report Of The Directors

The Directors have pleasure in presenting their report together with the audited financial statements of the Company and of the Group for the financial year ended 31 December 2000.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are the provision of management services and that of an investment holding company. The principal activities of its subsidiary companies are the manufacture and sale of resistors and the distribution of electronic and non-electronic components.

There have been no significant changes in the nature of these activities during the financial year.

### RESULTS FOR THE FINANCIAL YEAR

	Group \$'000	Company \$'000
Profit after income tax	8,551	1,028
Minority interest	(117)	-
	<hr/>	<hr/>
Profit for the financial year attributable to the shareholders	8,434	1,028
Less : Proposed dividend, less tax	(769)	(769)
Underprovision of dividend in respect of the previous year	(7)	(7)
	<hr/>	<hr/>
Retained profit transferred to revenue reserve	7,658	252

In the opinion of the Directors, the results of the operations of the Company and the Group during the financial year have not been affected by any item, transaction or event of a material and unusual nature.

### TRANSFERS TO/FROM RESERVES AND PROVISIONS

During the financial year, there were no material transfers to/from reserves or provisions except for normal amounts set aside for such items as depreciation of property, plant and equipment, provisions for doubtful debts, stock obsolescence and income tax as included in the financial statements.

### DIVIDENDS

During the financial year, a first and final dividend of 0.75 cents less income tax, was paid in respect of previous financial year as proposed in the Report of the Directors of that financial year. The total amount paid was \$506,027, which was \$6,527 higher than the amount proposed in the Director's report of last financial year due to additional ordinary shares which were subscribed under the Executives' Share Option Scheme and the reduction in tax rate subsequent to year end.

The Directors propose a first and final dividend of 0.75 cents less income tax, amounting to \$769,228 be paid for the financial year just ended.

## Report Of The Directors

### SHARE CAPITAL

During the financial year, the Company issued 485,000 ordinary shares of \$0.20 each for cash at a premium of \$0.33 per share by virtue of the exercise of options, which was granted in accordance with the provisions of the ASJ Holdings Executives' Share Option Scheme. In addition, the Company issued another 45,281,997 shares of \$0.20 each at par by way of a bonus issue by capitalising the entire share premium account with the remainder from revenue reserves.

A subsidiary company, ASJ Components (M) Sdn Bhd, issued 2,400,000 shares of RM1.00 each at par for cash to provide funds for building production facilities. No other subsidiary companies issued shares during the financial year.

### ACQUISITION AND DISPOSAL OF SUBSIDIARY COMPANIES

#### *Disposal :*

Name of Company	Interest disposed of %	Net tangible assets on date of disposal \$'000	Consideration \$'000
Zanstad Pte Ltd	75	1,389	1,650

There was no other acquisition or disposal of subsidiary companies during the financial year.

### DIRECTORS OF THE COMPANY

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

Fong Yow Wai (Chairman and Chief Executive Officer)  
Chen Tie-Min  
Chew Heng Ching  
Chia Soon Loi  
Lee Cheng-Ling  
Yeo Wee Kiong

The following Directors who held office at the end of the financial year had, according to the register required to be kept under Section 164 of the Companies Act, Cap. 50, an interest in shares of the Company as stated below :-

Name of director	Number of ordinary shares of \$0.20 each			
	As at 31 December 2000		As at 31 December 1999	
	Direct	Deemed	Direct	Deemed
Fong Yow Wai	39,073,410	-	26,048,940	-
Chen Tie-Min	9,414,405	3,177,405	6,276,270	2,118,270
Chia Soon Loi	-	10,516,552	-	7,011,035

The Directors' interest in shares of the Company and of related corporations as at 21 January 2001, were the same as at 31 December 2000.

Mr Fong Yow Wai is deemed to have an interest in shares of the Company's subsidiary companies in proportion to its interest in the subsidiary companies by virtue of his interests in more than 20% of the issued share capital of the Company.

## Report Of The Directors

### DIRECTORS OF THE COMPANY (cont'd)

No other Directors who held office at the end of the financial year had an interest in shares or debentures of the Company or any of the subsidiary companies of the Company.

Since the end of the previous financial year, the Company and the Group have in the normal course of business entered into transactions with related parties of which certain Directors are deemed to have an interest. Such transactions comprised sales of goods and purchases of materials, property, plant and equipment and spares. However, the Directors concerned have neither received nor will they become entitled to receive any benefit arising out of these transactions other than those which they may be entitled to as shareholders of these corporations.

Except as disclosed above and in the financial statements, since the end of the previous financial year, no Director has received or has become entitled to receive benefits under contracts required to be disclosed by Section 201(8) of the Companies Act, Cap. 50.

Neither at the end of the financial year, nor at any time during that financial year, 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.

### ASSET VALUES

Before the profit and loss account and balance sheet of the Company were made out, the Directors took reasonable steps to ascertain that :-

- (a) action had been taken in relation to the writing-off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision has been made for doubtful debts; and
- (b) any current assets which were unlikely to realise their book value in the ordinary course of business had been written down to their estimated realisable values or adequate provision had been made for the difference between those values.

At the date of this report, the Directors are not aware of any circumstances which would render :-

- (a) the amount written off or provided for bad and doubtful debts in the Group inadequate to any substantial extent; and
- (b) the values attributed to current assets in the consolidated financial statements misleading.

### CHARGES AND CONTINGENT LIABILITIES

Since the end of the financial year, no charge on the assets of the Company or any company in the Group has arisen which secures the liabilities of any other person.

Since the end of the financial year, no contingent liability of the Company or any company in the Group has arisen.

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

## Report Of The Directors

### OTHER CIRCUMSTANCES AFFECTING THE FINANCIAL STATEMENTS

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 consolidated financial statements misleading.

### UNUSUAL ITEMS AFTER THE FINANCIAL YEAR

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which would affect substantially the results of the operations of the Company or of the Group for the financial year in which this report is made.

### SHARE OPTIONS TO SUBSCRIBE FOR ORDINARY SHARES

On 29 May 1998, the members of the Company approved the ASJ Holdings Executives' Share Option Scheme (the "Option Scheme").

Under the scheme, a Committee, comprising Directors of the Company who are not participating in the Scheme, will grant, for the consideration of \$1.00 each, to qualifying Executive Directors and full time employees of the Company and Group Options to subscribe for ordinary shares of \$0.20 each in the capital of the Company.

The aggregate number of shares over which the Committee may grant Options under the Scheme shall not exceed 10 percent of the issued share capital of the Company on the day preceding the relevant Date of Grant.

The Subscription Price for each Share in respect of which an Option is exercisable shall be the higher of the average of the last dealt price for the Shares, as determined by reference to the daily official list published by the Singapore Exchange Limited for the five consecutive Trading Days immediately preceding the Date of Grant of that Option or the nominal amount of the Share.

At the end of the financial year, the Options granted (after adjusting for staff resignations and bonus share issue) which have yet to be exercised are :-

Year of grant	Options outstanding	Subscription price	Expired by
1998	1,438,500	\$0.35333	1 November 2003
2000	2,430,000	\$0.60000	1 May 2005

At the end of the financial year, there were no unissued ordinary shares of the subsidiary companies under the Option.

### AUDIT COMMITTEE

The Audit Committee comprises three members, all of whom are Non-executive Directors. The members of the Audit Committee at the date of this report are :-

Chew Heng Ching (Chairman)  
Chia Soon Loi  
Yeo Wee Kiong

## Report Of The Directors

### AUDIT COMMITTEE (cont'd)

The Audit Committee meets periodically with management and the auditors of the Company to discuss and review :-

- (a) the audit plans of the auditors of the Company and the results of their examination and evaluation of the Company's systems of internal accounting controls;
- (b) the Group's financial and operating results and accounting policies;
- (c) the assistance given by the Company's officers to the auditors;
- (d) the Group's transactions with related parties; and
- (e) the financial statements of the Company and the consolidated financial statements of the Group before their submission to the Board of Directors and the auditors' report on these financial statements.

The Audit Committee has recommended to the Board of Directors the nomination of Ernst & Young for re-appointment as auditors of the Company at the forthcoming annual general meeting.

### AUDITORS

The auditors, Ernst & Young, Certified Public Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board,



**Fong Yow Wai**  
Director



**Chia Soon Loi**  
Director

Singapore  
9 April 2001

## THE BOARD OF DIRECTORS

The Board of ASJ Holdings Limited comprises six Directors, one of whom holds executive position. The Executive and Non-executive Directors are as follows :-

Fong Yow Wai (Chairman and Chief Executive Officer)  
Chen Tie-Min  
Chew Heng Ching  
Chia Soon Loi  
Lee Cheng-Ling  
Yeo Wee Kiong

While the Directors take a keen interest in business strategies, they are also committed to increase the level of corporate governance in the Company. To enable the Board to carry out its functions more effectively, the following sub-committees were established :-

### 1. AUDIT COMMITTEE

The Audit Committee members, activities and responsibilities are as set out in the Report of the Directors.

The Singapore Exchange Limited issued a Best Practices Guide on 4 May 1998. The Company has adopted the Best Practices Guide in relation to the roles and responsibilities of the Audit Committee.

### 2. EXECUTIVES' SHARE OPTION SCHEME COMMITTEE

The Executives' Share Option Scheme Committee comprises three members :-

Fong Yow Wai  
Lee Cheng-Ling  
Yeo Wee Kiong

The Committee is responsible for the administration of the Executives' Share Option Scheme in the Company. Members of the Committee do not participate in the Executives' Share Option Scheme.

### 3. REMUNERATION COMMITTEE

The Remuneration Committee comprises three members :-

Chew Heng Ching  
Chia Soon Loi  
Lee Cheng-Ling

The Committee is responsible for the review and recommendation of the annual remuneration package of the Executive Directors.

## Report On Corporate Governance

### SECURITIES TRANSACTIONS

Following the introduction of the Best Practices Guide by the Singapore Exchange Limited, the Company has issued a Policy on Share Dealings to key employees of the Company setting out the implications of insider trading and the recommendations of the Best Practices Guide. To provide further guidance to employees on dealing in the Company's shares, the Company has adopted a code of conduct on transactions in the Company's shares. The code of conduct was modeled after the Best Practices Guide.

The Directors of the Company have adopted the Best Practices Guide with regard to dealing in the Company's shares.

### POLICY AND PROCEDURES ON DISSEMINATION OF PUBLIC INFORMATION

The Company believes that a high standard of disclosure is key to raising the level of corporate governance. Accordingly, the Company has adopted a policy of giving full disclosure in all public announcements, press releases, circulars to shareholders, interim reports and annual reports.

On behalf of the Directors,



**Fong Yow Wai**  
Director



**Chew Heng Ching**  
Director

Singapore  
9 April 2001

## Statement By Directors Pursuant To Section 201 (15)

We, Fong Yow Wai and Chia Soon Loi, being two of the Directors of ASJ Holdings Limited, do hereby state that, in the opinion of the Directors :-

- (i) the balance sheets, profit and loss accounts, statements of changes in equity and consolidated statement of cash flow together with the notes thereto, set out on pages 28 to 48, are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2000, and the results and changes in equity of the Company and the Group and the cash flows of the Group for the financial year ended 31 December 2000; and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board,



**Fong Yow Wai**  
Director



**Chia Soon Loi**  
Director

Singapore  
9 April 2001

## Auditor's Report To The Members Of ASJ Holdings Limited

We have audited the financial statements of ASJ Holdings Limited and of the Group set out on pages 28 to 48. These financial statements comprise the balance sheets of the Company and the Group as at 31 December 2000, the profit and loss accounts and statements of changes in equity of the Company and the Group, and the statement of cash flow of the Group for the financial year ended 31 December 2000, and notes thereto. 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 Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act ("Act") and Singapore Statements of Accounting Standard and so as to give a true and fair view of :-
  - (i) the state of affairs of the Company and of the Group as at 31 December 2000, and the results and changes in equity of the Company and of the Group and the cash flow of the Group for the financial year then ended; and
  - (ii) the other matters required by Section 201 of the Act to be dealt with in the financial statements and consolidated financial statements;
- (b) the accounting and other records, and the registers required by the Act to be kept by the Company and by those subsidiary companies incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and auditors' reports of all the subsidiary companies of which we have not acted as auditors, being financial statements included in the consolidated financial statements. The names of those subsidiary companies, audited by another member firm of Ernst & Young International, are stated in Note 3.

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

The auditors' reports on the financial statements of the subsidiary companies were not subject to any qualification and in respect of subsidiary companies incorporated in Singapore did not include any comment made under Section 207 (3) of the Act.



ERNST & YOUNG  
Certified Public Accountants

Singapore  
9 April 2001

## Profit And Loss Accounts

For the Financial Year Ended 31 December 2000  
(In Singapore dollars)

	Note	Group		Company	
		2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Revenue	4	59,459	47,979	1,790	7,363
Cost of sales		(44,073)	(36,590)	-	-
<b>Gross profit</b>		15,386	11,389	1,790	7,363
Other income/(expenses)	5	1,027	(58)	172	(28)
Selling, general and administrative expenses		(5,814)	(4,193)	(817)	(595)
<b>Profit from operating activities</b>	6	10,599	7,138	1,145	6,740
Interest income		822	849	246	223
Interest expense		(14)	(16)	-	-
<b>Profit before income tax</b>		11,407	7,971	1,391	6,963
Income tax	7	(2,856)	(1,890)	(363)	(1,790)
<b>Profit after income tax</b>		8,551	6,081	1,028	5,173
Minority interest		(117)	(67)	-	-
<b>Profit for the financial year attributable to the shareholders</b>		8,434	6,014	1,028	5,173
<b>Earnings per share</b>		<b>Cents</b>	<b>Cents</b>		
- Basic	8	6.22	4.45		
- Diluted	8	6.19	4.42		

The accounting policies and explanatory notes on pages 32 to 48 form an integral part of the financial statements.

## Balance Sheets

As At 31 December 2000  
(In Singapore dollars)

	Note	Group		Company	
		2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>Non-current assets</b>					
Property, plant and equipment, net	9	18,022	9,670	-	-
Investment in subsidiary companies	10	-	-	16,368	16,938
Other asset	11	145	145	-	-
		18,167	9,815	16,368	16,938
<b>Current assets</b>					
Stocks	12	4,796	4,167	-	-
Debtors	13	13,539	13,537	26	4,800
Due from subsidiary companies	14	-	-	3,067	1,536
Due from related parties	15	-	110	-	-
Floating rate notes		5,865	1,500	5,865	500
Fixed deposits		17,255	16,800	3,400	4,175
Cash and bank balances		2,463	4,549	800	256
		43,918	40,663	13,158	11,267
<b>Current liabilities</b>					
Due to bankers	16	788	2,824	-	-
Creditors	17	11,882	6,717	1,830	1,038
Due to related parties	15	79	167	-	-
Provision for income tax		2,383	1,646	44	24
		15,132	11,354	1,874	1,062
<b>Net current assets</b>		28,786	29,309	11,284	10,205
<b>Non-current liability</b>					
Deferred income tax	18	(1,709)	(1,488)	-	-
		45,244	37,636	27,652	27,143
<b>Capital and reserves</b>					
Share capital	19	27,169	18,016	27,169	18,016
Reserves	20	18,075	19,275	483	9,127
		45,244	37,291	27,652	27,143
<b>Minority interest</b>		-	345	-	-
		45,244	37,636	27,652	27,143

The accounting policies and explanatory notes on pages 32 to 48 form an integral part of the financial statements.

## Statements of Changes In Equity

For the Financial Year Ended 31 December 2000  
(In Singapore dollars)

	Share capital \$'000	Share premium reserve \$'000	Foreign currency translation reserve \$'000	Revenue reserve \$'000	Total \$'000
<b>Group</b>					
At 31 December 1998	18,000	4,048	(243)	9,930	31,735
Issue of ordinary shares by exercise of Executives' Share Option	16	26	-	-	42
Profit for the financial year	-	-	-	6,014	6,014
Dividend less income tax	-	-	-	(500)	(500)
At 31 December 1999	18,016	4,074	(243)	15,444	37,291
Net gain not recognised in the profit and loss account -					
Exchange differences adjustment	-	-	38	-	38
Issue of ordinary shares by exercise of Executives' Share Option	97	160	-	-	257
Issue of bonus shares	9,056	(4,234)	-	(4,822)	-
Profit for the financial year	-	-	-	8,434	8,434
Dividend less income tax	-	-	-	(769)	(769)
Underprovision of dividend in respect of the previous year	-	-	-	(7)	(7)
At 31 December 2000	27,169	-	(205)	18,280	45,244
<b>Company</b>					
At 31 December 1998	18,000	4,048	-	380	22,428
Issue of ordinary shares by exercise of Executives' Share Option	16	26	-	-	42
Profit for the financial year	-	-	-	5,173	5,173
Dividend less income tax	-	-	-	(500)	(500)
At 31 December 1999	18,016	4,074	-	5,053	27,143
Issue of ordinary shares by exercise of Executives' Share Option	97	160	-	-	257
Issue of bonus shares	9,056	(4,234)	-	(4,822)	-
Profit for the financial year	-	-	-	1,028	1,028
Dividend less income tax	-	-	-	(769)	(769)
Underprovision of dividend in respect of the previous year	-	-	-	(7)	(7)
At 31 December 2000	27,169	-	-	483	27,652

The accounting policies and explanatory notes on pages 32 to 48 form an integral part of the financial statements.

## Consolidated Statement Of Cash Flow

For the Financial Year Ended 31 December 2000  
(In Singapore dollars)

	2000 \$'000	1999 \$'000
<b>Cash flows from operating activities :</b>		
Profit from operating activities	10,599	7,138
Adjustments for :		
Depreciation of property, plant and equipment	3,101	2,782
(Gain)/loss on disposal of property, plant and equipment	(11)	5
Net exchange adjustments	37	-
Write-back of diminution in value in other asset	-	(35)
Gain on disposal of a subsidiary company	(261)	-
<b>Operating income before reinvestment in working capital</b>	<b>13,465</b>	<b>9,890</b>
Increase in stocks	(2,484)	(78)
Increase in debtors	(651)	(5,920)
Decrease/(increase) in amounts due from related parties	22	(96)
Increase in creditors	5,328	180
Decrease in amounts due to related parties	-	(178)
<b>Cash generated from operations</b>	<b>15,680</b>	<b>3,798</b>
Interest received	822	849
Interest paid	(14)	(16)
Income tax paid	(1,951)	(1,907)
<b>Net cash provided by operating activities</b>	<b>14,537</b>	<b>2,724</b>
<b>Cash flows from investing activities :</b>		
Disposal of a subsidiary company, net of cash disposed (Note 3)	1,633	-
Purchase of property, plant and equipment	(11,653)	(1,844)
Proceeds from disposal of property, plant and equipment	60	2
<b>Net cash used in investing activities</b>	<b>(9,960)</b>	<b>(1,842)</b>
<b>Cash flows from financing activities :</b>		
Net proceeds from the issue of ordinary shares	257	42
(Decrease)/increase in short-term borrowings	(487)	1,275
Increase in import loans	30	222
Dividend paid	(776)	(500)
<b>Net cash (used in)/provided by financing activities</b>	<b>(976)</b>	<b>1,039</b>
Net increase in cash and cash equivalents	3,601	1,921
Cash and cash equivalents at beginning of financial year (Note 23)	21,982	20,061
<b>Cash and cash equivalents at end of financial year (Note 23)</b>	<b>25,583</b>	<b>21,982</b>

The accounting policies and explanatory notes on pages 32 to 48 form an integral part of the financial statements.

# Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

## 1. CORPORATE INFORMATION

The financial statements of the Company and of the Group for the financial year ended 31 December 2000 were authorised for issue in accordance with a resolution of the Directors on 9 April 2001.

The principal activities of the Company, which is incorporated in Singapore, are the provision for management services and that of an investment holding company and the principal activities of its subsidiary companies are the manufacture and sale of resistors and the distribution of electronic and non-electronic components. There have been no significant changes in the nature of these activities during the financial year.

The registered address of the Company is at 10 Penjuru Lane, Singapore 609190.

The Group and the Company employed 214 and 13 (1999 : 186 and 11) employees as at 31 December 2000, respectively.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) *Basis of preparation*

The financial statements of the Company and of the Group, which are expressed in Singapore dollars, are prepared under the historical cost convention and in accordance with Singapore Statements of Accounting Standard and the applicable provisions of the Companies Act.

On 1 January 2000, the Group and Company adopted Singapore Statements of Accounting Standard No. 8 (Revised 2000) - "Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies" before its effective date. There is no material impact on the Group and Company upon the adoption of Singapore Statements of Accounting Standard No. 8 (Revised 2000).

The accounting policy has been consistently applied by the Group and Company and is consistent with that used in the previous financial year.

### (b) *Basis of consolidation*

The financial statements of the Group incorporate the financial statements of the Company and all its subsidiary companies for the financial year ended 31 December 2000.

The results of subsidiary companies acquired or disposed off during the financial year are included in or excluded from the respective date of acquisition or disposal, as applicable.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Assets, liabilities and results of the overseas subsidiary companies are translated to Singapore dollars on the basis outlined in paragraph (i) below.

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

(c) ***Subsidiary companies***

Interest in subsidiary companies are stated at cost unless, in the opinion of the Directors, there has been permanent diminution in value, when they are written-down to a valuation fixed by the Directors.

Details of subsidiary companies are shown in Note 3.

(d) ***Related parties***

Related parties are entities with common direct or indirect shareholders or directors.

(e) ***Property, plant and equipment***

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions and improvements are capitalised and expenditure for maintenance and repairs are charged to the profit and loss account. When assets are sold or retired, their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is included in the profit and loss account.

(f) ***Depreciation***

Depreciation is calculated on the straight-line method to write off the cost of property, plant and equipment over their useful lives, except for motor vehicles which are depreciated at cost less residual value, over their estimated lives. The estimated useful lives of property, plant and equipment are as follows :-

Factory building	over the lease period
Facilities improvement	3 - 5 years
Plant and machinery	4 - 10 years
Office and other equipment	3 - 10 years

Assets in-progress comprise property, plant and equipment which are under installation or testing and are not yet in use. Depreciation is provided on such assets when they are put to use.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further charge for depreciation is made in respect of these assets.

(g) ***Stocks***

Stocks are stated at the lower of cost (determined on a weighted average basis) and net realisable value. Cost of raw materials, work-in-progress and consumable stocks include direct materials, and in the case of finished goods, cost comprises direct materials, direct labour and attributable manufacturing overheads.

Net realisable value is based on the estimated selling prices less further costs expected to be incurred to completion and disposal and after making allowance for damaged, obsolete and slow-moving items.

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### (h) *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised :-

#### *Sale of goods*

Revenue from the sale of goods is recognised upon passage of title to the customer which generally coincides with their delivery and acceptance.

#### *Commission income*

Revenue is recognised when the right to receive the payment is established.

#### *Management fee*

Revenue is recognised based on service rendered.

#### *Interest income*

Revenue is recognised as the interest accrues unless collectibility is in doubt.

#### *Dividends*

Revenue is recognised when the shareholders' right to receive the payment is established.

### (i) *Foreign currencies*

Foreign currency transactions are recorded at the approximate rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange ruling at the date. Exchange adjustments are dealt with in the profit and loss account.

For the preparation of the consolidated financial statements, the financial statements of overseas subsidiary companies are translated to Singapore dollars at the approximate rates of exchange ruling at the balance sheet date and the results of foreign subsidiaries are translated to Singapore dollars at the weighted average exchange rates. The resulting exchange adjustments are taken to reserves.

### (j) *Deferred taxation*

Deferred taxation is accounted for under the liability method whereby the tax charge for the financial year is based on the disclosed book profit after adjusting for all permanent differences. The amount of taxation deferred on account of all timing differences is reflected in the deferred taxation account. Deferred tax benefits are not recognised unless there is reasonable expectation of their realisation.

### (k) *Cash and cash equivalents*

Cash and cash equivalents consists of cash and bank balances, fixed deposits, floating rate notes with 1-3 months maturity and bank overdrafts.

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 3. GROUP COMPANIES

The subsidiary companies as at 31 December 2000 are :-

Name of company (country of incorporation and place of business)	Principal activities	Cost		Percentage of equity held by the Group	
		2000 \$'000	1999 \$'000	2000	1999
ASJ Pte Ltd (Singapore)	Manufacture and sale of resistors	9,231	9,231	100	100
Scan Technology (S) Pte Ltd (Singapore)	Import, export and distribution of electronic and non- electronic components	5,223	5,223	100	100
Zanstad Pte Ltd (Singapore)	Import, export and distribution of electronic and non-electronic components	-	1,650	-	75
Scan Components (M) Sdn. Bhd. * (Malaysia)	Import, export and distribution of electronic and non- electronic components	777	777	100	100
ASJ Components (M) Sdn. Bhd. * (Malaysia)	Commission agents	1,137	57	100	100
		<u>16,368</u>	<u>16,938</u>		

\* Audited by another member firm of Ernst & Young, International.

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 3. GROUP COMPANIES (cont'd)

On 30 November 2000, the Company disposed of 75% of the voting shares of Zanstad Pte Ltd for a total consideration of \$1,650,000 in cash. This disposal has been shown in the statement of cash flow as a single item. The effect on the individual assets and liabilities is set out below :-

	\$'000
Property, plant and equipment	153
Stocks	1,854
Debtors	755
Cash and bank balances	17
Creditors	(163)
Amounts due to bankers	(712)
Taxation	(53)
Minority interest	(462)
	<hr/>
Net assets disposed	1,389
Gain on disposal	261
	<hr/>
Cash received	1,650
Less : Cash and bank balances	(17)
	<hr/>
Cash flow on disposal net of cash disposed	<u>1,633</u>

### 4. REVENUE

	Group		Company	
	2000	1999	2000	1999
	\$'000	\$'000	\$'000	\$'000
Sale of goods	59,375	47,537	-	-
Commission income	84	442	-	-
Gross dividends from unquoted subsidiary companies	-	-	1,250	6,890
Management fee	-	-	540	473
	<hr/>	<hr/>	<hr/>	<hr/>
	59,459	47,979	1,790	7,363
	<hr/>	<hr/>	<hr/>	<hr/>

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 5. OTHER INCOME /(EXPENSE)

	Group		Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Foreign exchange gain/(loss), net	722	(242)	172	(28)
Gain/(loss) on disposal of property, plant and equipment	11	(5)	-	-
Gain on disposal of a subsidiary company	261	-	-	-
Write back of provision for diminution in value for other asset	-	35	-	-
Others	33	154	-	-
	<u>1,027</u>	<u>(58)</u>	<u>172</u>	<u>(28)</u>

### 6. PROFIT FROM OPERATING ACTIVITIES

Profit from operating activities is stated  
after charging/(crediting) :-

Auditors' remuneration :

- Auditors of the Company

• current	44	36	15	13
• in respect of the previous year	(2)	-	(1)	-

- Others	7	5	-	-
----------	---	---	---	---

Directors' fee	130	130	50	50
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Directors' remuneration :

- Directors of the Company	1,065	574	383	327
- Other Directors of subsidiary companies	56	67	-	-

Depreciation of property, plant and equipment	3,101	2,782	-	-
---	-------	-------	---	---

Staff cost	7,789	5,714	962	756
------------	-------	-------	-----	-----

Rental expense	216	218	12	12
----------------	-----	-----	----	----

*Number of Directors in remuneration bands :*

	Group and Company	
	2000	1999
\$500,000 and above	1	1
\$250,000 to \$499,999	-	-
Below \$250,000	6	6
	<u>7</u>	<u>7</u>

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 7. INCOME TAX

	Group		Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Provision for income tax in respect of the profit for the financial year				
- Current income tax				
• Singapore	2,636	1,731	363	1,790
• Overseas	95	-	-	-
- Deferred income tax (Note 18)	221	137	-	-
(Over)/under provision of tax in prior year	(96)	22	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2,856	1,890	363	1,790

### 8. EARNINGS PER SHARE

	Group	
	2000 \$'000	1999 \$'000
Profit for the financial year attributable to shareholders	8,434	6,014
	<hr/>	<hr/>
	<b>Number of shares (in thousands)</b>	
Weighted average number of ordinary shares for the calculation of basic earning per share	135,693	135,013 <sup>#</sup>
Effect of dilutive securities :		
Share options	556	1,144 <sup>#</sup>
	<hr/>	<hr/>
Weighted average number of ordinary shares for the calculation of diluted earnings per share	136,249	136,157 <sup>#</sup>
	<hr/>	<hr/>
<b>Earnings per share</b>	<b>Cents</b>	<b>Cents</b>
Basic	6.22	4.45
	<hr/>	<hr/>
Diluted	6.19	4.42
	<hr/>	<hr/>

<sup>#</sup> Adjusted for bonus share issue during the financial year ended 31 December 2000.

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 9. PROPERTY, PLANT AND EQUIPMENT

	Freehold land \$'000	Factory building \$'000	Facilities improvement \$'000	Plant and machinery \$'000	Office and other equipment \$'000	Assets in-progress \$'000	Total \$'000
<i>Group</i>							
Cost							
At beginning of financial year	-	3,695	1,576	13,426	2,436	362	21,495
Currency realignment	-	-	-	-	3	-	3
Additions	1,076	-	-	-	20	10,557	11,653
Disposals	-	-	-	(8)	(132)	-	(140)
Transfers	-	-	261	4,533	35	(4,829)	-
Due to a subsidiary company disposed of	-	-	(41)	-	(186)	-	(227)
At end of financial year	1,076	3,695	1,796	17,951	2,176	6,090	32,784
Accumulated depreciation							
At beginning of financial year	-	1,879	1,177	7,541	1,228	-	11,825
Currency realignment	-	-	-	-	1	-	1
Additions	-	135	220	2,405	341	-	3,101
Disposal	-	-	-	-	(91)	-	(91)
Due to a subsidiary company disposed of	-	-	(16)	-	(58)	-	(74)
At end of financial year	-	2,014	1,381	9,946	1,421	-	14,762
Charge for 1999	-	135	277	2,079	291	-	2,782
Net book value							
At end of financial year	1,076	1,681	415	8,005	755	6,090	18,022
At beginning of financial year	-	1,816	399	5,885	1,208	362	9,670

### 10. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2000 \$'000	1999 \$'000
Unquoted shares, at cost	16,368	16,938

Details of subsidiary companies are shown in Note 3.

# Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

## 11. OTHER ASSET

	Group	
	2000	1999
	\$'000	\$'000
Transferable individual golf club membership, at cost	163	163
Less : Provision for diminution in value	(18)	(18)
	145	145

Movement in provision for diminution in value is as follows :-

Balance at beginning of financial year	18	53
Write back for the financial year	-	(35)
	18	18

## 12. STOCKS

Raw materials	2,001	810
Work-in-progress	304	265
Finished goods	3,552	3,495
Consumable stocks	217	226
Less : Provision for stock obsolescence	(1,278)	(629)
	4,796	4,167

Movement in provision for stock obsolescence is as follows :-

Balance at beginning of financial year	629	797
Currency realignment	1	-
Provision/(write back) for the financial year	680	(18)
Provision utilised for the financial year	(32)	(150)
	1,278	629

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 13. DEBTORS

	Group		Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Trade receivables	12,652	13,392	-	-
Less : Provision for doubtful debts	-	(9)	-	-
	12,652	13,383	-	-
Other Receivables:-				
Advance to employees	2	26	-	-
Prepayments	219	22	-	-
Dividend receivable	-	-	-	4,787
Tax recoverable	106	-	-	-
Recoverables	484	9	4	-
Others	76	97	22	13
	887	154	26	4,800
	13,539	13,537	26	4,800
Movement in provision for doubtful debts is as follows :-				
Balance at beginning of financial year	9	139	-	-
Provision for the financial year	-	5	-	-
Provision utilised for the financial year	(9)	(135)	-	-
Balance at end of financial year	-	9	-	-
Bad debts directly written off to profit and loss account	24	14	-	-
Bad debts recovered	-	(5)	-	-

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 14. DUE FROM SUBSIDIARY COMPANIES

	Company	
	2000 \$'000	1999 \$'000
Trade	1,477	1,536
Non-trade	1,590	-
	<hr/>	<hr/>
	3,067	1,536

The trade amounts are provided on normal commercial terms.

The non-trade amounts due from subsidiary companies are unsecured, interest-free and have no fixed repayment terms.

### 15. DUE FROM/(TO) RELATED PARTIES

These amounts are trade related and were based on terms which are comparable to terms obtained from or offered to third parties.

### 16. DUE TO BANKERS

	Group	
	2000 \$'000	1999 \$'000
Bank overdrafts - unsecured	-	867
Short-term loans - unsecured	788	1,275
Import loans - unsecured	-	682
	<hr/>	<hr/>
	788	2,824

The short-term loans bear interest between 1.625% and 3.5% (1999 : between 1.5% and 3.5%) per annum.

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 17. CREDITORS

	Group		Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Trade payables	6,478	4,210	26	-
Other payables :-				
Accruals	4,635	2,006	1,035	538
Dividend payable	769	500	769	500
Others	-	1	-	-
	5,404	2,507	1,804	1,038
	11,882	6,717	1,830	1,038

### 18. DEFERRED INCOME TAX

	Group	
	2000 \$'000	1999 \$'000
Balance at beginning of financial year	1,488	1,351
Provision for the financial year (Note 7)	221	137
Balance at end of financial year	1,709	1,488
The deferred income tax arises as a result of :-		
Excess of net book value over tax written down value of property, plant and equipment	1,839	1,528
Provision for stock obsolescence	(152)	(37)
Other timing differences	22	(3)
	1,709	1,488

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 19. SHARE CAPITAL

	Group and Company	
	2000	1999
	\$'000	\$'000
Authorised :-		
200,000,000 ordinary shares of \$0.20 each	40,000	40,000
Issued and fully paid :-		
Balance at beginning of financial year		
90,079,000 (1999 : 90,000,000) ordinary shares of \$0.20 each	18,016	18,000
Issued during the financial year		
485,000 (1999 : 79,000) ordinary shares of \$0.20 each by exercise of Executives' Share Option	97	16
45,281,997 (1999 : nil) ordinary shares of \$0.20 each by bonus share issue	9,056	-
Balance at end of financial year		
135,845,997 (1999 : 90,079,000) ordinary shares of \$0.20 each	27,169	18,016

As at the end of the financial year, the options granted under the Executives' Share Option Scheme (after adjusting for resignations and bonus share issue) which have yet to be exercised are :-

Year of grant	Options outstanding	Subscription price	Expired by
1998	1,438,500	\$0.35333	1 November 2003
2000	2,430,000	\$0.60000	1 May 2005

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 20. RESERVES

	Group		Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Share premium reserve	-	4,074	-	4,074
Revenue reserve	18,280	15,444	483	5,053
Foreign currency translation reserve	(205)	(243)	-	-
	18,075	19,275	483	9,127

### 21. DIVIDEND

	Group and Company	
	2000 \$'000	1999 \$'000
Final proposed of 0.75 cents (1999: 0.75 cents) per ordinary share less income tax of 24.5% (1999 : 26.0%)	769	500
Underprovision of dividend in respect of the previous year	7	-
	776	500

The underprovision of dividend in respect of the previous year arose from additional ordinary shares of \$0.20 each subscribed under the Executives' Share Option Scheme subsequent to proposed dividend made for the last financial year but was entitled to dividend declared for that financial year and the reduction in tax rate subsequent to year end.

### 22. OPERATING LEASE

The Group leases a piece of land from Jurong Town Corporation ("JTC") under non-cancellable lease arrangements. This lease, which does not have purchase option and expires in year 2013, contains provisions for JTC to revise annual rental based on the prevailing market rates up to a maximum increment of 7.6% per annum. In addition, the Group has an option to renew the lease for a further 36 years from 2013 and an option to sub-lease, subject to the approval of JTC. Future minimum rentals under non-cancellable leases are as follows as of 31 December :-

	Group	
	2000 \$'000	1999 \$'000
Within one year	230	219
Within 2 to 5 years	997	983
After 5 years	1,870	1,961
	3,097	3,163

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated statement of cash flow comprise of the following balance sheet amounts :-

	Group	
	2000 \$'000	1999 \$'000
Floating rate notes	5,865	1,500
Fixed deposits	17,255	16,800
Cash and bank balances	2,463	4,549
Bank overdrafts (Note 16)	-	(867)
	25,583	21,982

### 24. SEGMENT INFORMATION

#### *Primary segments*

	Manufacturing		Distribution		Corporate and Others		Consolidated	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Segment revenue :								
Sales to external customers	35,889	27,725	23,486	19,812	-	-	59,375	47,537
Segment results	8,689	5,592	1,754	1,696	156	(150)	10,599	7,138
Interest income							822	849
Interest expense							(14)	(16)
Profit before income tax							11,407	7,971
Income tax							(2,856)	(1,890)
Minority interest							(117)	(67)
Profit for the financial year attributable to shareholders							8,434	6,014
Total assets	43,092	30,862	8,795	14,340	10,198	5,276	62,085	50,478
Total liabilities	9,299	5,210	1,620	3,460	5,922	4,172	16,841	12,842
Other segment information :								
Capital expenditures	11,633	1,631	20	213	-	-	11,653	1,844
Depreciation	3,018	2,656	83	126	-	-	3,101	2,782

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 24. SEGMENT INFORMATION (cont'd)

#### *Secondary segments*

	Revenue		Total assets		Capital expenditures	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Singapore	28,241	20,580	56,902	49,367	7,953	1,835
Malaysia	6,251	4,376	5,183	1,111	3,700	9
Thailand	2,146	1,289	-	-	-	-
China/Hong Kong	5,136	9,318	-	-	-	-
USA	7,116	5,764	-	-	-	-
Europe	9,115	5,489	-	-	-	-
Rest of World	1,370	721	-	-	-	-
	<u>59,375</u>	<u>47,537</u>	<u>62,085</u>	<u>50,478</u>	<u>11,653</u>	<u>1,844</u>

### 25. FUTURE CAPITAL EXPENDITURE

	Group	
	2000 \$'000	1999 \$'000
Capital expenditure for factory building, plant and machinery not provided for in the financial statements :-		
Committed and not contracted	-	11,022
Committed and contracted	4,121	-
	<u>4,121</u>	<u>11,022</u>

## Notes To The Financial Statements

31 December 2000  
(In Singapore dollars)

### 26. RELATED PARTY TRANSACTIONS

Related party transactions carried out during the financial year pursuant to the Shareholders' Mandate obtained for Interested Person Transactions under Chapter 9A of the Listing Manual of the Singapore Exchange Limited by the Group and the Company are as follows :-

	Group		Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Purchases from related parties	248	1,141	-	-
Purchases of property, plant and equipment and spares from a related party	729	266	-	-
Management fee charged to subsidiary companies	-	-	(540)	(473)

### 27. COMPARATIVE FIGURES

The presentation and classification of items in the financial statements have been changed to comply with the requirements of SAS 1 (Revised 1999) - Presentation of financial statements. As a result, additional line items have been included in the profit and loss account. Accordingly, comparative figures have been restated to provide a proper comparison with the current financial year's presentation.

## Statistics Of Shareholdings

As At 21 March 2001

Authorised Share Capital	-	S\$40,000,000.00
Issued and Fully-paid Capital	-	S\$27,169,199.40
Voting Rights	-	1 vote per ordinary share of S\$0.20 each

### DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 1,000	15	1.54	9,820	0.01
1,001 - 10,000	847	86.87	2,324,535	1.71
10,001 - 1,000,000	101	10.36	5,830,234	4.29
1,000,001 and above	12	1.23	127,681,408	93.99
Total	975	100	135,845,997	100

### TWENTY LARGEST SHAREHOLDERS

Name	No. of Shares	%
1 Fong Yow Wai	39,073,410	28.76
2 Yageo Corporation	24,671,595	18.16
3 Kuo Hsin Investments Co Ltd	12,709,605	9.36
4 Raffles Nominees Pte Ltd	10,989,052	8.09
5 UOB Securities Pte Ltd	10,021,500	7.38
6 Chen Tie-Min	9,414,405	6.93
7 DBS Nominees Pte Ltd	8,846,500	6.51
8 Lee Hwei-Jan, Mdm	3,177,405	2.34
9 Low Thian Ser	3,040,572	2.24
10 Ang Hwee Tiang	2,198,932	1.62
11 Loi Teck Lee	2,014,432	1.48
12 G K Goh Stockbrokers Pte Ltd	1,524,000	1.12
13 Cheng Toon Foo	841,530	0.62
14 Goh Meng Chye	567,457	0.42
15 Singapore Nominees Pte Ltd	379,500	0.28
16 Mayban Nominees (S) Pte Ltd	300,000	0.22
17 Wong Wai Kar Michael	251,500	0.19
18 Hong Leong Finance Nominees Pte Ltd	220,500	0.16
19 Pang Chee Liong	219,285	0.16
20 Chan Lien Ching-Fen	180,000	0.13
Total	130,641,180	96.17

### SUBSTANTIAL SHAREHOLDERS

Name	No. of Shares Held	%	No. of Shares Deemed Interested In	%
1. Fong Yow Wai	39,073,410	28.76	-	-
2. Yageo Corporation <sup>a</sup>	24,671,595	18.16	19,191,105	14.13
3. Kuo Hsin Investment Co, Ltd	12,709,605	9.36	-	-
4. Chen Tie-Min <sup>b</sup>	9,414,405	6.93	3,177,405	2.34
5. Chia Soon Loi	-	-	10,516,552	7.74

Notes:

a Yageo Corporation is deemed to have an interest in 6,481,500 and 12,709,605 shares held by DBS Nominees Pte Ltd (the beneficial owner of the said shares is Yageo Holdings (Bermuda) Ltd) and Kuo Hsin Investment Co, Ltd respectively.

b Chen Tie-Min is deemed to have an interest in 3,177,405 shares held by his wife, Lee Hwei-Jan.

## Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fifth Annual General Meeting of ASJ Holdings Limited (the "Company") will be held at 10 Penjuru Lane, Singapore 609190 on Wednesday, 2 May 2001 at 11.00 a.m. to transact the following business:

1. To receive and adopt the audited accounts of the Company for the year ended 31 December 2000 and the report of the Directors and Auditors thereon. *(Resolution No. 1)*
2. To re-elect the following Directors retiring under Article 91 of the Articles of Association of the Company:-
  - (i) Mr Lee Cheng-Ling *(Resolution No. 2)*
  - (ii) Mr Yeo Wee Kiong *(Resolution No. 3)*
3. To re-appoint the Auditors and to authorise the Directors to fix their remuneration. *(Resolution No. 4)*
4. To approve the payment of a first and final dividend of 0.75 cents per ordinary share in respect of the financial year ended 31 December 2000 as recommended by the Directors in their report. *(Resolution No. 5)*
5. To approve the Directors' fees of S\$50,000.00 payable to the Directors of the Company for the year ended 31 December 2000. *(Resolution No. 6)*
6. To transact any other business which may be transacted at an Annual General Meeting.
7. As Special Business  
To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions with or without modifications:-
  - 7.1 "That:- *(Resolution No. 7)*
    - (a) approval be and is hereby given for the purposes of Chapter 9A of the Listing Manual of the Singapore Exchange Securities Trading Limited for the Company, its subsidiaries and target associated companies (the "Group") or any of them to enter into any of the transactions falling within the types of Interested Person Transactions, particulars of which are set out in the Company's Prospectus dated 16 January 1997 issued in connection with its initial public offer of shares (the "Prospectus"), with any party who is of the class of Interested Persons described in the Prospectus provided that such transactions are made on an arm's-length basis and on normal commercial terms;
    - (b) the approval given in paragraph (a) above (the "Mandate") shall, unless revoked or varied by the Company in General Meeting, continue in force until the next Annual General Meeting of the Company; and
    - (c) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Mandate and/or this Resolution."
  - 7.2 "That pursuant to Section 161 of the Companies Act, Cap. 50 approval be and is hereby given to the Directors to issue further shares in the Company at any time to such persons, upon such terms and conditions and for such purposes as the Directors may deem fit, provided always that:
    - (a) where the shares are to be issued to existing shareholders in proportion to their then shareholding in the Company, the aggregate number of shares to be issued pursuant to this resolution shall not exceed 50 percent (50%) of the issued share capital of the Company for the time being;
    - (b) where the shares are to be issued otherwise than to existing shareholders in proportion to their shareholding in the Company, the aggregate number of shares to be issued pursuant to this resolution shall not exceed 20 percent (20%) of the issued share capital of the Company for the time being; and
    - (c) the aggregate number of shares to be issued under sub-paragraphs (a) and (b) of this resolution shall not exceed 50 percent (50%) of the issued share capital of the Company for the time being, such authority shall remain in force until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier, unless previously revoked or varied by the Company in general meeting."

By Order of the Board



Wendy Wong Mei Yoke nee Leong  
Company Secretary  
16 April 2001  
Singapore

Notes:

1. A member who is entitled to attend and vote at the meeting may appoint not more than two proxies to attend, and on a poll, vote in his place. A proxy need not be a member of the Company.
2. The instrument appointing a proxy must be deposited at the Company's registered office at 10 Penjuru Lane, Singapore 609190 at least forty-eight hours before the time set for the meeting.
- \* The ordinary resolution proposed in item 7.2 above, if passed, will empower the Board of Directors of the Company from the date of this meeting to the next Annual General Meeting to issue shares in the Company up to an amount not exceeding in total 50% of the issued share capital of the Company for the time being for such purposes as they consider would be in the interests of the Company.

**Proxy Form**

I/We, \_\_\_\_\_  
being a Member of ASJ Holdings Limited hereby appoint the following person(s):

NAME	ADDRESS	NRIC/PASSPORT NUMBER	PROPORTION OF SHAREHOLDINGS REPRESENTED BY PROXY (%)

as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 10 Penjuru Lane, Singapore 609190 on Wednesday, 2 May 2001 at 11.00 a.m. and at any adjournment thereof in the manner indicated below.

NO.	RESOLUTION RELATING TO	FOR	AGAINST
1.	Adoption of Directors' Report & Accounts		
2.	Re-election of Director - Mr Lee Cheng-Ling		
3.	Re-election of Director - Mr Yeo Wee Kiong		
4.	Re-appointment of Auditors		
5.	Approval of a first and final dividend of 0.75 cents		
6.	Approval of Directors' fees		
7.	Renewal of Shareholders' Mandate for Interested Person Transactions		
8.	Approval to authorise issue of additional shares by Directors pursuant to Section 161 of the Companies Act, Cap. 50		

(Please indicate with a cross "X" in the space provided whether you wish your vote to be cast for or against the Resolutions as set out in the Notice of the Meeting. If no specific direction as to voting is given, your proxy may vote or abstain from voting as he/she thinks fit.)

**No. Of Ordinary Shares Held:**

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2001

\_\_\_\_\_  
SIGNATURE OF MEMBER(S) or COMMON SEAL

IMPORTANT: Please read Notes on the reverse.

## NOTES

1. Please insert the total number of Ordinary Shares held by you. If you have Ordinary Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50), you should insert that number of Ordinary Shares. If you have Ordinary Shares registered in your name in the Register of Members, you should insert that number of Ordinary Shares. If you have Ordinary Shares entered in your name in the Depository Register and Ordinary Shares registered in your name in the Register of Members, you should insert the aggregate number of Ordinary Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Ordinary Shares held by you.
2. A Member who is entitled to attend and vote at the meeting may appoint one or two proxies to attend, and on a poll, vote in his place. A proxy need not be a member of the Company. Where a Member appoints more than one proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing and, in the case of an individual, shall be signed by the appointer or of his attorney; and in the case of a corporation, shall either be given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
4. Where an instrument appointing a proxy is signed on behalf of the appointer by an attorney, the letter or power of attorney or a certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy.
5. The instrument appointing a proxy must be deposited at the Company's registered office at 10 Penjuru Lane, Singapore 609190 at least forty-eight hours before the time appointed for the holding of the Annual General Meeting.
6. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of Members whose Ordinary Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such Members are not shown to have Ordinary Shares entered against their names in the Depository Register forty-eight hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

Fold Here

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## PROXY FORM

Affix  
Stamp  
Here

**The Company Secretary  
ASJ Holdings Limited  
10 Penjuru Lane  
Singapore 609190**

Fold Here

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