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**OVERSEAS & GENERAL LIMITED**

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# notice of ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 16th Annual General Meeting of OVERSEAS & GENERAL LIMITED will be held at Saga Room, Sri Damansara Club, Lot 23304, Persiaran Perdana, Bandar Sri Damansara, 52200 Kuala Lumpur on Wednesday, 28 May 2003 at 3.00 p.m. for the following purposes:

1. To receive and adopt the Audited Financial Statements for the year ended 31 December 2002 and the Reports of the Directors and Auditors thereon. **RESOLUTION 1**
2. To re-elect the following director:-  
T.T. Durai **RESOLUTION 2**
3. To approve the payment of Directors' fees. **RESOLUTION 3**
4. To re-appoint PricewaterhouseCoopers as Auditors of the Company and to authorise the Directors to fix their remuneration. **RESOLUTION 4**

By Order of the Board

**Jacqueline Karran**  
Secretary

Douglas, Isle of Man  
28 April 2003

## PROXIES

A member holding certificated shares entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote instead of the member. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy need not be a member of the Company.

## NOTICE OF DIRECTION

Registered holders of CHESSE Depository Interests ("CDIs") have the right to direct CHESSE Depository Nominees Pty Ltd on how to vote with respect to the resolutions described in the notice of meeting. If the direction and the instruction given by the CDI holder is certain, then the CHESSE Depository Nominees Pty Ltd will vote on the resolutions in accordance with instructions in the Notice of Direction.

## PROXY FORM / NOTICE OF DIRECTION

A Proxy Form and Notice of Direction are enclosed at the back of the Annual Report. To be effective, the proxy form must be received at the Malaysian Office of the Company not less than 48 hours before the time of holding the meeting. Please note that facsimile copies of proxies will not be accepted.

CDI holders must deposit the Notice of Direction with Computershare Investor Services Pty Ltd. Please refer to instructions on the Notice of Direction.

**NAME**

OVERSEAS & GENERAL LIMITED  
ARBN 007 509 319

**LEGAL FORM**

A Public Company quoted on the Australian Stock Exchange and CLOB International, Singapore, incorporated in the Isle of Man with limited liability on 26 January 1987 under the Companies Acts 1931 to 1993.

**DIRECTORS**

M R Gopala Krishnan C R K Pillai - *Chairman*  
Leong Kian Ming  
Shamsuddin Jaafar  
T.T. Durai

**LAWYERS**

Cateo Pty Limited  
18 Kingston Avenue, Concord  
New South Wales 2137  
Australia

Zul Rafique & Partners  
Suite 17.01, 17th Floor,  
Menara Pan Global  
8 Lorong P. Ramlee  
50250 Kuala Lumpur  
Malaysia

**BANKERS**

NM Rothschild & Sons (Australia) Limited  
Westpac Banking Corporation

**HOME STOCK EXCHANGE**

Australian Stock Exchange Limited

# CORPORATE information

**SECRETARY**

Jacqueline Karran  
4 Finch Road  
Douglas, Isle of Man IM1 2PT  
Telephone: (44-1624) 676 868

**REGISTERED OFFICE**

C/- PricewaterhouseCoopers  
2nd Floor, Sixty Circular Road  
Douglas, Isle of Man IM1 1SA  
Telephone: (44-1624) 689 689

**AUDITORS**

PricewaterhouseCoopers  
3rd Floor, Sixty Circular Road  
Douglas, Isle of Man IM1 1SA  
Telephone: (44-1624) 689 689

**CORPORATE OFFICE**

3rd Floor, 7 Persiaran Dagang  
Bandar Sri Damansara  
52200 Kuala Lumpur, Malaysia  
Telephone: (603) 6275 7788  
Facsimile: (603) 6275 1715

**OVERSEAS STOCK EXCHANGE**

CLOB International, Singapore

**ISLE OF MAN SHARE REGISTRY**

Abacus Limited  
Sixty Circular Road  
Douglas, Isle of Man IM1 1SA  
Telephone: (44-1624) 689 689

**AUSTRALIAN SHARE REGISTRY**

Computershare Investor Services Pty Limited  
Level 2, Reserve Bank Building  
45 St George's Terrace  
Perth, Western Australia 6000, Australia  
Telephone: 618-9323 2000

**SINGAPORE SHARE REGISTRY**

Lim Associates (Pte) Ltd  
10 Collyer Quay #19-08  
Ocean Building, Singapore 049315  
Telephone: 65-6536 5355



# PROFILE of directors

The names and details of the directors of the Company currently in office are:

## NAMES, QUALIFICATIONS AND EXPERIENCE:

### ■ M R GOPALA KRISHNAN C R K PILLAI • *Chairman*

Mr Krishnan is a Certified Practising Accountant of Australia, and has many years of corporate and management experience in a career spanning more than 30 years. He is a council member of the Federation of Malaysian Manufacturers (FMM) and the Malaysian International Chamber of Commerce and Industry (MICCI). In MICCI, he is the Convenor of the Environment Committee. He is also the founding council member of the Malaysia Australia Business Council.

He is currently the Managing Director of Land & General Berhad, a public-listed company in the Kuala Lumpur Stock Exchange (KLSE). In addition, Mr Krishnan is also the Chairman of Kaefer Technologies Limited, a company listed on the Australian Stock Exchange, the Deputy Chairman of Oiltools International Limited, and he holds directorships in other Malaysian companies.

### ■ LEONG KIAN MING • *Executive Director*

Mr Leong is a Fellow of the Association of Chartered Certified Accountants (ACCA), UK and a member of the Malaysian Institute of Accountants. He has many years experience as Chief Financial Officer of a number of public-listed companies in Malaysia and overseas, and is now the Chief Operating Officer and Executive Director of Overseas & General Limited. He is also an Independent Director of Odin Mining & Exploration Limited, a public company listed on the Toronto Venture Exchange (TSX), and a Director of Vietnam Industrial Investments Limited, a public company listed on the Australian Stock Exchange (ASX).

### ■ SHAMSUDDIN JAAFAR • *Independent Non-Executive Director*

Mr Shamsuddin Jaafar holds a Bachelor of Arts degree. He has over 30 years experience in the wood based industries especially in logging, saw-milling, mouldings and furniture manufacturing. He was the Group General Manager of the Timber Division of Land & General Berhad and Chief Operating Officer of the Furniture Division until 1999.

### ■ T. T. DURAI • *Independent Non-Executive Director*

Mr Durai graduated with honours in Law from the University of Singapore in 1971 and completed his post graduate studies at the University of London in 1976. Mr Durai was the recipient of a number of distinguished awards for his outstanding contribution to public service. These include the Outstanding Young Singaporean Award (1972), National Youth Award (1976), the Public Service Star (1984) by the Singaporean Government, the International Distinguished Medal of National Kidney Foundation (NKF), USA (1990) and the Bintang Bakti Masyarakat (Lintang) Public Service Star (Bar) in 1992 by the Singaporean Government.

He has been closely associated with the NKF of Singapore since its inception in 1969, and is currently the Secretary and Chief Executive Officer of NKE, Singapore.



## THE BOARD OF DIRECTORS (“THE BOARD”)

The Board is elected by, and accountable to, the shareholders to represent all shareholders. It is a Director’s responsibility, in all decisions he is called upon to make concerning the Company’s affairs, to consider the effects of such decisions on the interests of all shareholders. The Directors also have a duty to act in the best interests of the Company at all times and a statutory duty not to gain benefit through the improper use of information gained from being a Director.

### Role of the Board

The role of the Board is to direct and monitor the Company with a view to optimising Company performance and to enhance shareholder value, by:

- setting overall goals and strategic direction of the Company;
- reviewing the Company’s strategic plans and policies;

The Company’s Articles of Association govern procedures for election and retirement of Directors.

### Professional Advice

Directors may seek independent professional advice at the Company’s expense subject to the Chairman’s prior approval and that such advice is in connection with the performance of their duties and responsibilities.

### Compensation Arrangements

Compensation arrangements for the Directors and the Chief Operating Officer are determined at the Board level in consultation with the Chairman. The Board reviews the remuneration policy of the Company to ensure that the

# CORPORATE governance

- approving financial plans and annual budgets;
- overseeing business and financial plans and monitoring of:
  - business performance against those plans;
  - key management recommendations (such as major capital expenditure, acquisitions, investments, funding);
  - effectiveness of risk management policies implemented;
  - compliance with key policies, laws and regulations; and
- appointing and appraising the Chief Operating Officer and senior executives.

The Board delegates daily management of the Company’s affairs and implementation of its strategy and policy initiatives to the Chief Operating Officer and senior executives.

### Board Composition

The Board includes individuals who qualify as independent Directors to ensure that the Board can bring about quality judgements which are free of bias to all issues.

The Board, subject to members’ voting rights in general meetings, is responsible for reviewing membership of the Board and for selecting new Directors. The Chairman manages the process of selecting new appointees to ensure that the Board maintains an appropriate balance of skills, knowledge and experience.

remuneration package of the Chief Operating Officer and senior executives properly reflect their duties and responsibilities, and is competitive in attracting, motivating and retaining people of the highest calibre and quality.

### AUDIT REVIEW

The nomination of external auditors rests with the Board which also reviews and evaluates the adequacy, scope and quality of the external audit function. The Board has ultimate responsibility for the integrity and effectiveness of the Company’s internal and external financial reporting and its compliance and conformity with the relevant legislation and International Financial Reporting Standards.

### RISK MANAGEMENT

Management is charged with the responsibility of recommending and reporting to the Board, the implementation and operation of the Company’s risk management policy and practices in areas of significant risk.



Arrangements in place for managing areas of significant risk include:

- A risk awareness culture where risk management is an integral aspect of the Group's management system;
- Requirement for each business unit to report on key business, operational and financial risk factors and its progress in managing risk exposure in an effective and efficient manner;
- Comprehensive and regular budgetary control, financial and management reporting;
- Procedures requiring the approval of significant revenue and capital expenditures at the appropriate level of management or by the Board;
- Prohibition on speculative transactions;
- Well defined and established organisational structures, procedures and policies;
- Adequate insurance coverage of all major risks to which the Company is exposed;
- Direct access by external auditors to the Board at any time to convey any concerns, independently of management influence.

The Internal Audit Department of the parent company reviews on a quarterly basis the Company's risk and control processes. This is reported to the parent company's Audit Committee.

#### **ETHICAL STANDARDS**

The Company requires that all Directors maintain high standards of integrity and are committed to ensuring that the Company conducts its business in accordance with the highest standards of ethical behaviour. Employees are required to maintain high standards of ethical behaviour in the execution of their duties.

#### **Fair Dealings and Related Party Transactions**

It is the Company's policy that Directors, as well as senior management, must confirm by their actions to all shareholders that integrity and effective control must not be compromised when dealing with related parties.

A Director, or an entity in or over which a Director has a significant interest and/or influence, who proposes to enter into a transaction with the Company must make full prior disclosure to the Board.

#### **Disclosure of Information**

The Company has an objective of honest and open disclosure of information in dealing with shareholders, subject to appropriate commercial considerations associated with competitive and sensitive information. Such disclosure may exceed statutory requirements.

The Chief Operating Officer is the person appointed as the person responsible for communications with the Australian Stock Exchange (ASX). This person is also responsible for ensuring compliance with the continuous disclosure requirements in the ASX listing rules and overseeing and coordinating information disclosure to the ASX.



# CHAIRMAN'S report

## DEAR SHAREHOLDERS,

For the year ended 31 December 2002, OGL made a net loss after tax of \$4.517 million (2001: (\$14.794) million). Although this was an improvement from the previous year's losses, the Board was disappointed with the result. The result included foreign exchange loss of \$0.708 million arising from depreciation of a US dollar-denominated receivable against the Australian dollar, allowance for write-down in the carrying value of Odin Mining & Exploration Ltd ("OMEL") of \$0.784 million, loss on de-registration of dormant subsidiaries of \$0.281 million, interest expenses of \$1.113 million attributable to OGL's convertible Class B ordinary shares and convertible bonds.

OGL's timber subsidiary, Fenning Pacific (Fiji) Ltd ("Fenning Pacific"), lifted revenue from \$0.077 million (2001) to \$1.275 million (2002) but this was insufficient to produce a profit as the company reported a loss after tax of \$2.16 million. The operations, contrary to weather forecast, had been adversely affected by inclement weather and capacity constraints at our sawmill facilities. The Management has been mandated to address the problem of under-capacity which resulted in shortfall in our production outputs and to develop new markets for our products.

A second sawmill was constructed during 2002, fully-installed with new band-mill equipment and supported by a well-equipped saw-shop facility. This was completed in January 2003 and commissioned in February 2003. The increased mill capacity during 2003 is capable of supporting the sales and marketing effort with the required quantities, grade and range of products available for our customers.

We have also identified a number of key areas in which we must excel in if we are to achieve our performance goals in the current year. During 2002, we have committed both resources and efforts

in laying the foundation for greater penetration into the Australian and New Zealand markets. Fenning Pacific also entered the China market where our initial shipments of timber flooring products were well received. Management will continue to aggressively pursue this market.

We have also undertaken steps towards increasing our share of the Fijian domestic cash market to improve stock turnover and margins. This means getting closer to the customer and selling directly to the end-users by setting up retail timber yards in the cities of Lautoka and Nadi in the months of November 2002 and March 2003 respectively.

We believe the industry and the trading environment will continue to remain challenging, albeit not without its rewards. Our success will depend on our ability to extract timber economically from our forest concession, conduct our sawmilling operations to world-class standards of efficiency, provision of quality customer service and our ability to be a low-cost producer.

OGL made a partial exit, in February 2002, from its associate investment in the Australian Stock Exchange ("ASX") - listed Vietnam Industrial Investments Ltd ("VII") by disposing 10,000,000 of its 23,002,000 ordinary shares at a price of 45 cents per share. The disposal resulted in a profit of \$1.087 million (at Group level) and \$2.288 million (at Company level) respectively and reduced OGL's interest in VII from 22.3% to 12.6%.

In October 2002, 25,933,312 common shares representing 74.5% of OMEL's issued and paid-up share capital, reverted to OGL control, on the expiry of a share sale agreement signed in



October 1997 between OGL and the MBO team. OMEL shares are currently listed on the Toronto Venture Exchange (TSX). The shares in OMEL are currently recorded in OGL's books as an investment available for sale.

As announced to the ASX, OGL has, on 4 April 2003, entered into an agreement to invest US\$2.0 million in the IT-enabled services sector of India. OGL will subscribe for a 30% interest in Protonweb BPO (P) Limited, in a joint-venture with Protonweb Solutions Limited, a Capability Maturity Model (CMM) Level 5 company based in Chennai, India. Protonweb BPO (P) Limited will focus in the customer relationship management ("CRM") market and would operate in all segments of CRM in the Indian business process outsourcing ("BPO") industry. The joint venture company will initially set up a Call Centre in the city of Chennai and at a later date expand to the city of Bangalore, India. This investment into the Indian BPO industry allows OGL to gain entry into a fast growing business outsourcing market catering to regional and international customers, particularly the USA. Although it may not have a material impact on current year's results, we expect this investment to contribute towards OGL's earnings base in the future.

We believe our management and employees are committed towards achieving the goals and performance targets set for the current year which is aligned to our Board's objective of eventually turning around the Company's performance.

Our appreciation goes to the Board of our parent company, Land & General Berhad, for their continued support and the management and staff for their contribution during the year.

**Mike Krishnan**

*Chairman*

11 April 2003