



環球集團有限公司

THE STORE CORPORATION BERHAD

(252670-P)

(INCORPORATED IN MALAYSIA)

The Store For Malaysian

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eighth Annual General Meeting of the Company will be held at Jati Meeting Room, Level 3A, Park Plaza International Kuala Lumpur, No 138, Jalan Ampang, 50450 Kuala Lumpur on Friday, 29 September 2000 at 9.00 a.m. for the following purposes:

Agenda

1. To receive and adopt the audited accounts of the Company for the year ended 31st March 2000 together with the reports of the Directors and Auditors thereon. *Resolution 1*
2. To approve the payment of a First and Final Dividend of 6% less tax at 28% for the year ended 31st March 2000. *Resolution 2*
3. To approve the payment of Directors' Fees. *Resolution 3*
4. To re-elect the following Directors who retire in accordance with the provisions of the Company's Articles of Association and, being eligible, offer themselves for re-election:
 - a) Dato' Dr Hj Kardin bin Hj Shukor *Resolution 4*
 - b) Encik Ishak bin Yusuf *Resolution 5*
 - c) Mr Lim Gin Chuan *Resolution 6*
 - d) Mr Yeoh Chong Keng *Resolution 7*
 - e) Encik Mohd Qari bin Ahmad *Resolution 8*
 - f) Encik Md Kamal bin Bilal *Resolution 9*
 - g) Datuk Haji Abdul Rahman bin Ramli *Resolution 10*
5. To consider and, if thought fit, pass the following resolution under Section 129(6) of the Companies Act, 1965:

"That Dato' Haji Mohd Yusoff bin Haji Amin (a Director retiring in compliance with Section 129 of the Companies Act, 1965, being over the age of seventy years) be and is hereby re-elected a Director of the Company to hold office until the next Annual General Meeting." *Resolution 11*
6. To re-appoint Messrs Moores Rowland (formerly known as Hew & Tan) as Auditors for the ensuing year and to authorise the Board of Directors to fix their remuneration. *Resolution 12*
7. To transact any other ordinary business of which due notice shall have been given.

Special Business

8. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for additional shares so issued on the Kuala Lumpur Stock Exchange and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." *Resolution 13*



By Order of the Board
LEE WAI NGAN (Ms)
CHEAH SEOK HUN (Ms)
Secretaries

Kuala Lumpur
14th September 2000

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A member may appoint more than two proxies to attend at the same meeting. Where a member appoints two or more proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy must be deposited at the Company's Registered Office not less than 48 hours before the time appointed for holding the meeting.

Explanatory Note On Special Business

Resolution 13, if passed, will authorise the Directors to issue shares up to 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority will expire at the next Annual General Meeting.

Notice Of Closure Of Books

NOTICE IS ALSO HEREBY GIVEN that the Share Transfer Books and the Register of Members of the Company will be closed on 20th October 2000 for the preparation of dividend warrants.

The final dividend, if approved, will be paid on 16th November 2000 to shareholders registered in the Books of the Company as at the close of business on 19th October 2000.

A Depositor shall qualify for entitlement only in respect of:

- a) Shares transferred into the Depositor's securities account before 12.30 p.m. on 19th October 2000 in respect of ordinary transfers; and
- b) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

Board Of Directors**Chairman**

Dato' Haji Abdul Rahman bin Ramli

Director

Dato' Dr Haji Kardin bin Haji Shukor

Dato' Haji Mohd Yusoff bin Haji Amin

Ishak bin Yusuf

Yeoh Chong Keng

Lim Gin Chuan

Mohd Qari bin Ahmad

Md Kamal bin Bilal

Executive Director

Tan You Tiong

Audit Committee

Dato' Dr Hj Kardin bin Haji Shukor
(Independent Non-Executive Director)

Dato' Haji Mohd Yusoff bin Haji Amin
(Independent Non-Executive Director)

Ishak bin Yusuf

(Independent Non-Executive Director)

Company Secretaries

Ms Lee Wai Ngan

Ms Cheah Seok Hun

Registered Office

Wisma Selangor Dredging
6th Floor South Block, 142-A Jalan Ampang,
50450 Kuala Lumpur.

Tel: 03-21615466

Fax: 03-2163 6968

Registrars

Systems & Securities Sdn Bhd

Wisma Selangor Dredging,
6th Floor, South Block, 142-A, Jalan Ampang,
50450 Kuala Lumpur.

Stock Exchange Listing

Kuala Lumpur Stock Exchange

Auditors

Moores Rowland (formerly known as Hew & Tan)
Public Accountants

Principal Bankers

Malayan Banking Berhad

OCBC Bank (Malaysia) Berhad





On behalf of the Board of Directors, I am pleased to present the Company's Annual Report and the Audited Accounts for the financial year ended 31 March 2000.

Financial Results

For the financial year ended 31 March 2000, the Group recorded a turnover of RM966 million, a marginal increase of 2% from that of the previous financial year's results. Profit before tax for the Group was RM 22.2 million which is 7% higher than the profit of RM20.8 million recorded in the previous financial year. The improvement in performance was mainly due to higher consumer spending in line with the continuing recovery of the Malaysian economy as well as the Group's continuous and conscientious effort in cost control.

At the Company level, the profit before tax improved by 14% from RM11.8 million to RM13.4 million in the current financial year resulting from higher dividend income received from the subsidiary companies during the year.

Dividend

Given the improved financial performance, your Board is pleased to recommend a first and final dividend of 6% less 28% income tax amounting to RM2,690,323 for the current financial year under review subject to the approval of the shareholders at the forthcoming Annual General Meeting. This represents a 50% increase in dividend rate over the 4% declared for the last two financial years.

Corporate Development

In March 2000, the Company acquired 51% equity interest in Pacific Hypermarket Group Sdn Bhd ("PHG"). The principal activity of PHG is investment holding with subsidiaries involved in the operations of hypermarket, department store and property holdings. PHG's hypermarket and department store operations are located at the Star Parade in Alor Setar and the Megamall Pinang in Prai. The acquisition will complement the existing business of the Group and will also enable the Company to further consolidate its position as one of the largest local supermarket and department store chains in the Peninsular Malaysia, diversifying into the hypermarket business and continue to focus on its core business in retailing.

On 5 July 2000, the Company entered into a conditional sale and purchase agreement to acquire the remaining 49% equity interest in PHG. After completion of this acquisition, PHG will become a wholly-owned subsidiary company.

Review And Prospects

The recent economic recession had seen to further consolidation of the local retail industry with weaker and less efficient operators being taken over or replaced by stronger foreign players intent on carving out market share with aggressive expansion. This added a further competitive dimension to the already overcrowded retail industry amidst a progressively recovering but yet delicate economy.

To maintain its competitive edge, the Group plans to undertake major upgrading and renovations to its existing outlets to improve facilities so as to meet customers' requirements. At the same time, no effort will be spared to continue identifying suitable locations for new outlets to widen the stream of profits contributions.

With the improving economy and the Government's continuous efforts to stimulate private consumption and attract visitors, your Board believes the Group can look forward to another satisfactory year.

Acknowledgement And Appreciation

On behalf of the Company, I wish to welcome the new Board Members En Ishak bin Yusuf, Mr Lim Gin Chuan, Mr Yeoh Chong Keng, En Mohd Quari bin Ahmad, En Md Kamal bin Bilal and Dato' Haji Mohd Yusoff bin Haji Amin. They brought with them a wealth of experience in various fields which I have no doubt will contribute positively to the business and governance of the Group. At the same time I must record appreciation of the Group for the invaluable contributions made by the former Chairman, Dato Azizi bin Tan Sri Yom Ahmad and the other Directors, Mr Yeap Chin Teong, JP, Mr Yap Chin Soo, Mr Kam Teh Chung and Mr Yap Yan Chuan who have resigned from the Board recently.

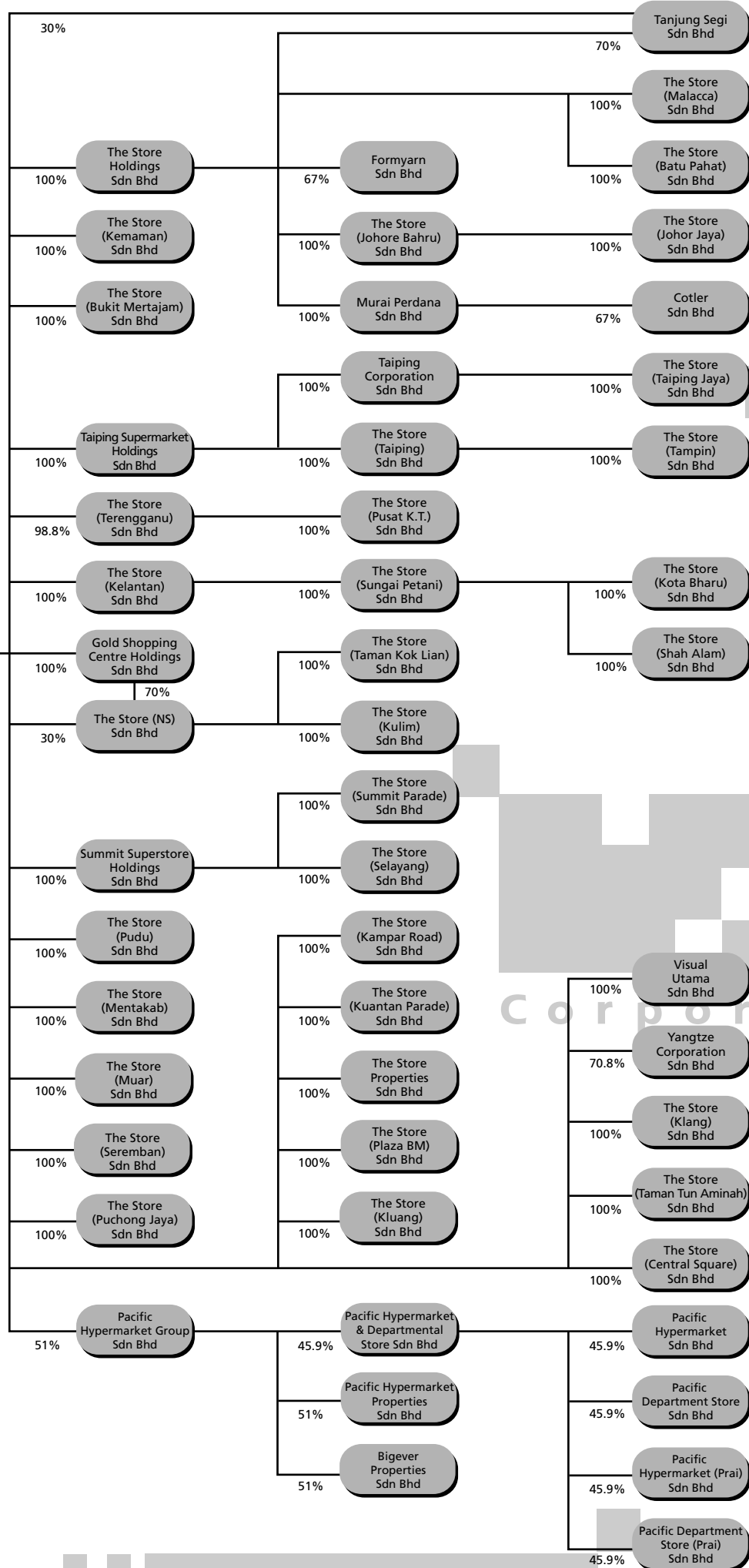
I would also like to express my sincere appreciation to all our management and staff for their conscientious efforts and contributions to the Group's performance for the year. I also take this opportunity to thank our valued customers, suppliers, bankers, business associates and shareholders for their continuing support and loyalty.

DATUK HAJI ABDUL RAHMAN BIN RAMLI
Chairman

30 August 2000.

CORPORATE STRUCTURE

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Corporate



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Terms of Reference

1. Constitution

- a) The Audit Committee shall be appointed by the Board from among its members.
- b) The term of office of Audit Committee and the terms of reference should be reviewed by the Board not less than every three years.

2. Membership

- a) The Committee shall consist of not less than three members, majority of which should be non-executive Directors.
- b) No member of the Committee shall be - a spouse, parent, brother, sister, son or adopted son, daughter or adopted daughter of an Executive Director of the Company or of any related corporation, or - spouse of brother, sister, son or adopted son, daughter or adopted daughter of an Executive Director of the Company or of any related corporation, or - any person having a relationship which, in the opinion of the Board of Directors, would interfere with the exercise of independent judgement in carrying out the function of the Audit Committee.
- c) The chairman of the Committee shall be appointed by the Board from the non-Executive Directors.
- d) If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduce to below three, the Board shall, within three months of the event, appoint such number of new members as may be required to make up the minimum number of three members.

3. Authority

- a) The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- b) The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

4. Functions

The functions of the Committee shall be:

- a) to review with the external auditors
 - the audit plan;
 - the evaluation of the system of internal accounting controls;
 - the scope and results of any audit procedures;
 - the audit report;
 - the assistance given by the Company's officers to the auditors;



- the financial statements of the Company and Group and thereafter to submit them to the directors of the Company;
- any related party transactions that may arise within the Company or Group; and
- b) to consider and recommend to the Board the nomination of external auditors
- c) to review the internal audit plan, consider significant findings and management's response and report to the Board together with such other functions as may be agreed to by the Committee and the Board.

5. Attendance At Meeting

- a) The Managing Director, the Executive Directors, any other Board Members, General Managers or any other senior executives as may be requested by the Committee and a representative of the external auditors shall normally attend meetings. However, at least once a year the Committee shall meet with the external auditors.
- b) Any two members of the Committee present at the meeting shall constitute a quorum.
- c) The Company Secretary shall be Secretary of the Committee.

6. Frequency Of Meetings

- a) Meetings shall be held not less than two times a year.
- b) The external auditors may request a meeting if they consider that one is necessary.

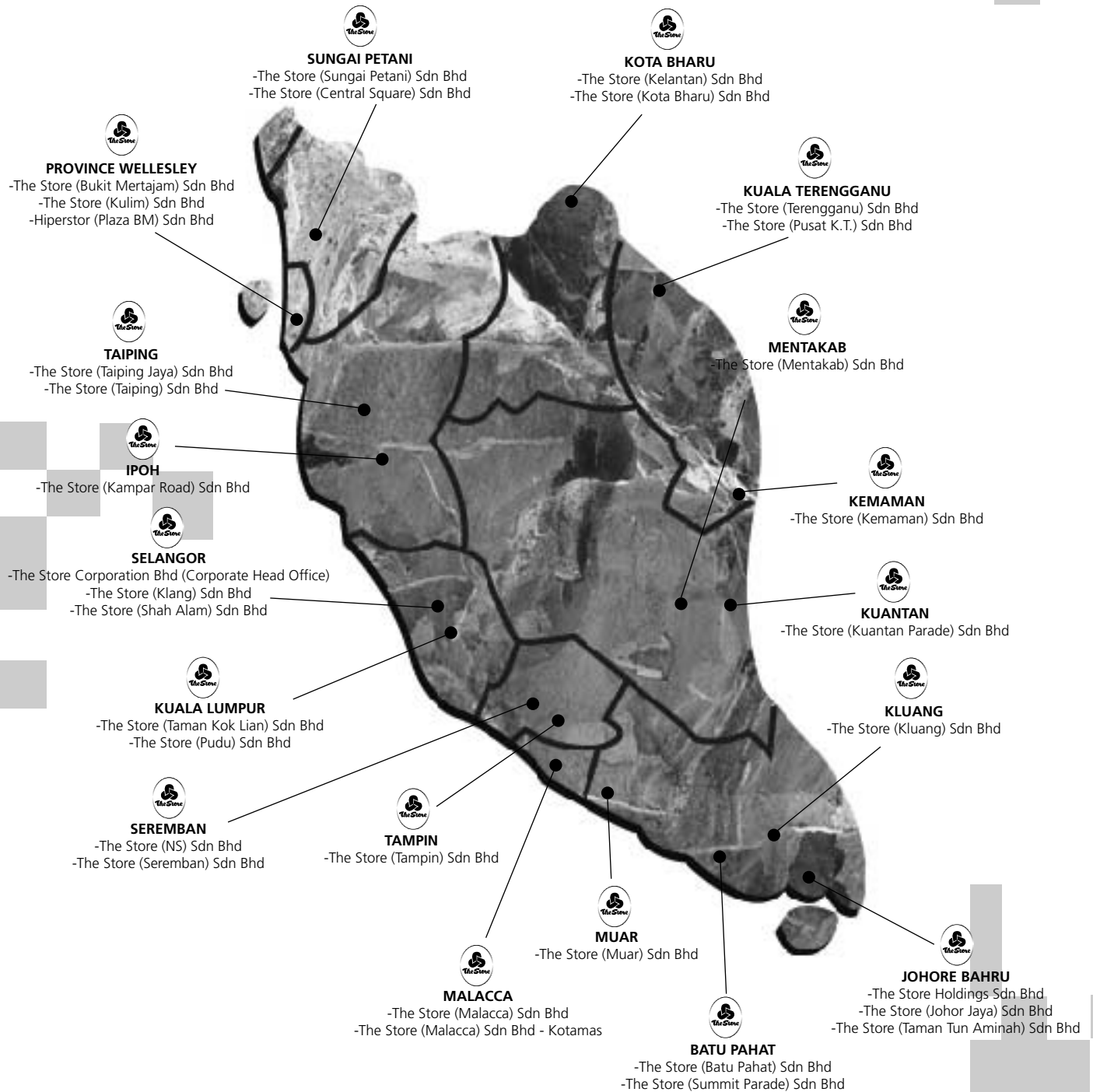
7. Reporting

- a) The agenda will be prepared by the Company Secretary and circulated to the Committee prior to each meeting.

The Company Secretary shall be responsible for keeping minutes of meetings of the Committee and circulated them to all members of the Board.

LOCATION OF OUTLETS

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FOR THE YEAR ENDED 31st MARCH 2000

The directors have pleasure in submitting their report and the audited accounts of the Company and of the Group for the financial year ended 31st March 2000.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services.

The principal activities of the subsidiaries consist of operation of department stores and supermarkets, hypermarkets, manufacturing, wholesaling and trading in garments and underclothings, wholesaling of household and general goods, property investment and investment holding.

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

RESULTS	Group RM	Company RM
Profit after taxation	11,761,929	9,482,469
Minority interests	(99,524)	-
Profit after minority interests	11,662,405	9,482,469
Unappropriated profit brought forward	64,338,443	26,211,129
Profit available for appropriation	76,000,848	35,693,598
Dividend	(2,690,323)	(2,690,323)
Unappropriated profit carried forward	<u>73,310,525</u>	<u>33,003,275</u>

DIVIDENDS

Dividends paid or declared by the Company since the end of the previous financial year were as follows:

In respect of the year ended 31st March 1999 as disclosed in the directors' report of that year.

- First and final dividend of 4% less 28% tax paid on 19th November 1999 RM 1,793,549

The directors now recommend a first and final dividend of 6% less 28% tax amounting to RM 2,690,323 for the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any shares or debentures during the financial year.

DIRECTORS

The directors in office since the date of the last report are:

Dato' Dr. Hj. Kardin bin Hj. Shukor	
Mr Tan You Tiong	
En Ishak bin Yusuf	(appointed on 31-1-2000)
Mr Lim Gin Chuan	(appointed on 31-1-2000)
Mr Yeoh Chong Keng	(appointed on 14-2-2000)
En Mohd Qari bin Ahmad	(appointed on 14-2-2000)
En Md. Kamal bin Bilal	(appointed on 14-2-2000)
Datuk Haji Abdul Rahman bin Ramli	(appointed on 30-3-2000)
Dato' Haji Mohd Yusoff bin Haji Amin	(appointed on 24-4-2000)
Dato' Azizi bin Tan Sri Yom Ahmad	(resigned on 2-2-2000)
Mr Yeap Chin Teong @ Yap Chin Teong, JP	(resigned on 2-2-2000)
Mr Yap Chin Soo	(resigned on 2-2-2000)
Mr Kam Teh Chung	(resigned on 30-3-2000)
Mr Yap Yan Chuan	(resigned on 24-4-2000)

In accordance with the Company's Articles of Association, all of the directors who were appointed to the board subsequent to the date of the last annual general meeting, retire at the forthcoming annual general meeting together with Dato' Dr Hj. Kardin bin Hj. Shukor who retires by rotation. All the retiring directors, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS IN SHARES

Directors' shareholdings and interests in shares in the Company were as follows:

	-----Ordinary shares of RM1 each-----			
	At 1-4-1999	Bought	Sold	At 31-3-2000
Dato' Dr. Hj. Kardin bin Hj. Shukor				
- direct interest	10,000	-	-	10,000
- deemed interest	-	-	-	-
Mr Tan You Tiong				
- direct interest	1,685,754	-	1,178,000	507,754
- deemed interest	-	-	-	-
En Mohd Qari bin Ahmad				
- direct interest	-	-	-	-
- deemed interest	-	12,148,000	-	12,148,000
Mr Yap Yan Chuan				
- direct interest	3,014,937	-	2,000,000	1,014,937
- deemed interest	1,875,493	-	1,875,493	-

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than as disclosed in Notes 16 and 20 to the accounts) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company a party to any arrangements whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

- (a) Before the profit and loss accounts and balance sheets of the Company and of the Group were made out, the directors took reasonable steps:
- (i) to ascertain the action taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business their value as shown in the accounting records of the Company and of the Group had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances:
- (i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent, or
 - (ii) which would render the values attributed to the current assets in the accounts of the Company and of the Group misleading, or
 - (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company and of the Group misleading or inappropriate.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Company or its subsidiary companies which has arisen since the end of the financial year which secures the liabilities of any other person, or
 - (ii) any contingent liability of the Company or its subsidiary companies which has arisen since the end of the financial year.
- (d) No contingent or other liability of the Company or its subsidiary companies 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 affect the ability of the Company or its subsidiary companies to meet their obligations as and when they fall due.
- (e) At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the accounts of the Company and of the Group which would render any amount stated in the respective accounts misleading.
- (f) In the opinion of the directors:
- (i) the results of the operations of the Company and of the Group for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company and of the Group for the financial year in which this report is made.

AUDITORS

The auditors, Moores Rowland (formerly known as Hew & Tan), Public Accountants, have expressed their willingness to continue in office.

On behalf of the Directors

DATO' DR HJ KARDIN BIN HJ SHUKOR
Director

TAN YOU TIONG
Director

31st July 2000

We have audited the accounts set out on pages 15 to 32. The preparation of the accounts is the responsibility of the Company's directors. Our responsibility is to express an opinion on the accounts based on our audit.

We conducted our audit in accordance with approved auditing standards issued by the Malaysian Institute of Accountants. These standards require that we plan and perform the audit to obtain reasonable assurance that the accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes an assessment of the accounting principles used and significant estimates made by the directors as well as an evaluation of the overall presentation of the accounts.

We believe our audit has provided us with a reasonable basis for our opinion.

In our opinion:

(a) the accounts have been properly drawn up:

- (i) so as to give a true and fair view of the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the accounts of the Company and of the Group;
- (ii) in accordance with the provisions of the Act so as to give a true and fair view of the state of affairs of the Company and of the Group at 31st March 2000 and of their results and the cash flows of the Group for the year ended on that date; and
- (iii) in accordance with applicable approved accounting standards; and

(b) the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we acted as auditors have been properly kept in accordance with the provisions of the Act.

We have considered the accounts and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 6 to the accounts.

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

Our audit reports on the accounts of the subsidiaries were not subject to any qualification and did not include any comment made under Section 174 (3) of the Act.

MOORES ROWLAND
No. AF: 0539
Public Accountants

GAN MORN GHUAT
No. 1499/5/01 (J)
Partner

31st July 2000

CONSOLIDATED BALANCE SHEET

31st MARCH 2000

	Note	2000 RM	1999 RM
SHARE CAPITAL	2	62,276,002	62,276,002
RESERVES	3	91,001,803	82,029,721
TOTAL CAPITAL AND RESERVES		153,277,805	144,305,723
MINORITY INTERESTS		30,407,818	1,289,671
DEFERRED LIABILITIES	4	25,835,562	3,878,837
		<u>209,521,185</u>	<u>149,474,231</u>
Represented by:			
FIXED ASSETS	5	209,408,680	93,457,201
INVESTMENTS	7	2,332,169	3,506,498
GOODWILL ON CONSOLIDATION	8	2,962,636	2,408,527
CURRENT ASSETS			
Stocks	9	119,678,434	87,552,057
Debtors	10	44,869,312	19,440,014
Time deposits	11	26,769,803	83,417,299
Cash and bank balances		62,628,234	19,528,978
		<u>253,945,783</u>	<u>209,938,348</u>
Less:			
CURRENT LIABILITIES			
Creditors	12	234,780,817	149,767,403
Bank borrowings	13	15,885,499	1,670,319
Taxation		7,468,763	6,860,285
Proposed dividend		2,690,323	1,793,549
		<u>260,825,402</u>	<u>160,091,556</u>
NET CURRENT LIABILITIES		(6,879,619)	49,846,792
EXPENDITURE CARRIED FORWARD	14	1,697,319	255,213
		<u>209,521,185</u>	<u>149,474,231</u>

Notes to and forming part of the accounts are set out on pages 21 to 36

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CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2000

	Note	2000 RM	1999 RM
Turnover	15	966,027,423	943,851,700
Cost of sales		849,554,349	794,726,751
Profit before taxation	16	22,153,735	20,774,466
Taxation	17	(10,391,806)	727,533
Profit after taxation		11,761,929	21,501,999
Minority interests		(99,524)	483,461
Profit after minority interests		11,662,405	21,985,460
Unappropriated profit brought forward		64,338,443	44,146,532
Profit available for appropriation		76,000,848	66,131,992
Proposed first and final dividend of 6% (1999 : 4%) less 28% tax		(2,690,323)	(1,793,549)
Unappropriated profit carried forward		73,310,525	64,338,443
Retained by:			
The Company		31,626,975	25,178,904
Subsidiary companies		41,683,550	39,159,539
		73,310,525	64,338,443
Earnings per share (sen)	18	18.73	35.30

Notes to and forming part of the accounts are set out on pages 21 to 36

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BALANCE SHEET - 31st MARCH 2000

	Note	2000 RM	1999 RM
SHARE CAPITAL	2	62,276,002	62,276,002
UNAPPROPRIATED PROFIT		33,003,275	26,211,129
TOTAL CAPITAL AND RESERVES		<u>95,279,277</u>	<u>88,487,131</u>
Represented by:			
FIXED ASSETS	5	252,219	521,997
SUBSIDIARY COMPANIES	6	114,116,786	84,014,105
CURRENT ASSETS			
Debtors	10	15,389,916	527,030
Amount owing by subsidiary companies	6	97,847,739	73,965,124
Time deposits	11	150,000	31,708,342
Cash and bank balances		30,680,465	383,909
		<u>144,068,120</u>	<u>106,584,405</u>
Less:			
CURRENT LIABILITIES			
Creditors	12	76,059	213,214
Amount owing to subsidiary companies	6	160,391,466	100,354,145
Taxation		-	272,468
Proposed dividend		2,690,323	1,793,549
		<u>163,157,848</u>	<u>102,633,376</u>
NET CURRENT LIABILITIES		<u>(19,089,728)</u>	<u>3,951,029</u>
		<u>95,279,277</u>	<u>88,487,131</u>

Notes to and forming part of the accounts are set out on pages 21 to 36

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PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2000

	Note	2000 RM	1999 RM
Turnover	15	<u>15,548,500</u>	<u>14,052,000</u>
Profit before taxation	16	13,385,915	11,784,488
Taxation	17	<u>(3,903,446)</u>	<u>(3,481,690)</u>
Profit after taxation		9,482,469	8,302,798
Unappropriated profit brought forward		<u>26,211,129</u>	<u>19,701,880</u>
Profit available for appropriation		35,693,598	28,004,678
Proposed first and final dividend of 6% (1999 : 4%) less 28% tax		<u>(2,690,323)</u>	<u>(1,793,549)</u>
Unappropriated profit carried forward		<u>33,003,275</u>	<u>26,211,129</u>

Notes to and forming part of the accounts are set out on pages 21 to 36

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CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH 2000

	2000 RM	1999 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	22,153,735	20,774,466
Adjustments for:		
Amortisation of goodwill	378,375	344,075
Depreciation	13,111,347	13,184,341
Fixed assets written off	505,087	531,467
Gain on disposal of fixed assets	(166,688)	404,334
Gain on disposal of other investments	(172,483)	-
Preliminary and pre-operating expenses written off	125,158	124,979
Interest income	(1,870,320)	(2,775,253)
Interest expenses	120,744	185,491
Hire purchase term charges	9,513	14,114
Provision for doubtful debts	64,877	64,775
Provision for doubtful debts written back	(2,196)	-
Stocks written down	350,000	-
Operating profit before working capital changes	34,607,149	32,852,789
Increase in stocks	(11,235,847)	18,980,512
Increase in debtors	(17,212,183)	930,268
Increase in creditors	23,287,006	(20,930,708)
Cash generated from operations	29,446,125	31,832,861
Interest received	1,870,320	2,775,253
Interest paid	(120,744)	(185,491)
Taxation paid	(9,638,617)	(8,815,707)
Net cash from operating activities	<u>21,557,084</u>	<u>25,606,916</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of new subsidiary company, net of cash (Note 19)	(27,571,661)	-
Purchase of additional shares in a subsidiary company	(343,000)	-
Purchase of fixed assets	(9,783,228)	(1,809,290)
Proceeds from disposal of fixed assets	1,342,695	3,158,304
Proceeds from disposal of other investments	1,346,812	-
Placement of time deposits	(29,708)	(39,503,218)
Withdrawal of time deposits	37,923,537	-
Net cash from investing activities	<u>2,885,447</u>	<u>(38,154,204)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(1,793,549)	(1,793,549)
Repayment of bank term loans and hire purchase instalments	(39,688)	(94,391)
Hire purchase term charges paid	(9,513)	(14,114)
Net cash used in financing activities	<u>(1,842,750)</u>	<u>(1,902,054)</u>

	2000 RM	1999 RM
NET INCREASE IN CASH AND CASH EQUIVALENTS	22,599,781	(14,449,342)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	62,936,156	77,385,498
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>85,535,937</u>	<u>62,936,156</u>
Represented by:		
TIME DEPOSITS	23,473,412	43,914,081
CASH AND BANK BALANCES	62,628,234	19,528,978
BANK OVERDRAFTS	(565,709)	(506,903)
	<u>85,535,937</u>	<u>62,936,156</u>

1. SIGNIFICANT ACCOUNTING POLICIES

- (a) **Basis of accounting**
 The accounts are prepared under the historical cost convention and comply with applicable approved accounting standards.
- (b) **Basis of consolidation**
 The consolidated accounts include the audited accounts of the Company and all its subsidiaries made up to the end of the financial year. All material inter-company transactions are eliminated on consolidation and the consolidated accounts reflect external transactions only. The accounts of the subsidiary companies are consolidated on the acquisition method of accounting and the results of the subsidiary companies acquired or disposed of are included in the consolidated accounts from the date of acquisition or up to the date of disposal.
 The difference between the acquisition cost of subsidiary companies and the fair values of their underlying net assets at the dates of acquisition is reflected in the consolidated accounts as either goodwill or reserve on consolidation.
 Goodwill on consolidation is amortised over a period of 10 years commencing the year of acquisition while reserve on consolidation is retained in the consolidated accounts.
- (c) **Depreciation**
 Freehold land is not amortised while long term leasehold land is amortised over the remaining lease period of between 83 to 938 years.
 Depreciation is calculated to write off the cost of other fixed assets on the straight line basis over their expected useful lives at the following annual rates:
- | | |
|--|--------------|
| Buildings | 2% - 10% |
| Motor vehicles | 10% - 20% |
| Furniture, fixtures, fittings, office equipment,
air-conditioners, machinery and renovation | 5% - 33 1/3% |
- (d) **Investments**
 Investments are stated at cost and are held for long term. Provision will be made only in cases where the directors considered that permanent diminution in value of the investments has occurred.
- (e) **Stocks**
 Stocks are stated at the lower of cost and net realisable value. Cost is determined on the first-in first-out basis and represents the invoiced cost of goods.
- (f) **Expenditure carried forward**
 Expenditure carried forward is stated at cost and is amortised over a period of 5 years.
- (g) **Income recognition**
- (i) **Dividend income**
 Dividends from subsidiary companies are recognised in the profit and loss account as and when declared or proposed by the companies concerned whereas dividend income from other investments is recognised on receipt basis.
 - (ii) **Interest income**
 Interest income from time deposits is recognised on receipt basis.
- (h) **Deferred taxation**
 Provision is made by the liability method for taxation deferred in respect of all material timing differences except where it is thought reasonably probable that the tax effects of such deferrals will continue in the foreseeable future.
- (i) **Cash equivalents**
 Cash equivalents are short term, highly liquid investments with maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value.

2. SHARE CAPITAL

	2000 RM	1999 RM
Authorised Shares of RM 1 each	<u>88,000,000</u>	<u>88,000,000</u>
Issued and fully paid Ordinary shares of RM 1 each	<u>62,276,002</u>	<u>62,276,002</u>

3. RESERVES

	2000 RM	1999 RM
Non-distributable Reserve on consolidation	17,691,278	17,691,278
Distributable Unappropriated profit	<u>73,310,525</u>	<u>64,338,443</u>
	<u>91,001,803</u>	<u>82,029,721</u>

4. DEFERRED LIABILITIES

	2000 RM	1999 RM
Hire purchase liabilities		
Outstanding hire purchase instalments net of unexpired term charges of RM 53,137 (1999 : RM 27,382)	166,167	81,069
Less:		
Repayments due within 12 months (included in current liabilities, Note 12)	89,281	30,984
Repayments due after 12 months	76,886	50,085
Bank term loans		
Bank term loans bearing interest at 1.75% (1999 : 1.75%) per annum above base lending rate, repayable by 120 monthly instalments commencing January 1993 and June 1994	85,631	96,334
Bank term loan bearing interest at 2.0% per annum above base lending rate, repayable by 10 equal quarterly instalments commencing June 2000	<u>35,000,000</u>	-
	35,085,631	96,334
Less:		
Repayments due within 12 months (included in bank borrowings, Note 13)	14,024,955	72,082
Repayments due after 12 months	21,060,676	24,252
Deferred taxation	<u>4,698,000</u>	<u>3,804,500</u>
	<u>25,835,562</u>	<u>3,878,837</u>

The bank term loans of certain subsidiary companies are secured by legal charges over certain freehold and leasehold properties of the said subsidiary companies. The term loan of RM 35,000,000 of a subsidiary company is also secured by a debenture incorporating a fixed and floating charge over all its assets, fixed deposits amounting to RM 875,000 and jointly and severally guarantee by a director of the said subsidiary company.

5. FIXED ASSETS

Group

2000 Cost	Freehold land & buildings RM	Long leasehold land & buildings RM	Motor vehicles RM	Furniture, fixtures, fittings, office equipment, air-conditioners, machinery & renovation RM	Total RM
At 1st April	8,808,512	9,363,639	5,528,134	128,365,780	152,066,065
Additions	-	-	188,975	9,594,253	9,783,228
Disposals	-	-	(263,433)	(3,001,283)	(3,264,716)
Write-off	(13,000)	-	-	(1,758,619)	(1,771,619)
Acquisition of subsidiary	106,107,690	-	-	26,357,099	132,464,789
At 31st March	114,903,202	9,363,639	5,453,676	159,557,230	289,277,747
Accumulated depreciation					
At 1st April	819,010	126,987	4,255,790	53,407,077	58,608,864
Charge for the year	94,845	15,060	650,121	12,351,321	13,111,347
Disposals	-	-	(217,158)	(1,871,551)	(2,088,709)
Write-off	(11,375)	-	-	(1,255,157)	(1,266,532)
Acquisition of subsidiary	4,244,308	-	-	7,259,789	11,504,097
At 31st March	5,146,788	142,047	4,688,753	69,891,479	79,869,067
Net book value at 31st March	109,756,414	9,221,592	764,923	89,665,751	209,408,680
1999 Cost					
At 1st April	9,846,506	9,363,639	5,909,029	133,169,287	158,288,461
Additions	-	-	116,241	1,693,049	1,809,290
Disposals	(1,037,994)	-	(433,161)	(4,990,976)	(6,462,131)
Write-off	-	-	(63,975)	(1,505,580)	(1,569,555)
At 31st March	8,808,512	9,363,639	5,528,134	128,365,780	152,066,065
Accumulated depreciation					
At 1st April	781,390	111,927	3,826,449	44,642,338	49,362,104
Charge for the year	95,588	15,060	787,008	12,286,685	13,184,341
Disposals	(57,968)	-	(319,282)	(2,522,243)	(2,899,493)
Write-off	-	-	(38,385)	(999,703)	(1,038,088)
At 31st March	819,010	126,987	4,255,790	53,407,077	58,608,864
Net book value at 31st March	7,989,502	9,236,652	1,272,344	74,958,703	93,457,201

Included in the cost of fixed assets of the Group are motor vehicles amounting to RM 328,043 (1999 : RM 204,992) acquired under hire purchase.

Company		Motor vehicles RM	Furniture, fittings, equipment & renovation RM	Total RM
2000				
Cost				
At 1st April		808,862	488,792	1,297,654
Additions		-	1,200	1,200
Disposal		-	-	-
Write-off		-	(154,308)	(154,308)
At 31st March		808,862	335,684	1,144,546
Accumulated depreciation				
At 1st April		623,226	152,431	775,657
Charge for the year		148,517	33,569	182,086
Disposal		-	-	-
Write-off		-	(65,416)	(65,416)
At 31st March		771,743	120,584	892,327
Net book value at 31st March		37,119	215,100	252,219
1999				
Cost				
At 1st April		808,862	441,492	1,250,354
Additions		-	52,530	52,530
Disposal		-	(5,230)	(5,230)
At 31st March		808,862	488,792	1,297,654
Accumulated depreciation				
At 1st April		461,454	105,289	566,743
Charge for the year		161,772	48,880	210,652
Disposal		-	(1,738)	(1,738)
At 31st March		623,226	152,431	775,657
Net book value at 31st March		185,636	336,361	521,997

6. SUBSIDIARY COMPANIES

Unquoted shares, at cost	2000 RM 114,116,786	1999 RM 84,014,105
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The amount owing by/to the subsidiary companies is unsecured, interest free and has no fixed terms of repayment.

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

	Group effective interest		Principal activities
	2000 %	1999 %	
Subsidiaries of the Company			
The Store Holdings Sdn Bhd	100.0	100.0	Operation of department store and supermarket and investment holding
The Store (Kelantan) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Terengganu) Sdn Bhd	98.8	98.8	Operation of department store and supermarket
Taipng Supermarket Holdings Sdn Bhd	100.0	100.0	Property and investment holding
Gold Shopping Centre Holdings Sdn Bhd	100.0	100.0	Investment holding
Summit Superstore Holdings Sdn Bhd	100.0	100.0	Investment holding
The Store Properties Sdn Bhd	100.0	100.0	Property investment holding
The Store (Bukit Mertajam) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Kemaman) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
Hiperstor (Plaza BM) Sdn Bhd	100.0	100.0	Operation of department store and hypermarket
The Store (Seremban) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Pudu) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Kluang) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Muar) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Mentakab) Sdn Bhd	100.0	100.0	Operation of department stores and supermarkets
The Store (Puchong Jaya) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Taman Tun Aminah) Sdn Bhd	100.0	100.0	Operation of department store and supermarket

	Group effective interest		Principal activities
	2000 %	1999 %	
Subsidiaries of the Company			
The Store (Klang) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Central Square) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Kampar Road) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Kuantan Parade) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
Yangtze Corporation Sdn Bhd	70.8	70.8	Wholesaling of household and general goods
*Pacific Hypermarket Group Sdn Bhd	51.0	-	Investment holding
Subsidiary companies of The Store Holdings Sdn Bhd			
The Store (Malacca) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Batu Pahat) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Johore Bahru) Sdn Bhd	100.0	100.0	Investment holding
The Store (Johor Jaya) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
Tanjung Segi Sdn Bhd	100.0	100.0	Property investment holding
Formyarn Sdn Bhd	67.0	67.0	Manufacturing, wholesaling and trading in garments and underclothings
Murai Perdana Sdn Bhd	100.0	100.0	Investment holding
Cotler Sdn Bhd	67.0	67.0	Trading in clothing and general goods
Subsidiary companies of The Store (Kelantan) Sdn Bhd			
The Store (Sungai Petani) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Kota Bharu) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Shah Alam) Sdn Bhd	100.0	51.0	Operation of department store and supermarket
Subsidiary company of The Store (Terengganu) Sdn Bhd			
The Store (Pusat K.T.) Sdn Bhd	98.8	98.8	Operation of department store and supermarket

	Group effective interest		Principal activities
	2000 %	1999 %	
Subsidiary companies of Taiping Supermarket Holdings Sdn Bhd			
Taiping Corporation Sdn Bhd	100.0	100.0	Property and investment holding
The Store (Taiping) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Taiping Jaya) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Tampin) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
Subsidiary companies of Gold Shopping Centre Holdings Sdn Bhd			
The Store (NS) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Taman Kok Lian) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Kulim) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
Subsidiary companies of Summit Superstore Holdings Sdn Bhd			
The Store (Selayang) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
The Store (Summit Parade) Sdn Bhd	100.0	100.0	Operation of department store and supermarket
Subsidiary companies of Pacific Hypermarket Group Sdn Bhd			
* Pacific Hypermarket Properties Sdn Bhd	51.0	-	Property investment
* Bigever Properties Sdn Bhd	51.0	-	Property investment
* Pacific Hypermarket & Departmental Store Sdn Bhd	45.9	-	Investment holding, department store and hypermarket
* Pacific Hypermarket Sdn Bhd	45.9	-	Dormant
* Pacific Department Store Sdn Bhd	45.9	-	Dormant
* Pacific Hypermarket (Prai) Sdn Bhd	45.9	-	Dormant
* Pacific Department Store (Prai) Sdn Bhd	45.9	-	Dormant
* Subsidiaries not audited by Moores Rowland or its associates.			

7. INVESTMENTS

	2000 RM	Group	1999 RM
Unquoted shares, at cost	2,332,169		3,506,498

8. GOODWILL ON CONSOLIDATION

	2000 RM	Group	1999 RM
At 1st April	2,408,527		2,752,602
Additions during the year	932,484		-
	3,341,011		2,752,602
Less:			
Amortisation during the year	378,375		344,075
At 31st March	2,962,636		2,408,527

9. STOCKS

	2000 RM	Group	1999 RM
Trading Stocks	118,883,479		87,151,982
Raw Materials	779,777		370,561
Consumables	15,178		29,514
	119,678,434		87,552,057

10. DEBTORS

	2000 RM	Group	1999 RM	2000 RM	Company	1999 RM
Gross trade receivables	1,808,202	1,700,520	-	-	-	-
Less:						
Provision for doubtful debts	65,748	65,646	-	-	-	-
	1,742,454	1,634,874	-	-	-	-
Other receivables, deposits and prepayments	43,126,858	17,805,140	15,389,916	15,389,916	527,030	527,030
	44,869,312	19,440,014	15,389,916	15,389,916	527,030	527,030

11. TIME DEPOSITS

	2000 RM	Group	1999 RM	2000 RM	Company	1999 RM
Time deposits are placed						
- with licensed banks	24,856,232	45,750,278	150,000	150,000	308,342	308,342
- with licensed finance companies	1,913,571	6,267,021	-	-	-	-
- with other corporation	-	31,400,000	-	-	31,400,000	31,400,000
	26,769,803	83,417,299	150,000	150,000	31,708,342	31,708,342

Time deposits amounting to RM 2,179,904 (1999 : RM 1,180,436) of the Group are pledged to licensed banks for banking facilities granted to the Group.

12. CREDITORS

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Trade creditors	208,516,477	136,309,631	-	-
Other creditors and accruals	26,175,059	13,426,788	76,059	213,214
Hire purchase liabilities (Note 4)	89,281	30,984	-	-
	<u>234,780,817</u>	<u>149,767,403</u>	<u>76,059</u>	<u>213,214</u>

13. BANK BORROWINGS

	Group	
	2000 RM	1999 RM
Trust receipts, unsecured	1,294,835	1,091,334
Bank overdrafts		
- secured	-	65,398
- unsecured	565,709	441,505
Current portion of bank term loans (Note 4)	<u>14,024,955</u>	<u>72,082</u>
	<u>15,885,499</u>	<u>1,670,319</u>

The trust receipts and bank overdrafts of certain subsidiary companies bear interests at 1.75% to 2.0% (1999 : 1.75% to 2.5%) per annum above the base lending rate. The bank overdraft of a subsidiary company is secured by a first legal charge over the leasehold land and buildings and certain fixed deposits of the said subsidiary. All bank borrowings are guaranteed by the holding company.

14. EXPENDITURE CARRIED FORWARD

	Group	
	2000 RM	1999 RM
Preliminary expenses, at cost	95,934	54,240
Pre-operating expenses, at cost	<u>2,582,052</u>	<u>1,056,482</u>
	2,677,986	1,110,722
Less:		
Accumulated amount written off	<u>980,667</u>	<u>855,509</u>
	<u>1,697,319</u>	<u>255,213</u>

15. TURNOVER

Turnover of the Company comprises gross dividend income and management fees while that of the subsidiaries comprises the sale of goods net of discounts and concessionary commission and rental income.

17. TAXATION

	2000 RM	Group 1999 RM	2000 RM	Company 1999 RM
Malaysian taxation based on results for the year				
- current	(9,950,550)	-	(3,900,000)	(3,548,160)
- deferred	(252,500)	(2,128)	-	-
	<u>(10,203,050)</u>	<u>(2,128)</u>	<u>(3,900,000)</u>	<u>(3,548,160)</u>
(Under) / Overprovision in prior years	(188,756)	729,661	(3,446)	66,470
	<u><u>(10,391,806)</u></u>	<u><u>727,533</u></u>	<u><u>(3,903,446)</u></u>	<u><u>(3,481,690)</u></u>

The effective tax rate of the Group and the Company for the current financial year is high compared to the statutory rate because certain expenses have been disallowed in arriving at their respective chargeable income and that certain subsidiary companies incurred losses for the year.

Provision for taxation in the Company in the previous financial year was based on dividend income only. No provision for taxation was made on business income of the Company and of the Group as income earned, other than dividend income, in the financial year 1999 would be waived from income tax as provided under the Income Tax (Amendment) Act, 1999.

Based on estimated tax credits available and the prevailing tax rate applicable to dividends, the entire unappropriated profit of the Company is available for distribution by way of dividends without incurring additional tax liability.

18. EARNINGS PER SHARE

Earnings per share is calculated based on Group profit after taxation and minority interests of RM 11,662,405 (1999 : RM 21,985,460) and on 62,276,002 (1999 : 62,276,002) shares in issue during the financial year.

19. ANALYSIS OF ACQUISITION OF SUBSIDIARY COMPANY

The effects of acquisition of subsidiary company during the financial year in the consolidated cash flow statement are as follows:

	RM
Net assets acquired:	
Fixed assets	120,960,692
Intangible assets	1,622,208
Stocks	21,240,530
Debtors	8,053,008
Fixed deposits with licensed banks	1,687,000
Cash and bank balances	2,531,020
Creditors	(75,930,826)
Taxation	(72,000)
Deferred liabilities	(21,504,869)
Minority interest	(29,018,622)
Goodwill on consolidation	534,540
Total purchase consideration	<u>30,102,681</u>
Less:	
Cash and cash equivalents acquired	<u>2,531,020</u>
Net cash flows on acquisition	<u><u>27,571,661</u></u>

20. RELATED PARTY TRANSACTIONS

Group	2000		1999	
	Amount of transactions RM	Outstanding amount RM	Amount of transactions RM	Outstanding amount RM
Group	-	-	-	-
Company				
Management fees charged to subsidiary companies	1,320,000	-	1,380,000	-

The directors of the Company are of the opinion that the above transactions have been entered into in the normal course of business.

21. CAPITAL COMMITMENT

	Group	
	2000 RM	1999 RM
Approved capital expenditure contracted but not provided for in the accounts.	522,000	-

22. CONTINGENT LIABILITIES

	Group		Company	
	2000 RM	1999 RM	2000 RM	1999 RM
Guarantee facilities with financial institutions in respect of rental and utilities deposits of subsidiary companies				
- secured	-	-	-	5,000,000
- unsecured	-	-	10,000,000	5,000,000
	-	-	10,000,000	10,000,000
Unsecured corporate guarantees in respect of banking facilities granted to subsidiary companies				
	-	-	4,400,000	4,400,000
	-	-	14,400,000	14,400,000

23. SEGMENT ANALYSIS

No segment analysis is prepared as the Group is primarily engaged in retail operations in Malaysia.

24. SUBSEQUENT EVENTS

Subsequent to year end, the Company:

- (a) entered into a conditional sale and purchase agreement to acquire the remaining 9,800,000 ordinary shares of RM 1 each, representing 49% of the issued and paid-up share capital of its subsidiary company, Pacific Hypermarket Group Sdn Bhd ("PHG") at a total cash consideration of RM 28,922,184. Consequently, PHG becomes a wholly owned-subsiary company.
- (b) acquired 2 ordinary shares of RM 1 each, representing the entire issued and paid-up share capital of Visual Utama Sdn Bhd ("VU") at a total cash consideration of RM 2. Later on, the Company subscribed for a further 99,998 ordinary shares of RM 1 each in VU at par for cash. The equity interest remains unchanged. The principal activity of VU is investment holding.

25. COMPARATIVE FIGURES

Comparative figures, where appropriate, have been reclassified to conform with the current year's presentation.

STATEMENT BY DIRECTORS

In the opinion of the directors, the accounts set out on pages 15 to 32 are drawn up:

- (a) so as to give a true and fair view of the state of affairs of the Company and of the Group at 31st March 2000 and of their results and the cash flows of the Group for the year then ended; and
- (b) in accordance with applicable approved accounting standards.

On behalf of the Directors

DATO' DR HJ KARDIN BIN HJ SHUKOR
Director

TAN YOU TIONG
Director

31st July 2000

I, Tan You Tiong, being the director primarily responsible for the financial management of The Store Corporation Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accounts set out on pages 15 to 32 are correct.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at)
Kuala Lumpur in the Federal Territory)
)
this 31st day of July 2000)
)
)
)

TAN YOU TIONG

Before me:

W092
ROBERT LIM HOCK KEE
Commissioner for Oaths

ANALYSIS OF SHAREHOLDINGS

AS AT 18th AUGUST 2000

Authorised Capital	:	RM88,000,000
Issued & Paid-Up Capital	:	RM62,276,002
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One Vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Category	No. of Shareholders	%	No. of Shareholders	%
less than 500 shares	12	0.34	2,612	0.00
500 - 5,000	2,939	84.36	5,629,844	9.04
5,001 - 10,000	231	6.63	1,950,383	3.13
10,001 - 100,000	226	6.49	8,245,130	13.24
100,001 - 1,000,000	63	1.81	15,425,096	24.77
above 1,000,000	13	0.37	31,022,937	49.82
TOTAL	3,484	100.00	62,276,002	100.00

SUBSTANTIAL SHAREHOLDERS as at 18th August 2000

Name of Substantial Shareholders	No. of Shares	%
1. Equatorial Century Sdn Bhd (direct)	12,148,000	19.50
2. Mohd Qari bin Ahmad (deemed)	12,148,000	19.50
3. Tan Chuan Soon (deemed)	12,148,000	19.50
4. Tan Sri Dato' Seri Tan Chee Yioun (deemed)	3,710,000	5.95
5. Berjaya General Insurance Berhad (direct)	3,063,000	4.91
6. Bizurai Bijak (M) Sdn Bhd (deemed)	3,063,000	4.91
7. Berjaya Capital Berhad (deemed)	3,063,000	4.91
8. Berjaya Group Berhad (deemed)	3,063,000	4.91
9. Dato' Azizi bin Yom Ahmad (direct)	2,753,000	4.42
10. Ng See Wan @ Ooi Say Wan (direct)	2,703,000	4.34

LIST OF TWENTY LARGEST SHAREHOLDERS

AS AT 18th AUGUST 2000

	Name of Shareholders	No. of Shares	%
1.	KAF Nominees (Tempatan) Sdn Bhd - Pledged securities acc for Equatorial Century Sdn Bhd	7,390,000	11.86
2.	U.B. Nominees (Tempatan) Sdn Bhd - Pledged securities acc for Equatorial Century Sdn Bhd	3,600,000	5.78
3.	Amsec Nominees (Tempatan) Sdn Bhd - Pledged securities acc for Berjaya VTCY Sdn Bhd	3,577,000	5.74
4.	Berjaya General Insurance Berhad	2,963,000	4.75
5.	Ng See Wan @ Ooi Say Wan	2,703,000	4.34
6.	Southern Nominees (Tempatan) Sdn Bhd - Pledged securities acc for Dato' Azizi bin Yom Ahmad	2,236,000	3.59
7.	Cartaban Nominees (Asing) Sdn Bhd - Bank of Tokyo Mitsubishi Luxembourg S.A. for Osterreichische Volksbanken AG	1,500,000	2.40
8.	HDM Nominees (Tempatan) Sdn Bhd - Pledged securities acc for Perspektif Bakti Sdn Bhd	1,236,000	1.98
9.	Alliedban Nominees (Tempatan) Sdn Bhd - Pledged securities acc for Azam Spektrum Sdn Bhd	1,232,000	1.97
10.	HDM Nominees (Tempatan) Sdn Bhd - Pledged securities acc for Pan Prosperity Holdings Sdn Bhd	1,225,000	1.96
11.	Alliedban Nominees (Tempatan) Sdn Bhd - Pledged securities acc for Pancaran Kurnia Sdn Bhd	1,188,000	1.90
12.	Equatorial Century Sdn Bhd	1,158,000	1.85
13.	Yap Yan Chuan	1,014,937	1.62
14.	JF Apex Nominees (Tempatan) Sdn Bhd - For Bukit Mertajam Enterprise Sdn Bhd	720,000	1.15
15.	Tan Soi Chew	650,607	1.04
16.	Amanah Raya Berhad - Arab-Malaysian First Fund	522,000	0.83
17.	Tan You Tiong	507,754	0.81
18.	Inter-Pacific Equity Nominees (Asing) Sdn Bhd - Pledged securities acc for Surin Upapatthang Koon	500,000	0.80
19.	Employees Provident Fund Board	494,000	0.79
20.	Mayban Nominees (Tempatan) Sdn Bhd - Pledged securities acc for SJ Securities Sdn Bhd	450,000	0.72
		<u>34,867,298</u>	<u>55.88</u>

LIST OF PROPERTIES

Location	Description/ Existing Use	Approx age of buildings (Years)	Tenure (Years of expiry)	Land Area (Built-up area)	Net book value at 31-3-2000 RM'000
HS(D) 12086 & 12087 PTD 2484 & 2485 Mukim Bandar Penggaram Batu Pahat, Johor 46, 46A, 46B, 48, 48A & 48B Jalan Megat, Batu Pahat	3 storey shophouse/ used as godown	8	Freehold	3,738 sq. ft. (9,240 sq. ft.)	531
Lot No. 336, 197,200 198, 201, 196, 199 Bandar KB VIII, Melaka	Vacant Land	-	Leasehold 99 years (13.1.2091)	95,104 sq. ft.	7,787
Lot No. 338, Town Area VII 238A, 3rd Floor Taman Melaka Raya, Melaka No. A3/W-1 to W4	4 units of apartment/ used as staff hostel	5	Freehold	3,400 sq.ft.	228
Lot 117, 118, 139, 143, 144, 1331 and 1332 Central District of Province Wellesley	Vacant Land	-	Freehold	234,945 sq.ft.	207
Lot 0048, Section 46 Pajakan Negeri 393 Bandar Sungei Petani 43, Kompleks Seri Temin Jalan Ibrahim, Sungei Petani	4 storey shophouse/ used as hostel and godown	14	Leasehold 99 years (2. 10.2080)	1,400 sq.ft. (5,300 sq.ft.)	320
Lot 710 Section 4 Town of Bukit Mertajam Province Wellesley Centre	2 storey pre-war shophouse/ rented to third parties	67	Leasehold 999 years (5.2.2930)	9,502 sq.ft. (19,000 sq.ft.)	237
Grant 3719, Lot 976 & Grant 3720, Lot 977 Bandar Kuala Terengganu	Vacant Land	-	Freehold	49,080 sq.ft.	1,758
Grant 9989, Lot 3643 Kuala Terengganu	Vacant Land	-	Freehold	915 sq.ft.	94

Location	Description/ Existing Use	Approx age of buildings (Years)	Tenure (Years of expiry)	Land Area (Built-up area)	Net book value at 31-3-2000 RM'000
Theatre Road, Lot 1987-1990, 67-75, Theatre Road, Jalan Panggung Wayang Taiping	4 storey shophouse complex/ used by the Group for its business operation	22	Freehold	6,859 sq. ft. (24,130 sq. ft.)	2,844
Lot 70, 71 & 72 in Mukim of Tampin Tengah 49-51, Jalan Besar Tampin	4 storey shophouse complex/ used by the Group for its business operation	19	Freehold	7,200 sq. ft. (24,130 sq. ft.)	980
Lot 6619, Mukim Azauri Kumbar Taiping	Vacant Land	-	Leasehold 999 years (19.11.2895)	6,767 sq.ft.	193
Lot 2951 & 2952 Town of Taiping 31 & 32, Jalan Convent, Taiping	2 storey linkhouse / use as godown and hostel	15	Leasehold 99 years (13.11.2080)	3,522 sq. ft. (4,044 sq. ft.)	213
Plot No. A4 & A5, Section 5 Taman Sri Jaya Forming part of Lot No. 1-29 Town of Bukit Mertajam	3 storey shophouse/ rented to third party	20	Freehold	2,800 sq.ft. (8,400 sq.ft.)	597
HS(D) 9730 & 9731 PT No. 7227 & 7228 Bandar Mentakab Temerloh, Pahang	2 units of 3 storey shophouse/ used as staff hostel and godown	5	Freehold	3,200 sq.ft. (9,400 sq.ft.)	618
HS(D) 55098 & 55099 NPT 4 & 5, Sek 91A & 91B Town of Kuala Lumpur	1 unit apartment / rented to third party	4	Freehold	959 sq.ft.	87
No. 150 & 152 Lot 25168 & 25169 Batu 7 3/4, Jalan Kepong, Kuala Lumpur	2 storey shophouse / used as office and factory	24	Leasehold 99 years (9.8.2075)	1,195 sq.ft. (2,400 sq. ft.)	420

Location	Description/ Existing Use	Approx age of buildings (Years)	Tenure (Years of expiry)	Land Area (Built-up area)	Net book value at 31-3-2000 RM'000
No. 1497, Jalan Wangka, Taman Semarak, 14000 Bukit Mertajam.	Double storey shophouse Vacant	6	Freehold	3,417 sq. ft. (9,240 sq. ft.)	432
Parcel B-888, Basement, Ground Floor, & First Floor, Megamall, Jalan Baru Prai, Mukim 1, Province Wellesley Central, Penang.	5 storey shophouse complex/ used by the Group for its business operation	3	Freehold	309,640 sq. ft	101,432
					118,978

**THE STORE CORPORATION BERHAD (252670-P)
(Incorporated In Malaysia)**

FORM OF PROXY

No. of Ordinary Shares Held:	
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I/We _____ NRIC No: _____
of _____

being a member / members of THE STORE CORPORATION BERHAD, hereby appoint
_____ NRIC No: _____

of _____

or failing him, the Chairman of the Meeting, to vote for me/us and on my/our behalf at the Eighth Annual General Meeting of the Company to be held on the 29 September 2000 and at every adjournment thereof.

Please indicate with an 'X' in the space below how you wish your votes to be cast. (If you do not do so, the Proxy will vote or abstain from voting at his discretion).

RESOLUTION	FOR	AGAINST
1. Adoption of Accounts		
2. First and Final Dividend		
3. Directors' Fees		
4. Re-election of Dato' Dr Hj Kardin bin Hj Shukor		
5. Re-election of Encik Ishak bin Yusuf		
6. Re-election of Mr Lim Gin Chuan		
7. Re-election of Mr Yeoh Chong Keng		
8. Re-election of Encik Mohd Qari bin Ahmad		
9. Re-election of Encik Md Kamal bin Bilal		
10. Re-election of Datuk Haji Abdul Rahman bin Ramli		
11. Re-election of Dato' Haji Mohd Yusoff bin Haji Amin under Section 129(6) of the Companies Act, 1965		
12. Re-appointment of Auditors		
13. Authority under Section 132D of the Companies Act, 1965 for Directors to issue shares		

As witness my hand this _____ day of _____ 2000.

Signature of Member

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead.
2. A proxy need not be a member of the Company.
3. If the appointer is a Corporation, the form must be under its Common Seal or under the hand of an officer or attorney duly authorised.

F o r m o f