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Notice of Fourth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fourth Annual General Meeting of the Company will be held on Wednesday, 28th June, 2000 at 10.00 a.m at Concorde V, Level 2, Concorde Hotel, Shah Alam, No. 3, Jalan Tengku Ampuan Zabedah C9/C, 40100 Shah Alam, Selangor Darul Ehsan for the following purposes :-

AGENDA

- | | |
|--|--|
| 1. To receive and adopt the Audited Accounts for the year ended 31st December, 1999 together with the Reports of the Directors and Auditors thereon. | Resolution 1 |
| 2. To approve the declaration of a final dividend of 3.5 sen per ordinary share (less 28% income tax) for the year ended 31st December, 1999. | Resolution 2 |
| 3. To re-elect the following Directors retiring in accordance with the Company's Articles of Association and being eligible, offer themselves for re-election :-
(i) Mr. Goh Chyin Tar
(ii) Y.B. Dato' Ibrahim Bin Nyar Hussin. | Resolution 3
Resolution 4 |
| 4. To re-appoint Messrs. Tan Cheng Hooi & Co. as Auditors of the Company and authorise the Directors to fix their remuneration. | Resolution 5 |
| 5. SPECIAL BUSINESS
To consider, and if thought fit, to pass the following Ordinary Resolution :-
ORDINARY RESOLUTION
AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965
"THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time at such price, upon such terms and conditions and 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 does not exceed ten (10) per cent of the issued share 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 the 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 6 |
| 6. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965. | |

BY ORDER OF THE BOARD

KEW FOONG THO (LS005759)
Secretary
Shah Alam
12th June, 2000

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint any person or persons to be his proxy or proxies to attend and vote on his behalf. A proxy may but need not be a member of the Company, and where there are two proxies the number of shares to be represented by each proxy must be stated.
2. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney of the corporation duly authorised.
3. The instrument appointing the proxy must be deposited at the Registered Office of the Company at No. 8 & 10, Jalan Jurutera U1/23, Section U1, Kawasan Perindustrian Hicom Glenmarie, 40150 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.
4. **Explanatory note on Special Business :-**
The Ordinary Resolution proposed under Agenda 5, if passed, will give the Directors of the Company, from the date of the forthcoming Annual General Meeting, authority to issue and allot ordinary shares from the unissued capital of the Company being for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

Corporate Information

BOARD OF DIRECTORS

Hamidon bin Abdullah
Executive Chairman

Linden Hamidon Nee Fong
Director

Goh Chyin Tar
Director

Shaari bin Haron
Director

Y.B. Dato' Ibrahim Hussein @Ibrahim bin Nyar Hussin
Director

Y.M. Raja Shamsul Kamal bin Raja Shahr uzzaman
Director

Lee Yu Lian
Alternate Director
(alternate to Y.M. Raja Shamsul Kamal bin Raja Shahr uzzaman)

AUDIT COMMITTEE

Shaari bin Haron
Chairman, Independent Non-Executive Director

Hamidon bin Abdullah
Executive Director

Y.B. Dato' Ibrahim Hussein @ Ibrahim bin Nyar Hussin
Independent Non-Executive Director

COMPANY SECRETARY

Kew Foong Tho (LS005759)

REGISTERED OFFICE

No. 8 & 10, Jalan Jurutera U1/23, Section U1
Kawasan Perindustrian Hicom Glenmarie
40150 Shah Alam, Selangor DARul Ehsan
Telephone : 03-7036663
Facsimile : 03-7049761

REGISTRAR

Mega Corporate Services Sdn. Bhd.
Level 11-2, Faber Imperial Court
Jalan Sultan Ismail, 50250 Kuala Lumpur
P.O.Box 12337, 50774 Kuala Lumpur
Telephone : 03-2924271
Facsimile : 03-4605399, 03-4605388
E-mail : sjco@po.jaring.my

BANKERS

Arab-Malaysian Bank Berhad
Bumiputera Commerce Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
Oriental Bank Berhad

AUDITORS

Tan Cheng Hooi & Co.
Public Accountants
Suite 4.2, 4th Floor, Wisma Datuk Dagang
53, Jalan Raja Alang, 50300 Kuala Lumpur

SOLICITORS

Majid & Chen
Unit C-8-3 & C-8-4
8th Floor, Block C
Megan Phileo Avenue
No. 1, Jalan Yap Kwan Seng
50450 Kuala Lumpur

STOCK EXCHANGE LISTING

Second Board of The Kuala Lumpur Stock Exchange

Chairman's Statement

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Accounts of the Group for the financial year ended 31 December 1999.

In the financial year under review, the Group expanded its operations with the inclusion of three subsidiaries into the Group, namely, EPMB (Australia) Pty Ltd, EPMB (UK) Limited, and Fundwin Sdn Bhd. The respective intended principal activities of these three companies are trading and selling of composite bicycles starting with the Europe region; conducting research, design and development of new products with focus on engineering design and modeling; and manufacturing of composite bicycle and products from advanced composite materials.

The above illustrates the first fulfillment of the Group's long-term objective to manufacture and market products that are developed by the Group for the global market. We have decisively put in place the first block. Subsequently, we shall continue with our drive to ensure that these business endeavours turn into success. Much needs to be done as we face many challenges and difficulties in the global market. We envisage that our position would be better strengthened with our own R & D work. Besides composite bicycles, the Group will soon be introducing new products that are derivative of the use of advanced composite materials.

On existing business, the Group performed favourably as it managed to steer back to profitability. Much of the recovery is due to external factors such as conducive business environment where the Malaysian economy witnessed mild inflation, downtrend of interest rates for borrowings, ease of obtaining financing of motor vehicles, increase in industrial



production, buoyant export sector and a vastly improved consumer confidence and spending. During the year the Company also completed a major project development work for a foreign company to accomplish the research and development of two running prototypes of five door passenger vehicles. This project contributed materially to the earnings of the Group

FINANCIAL RESULTS

The recovery of the Malaysian economy in 1999, which registered a gross domestic growth of 5.4%, was a significant event as this forms the basis for the positive turnaround of the Group's performance. The automotive sector was one of the sectors that recovered sharply in 1999 with a growth of 76% over that of 1998.

In light of such commendable economic recovery strengths, the performance of the Group improved compared to the financial year 1998. Turnover of the Group in 1999 was RM103,681,000 compared to the previous corresponding turnover of RM44,884,000. The return to profitability of the Group was due to the significant increase in turnover of 131%. The

Chairman's Statement (cont'd)

Group registered a profit after taxation of RM13,463,000 compared to the previous year loss of RM10,797,000.

CORPORATE DEVELOPMENTS

During the financial year, the Group undertook the following corporate activities:-

A new wholly owned subsidiary by the name of EPMB (Australia) Pty Ltd was incorporated in Australia on 24 August 1999 with EP Manufacturing Bhd. holding one ordinary shares of AUD1.00 each in the subsidiary company.

On 26 August 1999 EPMB (UK) Limited was incorporated in the United Kingdom with an authorised share capital of 300,000 ordinary shares of GBP1.00 each. Currently the issued and paid up capital of this subsidiary is GBP150,000 comprising 150,000 ordinary shares of GBP1.00 each which is wholly owned by EP Manufacturing Bhd.

On 28 December 1999, the Company entered into a share sale agreement to acquire the entire issued and paid up share capital of Fundwin Sdn Bhd amounting to 1,000 ordinary shares of RM1.00 each for a total cash consideration of RM1,000 from Hamidon bin Abdullah and Goh Chyin Tar. The acquisition is pending approval from shareholders for which an Extraordinary General Meeting is to be held for the purpose of shareholder voting.

PROSPECTS

The momentum of the economic recovery is expected to continue and consolidate this year as there are many positive economic indicators. Whilst growth is almost a certainty, the rate of growth is being watched closely and it is seen as improving with time. In particular, relating to automotive industry, the sale of new motor vehicles is expected to increase base on rising consumer spending and improved economy.

The Group believes that there will be expanding growth of new car sales during the current year. Hence, this should be a positive factor for the Group. However, due to the exposure of some raw materials to foreign currency the cost of raw materials may be subject to a higher cost level if the foreign currency strengthens against our ringgit.

Other businesses of the Group that have started to be mobilized for operation and production are underway. This diversification programme to adjust the current concentration in the automotive industry should bear fruits in years to come especially with our intense focus on products derived from advanced composite materials.

Barring unforeseen circumstances, the Group expects to achieve a satisfactory level of growth and profitability in this current year.

DIVIDENDS

The Directors are pleased to recommend a first and final gross dividend of 3.5 sen per share for the financial year ended 31 December 1999 for the approval of the shareholders.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I wish to express my sincere thanks to all who have rendered their kind support and assistance to ensure the recovery of the Company from the deep state of recession of 1998 especially to our bankers and financiers who have stood by us with their invaluable support of our business continuity. I would also like to thank my fellow directors, shareholders, customers, suppliers, technical partners and employees of the Group for their kind support.

Hamidon bin Abdullah
Executive Chairman

Audit Committee

MEMBERS

Shaari bin Haron (Chairman)
Hamidon bin Abdullah
Y.B. Dato' Ibrahim Hussein @ Ibrahim bin Nyar Hussin

TERMS OF REFERENCE

1) Objectives

The primary objectives of the Audit Committee are to:

- i) Provide assistance to the Board in fulfilling its fiduciary responsibilities particularly in areas relating to the Company's accounting and management controls, financial reporting and business ethics policies.
- ii) Provide greater emphasis on the audit function by increasing the objectivity and independence of external and internal auditors and providing a forum for discussion that is independent of the management.
- iii) Maintain through regularly scheduled meetings a direct line of communication between the Board and the external auditors, internal auditors and financial management.
- iv) Strengthening the role of non-executive directors by improving their knowledge and understanding of the Company's operations.
- v) Undertake such additional duties as may be appropriate and necessary to assist the Board. However, whether or not the Audit Committee should undertake one or more of the additional duties rests on the Board's viewpoint on corporate needs and the environment in which the Company operates.

2) Duties and Responsibilities

In fulfilling its primary objectives, the Audit Committee will need to undertake the following duties and responsibilities :-

- 2.1 Oversee all matters relating to external and internal audits.
- 2.2 Evaluate the standards of internal control and financial reporting.
- 2.3 Review of financial statements with management and external auditors.

3) Access to Records

In carrying out their duties and responsibilities, the Audit Committee will in principle have full, free and unrestricted access to all Company records, property and personnel.

4) Meetings and Minutes

There will be at least four meetings per year although additional meetings may be called for by the Chairman or the Directors. The quorum of the meeting shall be three.

In addition to the Committee members, the head of internal audit will normally be in attendance at the meetings. Representatives of the external auditors are to be in attendance at meetings where matters relating to the audit of the statutory accounts and/or the external auditors are to be discussed.

Minutes of each meeting shall be kept and distributed to each member of the Committee and also to the other members of the Board. The Committee Chairman shall report on each meeting to the Board. The Secretary to the Audit Committee shall be the Company Secretary.

Directors' Report

The directors of **EP MANUFACTURING BHD.**, have pleasure in submitting their annual report and the audited accounts of the Group and of the Company for the financial year ended 31st December, 1999.

PRINCIPAL ACTIVITIES

The principal activities of the Company in the course of the financial year consist of investment holding.

The principal activities of the subsidiary companies are set out in Note 12 to the Accounts.

There has been no significant change in the nature of these activities of the Group and of the Company during the financial year.

RESULTS OF OPERATIONS

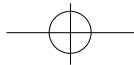
The results of operations of the Group and of the Company for the financial year are as follows:-

	Group RM	Company RM
Profit before taxation	12,627,490	6,814,288
Taxation	835,878	627,251
Profit after taxation	13,463,368	7,441,539
Dividend	(1,005,480)	(1,005,480)
	12,457,888	6,436,059
(Accumulated loss)/Unappropriated profit brought forward restated	(2,189,963)	2,500,978
Unappropriated profit carried forward restated	10,267,925	8,937,037

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

DIVIDENDS

No dividends have been paid or declared by the Company since the end of the previous financial year. The directors proposed a final dividend of 3.5 sen per share less income tax at 28% amounting to RM1,005,480 for the year ended 31st December, 1999.



Directors' Report (cont'd)

RESERVES AND PROVISIONS

There was no material transfer to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

No new shares or debentures of the Group or of the Company were issued during the financial year.

SHARE OPTIONS

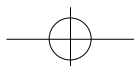
No options have been granted by the Company to any party during the financial year to take up unissued shares of the Group or of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Group or of the Company. As at the end of the financial year, there were no unissued shares of the Group or of the Company under options.

DIRECTORS

The following directors served on the Board of the Company since the date of the last report :-

Hamidon bin Abdullah
Linden Hamidon Nee Fong
Y.B. Dato' Ibrahim Hussein @ Ibrahim bin Nyar Hussin
Shaari bin Haron
Goh Chyin Tar
Y.M. Raja Shamsul Kamal bin Raja Shahr uzzaman
Lee Yu Lian (Alternate to Y.M. Raja Shamsul Kamal bin Raja Shahr uzzaman)



Directors' Report (cont'd)

DIRECTORS' INTERESTS

The shareholdings in the Company of those who were directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965, are as follows :-

	Number of ordinary shares of RM1 each			
	Balance at 01.01.1999	Bought	Sold	
Direct interests :				
Hamidon bin Abdullah	8,042,733	-	371,000	7,671,733
Linden Hamidon Nee Fong	1,722,967	-	196,000	1,526,967
Y.B. Dato' Ibrahim Hussein @ Ibrahim bin Nyar Hussin	50,000	-	-	50,000
Shaari bin Haron	30,000	-	20,000	10,000
Indirect interests :				
Hamidon bin Abdullah	14,345,465	-	-	*14,345,465

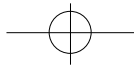
* Deemed interested by virtue of substantial shareholding in EP Properties (M) Sdn. Bhd. which has a substantial shareholding in the Company.

There are no changes in the interest of directors in the Company or its related corporations as at the 21 day after the end of the financial year.

In accordance to the Company's Articles of Association, **Y.B. Dato' Ibrahim Hussein @ Ibrahim bin Nyar Hussin** and **Goh Chyin Tar** retire by rotation at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

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 benefit included in the aggregate amount of fees, remuneration and EPF received or due and receivable by the directors as disclosed in the accounts) by reason of a contract made by the Company or by a related company with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 15 to the Accounts.



Directors' Report (cont'd)

During and at the end of the financial year, no arrangement subsisted to which the Company or its subsidiaries is a party with the object of enabling the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

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

- a) proper action had been taken in relation to the writing off of bad debts and making of the provision for doubtful debts, and had satisfied themselves that no bad debts needed to be written off and that no provision for doubtful debts was deemed necessary; and
- b) all current assets had been stated at the lower of cost and net realisable value.

At the date of this report, the directors of the Company are not aware of any circumstances :-

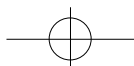
- a) that would require the writing off of bad debts or the setting up of provision for doubtful debts in the accounts of the Group and of the Company; or
- b) that would render the value attributed to the current assets in the accounts of the Group and of the Company misleading; or
- c) that have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- d) that would render any amount stated in the accounts of the Group and of the Company misleading.

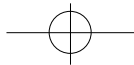
At the date of this report, there does not exist :-

- a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- b) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Companies 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 to meet its obligations as and when they fall due.

In the opinion of the directors, the results of operations of the Group and of the Company for the financial year ended 31st December, 1999 have not been substantially affected by any item, transaction or event occurred in the interval between the end of that financial year and the date of this report.





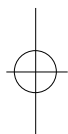
Directors' Report (cont'd)

AUDITORS

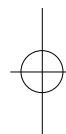
The auditors, Messrs. TAN CHENG HOOI & CO. have expressed their willingness to accept re-appointment.

Signed in accordance with a resolution of the directors :-

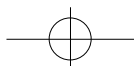
HAMIDON BIN ABDULLAH
Director



GOH CHYIN TAR
Director



Shah Alam
27th April, 2000



Auditors' Report to The Members

We have audited the accounts set out on pages 13 to 30. These accounts are the responsibility of the Company's directors. Our responsibility is to express an opinion on these accounts based on our audit.

We conducted our audit in accordance with approved standards on auditing issued by the Malaysian Institute of Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the accounts are free of material misstatement. Our audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. Our audit also includes assessing the accounting principles used and significant estimates made by directors, as well as evaluating the overall accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- a) the accompanying financial statements give a true and fair view of the state of affairs of the Group and of the Company as at 31st December, 1999 and of the results of operations of the Group and of the Company and cash flow of the Group for the year then ended on that date in accordance with the applicable approved accounting standard and comply with the Companies Act, 1965; and
- b) the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies have been properly kept in accordance with the provisions of the Act.

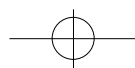
We are satisfied that the accounts of the subsidiary companies that have been consolidated with the Company's accounts are in form and content appropriate and proper for the purposes of the preparation of the consolidated accounts and we have received satisfactory information and explanations required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

The auditors' reports on the accounts of the subsidiary companies were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Companies Act 1965.

TAN CHENG HOOI & CO.
(No. AF-0888)
Public Accountants (Mal.)

TAN CHENG HOOI, PA (M)
1295/3/01 (J)
Public Accountant

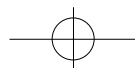
Kuala Lumpur
27th April, 2000



Balance Sheets as at 31st December, 1999

	Note	Group		Company	
		1999 RM	1998 RM	1999 RM	1998 RM
SHARE CAPITAL	4	39,900,000	39,900,000	39,900,000	39,900,000
REDEEMABLE PREFERENCE SHARES	5	1	-	-	-
RESERVES	6	33,591,269	21,137,881	24,555,370	18,119,311
		73,491,270	61,037,881	64,455,370	58,019,311
LONG TERM LIABILITIES					
Term loans	7	22,084,850	16,665,162	-	-
Hire purchase creditors	8	756,474	782,522	-	-
Grant	9	-	59,650	-	-
		96,332,594	78,545,215	64,455,370	58,019,311
Represented by :					
FIXED ASSETS	10	63,834,832	68,809,082	47,911,611	47,442,743
GOODWILL		98,244	-	-	-
INTANGIBLE ASSETS	11	7,008,919	395,225	-	-
SUBSIDIARY COMPANIES	12	-	-	4,672,613	5,133,839

The above Balance Sheets are to be read in
conjunction with the Notes to the Accounts on pages 17 to 30.



Balance Sheets as at 31st December, 1999 (cont'd)

	Note	Group		Company	
		1999 RM	1998 RM	1999 RM	1998 RM
INVESTMENTS - AT COST	13	8,527,681	8,532,604	8,490,000	8,490,000
CURRENT ASSETS					
Stocks	14	10,683,054	8,681,960	-	-
Trade debtors	15	24,741,249	25,256,957	-	-
Other debtors, deposits and prepayments	15	16,953,555	9,532,713	7,182,049	2,391,652
Fixed deposits	16	1,750,954	2,247,000	-	-
Cash and bank balances		5,785,963	132,250	22,780	7,791
Total current assets		59,914,775	45,850,880	7,204,829	2,399,443
CURRENT LIABILITIES					
Trade creditors	15	8,474,365	5,919,516	-	-
Other creditors and accruals	15	13,211,629	8,963,763	2,800,008	2,872,352
Hire purchase creditors	8	513,727	1,426,874	-	-
Amount due to directors	17	144,292	485,197	18,195	17,195
Taxation		-	1,168,902	-	1,040,400
Short term advancement		-	1,516,767	-	1,516,767
Bank borrowings	18	19,702,364	25,561,557	-	-
Proposed dividend		1,005,480	-	1,005,480	-
Total current liabilities		43,051,857	45,042,576	3,823,683	5,446,714
NET CURRENT ASSETS/ (LIABILITIES)		16,862,918	808,304	3,381,146	(3,047,271)
NET ASSETS		96,332,594	78,545,215	64,455,370	58,019,311
Net tangible assets per ordinary share of RM1.00 each		RM 1.66	RM 1.52		

The above Balance Sheets are to be read in
conjunction with the Notes to the Accounts on pages 17 to 30.

Profit and Loss Accounts for the year ended 31 December, 1999

	Note	Group		Company	
		1999 RM	1998 RM	1999 RM	1998 RM
TURNOVER	19	<u>103,680,785</u>	<u>44,884,092</u>	<u>20,155,649</u>	<u>4,814,488</u>
PROFIT/(LOSS) BEFORE TAXATION	20	<u>12,627,490</u>	<u>(11,205,497)</u>	<u>6,814,288</u>	<u>1,435,782</u>
TAXATION	21	<u>835,878</u>	<u>408,602</u>	<u>627,251</u>	<u>(277,400)</u>
PROFIT/(LOSS) AFTER TAXATION		<u>13,463,368</u>	<u>(10,796,895)</u>	<u>7,441,539</u>	<u>1,158,382</u>
DIVIDEND	22	<u>(1,005,480)</u>	<u>-</u>	<u>(1,005,480)</u>	<u>-</u>
		<u>12,457,888</u>	<u>(10,796,895)</u>	<u>6,436,059</u>	<u>1,158,382</u>
(ACCUMULATED LOSS)/ UNAPPROPRIATED PROFIT BROUGHT FORWARD RESTATED		<u>(2,189,963)</u>	<u>8,606,932</u>	<u>2,500,978</u>	<u>1,342,596</u>
UNAPPROPRIATED PROFIT/ (ACCUMULATED LOSS) CARRIED FORWARD RESTATED		<u>10,267,925</u>	<u>(2,189,963)</u>	<u>8,937,037</u>	<u>2,500,978</u>
Earning/(Loss) per share (sen)	23	<u>33.7</u>	<u>(27)</u>		

The above Profit and Loss Accounts are to be read in conjunction with the Notes to the Accounts on pages 17 to 30.

Consolidated Cash Flow Statement for the year ended 31 December, 1999

	Note	1999 RM	1998 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		97,850,340	59,301,280
Cash paid to suppliers and employees		(78,099,156)	(49,071,256)
Cash generated from operations		19,751,184	10,230,024
Interest income received		1,967,607	956,694
Interest paid		(3,820,089)	(5,584,760)
Taxation paid		(368,942)	(2,213,887)
Repayments to directors		(340,905)	-
Advances from directors		-	113,722
NET CASH INFLOWS FROM OPERATING ACTIVITIES		17,188,855	3,501,793
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of investments		4,922	-
Purchase of fixed assets		(2,632,933)	(1,724,171)
Proceeds from disposal of fixed assets		116,550	873,971
Purchase of intangible assets		(6,613,694)	-
NET CASH OUTFLOWS FROM INVESTING ACTIVITIES		(9,125,155)	(850,200)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend received		-	366
Lease rentals paid		(10,566)	(14,844)
Proceeds from hire purchase loan		194,000	-
Repayments of hire purchase liabilities		(1,133,195)	(1,594,864)
Proceeds from term loans		3,593,526	15,929,000
Repayments of term loans		(3,919,761)	(2,428,038)
Repayments of Banker acceptance		715,010	(15,857,057)
Short term advancement		(1,516,767)	1,516,767
NET CASH OUTFLOWS FROM FINANCING ACTIVITIES		(2,077,753)	(2,448,670)
NET INCREASE IN CASH AND CASH EQUIVALENTS		5,985,947	202,923
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		(4,948,827)	(5,151,750)
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	1,037,120	(4,948,827)

The above Consolidated Cash Flow Statement is to be read in conjunction with the Notes to the Accounts on pages 17 to 30.

Notes To The Accounts - 31 December, 1999

1. BASIS OF PREPARATION OF ACCOUNTS

The accounts of the Group and of the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and approved accounting standards.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

The accounts of the Group and of the Company have been prepared in accordance with the historical cost convention and comply with approved accounting standards.

2.2 Basis of Consolidation

The consolidated accounts incorporate the accounts of the Company and all its subsidiary companies.

In the acquisition of the subsidiary companies, Accounting for Acquisition and Mergers are accounted under that method, where the results of the subsidiaries are presented as if the companies had been combined through the current and previous financial years.

One of the foreign subsidiary was dormant, hence, the consolidation was based on their management accounts.

2.3 Goodwill

The excess of the purchase consideration over the net assets acquired is reflected in the accounts as goodwill.

2.4 Expenditure carried forward

Incorporation expenses incurred are shown as preliminary expenses while expenses incurred subsequent to the date of incorporation are shown as pre-operating expenses. The amount will be written off against future profit.

2.5 Debtors

Bad debts are written off as soon as it is established that they are irrecoverable. General provision is made where collection appears doubtful.

2.6 Hire Purchase Assets

Assets financed under hire purchase arrangements which transfer substantially all the risks and rewards of ownership to the Group and to the Company are capitalised. The depreciation policy of those assets are similar to that as set out in 2.7.

Notes To The Accounts - 31 December, 1999 (cont'd)

Outstanding obligations under the hire purchase arrangements after deducting financial expenses are included as liabilities in the accounts. The finance expenses are charged to the profit and loss account over the period of the respective arrangements to give the constant periodic rate of return.

2.7 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. No depreciation is provided for freehold land. Leasehold land is amortised over the period of their leases. Depreciation of the other fixed assets is calculated to write off their costs on a straight line basis over the expected useful lives of the assets.

The principal annual rates used are :-

Assets	Rate per annum (%)
Computer systems	33.33%
Electrical fittings	10%
Factory equipment	10%
Freehold and leasehold buildings	2%
Furniture and fittings	8% - 12%
Motor vehicles	16%
Office equipment	8% - 12%
Plant and machinery	15%
Renovation costs	15%
Tools and Moulds	20% - 33.33%

2.8 Intangible asset

Intangible asset is stated at cost less amortisation. Amortisation is computed on a straight line method over the expected useful lives of the asset. The principal annual rate used is :-

Technical assistance	15%
----------------------	-----

2.9 Research and Development

Research and development comprises of development costs incurred on a project. The costs incurred is deferred and will be amortised against future sales.

2.10 Investments

Investments in subsidiary companies, which are eliminated on consolidation, are stated at cost.

Other investments in quoted and unquoted shares are stated at cost. Provision is made against such investments when, in the opinion of the directors, a permanent diminution in value has occurred.

Notes To The Accounts - 31 December, 1999 (cont'd)

2.11 Stocks

Stocks for raw materials, work-in-progress and finished goods are stated at the lower of cost and net realisable value. Cost in the case of work-in-progress and finished goods comprises raw materials, direct labour and attributable proportion of production overheads. Cost is determined principally on the first-in-first-out basis.

2.12 Foreign Currencies

Transactions in foreign currencies are translated into Ringgit Malaysia at the rates which approximate the exchange rates ruling at the transaction dates or at contracted rates, where applicable. At balance sheet date, foreign currencies amounts are translated into Ringgit Malaysia ruling at that date. Exchange differences are dealt with through the profit and loss account.

2.13 Deferred taxation

The tax effects of transactions are recognised, using the 'liability' method, in the year such transactions enter into the determination of net income regardless of when they are recognised for tax purposes. However, where timing differences would give rise to net future tax benefit, the tax effects are recognised when there is reasonable expectation of realisation.

3. PRINCIPAL ACTIVITIES

The principal activities of the Company in the course of the financial year consist of investment holding.

The principal activities of the subsidiary companies are set out in Note 12 to the Accounts.

There has been no significant change in the nature of these activities of the Group and of the Company during the financial year.

Notes To The Accounts - 31 December, 1999 (cont'd)**4. SHARE CAPITAL**

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Authorised :				
Ordinary shares of RM1 each	<u>95,000,000</u>	<u>95,000,000</u>	<u>95,000,000</u>	<u>95,000,000</u>
10 0% Redeemable Preference shares of RM1 each	<u>10</u>	<u>-</u>	<u>-</u>	<u>-</u>
Issued and fully paid :				
Ordinary shares of RM1 each	<u>39,900,000</u>	<u>39,900,000</u>	<u>39,900,000</u>	<u>39,900,000</u>
0% Redeemable Preference shares of RM1 each	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>

5. REDEEMABLE PREFERENCE SHARES

Redeemable Preference Share of Ringgit Malaysia one (RM1), redeemable at any time from the date of issue for One (1) Ringgit only.

6. RESERVES

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Share premium	<u>15,618,333</u>	<u>15,618,333</u>	<u>15,618,333</u>	<u>15,618,333</u>
Retained profit/ (Accumulated loss)	<u>12,269,798</u>	<u>(188,090)</u>	<u>8,937,037</u>	<u>2,500,978</u>
Prior year adjustment *	<u>(2,001,873)</u>	<u>(2,001,873)</u>	<u>-</u>	<u>-</u>
Retained profit/ (Accumulated loss) restated	<u>10,267,925</u>	<u>(2,189,963)</u>	<u>8,937,037</u>	<u>2,500,978</u>
Exchange reserve	<u>(4,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital reserve	<u>7,709,511</u>	<u>7,709,511</u>	<u>-</u>	<u>-</u>
	<u>33,591,269</u>	<u>21,137,881</u>	<u>24,555,370</u>	<u>18,119,311</u>

* Arisen from overstatement of sales.

Notes To The Accounts - 31 December, 1999 (cont'd)

7. TERM LOANS

Term loans consists of the following :-

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Outstanding loan principal	22,723,464	23,049,699	-	-
Less : Portion due within one year (included under current liabilities)	(638,614)	(6,384,537)	-	-
Long term portion	<u>22,084,850</u>	<u>16,665,162</u>	<u>-</u>	<u>-</u>

8. HIRE PURCHASE CREDITORS

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Payable within 1 year	513,727	1,426,874	-	-
Payable after 1 year	756,474	782,522	-	-
Total outstanding	<u>1,270,201</u>	<u>2,209,396</u>	<u>-</u>	<u>-</u>

9. GRANT

The amount of grant which is granted to a subsidiary company by MITI under the vendor development scheme relates to capital expenditure incurred on tangible fixed assets. It is credited to profit and loss account over a year approximating the useful lives of the qualifying assets. The amount of grant shown in the balance sheet consist of the total grant receivable to date less the amount so far credited to profit and loss account.

Notes To The Accounts - 31 December, 1999 (cont'd)

10. FIXED ASSETS

Details of fixed assets are as follows :-

Group	Cost	Accumulated depreciation	Net book value	Current depreciation/ amortisation
31st December, 1999	RM	RM	RM	RM
Buildings	28,339,830	1,647,898	26,691,932	560,405
Computer systems	702,268	461,119	241,149	150,918
Electrical fittings	313,217	256,262	56,955	31,310
Factory equipment	4,388,188	2,204,376	2,183,812	429,406
Freehold land	15,214,001	-	15,214,001	-
Furniture and fittings	1,388,365	537,310	851,055	107,485
Leasehold land	4,451,551	148,327	4,303,224	49,442
Motor vehicles	2,733,264	1,394,627	1,338,637	381,112
Office equipment	2,667,619	1,059,120	1,608,499	298,865
Plant and machinery	23,193,051	15,497,267	7,695,784	3,266,417
Renovation costs	953,997	525,297	428,700	116,333
Tools and moulds	15,502,810	12,281,726	3,221,084	2,180,120
	99,848,161	36,013,329	63,834,832	7,571,813

Group	Cost	Accumulated depreciation	Net book value	Current depreciation/ amortisation
31st December, 1998	RM	RM	RM	RM
Buildings	27,187,330	1,087,493	26,099,837	543,747
Computer systems	448,630	310,201	138,429	148,724
Construction in progress	757,500	-	757,500	-
Electrical fittings	313,217	224,952	88,265	31,310
Factory equipment	4,200,161	1,774,560	2,425,601	418,388
Freehold land	15,214,001	-	15,214,001	-
Furniture and fittings	1,310,599	429,824	880,775	104,996
Leasehold land	4,451,551	98,885	4,352,666	49,442
Motor vehicles	2,531,228	1,324,480	1,206,748	448,970
Office equipment	2,507,030	760,255	1,746,775	278,036
Renovation costs	833,497	408,964	424,533	94,983
Plant and machinery	22,756,205	12,229,006	10,527,199	3,308,579
Tools and moulds	15,048,359	10,101,606	4,946,753	2,065,545
	97,559,308	28,750,226	68,809,082	7,492,720

Notes To The Accounts - 31 December, 1999 (cont'd)

Included in fixed assets are certain assets acquired under hire purchase with net book value of RM3,047,962 (1998 : RM4,539,142).

Company	Cost RM	Accumulated depreciation RM	Net book value RM	Current depreciation/ amortisation RM
31st December, 1999				
Buildings	28,339,830	1,647,899	26,691,931	560,405
Freehold land	16,916,455	-	16,916,455	-
Leasehold land	4,451,551	148,326	4,303,225	49,442
	49,707,836	1,796,225	47,911,611	609,847
31st December, 1998				
Buildings	27,187,330	1,087,494	26,099,836	543,747
Construction in progress	757,500	-	757,500	-
Freehold land	16,232,740	-	16,232,740	-
Leasehold land	4,451,551	98,884	4,352,667	49,442
	48,629,121	1,186,378	47,442,743	593,189

11. INTANGIBLE ASSETS

Details of intangible assets are as follows:-

	1999 RM	Group 1998 RM
Technical Assistance - at cost	1,031,024	1,031,024
Less : Accumulated amortisation	(790,453)	(635,799)
	240,571	395,225
Preliminary expenses	4,480	-
Pre-operating expenses	708,165	-
Research and development	6,019,785	-
Foreign income tax benefit	35,918	-
	7,008,919	395,225

Notes To The Accounts - 31 December, 1999 (cont'd)**12. SUBSIDIARY COMPANIES**

	Company	
	1999 RM	1998 RM
Unquoted shares, at cost	24,516,464	23,565,964
Amounts due to a subsidiary company	(19,852,649)	(18,432,125)
Amounts due from a subsidiary company	8,798	-
	4,672,613	5,133,839

The amounts due to subsidiary companies are unsecured and have no fixed repayment scheme. Certain amounts due to subsidiary companies are bearing inter est.

Details of the subsidiary companies are as follows:-

Name of Company	Place of incorporation	Effective interest		Principal activities
		1999 %	1998 %	
EP Polymers (M) Sdn. Bhd.	Malaysia	100	100	Manufacturing of engineering plastic components.
EP Moulds & Dies (M) Sdn. Bhd.	Malaysia	100	100	Manufacturing of moulds.
Wiracash Holdings Sdn. Bhd.	Malaysia	100	100	Assembling of lamp components and switches.
Fundwin Sdn. Bhd.	Malaysia	100	-	Investment holding, manufacturing, assembly and sales of bicycles and bicycle components.

Notes To The Accounts - 31 December, 1999 (cont'd)

Name of Company	Place of incorporation	Effective interest		Principal activities
		1999	1998	
EPMB (Australia) Pty. Ltd.	Australia	100	-	Engineering Design and modelling.
EPMB (UK) Limited	UK	100	-	Assembly, marketing and distribution of bicycles.

13. INVESTMENTS - AT COST

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Quoted shares	37,682	42,604	-	-
Unquoted shares *	8,489,999	8,490,000	8,490,000	8,490,000
	8,527,681	8,532,604	8,490,000	8,490,000

* The investment is based upon a Put Option granted by a director of the Company whereby the Company is given the right but not the obligation to put to the said Director to acquire it.

14. STOCKS

Stocks consist of the following :-	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Raw materials	6,772,499	6,659,470	-	-
Work-in-progress	1,606,567	1,066,161	-	-
Finished Goods	2,303,988	956,329	-	-
	10,683,054	8,681,960	-	-

Notes To The Accounts - 31 December, 1999 (cont'd)

15. AMOUNT DUE TO/FROM RELATED PARTIES

Related parties are companies in which certain directors of these companies are also directors of the Company or holding company or companies in which the directors have a substantial financial interest.

The amounts shown below comprise part of the balances in Trade debtors, Other debtors, deposits and prepayments, Trade creditors and Other creditors and accruals.

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Companies in which certain directors of the Company or holding company are directors or have a substantial financial interest :-				
Trade debtors	3,080,930	1,013,115	-	-
Other debtors and deposits	5,955,568	2,599,087	601,613	2,348,644
Trade creditors	1,679,577	2,064,365	-	-
Other creditors and accruals	8,762,890	349,002	9,484	9,484

The amounts due to/from related parties are unsecured and have no fixed repayment scheme. Certain amounts due from related parties are bearing interest.

During the financial year, significant transactions undertaken with related parties are as follows:-

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Turnover	1,009,744	895,518	-	-
Purchases and subcontract cost	13,729,770	6,529,648	-	15,000
Rental payable	182,400	187,900	-	-
Rental receivable	228,000	-	-	-
Interest receivable	1,599,258	692,937	-	-

Notes To The Accounts - 31 December, 1999 (cont'd)

16. FIXED DEPOSITS

Included in the fixed deposits is an amount of RM1,735,000 (1998 : RM2,235,000) which was pledged as securities to local licenced banks.

17. AMOUNT DUE TO DIRECTORS

The amount due to directors is unsecured, interest free and no fixed repayment scheme has been arranged.

18. BANK BORROWINGS

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Bank borrowings consist of the following :-				
Bank overdraft	6,499,797	7,328,077	-	-
Term loans (current portion from Note 7)	638,614	6,384,537	-	-
Bankers acceptance and trust receipt	12,563,953	11,848,943	-	-
	19,702,364	25,561,557	-	-

The Group has bank overdraft, term loan and other bank facilities from various local banks. These facilities are secured by way of:-

- i) Fixed deposits of RM1,735,000 on lien to licenced banks.
- ii) Pledge of public quoted shares.
- iii) Debentures creating fixed and floating charges over the Group's present and future assets.
- iv) Jointly and severally guaranteed by former directors of a subsidiary company.
- v) Corporate guarantee.

19. TURNOVER

Turnover of the Group represents the gross invoiced value of sales of the Group's products net of discounts, returns and sales tax.

Turnover of the Company represents rental income received from rent of properties, income from product development and gross dividend income from subsidiaries.

Notes To The Accounts - 31 December, 1999 (cont'd)

20. PROFIT BEFORE TAXATION

Profit before taxation has been determined after charging and crediting amongst other items the following :-

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
After charging :				
Amortisation of technical assistance fees	154,654	154,654	-	-
Auditors' remuneration				
- current year provision	73,600	62,300	15,000	10,000
- underprovision in prior year	1,000	5,000	1,000	-
Bank overdraft interest	627,064	875,833	-	-
Banker acceptance interest	918,825	1,606,144	-	-
Depreciation of fixed assets	7,571,813	7,492,720	609,847	593,189
Directors' EPF contribution	54,000	57,000	-	-
Directors' fees and remuneration	570,000	625,000	-	-
Exchange losses	29,167	231,676	4	-
Hire purchase interest	198,662	599,768	-	-
Lease rental	10,566	14,844	-	-
Loan interest paid to a subsidiary company	-	-	1,130,106	1,383,625
Overdue interest	10,910	95,757	-	-
Rental of car park	29,700	32,400	-	-
Rental of equipment and machinery	4,275	18,688	-	4,693
Rental of premises	202,750	332,535	-	-
Term loan interest	2,054,066	2,336,611	-	26,959
Trust receipt interest	10,562	70,647	-	-
	1,967,607	956,694	4,333,488	4,333,488
After crediting :-				
Dividend income (gross) from :				
- quoted investments	-	366	-	-
- unquoted subsidiaries	500,000	-	-	-
Gain on disposal of fixed assets	83,436	126,284	-	-
Interest income	1,967,607	956,694	-	274
Rental income received from subsidiary companies	-	-	4,333,488	4,333,488

Notes To The Accounts - 31 December, 1999 (cont'd)

21. TAXATION

No provision for tax has been made for the year ended 31st December, 1999 in view of the tax waiver in 1999 which had been gazetted in the Income Tax (Amendment) Act, 1999 except that of an attributable tax relating to a proposed dividend income from a subsidiary.

	Group		Company	
	1999 RM	1998 RM	1999 RM	1998 RM
Based on profit for the year				
Malaysian Income Tax	-	368,033	140,000	277,400
Foreign Income tax benefit	(35,918)	-	-	-
Overprovision of tax in prior years	(799,960)	(323,635)	(767,251)	-
	<u>(835,878)</u>	<u>44,398</u>	<u>(627,251)</u>	<u>277,400</u>
Deferred taxation (credit)	-	(453,000)	-	-
	<u>(835,878)</u>	<u>(408,602)</u>	<u>(627,251)</u>	<u>277,400</u>

As at 31st December, 1999, deferred tax arising mainly from timing differences between the book depreciation and capital allowance have not been recognised in the accounts of subsidiary companies due to the availability of unabsorbed capital allowances and tax losses carried forward.

22. DIVIDENDS

	Group and Company	
	1999 RM	1998 RM
Final dividend of 3.5 sen per share		
Less income tax at 28% - proposed	<u>1,005,480</u>	<u>-</u>

Notes To The Accounts - 31 December, 1999 (cont'd)

23. (LOSS)/EARNING PER SHARE

Loss or earning per share is calculated based on the Group's profit (1998 : loss) after taxation attributable to shareholders over 39,900,000 ordinary shares currently in issue.

24. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts :-

	1999 RM	1998 RM
Cash in hand	8,547	8,080
Cash at banks	5,777,416	124,170
Fixed deposits	1,750,954	2,247,000
Bank overdraft	(6,499,797)	(7,328,077)
	<u>1,037,120</u>	<u>(4,948,827)</u>

25. CONTINGENT LIABILITIES

Contingent liabilities of the Group amounting to RM173,700.00 consists of bank guarantees issued to customs pending import duties exemption application for RM8,700.00 and a claim by a factoring company for RM165,000.00 being claims that its client supplied goods to the Group for which the Group disputed to be inferior products.

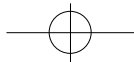
26. SIGNIFICANT EVENT

On 28th December, 1999, the Company entered into a share sale agreement with Fundwin Sdn. Bhd., Hamidon bin Abdullah and Goh Chyin Tar to acquire the entire issued and paid-up capital of Fundwin Sdn. Bhd. comprising 1,000 ordinary shares of RM1.00 each for a total cash consideration of RM1,000.00.

The said ordinary shares were acquired by EP Manufacturing Bhd. on 28th December, 1999, subject to the necessary approvals.

27. COMPARATIVE FIGURES

Certain comparative figures have been reclassified where necessary to conform with the current year's presentation.



Statement by Directors

(Pursuant to Section 169 (15) of the Companies Act, 1965)

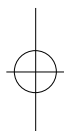
We, **HAMIDON BIN ABDULLAH** and **GOH CHYIN TAR**, being two directors of **EP MANUFACTURING BHD.**, state that the accounts set out on pages 13 to 30 are drawn up in accordance with the applicable approved accounting standard so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31st December, 1999 and of the results of operations of the Group and of the Company and cash flow of the Group for the year ended 31st December, 1999.

On behalf of the Board

HAMIDON BIN ABDULLAH
Director

GOH CHYIN TAR
Director

Shah Alam
27th April, 2000



Statutory Declaration

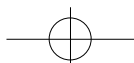
(Pursuant to Section 169 (16) of the Companies Act, 1965)

I, **HAMIDON BIN ABDULLAH**, being the director responsible for the financial management of **EP MANUFACTURING BHD.**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accounts set out on pages 13 to 30 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)
by the abovenamed at Kuala Lumpur) **HAMIDON BIN ABDULLAH**
in the Federal Territory this)
day of 27th April, 2000)

Before me :

SARIAH BT. YEOB (No. W328)
Commissioner for Oaths



Shareholdings Statistics as at 24 May, 2000

Authorised Share Capital	:	RM95,000,000
Issued and Fully Paid-up Capital	:	RM39,000,000
Class of Shares	:	Ordinary shares of RM1 each
Voting rights	:	One vote per ordinary share (on poll)

DISTRIBUTION OF SHAREHOLDINGS AS AT 24 MAY 2000

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
1 - 1,000	880	62.50	879,000	2.20
1,001 - 5,000	368	26.14	1,037,000	2.60
5,001 - 10,000	62	4.40	483,000	1.21
Above 10,000	98	6.96	37,501,000	93.99
Total	1,408	100.00	39,900,000	100.00

SUBSTANTIAL SHAREHOLDERS

Shareholders	Direct Interest		Indirect Interest	
	No. of Shares Held	% of Issued Capital	No. of Shares Held	% of Issued Capital
1. EP Properties (M) Sdn. Bhd.	14,345,465	35.95	-	-
2. Hamidon bin Abdullah	6,021,733	15.09	*14,345,465	35.95
3. Commerce Asset Ventures Sdn. Bhd.	4,487,835	12.15	-	-
4. Linden Hamidon Nee Fong	1,226,967	3.07	*14,345,465	35.95
5. Overseas Assurance Corporation (Malaysia) Berhad	879,000	2.20	-	-

* Deemed interested by virtue of having substantial shareholding in EP Properties (M) Sdn. Bhd.

Shareholdings Statistics as at 24 May, 2000 (cont'd)

20 LARGEST SHAREHOLDERS AS AT 24 MAY 2000

No	Name of Registered Holders	No. of Shares Held	% of Shareholdings
1	CIMB Nominees (Tempatan) Sdn Bhd <i>- Pledged securities account for EP Properties M) Sdn Bhd</i>	7,680,750	19.25
2	BOC Nominees (Tempatan) Sdn Bhd <i>- Pledged securities account for EP Properties M) Sdn Bhd</i>	6,284,250	15.75
3	Hamidon Bin Abdullah	6,021,733	15.09
4	Commerce Asset Ventures Sdn Bhd	4,847,835	12.15
5	Linden Hamidon Nee Fong	1,226,967	3.08
6	Overseas Assurance Corporation (Malaysia) Berhad	879,000	2.20
7	Universal Trustee (Malaysia) Berhad <i>- BHLB Pacific Emerging Companies Growth Fund</i>	608,000	1.52
8	Mayban Trustees Berhad <i>- Abrar Investment Fund</i>	594,000	1.49
9	Citicorp Nominees (Asing) Sdn Bhd <i>-TNTC for Government of Singapore Investment Corporation Pte. Ltd.</i>	550,000	1.38
10	Lembaga Tabung Haji	500,000	1.25
11	Probalance Sdn Bhd	495,000	1.24
12	Michelle Cheah Min Tze	471,000	1.18
13	Universal Trustee (Malaysia) Berhad <i>- BHLB Pacific High Growth Fund</i>	437,000	1.10
14	PB Securities Nominees (Tempatan) Sdn Bhd <i>- Pledged securities account for Zainee Bin Md. Dahlan</i>	417,000	1.05
15	Yap Siew Yoong	411,000	1.03
16	BBMB Securities Nominees (Asing) Sdn Bhd <i>- Neptune Securities Pte Ltd</i>	400,000	1.00
17	Mayban Trustees Berhad <i>- Amanah Saham Bank Islam Tabung Pertama</i>	369,000	0.92
18	HSBC (Malaysia) Trustee Berhad <i>- OSK-UOB Small Cap Opportunity Unit Trust</i>	348,000	0.87
19	Alliedban Nominees (Tempatan) Sdn Bhd <i>- Pledged securities account for Tan Seok Hien</i>	338,000	0.85
20	Sin Khuan Siew	330,000	0.83
		33,208,535	83.23

List of Properties as at 31 December, 1999

Title / Location	Description	Tenure	Land Area	Gross Floor Area	Net Book Value As at 31.12.99 (RM)	Age of Building
Plot No. 72 and 73 Hicom-Glenmarie Industrial Park Phase 2A, Mukim of Damansara, Daerah Kelang Selangor Darul Ehsan	Land with factory, stores and offices	Freehold	13,858 sq. m.	15,480 sq. m.	34,209,039	4 1/2 years
Lot Nos. 16, 18, 20 and 22 Kawasan MIEL Phase VI, Shah Alam Selangor Darul Ehsan	Land with factory, stores and offices	Leasehold Expiring 05.05.2086	8,048 sq. m.	4,080 sq. m.	6,259,424	9 years
G.M. No. 4776 Lot No. 1401 Mukim of Ulu Yam District of Ulu Selangor Selangor Darul Ehsan	Unoccupied agricultural land	Freehold	10,116 sq. m.	-	1,968,720	-
Lot No. 1410 E.M.R. No. 3019 Lot No. 1412 Lot No. 3027 Mukim of Ulu Yam District of Ulu Selangor Selangor Darul Ehsan	Unoccupied industrial land	Freehold Freehold	13,782 sq. m. 13,402 sq. m.	- -	2,777,103 2,697,325	- -

EP MANUFACTURING BHD.

Incorporated in Malaysia
(Company No. 390116-T)

Proxy Form

I / We
of
being a member/ members of the abovenamed company, hereby appoint

..... of
or failing him

of
or failing him * the Chairman of the Meeting as my/our proxy to vote and act for me/us on my / our behalf at the Fourth Annual General Meeting of the Company to be held at Concorde V, Level 2, Concorde Hotel, Shah Alam, No. 3, Jalan Tengku Ampuan Zabedah C9/C, 40100 Shah Alam, Selangor Darul Ehsan on Wednesday, 28th June, 2000 at 10.00 a.m and at any adjournment thereof in respect of my/our holding of shares in the manner indicated below:-

NO.	RESOLUTION	FOR	AGAINST
1.	To receive and adopt the Audited Accounts for the year ended 31st December, 1999 together with the Reports of the Directors and Auditors thereon.		
2.	Approved for declaration of a final gross dividend of 3.5 sen per ordinary share.		
3.	Re-election of Mr. Goh Chyin Tar as director.		
4.	Re-election of Y.B. Dato' Ibrahim Bin Nyar Hussin as director.		
5.	To re-appoint Messrs. Tan Cheng Hooi & Co. as Auditors of the Company.		
6.	SPECIAL BUSINESS ORDINARY RESOLUTION Confer authority for the Directors to allot and issue new shares.		

Please indicate with an "X" in the spaces provided how you wish your proxy/proxies to vote. If you do not do so, this form will be taken to authorise the proxy/proxies to vote or abstain from voting as he/she thinks fit.

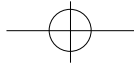
NUMBER OF SHARES HELD	
-----------------------	--

Signature/Common Seal of Shareholder

Dated this day of June 2000

Notes

- A member entitled to attend and vote at the meeting is entitled to appoint any person or persons to be his proxy or proxies to attend and vote on his behalf. A proxy may but need not be a member of the Company, and where there are two proxies the number of shares to be represented by each proxy must be stated.
- The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney of the corporation duly authorised.
- The instrument appointing the proxy must be deposited at the Registered Office of the Company at No. 8 & 10, Jalan Jurutera U1/23, Section U1, Kawasan Perindustrian Hicom Glenmarie, 40150 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.
- Explanatory note on Special Business :-**
The Ordinary Resolution proposed under Resolution 6, if passed, will give the Directors of the Company, from the date of the forthcoming Annual General Meeting, authority to issue and allot ordinary shares from the unissued capital of the Company being for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.



Postage

THE COMPANY SECRETARY
EP MANUFACTURING BHD. (3901 16-T)
No. 8 & 10, Jalan Jurutera U1/23, Section U1,
Kawasan Perindustrian Hicom Glenmarie,
40150 Shah Alam, Selangor Darul Ehsan
Malaysia

