

19, 1969

IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL No.34 of 1968

ON APPEAL
FROM THE FEDERAL COURT OF MALAYSIA, HOLDEN AT SINGAPORE
(APPELLATE JURISDICTION)

B E T W E E N:

SIM LIM INVESTMENTS LIMITED (Defendants) Appellants

- and -

ATTORNEY GENERAL SINGAPORE (Plaintiff) Respondent

(In the matter of Suit No. 358 of 1967 in the High Court in the Republic of Singapore at Singapore

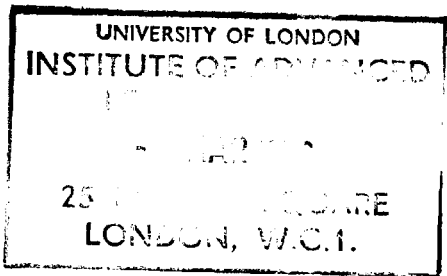
B E T W E E N:

Attorney General Singapore Plaintiff

- and -

Sim Lim Investments Limited Defendants)

R E C O R D O F P R O C E E D I N G S



COWARD, CHANCE & CO.
St. Swithin's House,
Walbrook,
London, E.C.4.

CHARLES RUSSELL & CO.,
37, Norfolk Street,
London, W.C.2.

Solicitors for the Appellants.

Solicitors for the Respondent.

IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

O N A P P E A L
 FROM THE FEDERAL COURT OF MALAYSIA, HOLDEN AT SINGAPORE
 (APPELLATE JURISDICTION)

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SIM LIM INVESTMENTS LIMITED
 (Defendants) . Appellants

ATTORNEY GENERAL SINGAPORE
 (Plaintiff) Respondent

(In the matter of Suit No. 358 of 1967
 in the High Court in the Republic of
 Singapore at Singapore

B E T W E E N:

Attorney General, Singapore Plaintiff

- and -

Sim Lim Investments Limited Defendants)

R E C O R D O F P R O C E E D I N G S
 I N D E X O F R E F E R E N C E

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4	<p>Annexures to agreed Statement of Facts, as follows:-</p> <p>Annexure 1. Annual Report for 1964</p> <p>Annexure 2. 2nd Annual Report for 1965-66</p> <p>Annexure 3. Audited Accounts of the Appellants for 1964</p> <p>Annexure 4. Audited Accounts of the Appellants for 1965</p> <p>Annexure 5. Audited Accounts of Sim Lim Company Limited for 1964.</p> <p>Annexure 6. Audited Accounts of Sim Lim Company Limited for 1965.</p> <p>Annexure 7. Resolution of Sim Lim Company Limited</p> <p>Annexure 8. Dividend Tax Vouchers issued by Sim Lim Company Limited</p> <p>Annexures 9 and 10. Appellants' computations of the tax property assessable for 1964 and 1965</p> <p>Annexures 11 and 12 Comptrollers computations for 1964 and 1965.</p>	<p>8.3.65</p> <p>8.3.65</p>	<p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p>
5	<p>Additional documents filed 28th October 1967 as follows:</p> <p>Appellants' Accountants Revised Computations for 1966</p>		<p>19</p>

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No.	Description of Document	Date	Page
	Form completed by Appellants pertaining to Dividend declared by it.	22.2.66	20
	Interim Dividend Notice from Malaysia Land Investments Co. Ltd. to Appellants	6.5.65	21
	Appellants' Accountants original computations of Appellants' Income Tax liability for years 1964 to 1966 inclusive		22
6	Judgment of Winslow J.	21.11.67	25
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	<u>In the Federal Court of Malaysia Holden at Singapore (Appellate Jurisdiction)</u>		
8	Notice of Appeal	19.12.67	33
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12	Order granting leave to appeal to the Judicial Committee of the Privy Council	7.10.68	42

DOCUMENTS TRANSMITTED WITH RECORD BUT NOT
REPRODUCED

Description	Date
Judges Notes of Arguments and Evidence	
Case for the Appellant	
Legal submission by the Respondent	
Registrars Certificate of Exhibits	

Description	Date
Notice of Motion for leave to Appeal to the Judicial Committee	24.9.68
Affidavit of Sim Lai Hee in support of motion	24.9.68

DOCUMENTS NOT TRANSMITTED WITH RECORD

Description	Date
Exhibit D1 Fifth Annual Report and Accounts 1966 of the Rio Tinto Zinc Corporation	
Report and Accounts 1965 of The Sheaf Steam Shipping Co. Ltd.	
Directors 'Report and Accounts 1962 of The East African power and Lighting Co. Ltd.	
Report and Accounts 1966 of Eagle Star Insurance Co. Ltd.	
Annual Report and Accounts (for the 52 weeks ended 29.6.63) of The Rank Organisation Ltd.	
Report and Accounts 1965 of Charrington United Breweries Ltd.	
Annual Report and Balance Sheet for 1965 Amalgamated Chemicals Ltd.	

Description	Date
Exhibit D.2 "Recommendations on Accounting Principles" by the Institute of Chartered Accountants in England and Wales.	
Exhibit D.3 Copy of the Case for the Defendants.	
Exhibit D.4 Photostat copy of Section 8 - India Income Tax Act.	
Exhibit D.5 Photostat copy of Section 44 - Australia Income Tax Act.	

No. 34 of 1968

IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

O N A P P E A L
FROM THE FEDERAL COURT OF MALAYSIA, HOLDEN
AT SINGAPORE (APPELLATE JURISDICTION)

B E T W E E N:

SIM LIM INVESTMENTS LIMITED
(Defendants)Appellants

- and -

10

ATTORNEY GENERAL SINGAPORE
(Plaintiff)Respondent

(In the matter of Suit No. 358 of 1967 in the
High Court in the Republic of Singapore at
Singapore

B E T W E E N:

Attorney General Singapore Plaintiff

- and -

Sim Lim Investments Limited Defendants)

R E C O R D O F P R O C E E D I N G S

In the High Court of the Republic of Singapore

NO. 1
WRIT ENDORSED WITH
AMENDED STATEMENT
OF CLAIM

No. 1

Writ endorsed with amended Statement of Claim

4th March 1967

IN THE HIGH COURT OF THE STATE OF SINGAPORE
ISLAND OF SINGAPORE

Suit 358)
1967, No.)

B E T W E E N:

ATTORNEY GENERAL SINGAPORE Plaintiff

- and -

SIM LIM INVESTMENTS LIMITED
Defendants

10

The Honourable, Mr. Justice Wee Chong Jin, Chief Justice of Singapore in the name and on behalf of the President of the Republic of Singapore.

To: Messrs. Sim Lim Investments Ltd.,
138, Robinson Road,
Singapore, 1.

WE COMMAND you, that within eight (8) days after the service of this writ on you, inclusive of the day of such service, you do cause an appearance to be entered for you in a cause at the suit of the Government of the Republic of Singapore and take notice that in default of your so doing the plaintiff may proceed therein to judgment and execution.

20

WITNESS Mr. Eu Cheow Chye,

Registrar of the State of Singapore,
the 4th day of March, 1967.

Sd: S.P. Khattar.
for Attorney General, Singapore.

30

Sd: Tay Khim Whatt.
Dy. Registrar,
High Court,
Singapore.

Any one of the Process Servers, namely Abu Bakar bin Mohamed, Henry Tan, Yong Swee Hock or Joseph Naidu of the Inland Revenue Department, Singapore, is permitted to serve this Summons. This 4th day of March, 1967.

Sd: Tay Khim Whatt.
Dy. Registrar.

N.B. - This writ is to be served within twelve months from the date thereof, or, if renewed, within six months from the date of such renewal, including the day of such date, and not afterwards.

In the High Court of the Republic of Singapore

No. 1

The Defendant (or Defendants) may appear hereto by entering an appearance (or appearances) either personally or by Solicitor at the Registry of the High Court at Singapore.

Writ endorsed with amended Statement of Claim

10

4th March 1967
(continued)

A defendant appearing personally may, if he desires, enter his appearance by Post, and the appropriate forms may be obtained by sending a Postal Order for \$5.50 with an addressed envelope to the Registrar of the High Court at Singapore.

AMENDED STATEMENT OF CLAIM

~~\$502,324.60~~

The Plaintiff's claim is for ~~\$516,865.00~~ being a debt due to the Government under Section 44(4) of the Income Tax Ordinance (Cap.166).

20

PARTICULARS

~~The Defendant Company on 17.8.65 declared a gross dividend of \$811,162.50~~

~~Tax deducted under Section 44(1) of the Ordinance on the above amount \$324,465.00~~

~~Less amount assessed for year of assessment 1965 7,600.00~~

~~Amount therefore due as a debt to the Government \$516,865.00~~

30

The Defendant Company on 17.8.65 declared a gross dividend of \$811,162.50.

Tax deducted or deemed deducted under section 44(1) of the Ordinance on the above amount \$324,465.00

c/f. \$324,465.00

In the High
Court of the
Republic of
Singapore

b/f. \$324,465.00

No. 1

Writ endorsed
with amended
Statement of
Claim

4th March 1967
(continued)

Less amount assessed for
year of assessment 1964
vide assessment dated
26.4.67 \$5,516.00

Amount assessed for
year of assessment
1965 vide an
assessment dated
28.4.65 7,600.00

10

Amount assessed for
year of assessment
1965 vide an
additional assessment
dated 26.4.67 9,384.40 22,140.40

Amount of balance due as a debt from the
Defendant to the Plaintiff \$302,324.60

Amended this 25th day of August 1967 under
Order 28 of the R.S.C.

Sd: S.P. Khattar. 20
(S.P. Khattar)
f. Attorney General,
c/o Comptroller of Income Tax.
Fullerton Building,
Singapore.

And the sum of \$65.00 (or such sum as
shall be allowed on taxation of costs). If
the amount claimed is paid to the Plaintiff
within the time limited for appearance
further proceedings will be stayed. 30

TAKE NOTICE that in default of your
entering an appearance hereto final
judgment may be entered at once against
you for the above amount and costs.

AND TAKE FURTHER NOTICE that if
you enter an appearance you must also
deliver a defence within ten days from
the last day of the time limited for
appearance, unless such time is extended
by the Court or a Judge; otherwise
Judgment may be entered against you
without notice, unless you have in the 40

5.

meantime been served with a Summons for judgment.

This Writ was issued by the Attorney General, c/o Comptroller of Income Tax, Fullerton Building, Singapore.

The address for service is c/o Comptroller of Income Tax, 4th Floor, Fullerton Building, Singapore.

(S.P. Khattar)
f. Attorney General,
c/o Comptroller of Income Tax,
Fullerton Building,
Singapore.

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This Writ was served by me, Abu Bakar bin Mohamed on G.S. Hill, of Rodyk & Davidson, Solicitors for the Defendant on Thursday the 9th day of March, 1967 at the hour of 9.30 a.m. at Room No. 22/24, Chartered Bank Chambers.

20

Signed: Abu Bakar bin Mohamed.

Indorsed the 9th day of March, 1967.

In the High Court of the Republic of Singapore

No. 1

Writ endorsed with amended Statement of Claim

4th March 1967
(continued)

In the High
Court of the
Republic of
Singapore

NO.2

AMENDED DEFENCE

No. 2

AMENDED DEFENCE

Amended
Defence

7th September
1967

1. The defendant company admits that on the 17th August 1965 it declared a gross dividend of \$811,162.50 and that the tax deducted under section 44(1) of the Income Tax Ordinance on the said dividend amounted to a sum of \$324,465.00.

~~2. On the 28th day of April, 1965 by Notice of Assessment No. C/4324/65 the Comptroller of Income Tax assessed the defendant company to tax the year of assessment 1965 in the sum of \$7,600.00. The said sum of \$7,600.00 was an estimated assessment only and does not represent the amount of the tax payable by the defendant company in respect of the Year of Assessment, 1965, in accordance with the provisions of the Income Tax Ordinance.~~

10

2. The defendant company admits the assessments and additional assessment to tax for the years of assessment 1964 and 1965 as set out in the amended Statement of Claim. The said assessments are under objection and are accordingly not final and conclusive. The sums therein stated do not represent the full amount of tax properly payable by the defendant company in respect of the years of assessment in question in accordance with the provisions of the Income Tax Ordinance.

20

3. The Comptroller of Income Tax has accordingly failed to compare the amount of tax deducted as appears above with the aggregate of the amounts prescribed by section 44(3) of the said Income Tax Ordinance.

30

4. The defendant company denies that the amount of tax so deducted exceeds the aggregate of the said amounts and accordingly denies that the said sum of \$316,865.00 or any other sum is a debt due from the defendant company to the Government.

Dated and Delivered this 11th day of
March, 1967.

40

Dated and re-Delivered this 7th day of
September, 1967.

Sd. Rodyk & Davidson
Solicitors for the Defendants.

To: The above named Plaintiff,
The Attorney-General,
Singapore,
c/o Comptroller of Income Tax,
Singapore.

In the High
Court of the
Republic of
Singapore

No. 2

Amended in red this 7th day of September
1967, pursuant to Order 29, Rule 5(1)
of the Rules of the Supreme Court.

Amended
Defence

7th September
1967
(continued)

10

Sd. Rodyk & Davidson
Solicitors for the Defendants.

NO. 3

AGREED STATEMENT OF FACT

No. 3

Agreed Statement
of Fact

AGREED STATEMENT OF FACT

9th October 1967

20

1. The above-named defendant, Sim Lim Investments Limited (hereinafter referred to as "the parent company"), is a public company incorporated in Singapore and is the holding company of the Sim Lim Group of companies. Sim Lim Company Limited (hereinafter referred to as "the subsidiary") is a trading company also incorporated in Singapore and is one of several wholly-owned trading subsidiaries of the parent company all of which carry on business as trading companies. Both the parent company and the subsidiary are resident in Singapore for tax purposes.

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2. The consolidated accounts of the group for the relevant years are contained in the annual reports for 1964 and 1965-66 copies of which are annexed hereto as annexures 1a and 2 respectively. Copies of the audited accounts of the parent company for the years 1964 and 1965 are annexed hereto as annexures 3 and 4 respectively, and copies of the audited accounts of the subsidiary for the years 1964 and 1965 are annexed hereto as annexures 5 and 6 respectively.

40

3. By resolution dated the 8th March 1965 the subsidiary declared a dividend. A copy of this resolution is annexed hereto as annexure 7 and a copy of the dividend

In the High Court of the Republic of Singapore

No. 3

Agreed Statement of Fact

9th October 1967
(continued)

tax voucher as issued by the subsidiary to the parent company is annexed hereto as annexure 8. The parent company declared to its shareholders a gross dividend of \$811,162.50 on the 17th August, 1965, and the tax deducted under section 44(i) of the Income Tax Ordinance thereon amounted to a sum of \$324,465.00.

4. The parent company has been assessed to tax in the following sums:-

10

Year of Assessment 1964:

Assessment dated 26.4.67 .. \$5,156.00

Year of Assessment 1965:

Assessment dated 28.4.65 .. 7,600.00

Additional Assessment
dated 26.4.67 .. 9,384.40

\$22,140.40

The said assessments are under objection to the extent that the parent company maintains that it has been insufficiently assessed for the years in question.

20

5. Copies of the parent company's computations of the tax properly assessable for the years of assessment 1964 and 1965 are annexed hereto as annexures 9 and 10 respectively. Copies of the Comptroller's computations for the years of assessment 1964 and 1965 are annexed hereto as annexures 11 and 12 respectively. It is not in dispute that if the Comptroller's computations are correct the claim in this Suit succeeds, and that if the parent company's computations are correct the claim in this Suit fails.

30

Dated this 9th day of October, 1967.

Sd. Sat Pal Khattar

for Comptroller of Income Tax

Sd. Rodyk & Davidson

Solicitors for the Defendants,
Sim Lim Investments Limited.

40

9.
NO. 4

ANNEXURE 1 TO AGREED STATEMENT OF FACTS
ANNUAL REPORT FOR 1964

森林企業有限公司
一九六四年報告書

In the High
Court of the
Republic of
Singapore

No. 4

Annexure 1
to agreed
Statement
of Facts

Annual Report
for 1964

SIM LIM INVESTMENTS LIMITED



ANNUAL REPORT
1964

SIM LIM INVESTMENTS LIMITED

SIM LIM INVESTMENTS LIMITED

(INCORPORATED IN THE STATE OF SINGAPORE)

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Audited Accounts for the year ended 31st December 1964.

Accounts	\$
After providing for Income Tax, Turnover Tax and depreciation, the Consolidated Net Profit for the year available to the stockholders of Sim Lim Investments Limited is	524,283
From this, your Directors recommend a First and Final Dividend of 7½% less Income Tax absorbing	<u>486,698</u>
Leaving a balance of profit retained of	<u><u>\$37,585</u></u>

Directors

Soon Peng Yam (Chairman)
Lim Kok Gin
Soon Peng Leong
Toh Aik Choon
Tan Hooi Bing
Sim Lai Hee

The Articles of the Company do not require the Directors to retire.

Auditors

Messrs. Cooper Brothers & Co., Chartered Accountants, retire and being eligible offer themselves for re-appointment.

By Order of the Board
SOON PENG YAM
Chairman

SIM LIM INVESTMENTS LIMITED

(INCORPORATED IN THE STATE OF SINGAPORE)

CHAIRMAN'S STATEMENT

THE SHAREHOLDERS:

The year 1964 saw an unprecedented depression of our stock market. This was partly a result of the deterioration of the political situation in Southeast Asia. Most counters fell victim in a situation like this and regrettably Sim Lim was no exception.

In a declining market, it would not be out of place to say that the market value of a share counter does not necessarily represent the true condition or standing of its company. In this perspective, it gives me exceptional pleasure to be able to report that the company and its subsidiary and associated companies enjoyed a fairly successful year despite the Indonesian confrontation and the two unfortunate civil strifes in Singapore last year.

The consolidated profits before income tax and turnover tax amounted to \$1,162,826.00. Provision for income tax and turnover tax is \$463,706.00 and \$108,324.00 respectively. During last year the Central Government suddenly announced in introduction of a turnover tax which has naturally affected the Group's profit. In view of the necessity to provide for this turnover tax, your Director recommend the payment of a First and Final Dividend of 7½% less income tax.

It is the Group's policy to diversify its interests. The industrialisation programme of this country has inevitably resulted in a partial decline in the importation of a considerably wide range of commodities which hitherto were not manufactured locally. The confrontation has also caused the loss of part of our entrepot trade. Against this fast changing situation, the Group has to look towards a wider field embracing not only trading but also industrial and planting projects for investment. In pursuance of the policy of diversification, the Group has encountered considerable success and on which I shall describe in more detail later in the report.

SIM LIM CO., LTD. & SIM LIM (M) CO., LTD.

Total turnover represented an increase of six per cent over the previous year despite curtailed import of both cement and steel. Both companies are constantly on the look out to introduce new products to our domestic market as well as to take up agency for products which can now be manufactured locally. There has been some success in this respect. Both companies expect to be able to increase the number of their agencies when more new local factories come into production.

On government tenders, both companies have had another successful year. For the third successive year, Sim Lim Co., Ltd. was successful in the tender for the supply and laying of 38,000 yards of 66,000 volt underground oil-filled cables for the Public Utilities Board of Singapore. Total value of all these tenders so far amounted to \$14 million. Sim Lim Co., (M) Ltd. was also successful in the tender for the supply and laying of 33,000 volt oil-filled cables in Kuala Lumpur for the Central Electricity Board of the Federation of Malaya. Value of this tender amounted to \$2.6 million.

Sim Lim Co., Ltd.'s contract with the Public Utilities Board for the supply of 5 units 31 MVA transformers was completely fulfilled. Total value of these transformers exceeded \$1,000,000/-. The electrical division of the company subsequently undertook the installation work of same for the Public Utilities Board.

The delivery of 30 locomotives to the Malayan Railway commenced in April last year. Up to the time of writing, 15 units have been delivered to the satisfaction of the railway authorities. Delivery of the balance is expected to be completed on schedule by July this year.

Sim Lim Co., Ltd. was awarded several contracts by the Singapore Housing & Development Board for the supply and installation of Fuji elevators. The sale of these elevators to private developers is also progressing satisfactorily.

The building boom in Singapore is being sustained by the high level government expenditure on public housing and utilities and schools and by private investments in property development. A massive government low-cost housing programme, as announced, will soon be implemented in various parts of Malaya and this will give additional impetus to an already busy constructional industry in Malaya. It can therefore be safely said that the building industry can look forward to a few more busy years.

Being amongst the leading importers and suppliers of building materials, the two companies have every reason to be optimistic about their future.

After the formation of Malaysia, it has been the policy of these companies to extend their activities to Sabah and Sarawak in order to operate on a pan-Malaysia basis. However, the implementation of this plan has been regrettably delayed by the confrontation.

SIM LIM FINANCE LTD.

The Company was incorporated with a view to support the purchasers of the Group's various housing schemes. It is also in line with the Government's policy to encourage people to form the habit of saving.

The company is a wholly own subsidiary of the Group. A comprehensive scheme for accepting deposits together with exceptional benefits for depositors will be announced shortly covering the following:

1. Savings Deposit
2. Fixed Deposit
3. Monthly instalment deposit
4. Monthly withdrawal deposit

MALAYSIA LAND INVESTMENT CO., LTD.

The first two housing projects launched by the company in Singapore were a complete success. The response from the public was overwhelming. At the time of writing, all the 152 semi-detached houses at Bedokville and 130 units of bungalows, semi-detached and terrace houses at Mt. Sinai have been sold within less than one week from their respective dates of announcement. Con-

struction of the 1st phase of Bedokville has already begun. Work on Mt. Sinai will also commence soon. Announcements will be made shortly of another two similar projects for which planning approval has been received.

This company is also carrying out development in Malaya. Its first project is the Golden Sands Resort, a residential/shopping/hotel/motel complex at the famous Chempedak Beach, Kuantan. This has been successfully launched. The first phase comprising 20 units shops and a public canteen has all been sold out. Under the 2nd phase, another 20 units semi-detached bungalows will be built and the same response and support can be expected from the public. Construction has already commenced. In line with the Group's policy to promote tourism in the East Coast the "Golden Sands Resort" will be turned into one of the most beautiful holiday resorts in the east coast of Malaya. Other projects for terrace and shop houses and bungalows have also been launched in Kuala Lumpur, Butterworth, Province Wellesley and Sibul, Sarawak. This company should contribute greatly to the profit of the Group over the next few years.

NATIONAL DEVELOPMENT & FINANCE CORP. CO., LTD.

The Group has through this company acquired a substantial interest in the Chenderong Concession which covers an extensive area of approximately 65,000 acres of virgin forest in Kemaman, Trengganu. This Concession enjoys special tax concession for forest produce extracted. A road providing motorised access to the Concession has already been cut and logging which has just begun would go into full swing soon.

A preliminary survey has disclosed that a riverside area of at least 20,000 acres may be suitable for oil palm planting and a more comprehensive soil survey will be conducted. The remaining area may be planted with rubber and other suitable crops.

On the areas cleared, a survey and prospecting will also be conducted for mineral wealth.

Development of this Concession will include the setting up of a modern sawmill and a plywood and veneer factory, which are already in an advance stage of planning.

The Group is now responsible for the overall development of this Concession.

SIM LIM TOWER

The Group is fully aware of the potential of tourism as a major dollar earner, and in response to our government's policy to promote tourism in the State, we have decided to erect a skyscraper on our property at Jalan Besar/Sungei Road, Singapore. This will be a seventeen storey banking/shopping/office/hotel/restaurant complex with a unique feature of a revolving tower for its restaurant at the top. This will be the first of its kind in Southeast Asia.

Approval in principle has been obtained and the architect appointed have been instructed to proceed with necessary submission of plans.

This project will not only enhance the value of the property, but will also greatly beautify the skyline of Singapore.

POPULAR ESTATES LTD.

The first phase of development at Hillview Estate has been completed. Development on the second phase will commence soon.

PAN MALAYSIA PAINT INDUSTRY LTD.

The foundation stone of the paint factory was laid in June last year. And the official opening of the factory was officiated by the Hon. Minister for Finance, Dr. Goh King Swee on 15th April, 1965. The initial production of the factory is planned at 1,500 tons per annum and to increase to 3,500 tons in the near future.

It is the policy of this company to manufacture industrial and marine paints apart from paints for household use. The emergence of ship-building industry, increase in dry dock facilities, the setting up of car assembly plants plus the tremendous building construction activities all point towards greater expansion of our paint market in time to come.

ATLAS INDUSTRIES LTD.

This company has been formed for the manufacture of concrete roofing tiles in Singapore. Order has been placed for the most up-to-date automatic machines which are expected to arrive in July. Production should start toward the later part of 1965.

ATLAS PLASTIC INDUSTRIES LTD.

Negotiation for technical collaboration with a leading foreign manufacturer for laminated plastic sheets has entered its final stage. A technical agreement will be entered into by this company to ensure the quality of the product.

This Company has obtained in principle pioneer status from the government for the manufacture of this product.

There has been a steady increase in the use of laminated plastic sheets for furniture making, household partitioning and decorative panelling. Statistics show that the import figure for 1964 is more than 4 times the figure for 1961.

NATIONAL IRON & STEEL MILLS LTD.

This first heavy industry of Malaysia in which the Group holds a total of 1,032,000 shares offered some of its shares to the public in May last year. The public issue was twenty-one times over-subscribed in spite of the depressed condition of the stock market then.

The Mills commenced production in January 1964, and its first year operation in both production and sales was considered satisfactory.

In anticipation of greater demand in the future, plans have been implemented to increase the number of arc furnace from one to two units. Production capacity for ingots will also increase from 60,000 tons to 100,000 tons.

MALAYAN SHIPBREAKERS LTD.

Two naval frigates were purchased during the second half of 1964 and were being broken up for scrap, which is being supplied to the 2 steel mills in Singapore. As the financial year of this company ends at 30th June each year, profit and loss figure has yet to be made available.

OTHER PROJECTS

There are a few other projects which are in the course of finalisation and the Board deems it too premature to announce them at this juncture.

GENERAL

On the overall situation, the following points are noteworthy.

1. Our government has embarked on a high rate development programme to generate more intense economic activities in order to speed up the task of improving the living standard especially in the rural area. It is hoped that the adverse effect of the confrontation will thus be offset.
2. To increase the tempo of this development in face of heavier defence expenditure has necessitated the raising of additional revenue by the Central Government in the form of new taxes such as payroll, Capital gains and turnover taxes. These measures have caused not inconsiderable hardship to traders.
3. There is a steady erosion of the free-port status of Singapore as a result of increasing restrictive measures on imported goods in order to protect local industries.
4. Agreement has been reached between the Singapore and the Central Government to establish a Common Market. The Tariff Advisory Board has already issued its second list of commodities recommended for protection. This is a step in the direction to encourage further industrial growth in Malaysia.

Your Board feels that in spite of keen competition, more difficult trading conditions and the possible worsening of the confrontation, the Group will maintain its current rate of expansion and progress subject of course to unforeseen circumstances.

The efforts aforementioned bespeak the Board's desire to fully meet the expectation of many shareholders like you who have shown your good will towards the Group and it is the Board's sincere hope that your support and confidence in the Group will grow.

Finally, on behalf of the Directors, I would like to take this opportunity to express our sincere appreciation for the support given by the Public and for the loyalty and efficient service of our staff.

SOON PENG YAM,
Chairman.

**SIM LIM
BALANCE SHEET,**

	Notes	\$	\$	
CAPITAL EMPLOYED				
CAPITAL STOCK	1		10,815,500	
STOCK PREMIUM	2		433,357	
PROFIT UNAPPROPRIATED			37,585	
			<u>\$11,286,442</u>	
EMPLOYMENT OF CAPITAL				
SHARES IN AND AMOUNT OWING				
BY SUBSIDIARY COMPANIES	3		11,035,489	
SHARES IN AND AMOUNT OWING				
BY ASSOCIATED COMPANY	4		634,902	
TRADE INVESTMENT	5		<u>5,000</u>	
			11,675,391	
CURRENT ASSETS				
Debtors		107,457		
Bank balances		<u>11,292</u>		
		118,749		
LESS: CURRENT LIABILITIES				
Creditors and accrued liabilities		21,000		
Proposed dividend (net)		<u>486,698</u>		
		507,698		
NET CURRENT LIABILITIES			<u>388,949</u>	
			<u>\$11,286,442</u>	

*For notes on the Balance sheet, see page 9.
For Auditors' Report, see page 14.*

SOON PENG YAM
TAN HOOI BING } Directors.

INVESTMENTS LIMITED

1st DECEMBER, 1964

NOTES ON THE BALANCE SHEET

	<u>Authorised</u>	<u>Issued and Fully Paid</u>
	\$	\$
1. CAPITAL		
Ordinary shares of \$1.00 each	\$30,000,000	
Ordinary stock		<u>\$10,815,500</u>
2. STOCK PREMIUM		
Premium on stock issued pursuant to the prospectus dated 3rd March 1964		544,650
Less		
Stock issue expenses written off	102,793	
Preliminary expenses written off	<u>8,500</u>	<u>111,293</u>
		<u>\$433,357</u>
3. SHARES IN AND AMOUNT OWING BY SUBSIDIARY COMPANIES		
Shares in Sim Lim Co. Limited, at cost		4,865,400
Less		
Reduction in value resulting from the crediting of dividends declared out of preacquisition profits		<u>189,542</u>
		4,675,858
Amount owing by		
Sim Lim Co. Limited	6,012,476	
Sim Lim Co. (Malaya) Limited	137,714	
Malayan Shipbreakers Limited	<u>209,441</u>	<u>6,359,631</u>
		<u>\$11,035,489</u>
4. SHARES IN AND AMOUNT OWING BY ASSOCIATED COMPANY		
Malaysia Land Investment Company Limited		
Shares, at cost		214,900
Amount owing		<u>420,002</u>
		<u>\$634,902</u>
5. TRADE INVESTMENT		
Shares in National Iron & Steel Mills Limited, at cost (Market value \$5,850)		<u>\$5,000</u>
6. STATEMENT PURSUANT TO SECTION 127(1) OF THE COMPANIES ORDINANCE (Chap. 174)		
The aggregate profit of the subsidiary companies has been brought into these accounts to the extent of dividends declared. The minor losses of certain subsidiary companies have, in the books of those companies, been deducted from unappropriated profits brought forward.		

SOON PENG YAM
TAN HOOI BING

} Directors.

**SIM LIM
AND ITS
CONSOLIDATED PROFIT
for the year ended**

	Notes	\$
TRADING PROFIT BEFORE TAXATION	1	1,162,826
TAXATION BASED ON THE PROFIT FOR THE YEAR		463,706
		<hr/>
TRADING PROFIT AFTER TAXATION		699,120
LESS: EXCEPTIONAL AND PRIOR YEAR ITEMS, AFTER TAXATION	2	175,993
		<hr/>
GROUP PROFIT FOR THE YEAR		523,127
ADD: INTERESTS OF MINORITY STOCKHOLDERS IN LOSSES OF SUBSIDIARY COMPANIES		1,156
		<hr/>
PROFIT FOR THE YEAR AVAILABLE TO THE STOCKHOLDERS OF SIM LIM INVESTMENTS LIMITED	3	524,283
PROPOSED ORDINARY DIVIDEND OF 7½% LESS INCOME TAX		486,698
		<hr/>
PROFIT FOR THE YEAR RETAINED		37,585
ADD: PROFIT FOR THE PERIOD ENDED 31st DECEMBER 1963		48,920
		<hr/>
PROFIT UNAPPROPRIATED		<u>\$86,505</u>

For notes on the Consolidated Profit and Loss Account, see page 11.

For Auditors' Report, see page 14.

INVESTMENTS LIMITED
SUBSIDIARY COMPANIES
AND LOSS ACCOUNT
1st December, 1964

NOTES ON THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

1. **TRADING PROFIT**

The Group Trading Profit includes the results of the Holding Company for the period from the date of its incorporation, 25th October 1963, to 31st December 1964 and also the results of two Subsidiary Companies for the year ended 30th June 1964. No loss is anticipated on the trading of these two Subsidiary Companies for the six months period ended 31st December 1964.

The following items have been taken into account in arriving at the Group Trading Profit:

Remuneration of directors of Sim Lim Investments Limited	\$
Emoluments as directors (Holding Company \$6,000)	18,500
Emoluments as managers	<u>112,458</u>
	<u>\$130,958</u>
Depreciation	<u>\$59,563</u>
Auditors' remuneration	<u>\$20,950</u>
Bank overdraft interest and bank trust receipt charges less interest received	<u>\$105,577</u>

2. **EXCEPTIONAL AND PRIOR YEAR ITEMS, AFTER TAXATION**

Provision for turnover tax assessable in 1965	108,324
Demurrage claim in respect of prior year less taxation relief	<u>67,669</u>
	<u>\$175,993</u>

3. **PROFIT FOR THE YEAR AVAILABLE TO THE STOCKHOLDERS OF SIM LIM INVESTMENTS LIMITED**

The whole of the profit for the year available to the Stockholders has been dealt with in the Profit and Loss Account of Sim Lim Investments Limited.

**SIM LIM
AND ITS
CONSOLIDATED BALANCE SHEET,**

	Notes	\$	\$
CAPITAL EMPLOYED			
CAPITAL STOCK	1		10,815,500
STOCK PREMIUM	2		433,357
PROFIT UNAPPROPRIATED			<u>86,505</u>
INTERESTS OF SIM LIM INVESTMENTS STOCKHOLDERS			11,335,362
INTERESTS OF MINORITY STOCKHOLDERS			380,576
FUTURE TAXATION	3		<u>515,908</u>
			12,231,846
LESS: GOODWILL ARISING ON CONSO- LIDATION	4		<u>171,220</u>
			<u><u>\$12,060,626</u></u>
EMPLOYMENT OF CAPITAL			
FIXED ASSETS	5		1,287,672
SHARES IN AND AMOUNT OWING BY ASSOCIATED COMPANIES	6		2,464,660
TRADE INVESTMENTS	7		1,353,578
DEVELOPMENT PROPERTY	8		<u>2,381,712</u>
			7,487,622
CURRENT ASSETS			
Stock and work in progress at the lower of cost and net realisable value		3,392,168	
Debtors and prepayments less provision for doubtful debts		8,798,790	
Cash and bank balances		<u>467,140</u>	
			12,658,098
Balance on inter-company accounts arising from the consolidation of balances at different dates	9		<u>267,056</u>
			<u>12,925,154</u>
LESS: CURRENT LIABILITIES			
Indebtedness to banks			
Overdrafts (secured \$223,099)		1,721,992	
Trust receipts		<u>4,817,807</u>	
			6,539,799
Creditors and accrued liabilities		1,325,653	
Proposed dividend (net)		<u>486,698</u>	
			<u>8,352,150</u>
NET CURRENT ASSETS			<u>4,573,004</u>
			<u><u>\$12,060,626</u></u>

*For notes on the Consolidated Balance Sheet, see page 13.
For Auditors' Report, see page 14.*

INVESTMENTS LIMITED
SUBSIDIARY COMPANIES
31st DECEMBER, 1964

NOTES ON THE CONSOLIDATED BALANCE SHEET

	<u>Authorised</u>	<u>Issued and Fully Paid</u>		
	\$	\$		
1. CAPITAL				
Ordinary shares of \$1.00 each	\$30,000,000			
Ordinary stock		<u>\$10,815,500</u>		
2. STOCK PREMIUM				
Premium on stock issued pursuant to the prospectus dated 3rd March 1964		544,650		
Less:				
Stock issue expenses written off	102,793			
Preliminary expenses written off	8,500	111,293		
		<u>\$433,357</u>		
3. FUTURE TAXATION				
Income tax 1965		407,584		
Turnover tax 1965		108,324		
		<u>\$515,908</u>		
4. GOODWILL				
Goodwill arises on consolidation as follows:-				
Future taxation reserve purchased on acquisition of Sim Lim Co. Limited		211,000		
Less: Excess value of other assets of Sim Lim Co. Limited over acquisition price		<u>6,110</u>		
		204,890		
Less: Capital reserve arising on consolidation of Sim Lim Co. Limited		<u>33,670</u>		
		<u>\$171,220</u>		
5. FIXED ASSETS				
	Cost or Revaluation Less Accumulated Depreciation at Commencement of year	1964 Additions at Cost Less Sales	1964 Depreciation	
	\$	\$	\$	
Freehold land and buildings	773,045	44,589	—	817,634
Leasehold land and buildings	242,970	20,065	2,638	260,397
Furniture, fittings and equipment	136,751	9,326	19,613	126,464
Motor Vehicles	60,284	60,205	37,312	83,177
	<u>\$1,213,050</u>	<u>\$134,185</u>	<u>\$59,563</u>	<u>\$1,287,672</u>
6. SHARES IN AND AMOUNT OWING BY ASSOCIATED COMPANIES			Shares at cost or valuation	Amount owing
			\$	\$
Popular Estates Limited, at a valuation			1,013,182	1,504
Malaysia Land Investment Company Limited, at cost			715,000	572,471
Pan Malaysia Paint Industry Limited, at cost			50,000	97,920
Sim Lim Co. (Hongkong) Limited, at cost			53,625	(39,042)
			<u>\$1,831,807</u>	<u>632,853</u>
				<u>1,831,807</u>
				<u>\$2,464,660</u>

NOTES ON THE CONSOLIDATED BALANCE SHEET

7.	TRADE INVESTMENTS	\$
	Quoted shares at a valuation	
	National Iron & Steel Mills Limited-Ordinary shares (Market value \$840,444)	931,178
	Unquoted shares	
	National Iron & Steel Mills Limited-Management shares at a valuation	419,250
	Sim Wah Mining Co., Ltd. at cost	3,150
		\$ 1,353,578
8.	DEVELOPMENT PROPERTY	
	Freehold land at Island Club Road, at a valuation	922,076
	Freehold land and houses at Bartley Road, at a valuation	233,026
	Freehold land at 56 Sungei Road at a valuation	1,226,610
		\$ 2,381,712
9.	SUBSIDIARY COMPANIES	
	The years of account of two subsidiaries included in the consolidated balance sheet, end on 30th June. It has not been considered necessary to make up accounts to 31st December 1964 for these companies as no trading loss or deterioration in the value of net assets is anticipated for the six months period ended on that date.	
10.	COMMITMENTS AND CONTINGENT LIABILITIES	
	There is a commitment amounting to \$140,519 in respect of contracts entered into but not yet completed for the construction of buildings and the purchase of freehold land.	
	A group company has guaranteed bank trust receipts and letters of credit of a non group company up to an amount of \$241,406. No loss under this guarantee is expected.	

REPORT OF THE AUDITORS TO THE MEMBERS

We have examined the balance sheet of the company set out on page 8. We have obtained all the information and explanations we have required. In our opinion such balance sheet has been properly drawn up so as to exhibit a true and correct view of the state of affairs of the company according to the best of our information and the explanations given to us and as shown by the books of the company.

The consolidated balance sheet set out on page 12 incorporates figures in respect of subsidiary companies which have not been audited by us. In our opinion based upon our examination and the reports of other auditors the consolidated balance sheet gives a true and correct view of the state of affairs of the group.

COOPER BROTHERS & CO.

Chartered Accountants.

Certified Public Accountants (Malaysia)

Singapore, 17th June, 1965.

ANNEXURE 2 TO AGREED STATEMENT
OF FACTS - 2ND ANNUAL REPORT
FOR 1965 - 1966

2 ND
ANNUAL
REPORT
1965-66

In the High
Court of the
Republic of
Singapore

No. 4

Annexure 2
to agreed
Statement of
Facts

2nd Annual
Report for
1965 - 1966



SIM LIM
INVESTMENTS
LIMITED

SIM LIM INVESTMENTS LIMITED

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Audited Accounts for the year ended 31st March 1966.

Accounts

The consolidated profits before tax amounted to \$862,641.00. Provision for tax is \$408,943.00. Also included in the accounts is a provision for a contingent claim which the company has reason to believe will be made under the provision of section 44 of the Income Tax Ordinance. In recommending to the members their proposed 1965 dividend the directors acted on the basis of draft accounts approved by the Company's auditors, which accounts included a provision for the proposed dividend but did not include any provision for a potential liability under section 44 of the Income Tax Ordinance of the possibility of which claim your directors were unaware until the beginning of 1966, when they were advised that it might arise as a result of the dividend declared. Counsel's opinion has been taken and is to the effect that if such claim is made, as it is understood that it will be, the company should dispute it. The amount of the claim is likely to be the figure of \$324,464.00 and having regard to the necessity for making provision for this amount your directors are unable to recommend the payment of a dividend this year.

Directors

Soon Peng Yam (Chairman)
Lim Kok Gin
Soon Peng Leong
Toh Aik Choon
Tan Hooi Bing
Sim Lai Hee

The Articles of the Company do not require the Directors to retire.

Auditors

Messrs. Cooper Brothers & Co., Chartered Accountants, retire and being eligible offer themselves for re-appointment.

By Order of the Board
LIM, EE & CO.,
Secretaries.

SIM LIM INVESTMENTS LIMITED

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

CHAIRMAN'S STATEMENT

GENERAL REVIEW

As Chairman of the Group, it is my duty to give you the following reasons which had caused the delay in the calling of our 2nd General Meeting.

a. The closing of the financial year of Sim Lim Investments Ltd., had been changed from 31st December to 31st March under a resolution passed at the 1st General Meeting.

b. A potential liability may arise under Section 44 of the Income Tax Ordinance, of which I would refer you to the Directors' Report on page 16.

Business conditions during our financial year continued to be affected by the Indonesian confrontation. Major political events, particularly the separation of Singapore from Malaysia, which ushered Singapore into a new era, resulted in the emergence of a few vital factors which had adverse bearings on the commercial activities as a whole. Against this vicissitude, many companies were forced to re-assess their situation and to reappraise their plans. These vital factors are: —

- 1) The loss of a common market that gave rise to the necessity of re-adjusting one's position in relation to the new economic realities in this region.
- 2) The imposition of quotas and protective tariffs on numerous items by both Singapore and Malaysian Governments had severe restrictive effects on trade.
- 3) The inability on the part of both Governments to arrive at an early solution on the question of double taxation had created a state of uneasiness and anxiety which unfavourably affected the stock market.

In addition, the introduction of the Housing Developers (Control & Licensing) Ordinance by the Singapore Government in late 1965 which purported to protect the interests of house purchasers, certainly affected the financing aspect of housing development business and aggravated the difficulties already faced by bona fide housing developers. Other legislations and impositions introduced during the period which produced a deleterious effect on land development and building industry as a whole include: —

The Land Acquisition Ordinance
Housing Developers Rules 1965.
Road Making Deposit under Local Government
Integration (Amendment) Ordinance, 1965.
Planning (Provision of Car Parks) Rule, 1965.
Demand by the Public Utilities Board
for full cash deposit for electricity supply
for new housing estates.

In my report to you last year, I touched on the inevitable transformation of Singapore's economy. As a solution to problems arising out of changing conditions, your Board of Directors decided to embark on a programme of diversification which involves trading, housing development, industries, finance, planting, mining etc. During the period under review, all these activities had gained momentum.

All the activities mentioned above involved considerable capital investment, especially in the fields of planting and industries, and in particular planting which is a long-term affair. More capital involvement in stages in these fields is to be expected and it is the responsibility of your Management to ensure that funds be made available for the completion of these projects which will become future sources of regular revenue for the Group as a whole.

With regard to the consolidated profits of the Group, I would refer you to the Directors' Report on page 16.

At the time of writing, the following new developments had taken place:

1. The ending of confrontation. This has given rise to hopes of early normalisation of entrepot trade. In view of this, a more balanced policy emphasising not only on industrialisation but also on international trade would be necessary.
2. The signing of the avoidance of double taxation agreement between the two Governments. It is gratifying to note and a great relief to all that this new pact would be retrospective as from 1st January 1966.
3. The surprise announcement that negotiation for preserving the common currency had failed. This has severed one of the most vital economic and psychological links between the two countries.

In implementing any following up measures, great care has to be exercised to avoid any possible disruption and dislocation of the existing interwoven and very closely knitted economic association. It is obvious that this failure which has caused our dollar to split, would have profound and far reaching consequence in the years ahead. Immediate measure to bolster public confidence in the new monetary arrangement would have to be taken. Inflation and soaring prices which had plagued many a developing country and had brought suffering to its people due to an imbalance of payments should be a good object lesson for us especially for an island republic like Singapore which is obliged to embark on a new course with a not inconsiderable trade deficit.

Before going into more details on the various aspects of our Group's activities, I wish to reiterate that we must be able to readjust ourselves to fit into the new pattern of events following the separation. It is also vital for the well-being of both countries that their economies shall continue to be treated as one entity and it is our fervent hope that the two countries will continue to co-operate closely with each other in various fields.

TRADING

Owing to the conditions as mentioned earlier in the review we have adopted a policy to tighten our credit control. This, in addition to the growing number of goods being placed under the quota system, had resulted in a slight decline in sales turnover as compared with last year. However, in the field of tenders, we have managed to hold our ground. We succeeded in securing the tender for supply and laying of 66KV Oil-Filled Cables for the final phase of the island-wide cable network for the Public Utilities Board. A further success was the supply and installation of 22KV Submarine Cable from Pasir Panjang Power Station to Pulau Bukom. At the time of writing this report, we have just concluded an agreement with the Housing & Development Board for the supply of approximately 300 units of Fuji Elevators for the next four years.

Lately it has been the policy of statutory bodies in Singapore to make procurements on deferred payment terms. It has been our tradition to serve the needs and requirements of our clients, and in this respect, I am pleased to report that we have succeeded in being the first local company to secure foreign source of finance in connection with one of these cable contracts.

With the ending of confrontation, coupled with the signing of trade pacts with several Eastern European countries, more intense trading activities can be expected.

HOUSING

In view of the many handicaps and difficulties faced by housing developers, the rate of development in the private sector had in the past year declined quite considerably. However, we have managed to extend our activities to many parts of Malaysia. We are now operating a total number of seven projects in Kuala Lumpur, Bentong, Kedah, and Kuantan, in addition to nine projects now in progress in Singapore. All these involve an approximate number of 1,600 units and a capital outlay exceeding \$30,000,000/. Credit must be given to our associate company Malaysia Land Investment Company Limited, for its profitable ventures in this particular field.

The following are the names of various projects now in progress:

SINGAPORE: Bedokville, Bedok Garden, Mount Sinai (Phase I & II), Siew Lim Park, Tanah Merah Park, Holland Court, Bamboo Grove, East Coast Terrace, Ewe Boon Garden.

MALAYSIA:

KUALA LUMPUR: Taman Tengku Abdul Rahman, University Garden, Robson Heights.
KUANTAN: Golden Sands Resort.
BENTONG: Bentong Heights.
SUNGEI PATANI: Patani Park.
BUTTERWORTH: Butterworth Park.

SIM LIM TOWER

Plans for the construction of this multi-storey tower are still in progress. At the time of writing, more than 50% of the area has been vacated. Negotiations are under way for the removal of the remaining occupants and squatters. In view of the possible delay which is to be anticipated, we are considering modifying our plans to develop this property in two phases in order to speed up its materialisation.

INDUSTRIES

In view of the separation, Singapore will require further intensification of her industrialization programme to sustain her now independent economy. It is the policy of your Group to expand future operations in this field in the light of the changing circumstances.

I am pleased to report that all the preparatory work in establishing the most modern cement roofing tile factory has been completed and production commenced. This factory, under the control of one of our subsidiaries, Atlas Industries Limited, is equipped with fully automatic machineries designed to cope with any foreseeable demand in the near future. This plant is considered to be the most modern of its kind in South-East Asia.

Planning for the second factory by Atlas Plastic Industries Limited, another of our subsidiaries, is going on in full swing. Pioneer Certificate has already been issued to us. Order for machinery has been placed and is expected to arrive some time in October this year and production to commence next year.

FINANCE

The official opening of Sim Lim Finance Limited is scheduled in September this year. The Company has acquired the premises at 94, Robinson Road, which are being renovated. Apart from engaging in conventional financial business, we have also adopted a policy to serve the various needs of the general public.

It is my personal hope that this company will receive the support from our shareholders.

PLANTING

While logging activities continue at the 65,000 acre Chenderong Concession, your Group has, through an associate company, leased from the State Government of Trengganu a further 33,000 acres of land suitable for oil palm planting. Under this scheme, our associate company, the National Development & Finance Corporation Limited, has undertaken to plant the whole area with oil palms by stages. Felling and clearing of the 1st phase of 6,000 acres had been completed. At the time of writing planting in the field has commenced and is to be completed by February, 1967. Such a gigantic undertaking by private interest within so short a period undoubtedly will be a record in the planting annals of Malaysia.

Five thousand acres of the first phase have been sold in five-acre units to the public through an insurance society. Felling and clearing for the 2nd phase will commence in January 1967. When the whole scheme is completed, part of the planted area will be retained by your Group for investment purpose. In order to ensure the smooth operation and management of the estate in future, a company by the name of Trengganu Development & Management Company Limited was incorporated. This will provide the unit holders with the advantage of group management, which embraces the entire field of maintenance, harvesting, processing of palm fruits and the sales of such oil palm produce, etc. The fact that this new unit-holder scheme is a priority project, the full resources of the organisation will have to be mobilized for its successful implementation and timely completion.

MINING

In the course of implementing our Trengganu Oil Palm Scheme, we have discovered a few areas with tin deposits. At the time of writing, negotiations are being conducted with interested parties to make further prospecting and to determine the extent of the deposits. Simultaneously, other measures are being taken to obtain approval for mining from competent authorities.

In conclusion, on behalf of the Board of Directors, I wish to record our appreciation and thanks to all the support rendered us by our friends, customers and associates, and last but not least to the untiring service and efforts put in by the Staffs and Management of the Group.

SOON PENG YAM,
Chairman.

SIM LIM BALANCE

	<u>Notes</u>		<u>1966</u>	<u>1964</u> <u>(Note 6)</u>
		\$	\$	\$
CAPITAL EMPLOYED				
CAPITAL STOCK	1		10,815,500	10,815,500
STOCK PREMIUM	2		427,960	433,357
PROFIT UNAPPROPRIATED			<u>95,915</u>	<u>37,585</u>
			<u>\$11,339,375</u>	<u>11,286,442</u>
EMPLOYMENT OF CAPITAL				
FREEHOLD LAND AND BUILDINGS, at valuation	3		489,878	—
SHARES IN AND AMOUNTS OWING BY SUBSIDIARY COMPANIES	4		9,022,942	11,035,489
TRADE INVESTMENTS, at cost			<u>3,012,592</u>	<u>639,902</u>
			<u>12,525,412</u>	<u>11,675,391</u>
CURRENT ASSETS				
Debtors		106,504		107,457
Bank balances		<u>7,518</u>		<u>11,292</u>
			<u>114,022</u>	<u>118,749</u>
.Less:				
CURRENT LIABILITIES AND PROVISIONS				
Provision for contingencies	5	324,464		—
Bank overdraft		949,192		—
Creditors and accrued liabilities		16,736		21,000
Current taxation		9,667		—
Proposed dividend (net)		—		486,698
			<u>1,300,059</u>	<u>507,698</u>
NET CURRENT LIABILITIES			<u>1,186,037</u>	<u>388,949</u>
			<u>\$11,339,375</u>	<u>\$11,286,442</u>

For notes on the Balance sheet, see page 23.

For Auditors' Report, see page 28.

SOON PENG YAM }
TAN HOOI BING } Directors.

INVESTMENTS LIMITED

SHEET, 31st MARCH, 1966

NOTES ON THE BALANCE SHEET

	<u>Authorised</u>	<u>Issued and Fully Paid</u>
1. CAPITAL	\$	\$
Ordinary shares of \$1 each	<u>\$30,000,000</u>	
Ordinary stock		<u>\$10,815,500</u>
2. STOCK PREMIUM		
At 31st December 1964		433,357
Less		
Stock issue expenses written off		<u>5,397</u>
		<u>\$427,960</u>
3. FREEHOLD LAND AND BUILDINGS, at valuation		
The freehold land and building was acquired from Sim Lim Co., Ltd., a subsidiary company, during the year at a valuation made by a professional valuer in 1963.		
4. SHARES IN AND AMOUNTS OWING BY SUBSIDIARY COMPANIES		
Shares, at cost		9,153,552
Less		
Reduction in value resulting from the crediting of dividends declared out of preacquisition profits and a return of unrealised capital appreciation purchased along with a trade investment	255,620	
Provision for losses retained in the accounts of subsidiary companies	<u>33,364</u>	<u>288,984</u>
		8,864,568
Amounts owing by subsidiary companies	214,750	
Less		
Amounts owing to subsidiary companies	<u>56,376</u>	<u>158,374</u>
		<u>\$9,022,942</u>
5. CONTINGENT LIABILITIES		
There is a contingent liability in respect of a possible claim under Section 44 of the Income Tax Ordinance. This claim, if made, will be disputed on Counsel's advice.		
6. COMPARATIVE FIGURES		
The accounting date of Sim Lim Investments Limited was changed from 31st December to 31st March. The comparative figures are, therefore, as at 31st December 1964.		
7. GUARANTEES		
The company has guaranteed overdrafts of subsidiary companies and associated companies not exceeding \$2,270,000 and \$428,000 respectively. No loss is anticipated.		
8. STATEMENT PURSUANT TO SECTION 127(1) OF THE COMPANIES ORDINANCE (Chap. 174)		
The profit of certain subsidiary companies has been brought into these accounts to the extent of dividends declared. Net losses retained in the accounts of subsidiary companies have been provided for in the accounts of the parent company.		

SOON PENG YAM

TAN HOOI BING

} Directors.

**SIM LIM
AND ITS
CONSOLIDATED PROFIT AND LOSS ACCOUNT**

	<u>Notes</u>	<u>1966</u>	<u>1964</u> <u>(Note 4)</u>
		\$	\$
GROUP PROFIT BEFORE TAXATION	1	862,641	1,162,826
Less: Taxation based on the profit of the year		408,943	463,706
GROUP PROFIT AFTER TAXATION		<u>453,698</u>	<u>699,120</u>
Less: Exceptional and prior year items	2	433,301	175,993
		<u>20,397</u>	<u>523,127</u>
Add: Post acquisition loss applicable to company no longer consolidated		843	—
		<u>21,240</u>	<u>523,127</u>
Less: Profit for the year attributable to minority shareholders		367	(1,156)
GROUP PROFIT ATTRIBUTABLE TO THE PARENT COMPANY STOCKHOLDERS	3	20,873	524,283
Add: Group profit unappropriated brought forward from previous year		86,505	48,920
		<u>107,378</u>	<u>573,203</u>
Less: Accumulated profits retained in the accounts of subsidiary companies		—	48,920
PARENT COMPANY PROFIT AVAILABLE FOR APPROPRIATION		107,378	524,283
Dealt with as follows:—			
Transfer to goodwill		11,463	—
Dividend (net)		—	486,698
UNAPPROPRIATED PROFIT OF THE PARENT COMPANY		<u>\$ 95,915</u>	<u>\$ 37,585</u>

INVESTMENTS LIMITED

SUBSIDIARY COMPANIES

for the fifteen months ended 31st March, 1966

NOTES ON THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

1. GROUP PROFIT

The group profit includes the results of the parent company for the fifteen months ended 31st March 1966, the results of one subsidiary company for the year ended 30th June 1965 and the results of the remaining subsidiaries for the year ended 31st December 1965. No loss is anticipated on the trading of the subsidiary companies in the periods between their respective year ends and 31st March 1966.

The following items have been taken into account in arriving at the group profit:

	1966	1964
Remuneration of directors of Sim Lim Investments Limited	\$	\$
Emoluments as directors (parent company \$6,000)	20,000	18,500
Emoluments as managers	70,387	112,458
	<u>\$90,387</u>	<u>\$130,958</u>
Depreciation	<u>\$48,859</u>	<u>\$59,563</u>
Auditors' remuneration	<u>\$13,900</u>	<u>\$20,950</u>
Bank overdraft interest and bank trust receipt charges less interest received	<u>\$119,922</u>	<u>\$105,577</u>
Income from trade investments (gross)	313,355	—
Income from other investments	45	—
	<u>\$313,400</u>	<u>\$ —</u>

2. EXCEPTIONAL AND PRIOR YEAR ITEMS

Demurrage claim in respect of prior year less taxation relief	—	67,669
Provision for turnover tax 1966	81,157	108,324
Provision for contingencies	324,464	—
Dividend received on trade investment which represents a return of unrealised capital appreciation purchased along with the investment	90,000	—
	<u>495,621</u>	<u>175,993</u>
Less: Provision for turnover tax no longer required	62,320	—
	<u>\$433,301</u>	<u>\$175,993</u>

3. PROFIT FOR THE YEAR AVAILABLE TO THE PARENT COMPANY STOCKHOLDERS

The whole of the profit for the year available to the stockholders has been dealt with in the profit and loss account of Sim Lim Investments Limited.

4. COMPARATIVE FIGURES

The accounting date of the parent company was changed from 31st December to 31st March. The comparative figures are therefore, for the year ended 31st December 1964.

**SIM LIM
AND ITS
CONSOLIDATED**

	Notes	1966	1964 (Note 11)
		\$	\$
CAPITAL EMPLOYED			
CAPITAL STOCK	1	10,815,500	10,815,500
STOCK PREMIUM	2	427,960	433,357
PROFIT UNAPPROPRIATED		95,915	86,505
		<u>11,339,375</u>	<u>11,335,362</u>
INTERESTS OF MINORITY STOCKHOLDERS		55,926	380,576
FUTURE TAXATION	3	—	515,908
		<u>11,395,301</u>	<u>12,231,846</u>
Less: GOODWILL ARISING ON CONSO- LIDATION AND PRELIMINARY EXPENSES	4	193,482	171,220
		<u>\$11,201,819</u>	<u>\$12,060,626</u>
EMPLOYMENT OF CAPITAL			
FIXED ASSETS	5	1,265,234	1,287,672
SHARES IN AND AMOUNTS OWING BY SUBSIDIARY COMPANY NOT CONSO- LIDATED	6	347,347	—
TRADE INVESTMENTS at cost or valuation		5,514,965	3,818,238
DEVELOPMENT PROPERTY	7	2,681,070	2,381,712
		<u>9,808,616</u>	<u>7,487,622</u>
CURRENT ASSETS			
Stock and work in progress at the lower of cost and net realisable value, less progress pay- ments		3,188,500	3,392,168
Dividends receivable		99,003	—
Debtors and Pre-payments less provision for doubtful debts		8,113,644	8,798,790
Government of Malaysia National Defence bonds, at cost		4,900	—
Cash and bank balances		111,552	467,140
		<u>11,517,599</u>	<u>12,658,098</u>
Less			
Balance on inter-company accounts arising from the consolidation of balances at different dates	8	5,314	267,056
		<u>11,512,285</u>	<u>12,925,154</u>
Less:			
CURRENT LIABILITIES			
Indebtedness to banks			
Overdrafts (secured \$949,192)		2,788,842	1,721,992
Trust receipts		4,701,061	4,817,807
		<u>7,489,903</u>	<u>6,539,799</u>
Provision for contingencies	9	324,464	—
Creditors and accrued liabilities		1,816,940	1,325,653
Current taxation	3	487,775	—
Proposed dividend (net)		—	486,698
		<u>10,119,082</u>	<u>8,352,150</u>
NET CURRENT ASSETS		<u>1,393,203</u>	<u>4,573,004</u>
		<u>\$11,201,819</u>	<u>\$12,060,626</u>

INVESTMENTS LIMITED
SUBSIDIARY COMPANIES
BALANCE SHEET, 31st March 1966

NOTES ON THE CONSOLIDATED BALANCE SHEET

	<u>Authorised</u>	<u>Issued and Fully Paid</u>	
	\$	\$	
1. CAPITAL			
Ordinary shares of \$1 each	<u>\$30,000,000</u>		
Ordinary stock		<u>\$10,815,500</u>	
2. STOCK PREMIUM			
At 31st December 1964		433,357	
Less:			
Stock issue expenses written off		<u>5,397</u>	
		<u>\$427,960</u>	
3. FUTURE TAXATION			
Resulting from the change in the parent company's year end from 31st December to 31st March, taxation for the year of assessment 1966 has been included in current liabilities as follows:—			
Income tax—1966		261,500	
Turnover tax—1966		<u>80,000</u>	
		341,500	
Taxation in respect of prior years of assessment		<u>146,275</u>	
		<u>\$487,775</u>	
4. GOODWILL ARISING ON CONSOLIDATION			
At 31st December 1964		171,220	
Add: Adjustments on share movements during year	30,404		
Less: Post acquisition profit of a subsidiary set off against pre acquisition loss	<u>11,463</u>		
		<u>18,941</u>	
Add:		190,161	
PRELIMINARY EXPENSES		<u>3,321</u>	
		<u>\$193,482</u>	
5. FIXED ASSETS			
	Cost or Revaluation	Additions at Cost Less Sales for period	Depreciation for period
	Less Accumulated Depreciation at Commencement of period		
	\$	\$	\$
Freehold land and buildings	817,634	70,434	—
Leasehold land and buildings	260,397	(84,706)	2,638
Furniture, fittings and equipment	126,464	(4,149)	11,131
Motor Vehicles	83,177	44,842	35,090
	<u>\$1,287,672</u>	<u>\$26,421</u>	<u>\$48,859</u>
			<u>\$1,265,234</u>
6. SHARES IN AND AMOUNTS OWING BY SUBSIDIARY NOT CONSOLIDATED			
The accounts of one subsidiary have not been consolidated as the company has not yet commenced trading.			

SIM LIM INVESTMENTS LIMITED

AND ITS SUBSIDIARY COMPANIES

NOTES ON THE CONSOLIDATED BALANCE SHEET

7. DEVELOPMENT PROPERTY

These properties are included at a value ascertained by a professional valuation in 1963 with subsequent additions at cost.

8. SUBSIDIARY COMPANIES

The accounts of one subsidiary included in the consolidated balance sheet end on 30th June 1965 and the remaining subsidiaries end on 31st December 1965. It has not been considered necessary to make up accounts to 31st March 1966 for these companies as no material trading loss or deterioration in the value of net assets is anticipated for the period ended on that date.

COMMITMENTS AND CONTINGENT LIABILITIES

9. There is a contingent liability in respect of a possible claim under Section 44 of the Income Tax Ordinance. This claim, if made, will be disputed on Counsel's advice.

10. Group companies have guaranteed the overdrafts of associated companies up to a maximum of \$481,500. A group company has guaranteed bank trust receipts and letters of credit of other companies up to an amount of \$280,234. No loss under these guarantees is expected.

11. COMPARATIVE FIGURES

The accounting date of the parent company was changed from 31st December to 31st March. The comparative figures, are, therefore, as at 31st December 1964.

REPORT OF THE AUDITORS TO THE MEMBERS

We have examined the balance sheet of the company set out on page 22. We obtained all the information and explanations we required. In our opinion such balance sheet has been properly drawn up so as to exhibit a true and correct view of the state of affairs of the company, according to the best of our information and the explanations given to us and as shown by the books of the company.

The consolidated balance sheet and consolidated profit and loss account set out on pages 24 and 26 incorporate figures in respect of subsidiary companies which have not been audited by us. In our opinion based upon our examination and the reports of other auditors the consolidated balance sheet and the consolidated profit and loss account give a true and correct view of the state of affairs and the results of the group.

Cooper Brothers & Co.,
Chartered Accountants,

PUBLIC ACCOUNTANTS, SINGAPORE.

Singapore, 25th August 1966.

SIM LIM INVESTMENTS LIMITED.

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

REGISTERED OFFICE

138, ROBINSON ROAD, SINGAPORE 1.

REGISTRARS

ABACUS (MALAYA) LIMITED

Denmark House,
Raffles Quay,
Singapore, 1.

SUBSIDIARY COMPANIES

	<u>Group Interest</u>	<u>Outside Stockholders Interest</u>
SIM LIM CO., LIMITED	100%	—
SIM LIM CO., (MALAYA) LIMITED	100%	—
SIM LIM FINANCE LIMITED	100%	—
WARREN MINING LIMITED	100%	—
NANYANG FINANCE CO., LIMITED	100%	—
SIM HUAT CO., LIMITED	100%	—
SIM BIAN CO., LIMITED	64%	36%
ATLAS INDUSTRIES LIMITED	75%	25%

L.L.

NO.4

ANNEXURE 3 TO AGREED STATEMENT
OF FACTS
AUDITED ACCOUNTS OF THE
APPELLANTS FOR 1964

In the High
Court of the
Republic of
Singapore

No. 4

Annexure 3 to
agreed State-
ment of Facts

Audited Accounts
of the
Appellants
for 1964

11/1.

SIM LIM INVESTMENTS
LIMITED

PROFIT AND LOSS
ACCOUNT

for the period from 25th October 1963 (date of incorporation)
to 31st December 1964

Dividend from subsidiary company (gross)		£	1,192,500
Interest on advances			<u>27,894</u>
			1,220,394
Less			
Printing and stationery	3,341		
Postage and telegram	789		
General expenses	3,817		
Travelling	508		
Directors' fee	6,000		
Provision for audit and secretarial fees	15,000		
Bank charges	<u>114</u>		<u>29,569</u>
PROFIT BEFORE TAXATION			1,190,825
Less			
Taxation on the profit for the period			<u>477,000</u>
PROFIT AFTER TAXATION			713,825
Less			
Reduction in value resulting from the crediting of dividends declared out of preacquisition profits	189,542		
Proposed ordinary dividend of 7½% less income tax	<u>486,698</u>		<u>676,240</u>
PROFIT UNAPPROPRIATED		£	<u><u>37,585</u></u>

Certified a true copy of the audited profit and loss
account of Sim Lim Investments Limited.

Cooper Brothers & Co.

Chartered Accountants
PUBLIC ACCOUNTANTS, SINGAPORE.

Singapore, 1st September 1967

MALAYAN SHIPBREAKERS LTD.

Two naval frigates were purchased during the second half of 1964 and were being broken up for scrap, which is being supplied to the 2 steel mills in Singapore. As the financial year of this company ends at 30th June each year, profit and loss figure has yet to be made available.

OTHER PROJECTS

There are a few other projects which are in the course of finalisation and the Board deems it too premature to announce them at this juncture.

GENERAL

On the overall situation, the following points are noteworthy.

1. Our government has embarked on a high rate development programme to generate more intense economic activities in order to speed up the task of improving the living standard especially in the rural area. It is hoped that the adverse effect of the confrontation will thus be offset.
2. To increase the tempo of this development in face of heavier defence expenditure has necessitated the raising of additional revenue by the Central Government in the form of new taxes such as payroll, Capital gains and turnover taxes. These measures have caused not inconsiderable hardship to traders.
3. There is a steady erosion of the free-port status of Singapore as a result of increasing restrictive measures on imported goods in order to protect local industries.
4. Agreement has been reached between the Singapore and the Central Government to establish a Common Market. The Tariff Advisory Board has already issued its second list of commodities recommended for protection. This is a step in the direction to encourage further industrial growth in Malaysia.

Your Board feels that in spite of keen competition, more difficult trading conditions and the possible worsening of the confrontation, the Group will maintain its current rate of expansion and progress subject of course to unforeseen circumstances.

The efforts aforementioned bespeak the Board's desire to fully meet the expectation of many shareholders like you who have shown your good will towards the Group and it is the Board's sincere hope that your support and confidence in the Group will grow.

Finally, on behalf of the Directors, I would like to take this opportunity to express our sincere appreciation for the support given by the Public and for the loyalty and efficient service of our staff.

SOON PENG YAM,
Chairman.

SIM LIM BALANCE SHEET,

	Notes	\$	\$
CAPITAL EMPLOYED			
CAPITAL STOCK	1		10,815,500
STOCK PREMIUM	2		433,357
PROFIT UNAPPROPRIATED			37,585
			<u>\$11,286,442</u>
EMPLOYMENT OF CAPITAL			
SHARES IN AND AMOUNT OWING			
BY SUBSIDIARY COMPANIES	3		11,035,489
SHARES IN AND AMOUNT OWING			
BY ASSOCIATED COMPANY	4		634,902
TRADE INVESTMENT	5		<u>5,000</u>
			11,675,391
CURRENT ASSETS			
Debtors		107,457	
Bank balances		<u>11,292</u>	
		118,749	
LESS: CURRENT LIABILITIES			
Creditors and accrued liabilities		21,000	
Proposed dividend (net)		<u>486,698</u>	
		507,698	
NET CURRENT LIABILITIES			<u>388,949</u>
			<u>\$11,286,442</u>

*For notes on the Balance sheet, see page 9.
For Auditors' Report, see page 14.*

SOON PENG YAM
TAN HOOI BING

} Directors.

INVESTMENTS LIMITED
31st DECEMBER, 1964

NOTES ON THE BALANCE SHEET

	<u>Authorised</u>	<u>Issued and Fully Paid</u>
	\$	\$
1. CAPITAL		
Ordinary shares of \$1.00 each	\$30,000,000	
Ordinary stock		<u>\$10,815,500</u>
2. STOCK PREMIUM		
Premium on stock issued pursuant to the prospectus dated 3rd March 1964		544,650
Less		
Stock issue expenses written off	102,793	
Preliminary expenses written off	<u>8,500</u>	<u>111,293</u>
		<u>\$433,357</u>
3. SHARES IN AND AMOUNT OWING BY SUBSIDIARY COMPANIES		
Shares in Sim Lim Co. Limited, at cost		4,865,400
Less		
Reduction in value resulting from the crediting of dividends declared out of preacquisition profits		<u>189,542</u>
		4,675,858
Amount owing by		
Sim Lim Co. Limited	6,012,476	
Sim Lim Co. (Malaya) Limited	137,714	
Malayan Shipbreakers Limited	<u>209,441</u>	<u>6,359,631</u>
		<u>\$11,035,489</u>
4. SHARES IN AND AMOUNT OWING BY ASSOCIATED COMPANY		
Malaysia Land Investment Company Limited		
Shares, at cost		214,900
Amount owing		<u>420,002</u>
		<u>\$634,902</u>
5. TRADE INVESTMENT		
Shares in National Iron & Steel Mills Limited, at cost (Market value \$5,850)		<u>\$5,000</u>
6. STATEMENT PURSUANT TO SECTION 127(1) OF THE COMPANIES ORDINANCE (Chap. 174)		
The aggregate profit of the subsidiary companies has been brought into these accounts to the extent of dividends declared. The minor losses of certain subsidiary companies have, in the books of those companies, been deducted from unappropriated profits brought forward.		

SOON PENG YAM
TAN HOOI BING

} Directors.

**SIM LIM
AND ITS
CONSOLIDATED PROFIT
for the year ended**

	Notes	\$
TRADING PROFIT BEFORE TAXATION	1	1,162,826
TAXATION BASED ON THE PROFIT FOR THE YEAR		<u>463,706</u>
TRADING PROFIT AFTER TAXATION		699,120
LESS: EXCEPTIONAL AND PRIOR YEAR ITEMS, AFTER TAXATION	2	<u>175,993</u>
GROUP PROFIT FOR THE YEAR		523,127
ADD: INTERESTS OF MINORITY STOCKHOLDERS IN LOSSES OF SUBSIDIARY COMPANIES		<u>1,156</u>
PROFIT FOR THE YEAR AVAILABLE TO THE STOCKHOLDERS OF SIM LIM INVESTMENTS LIMITED	3	524,283
PROPOSED ORDINARY DIVIDEND OF 7½% LESS INCOME TAX		<u>486,698</u>
PROFIT FOR THE YEAR RETAINED		37,585
ADD: PROFIT FOR THE PERIOD ENDED 31st DECEMBER 1963		<u>48,920</u>
PROFIT UNAPPROPRIATED		<u><u>\$86,505</u></u>

For notes on the Consolidated Profit and Loss Account, see page 11.

For Auditors' Report, see page 14.

ANNEXURE 4 TO AGREED STATEMENT
OF FACTS AUDITED ACCOUNTS OF
APPELLANTS FOR 1965

In the High
Court of the
Republic of
Singapore

No. 4

Annexure 4 to
Agreed
Statement of
Facts

Audited
Accounts of
Appellants
for 1965

SIM LIM INVESTMENTS LIMITEDPROFIT AND LOSS ACCOUNTfor the period 1st January 1965 to 31st March 1966

		<u>1964</u>
	\$	\$
Dividend from subsidiary companies (gross)	1,020,000	1,192,500
Dividends from trade investments (gross)	143,000	-
Interest on advances	<u>43,169</u>	<u>27,894</u>
	\$ 1,206,169	<u>1,220,394</u>
Registrars fees	7,930	1,387
Printing and stationery	4,086	3,341
Postage and telegrams	1,730	789
General expenses	9,865	2,544
Travelling	6,880	508
Directors' fees	6,000	6,000
Provision for audit and secretarial fees	10,500	15,000
Interest on bank overdraft	<u>4,932</u>	<u>-</u>
	<u>51,923</u>	<u>29,569</u>
PROFIT BEFORE TAXATION	1,154,246	1,190,825
Less		
Taxation on the profit for the period	<u>482,468</u>	<u>477,000</u>
PROFIT AFTER TAXATION	671,778	<u>713,825</u>
Less		
EXCEPTIONAL ITEMS:-		
Provision for contingencies	324,464	
Provision for losses retained in the accounts of subsidiary companies	33,364	
Reduction in value of shares in subsidiary companies resulting from the crediting of dividends declared out of pre-acquisition profits and a return of unrealised capital appreciation purchased along with a trade investment	<u>255,620</u>	<u>189,542</u>
	<u>613,448</u>	<u>189,542</u>
PROFIT AVAILABLE FOR APPROPRIATION	58,330	524,283
Proposed ordinary dividend, less income tax	<u>-</u>	<u>486,698</u>
PROFIT UNAPPROPRIATED	58,330	37,585
PROFIT UNAPPROPRIATED BROUGHT FORWARD	37,585	-

PLANTING

While logging activities continue at the 65,000 acre Chenderong Concession, your Group has, through an associate company, leased from the State Government of Trengganu a further 33,000 acres of land suitable for oil palm planting. Under this scheme, our associate company, the National Development & Finance Corporation Limited, has undertaken to plant the whole area with oil palms by stages. Felling and clearing of the 1st phase of 6,000 acres had been completed. At the time of writing planting in the field has commenced and is to be completed by February, 1967. Such a gigantic undertaking by private interest within so short a period undoubtedly will be a record in the planting annals of Malaysia.

Five thousand acres of the first phase have been sold in five-acre units to the public through an insurance society. Felling and clearing for the 2nd phase will commence in January 1967. When the whole scheme is completed, part of the planted area will be retained by your Group for investment purpose. In order to ensure the smooth operation and management of the estate in future, a company by the name of Trengganu Development & Management Company Limited was incorporated. This will provide the unit holders with the advantage of group management, which embraces the entire field of maintenance, harvesting, processing of palm fruits and the sales of such oil palm produce, etc. The fact that this new unit-holder scheme is a priority project, the full resources of the organisation will have to be mobilized for its successful implementation and timely completion.

MINING

In the course of implementing our Trengganu Oil Palm Scheme, we have discovered a few areas with tin deposits. At the time of writing, negotiations are being conducted with interested parties to make further prospecting and to determine the extent of the deposits. Simultaneously, other measures are being taken to obtain approval for mining from competent authorities.

In conclusion, on behalf of the Board of Directors, I wish to record our appreciation and thanks to all the support rendered us by our friends, customers and associates, and last but not least to the untiring service and efforts put in by the Staffs and Management of the Group.

SOON PENG YAM,
Chairman.

SIM LIM BALANCE

	<u>Notes</u>		<u>1966</u>	<u>1964 (Note 6)</u>
CAPITAL EMPLOYED		\$	\$	\$
CAPITAL STOCK	1		10,815,500	10,815,500
STOCK PREMIUM	2		427,960	433,357
PROFIT UNAPPROPRIATED			95,915	37,585
			<u>\$11,339,375</u>	<u>11,286,442</u>
EMPLOYMENT OF CAPITAL				
FREEHOLD LAND AND BUILDINGS, at valuation	3		489,878	—
SHARES IN AND AMOUNTS OWING BY SUBSIDIARY COMPANIES	4		9,022,942	11,035,489
TRADE INVESTMENTS, at cost			3,012,592	639,902
			<u>12,525,412</u>	<u>11,675,391</u>
CURRENT ASSETS				
Debtors		106,504		107,457
Bank balances		7,518		11,292
		<u>114,022</u>		<u>118,749</u>
Less:				
CURRENT LIABILITIES AND PROVISIONS				
Provision for contingencies	5	324,464		—
Bank overdraft		949,192		—
Creditors and accrued liabilities		16,736		21,000
Current taxation		9,667		—
Proposed dividend (net)		—		486,698
		<u>1,300,059</u>		<u>507,698</u>
NET CURRENT LIABILITIES			<u>1,186,037</u>	<u>388,949</u>
			<u>\$11,339,375</u>	<u>\$11,286,442</u>

*For notes on the Balance sheet, see page 23.
For Auditors' Report, see page 28.*

SOON PENG YAM }
TAN HOOI BING } Directors.

INVESTMENTS LIMITED

SHEET, 31st MARCH, 1966

NOTES ON THE BALANCE SHEET

	<u>Authorised</u>	<u>Issued and Fully Paid</u>
	\$	\$
1. CAPITAL		
Ordinary shares of \$1 each	<u>\$30,000,000</u>	
Ordinary stock		<u>\$10,815,500</u>
2. STOCK PREMIUM		
At 31st December 1964		433,357
Less		
Stock issue expenses written off		<u>5,397</u>
		<u>\$427,960</u>
3. FREEHOLD LAND AND BUILDINGS, at valuation		
The freehold land and building was acquired from Sim Lim Co., Ltd., a subsidiary company, during the year at a valuation made by a professional valuer in 1963.		
4. SHARES IN AND AMOUNTS OWING BY SUBSIDIARY COMPANIES		
Shares, at cost		9,153,552
Less		
Reduction in value resulting from the crediting of dividends declared out of preacquisition profits and a return of unrealised capital appreciation purchased along with a trade investment	255,620	
Provision for losses retained in the accounts of subsidiary companies	<u>33,364</u>	<u>288,984</u>
		8,864,568
Amounts owing by subsidiary companies	214,750	
Less		
Amounts owing to subsidiary companies	<u>56,376</u>	<u>158,374</u>
		<u>\$9,022,942</u>
5. CONTINGENT LIABILITIES		
There is a contingent liability in respect of a possible claim under Section 44 of the Income Tax Ordinance. This claim, if made, will be disputed on Counsel's advice.		
6. COMPARATIVE FIGURES		
The accounting date of Sim Lim Investments Limited was changed from 31st December to 31st March. The comparative figures are, therefore, as at 31st December 1964.		
7. GUARANTEES		
The company has guaranteed overdrafts of subsidiary companies and associated companies not exceeding \$2,270,000 and \$428,000 respectively. No loss is anticipated.		
8. STATEMENT PURSUANT TO SECTION 127(1) OF THE COMPANIES ORDINANCE (Chap. 174)		
The profit of certain subsidiary companies has been brought into these accounts to the extent of dividends declared. Net losses retained in the accounts of subsidiary companies have been provided for in the accounts of the parent company.		

SOON PENG YAM

TAN HOOI BING

} Directors.

**SIM LIM
AND ITS
CONSOLIDATED PROFIT AND LOSS ACCOUNT**

	<u>Notes</u>	<u>1966</u>	<u>1964 (Note 4)</u>
		\$	\$
GROUP PROFIT BEFORE TAXATION	1	862,641	1,162,826
Less: Taxation based on the profit of the year		408,943	463,706
GROUP PROFIT AFTER TAXATION		<u>453,698</u>	<u>699,120</u>
Less: Exceptional and prior year items	2	433,301	175,993
		<u>20,397</u>	<u>523,127</u>
Add: Post acquisition loss applicable to company no longer consolidated		843	—
		<u>21,240</u>	<u>523,127</u>
Less: Profit for the year attributable to minority shareholders		367	(1,156)
GROUP PROFIT ATTRIBUTABLE TO THE PARENT COMPANY STOCKHOLDERS	3	20,873	524,283
Add: Group profit unappropriated brought forward from previous year		86,505	48,920
		<u>107,378</u>	<u>573,203</u>
Less: Accumulated profits retained in the accounts of subsidiary companies		—	48,920
PARENT COMPANY PROFIT AVAILABLE FOR APPROPRIATION		107,378	524,283
Dealt with as follows: —			
Transfer to goodwill		11,463	—
Dividend (net)		—	486,698
UNAPPROPRIATED PROFIT OF THE PARENT COMPANY		<u>\$ 95,915</u>	<u>\$ 37,585</u>

13.

NC. 4

ANNEXURE 5 TO AGREED STATEMENT
OF FACTS - AUDITED ACCOUNTS OF
SIM LIM COMPANY LIMITED FOR
1964

In the High
Court of the
Republic of
Singapore

No. 4

Annexure 5
to agreed
Statement of
Facts -
Audited
Accounts of
Sim Lim
Company
Limited for
1964

JEE AH CHIAN & CO,
Kuala Lumpur,
Room 1E, 1st Floor,
142, Jalan Tuanku Abdul Rahman.

JAC/TRC/YKC

Singapore 15th March, 1965.

The Shareholders,
SIM LIM COMPANY LIMITED,
Singapore.

Dear Sirs,

We have examined the attached Balance Sheet with the books and vouchers of the Company and have obtained all the information and explanations we have required.

In our opinion, the attached Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

Yours faithfully,

Jee Ah Chian & Co.

CERTIFIED ACCOUNTANTS,
CERTIFIED PUBLIC ACCOUNTANTS (MALAYSIA),
AUDITORS.

CONTINGENT LIABILITIES

- (a) There is a commitment in respect of outstanding capital expenditure on premises amounting to \$111,102/-.
 - (b) The Company had guaranteed the Bank Trust Receipts and Letters of Credit for Union Enterprise Company amounting to \$210,381/- and \$22,025/- respectively.
 - (c) There is a contingent liability in respect of a bill discounted amounting to \$1,410/-.
-

SIM LIM COMPANY LIMITED

ADDING AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1964

	<u>ACCOUNT</u>
1,313,685-44	11,640,981-62
11,014,082-23	1,336,313-08
649,527-03	
<u>12,977,294-70</u>	<u>12,977-294-70</u>
294,439-01	649,527-03
74,053-00	394,218-95
10,149-80	
36,433-12	6,490-00
14,989-33	3,600-00
9,525-47	5,765-40
14,331-71	473-20
12,098-20	7,800-00
1,500-00	<u>18,358-54</u>
9,000-00	
2,500-00	
1,574-93	
800-00	
4,017-44	
28,377-08	
101,186-97	
2,029-40	
14,759-78	
959-75	
13,037-22	
2,221-20	
A 570 00	
Sales Less Returns	11,640,981-62
Stock at 31st December, 1964	1,336,313-08
Gross Profit for the year brought down	649,527-03
Commission Received	394,218-95
Rent Received:-	
1-4, Hill Lane	6,490-00
94, Robinson Road	3,600-00
86, Sargei Road	5,765-40
30, Jalan Benar	473-20
138, Robinson Road	7,800-00
11, 15, 17, 19, 21 & 23 Beartley Road	<u>18,358-54</u>
Ground Rent Received - Island Club Property	
Hire Charges Received on Furniture, Air-Conditioners, etc: less Expenses Paid -	
94, Robinson Road	8,150-00
Interest Received	123,773-98
Profit on A.B.C. Coutes Cable Contract	95,950-11
Bad Debts Recovered	194-75
Profit on Tiling Jobs	67,456-62
Management Fees Receivable from Malaysia Land Investment Company Limited	89,630-00

JEE AH CHIAN & CO.,
Certified Accountants,
Certified Public Accountants (Malaya)
SINGAPORE./K. LUMPUR.

SIM LIM COMPANY LIMITED

BALANCE SHEET AT 31ST DECEMBER, 1964

ACCOUNT

SHARE CAPITALAUTHORISED

100,000 Shares of \$100/- each \$10,000,000-00

ISSUED

15,900 Shares of \$100/- each, fully paid - 1,590,000-00

CAPITAL RESERVE - Surplus on Revaluation of Assets 2,731,451-00

PROFIT & LOSS APPROPRIATION ACCOUNT 24,283-59

4,345,734-59

HOLDING COMPANY - Sim Lim Investments Limited 5,296,976-22

SUBSIDIARY & ASSOCIATE COMPANIES

Sim Lim Company (M.K.) Limited, Hongkong 38,482-02

Warren Mining Limited 387,142-46 425,024-48

CURRENT LIABILITIES & PROVISIONS

SUNDRY CREDITORS - As per Statement I 204,877-63

DIRECTORS' CURRENT ACCOUNTS

Soon Peng Yan - Managing Director 17,021-58
Sin Lai Hoo 5,986-39
Soon Peng Loong 528-44
Lin Kok Gin 1,500-00 25,036-41

DEPOSIT PAYABLE 600-00

ACCRUED CHARGES - As per Statement II 20,145-29

WORK-IN-PROGRESS

B & C Coutes Cable Contracts 114,902-33
Transformers Installation 65,474-44 180,376-77

PROVISION FOR DIVIDEND 715,500-00

PROVISION FOR INCOME TAX 250,938-52

PROVISION FOR TURNOVER TAX 62,319-93 1,459,794-55

BANK OVERDRAFTS & TRUST RECEIPTS

Overdrafts - Partly Secured 1,205,482-49
Trust Receipts 3,591,320-60 4,796,803-09

\$16,324,932-93

FIXED ASSETS

LAND & BUILDINGS - At Revaluation 3,286,345-97

As per Statement III

SUNDRY FIXED ASSETS - At Cost Less Depreciation

As per Statement IV 118,975-92
3,405,321-89

INVESTMENT - At Cost & at Revaluation

As per Statement V 4,499,777-80

SUBSIDIARY & ASSOCIATE COMPANIES

As per Statement VI 1,012,899-71

CURRENT ASSETSSTOCK IN TRADE

As Certified by Manager & Director 1,336,313-08
Work-In-Progress - Tiling Dept. 4,223-81 1,340,536-89

SUNDRY DEBTORS

As per Statement VII 5,653,420-11
Less Provision for Doubtful Debts 55,000-00 5,598,420-11

DIRECTORS' CURRENT ACCOUNTS

Tan Hooi Bing 11,112-60
Toh Aik Choon 34,408-80 45,521-20

SUNDRY DEPOSITS

6,251-75

ACCOUNTS RECEIVABLE - Rent

3,432-70

CASH IN HAND & AT BANKS

413,070-88 7,407,233-53

\$16,324,932-93

SUBSIDIARY COMPANIES

Statement pursuant to Section 127(1) of the Companies Ordinance 1956. The profit of one Subsidiary Company has been taken into these accounts to the extent of dividends declared.

The profit or loss of other Subsidiary Companies has not been taken into these accounts.

(Sgd) Illegible - Director

(Sgd) Illegible - Secretary

This is the Balance Sheet referred to in our attached Report of this date, addressed to the Shareholders of SIM LIM COMPANY LIMITED.

(Sd) Jee Ah Chian & Co. - Chartered Accountants,
Certified Public Accountants (Malaysia), - AUDITORS.

S'PORE, 15th March, 1965. - JAC/T

14.

NO. 4

ANNEXURE 6 TO AGREED STATEMENT
OF FACTS - AUDITED ACCOUNTS OF
SIM LIM COMPANY LIMITED FOR 1965

In the High
Court of the
Republic of
Singapore

No. 4

Annexure 6
to agreed
Statement of
Facts -
Audited
Accounts of
Sim Lim
Company
Limited for
1965

JEE AH CHIAN & CO.,
Kuala Lumpur,
Room 1E, 1st Floor,
142, Jalan Tuanku Abdul
Rahman.

JAC/TKC/YKC

Singapore 7th April, 1966.

The Shareholders,
SIM LIM COMPANY LIMITED,
Singapore.

Dear Sirs,

We have examined the attached Balance Sheet with the books and vouchers of the Company and have obtained all the information and explanations we have required.

In our opinion, the attached Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

Yours faithfully,

Jee Ah Chian & Co.

CERTIFIED ACCOUNTANTS,
PUBLIC ACCOUNTANTS, SINGAPORE,
CERTIFIED PUBLIC ACCOUNTANTS (MALAYSIA),
AUDITORS.

CONTINGENT LIABILITIES

- (a) The Company had guaranteed the Bank Trust Receipts of a Firm amounting to \$12,533-69.
- (b) The Company had guaranteed the bank overdraft of an associate Company up to the extent of Hongkong Dollars One hundred thousand (HK\$100,000/-).
- (c) The Company had guaranteed the Letters of Credit of another Company up to the extent of Hongkong Dollars Five hundred thousand (HK\$500,000/-).
- (d) There is an outstanding forward exchange contract amounting to \$291,461-10.

SIM LIM COMPANY LIMITED
BALANCE SHEET AT 31ST DECEMBER, 1965

JEE AH CHIAN & CO.
Certified Accountants,
Certified Public Accountants (Malaya)

ACCOUNT

SHARE CAPITALAUTHORISED

100,000 Shares of \$100/- each \$10,000,000-00

ISSUED

15,900 Shares of \$100/- each, Fully paid 1,590,000-00
Add 100 " " \$100/- " " " 10,000-00
16,000 " " \$100/- " " " 1,600,000-00

CAPITAL RESERVE -- Surplus on Revaluation of Assets 2,731,451-00

PROFIT & LOSS APPROPRIATION ACCOUNT 25,761-63
4,357,212-63

ASSOCIATE & SUBSIDIARY COMPANIES

Warren Mining Ltd. 387,142-46
Popular Estate Ltd. 349,683-80
Malayan Shipbreakers Ltd. 228,989-88 965,816-14

CURRENT LIABILITIES & PROVISIONS

SUNDRY CREDITORS -- As Per Statement I 198,260-37

DIRECTOR'S CURRENT ACCOUNT -- Sim Lai Hoo 1,627-34

DEPOSIT PAYABLE 600-00

ACCRUED CHARGES

As Per Statement II 75,222-85
Directors' Fees 9,000-00 84,222-85

SUNDRY CONTRACTS 147,185-81

PROVISION FOR DIVIDEND 432,000-00

PROVISION FOR INCOME TAX 85,000-00 948,896-37

BANK OVERDRAFTS & TRUST RECEIPTS

Overdrafts - Clean 1,047,447-03
Trust Receipts 3,557,683-70 4,605,130-73

\$10,877,055-87

FIXED ASSETSLAND & BUILDINGS - At Revaluation

As Per Statement III 353,022-70

SUNDRY FIXED ASSETS - At Cost Less Depreciation

As Per Statement IV 119,210-97
472,233-67

TRADE INVESTMENTS - At Cost & at Revaluation

As Per Statement V 2,658,710-00

GOVERNMENT SECURITY

\$5,000/- Govt: of Malaysia National Defence
Bonds 4,900-00

HOLDING COMPANY - Sim Lim Investments Ltd.

81,047-66

ASSOCIATE COMPANIES

As Per Statement VI 1,026,729-99

CURRENT ASSETSSTOCK IN TRADE

As Certified by Manager & Director 1,208,060-19
Work-In-Progress - Tiling Dept. 88,647-17 1,386,707-36

SUNDRY DEBTORS

As Per Statement VII 4,823,277-50
Less Provision for Doubtful Debts 55,000-00 4,768,277-50

DIRECTORS' CURRENT ACCOUNT

Soon Peng Yan 1,812-29
Tan Hooi Bing 2,794-20
Toh Aik Choon 12,941-37 17,547-86

SUNDRY CONTRACTS

76,716-31

SUNDRY DEPOSITS

65,496-73

ACCOUNTS RECEIVABLE

170,742-43

DIVIDENDS RECEIVABLE

99,003-00

CASH IN HAND & AT BANKS

48,943-32 6,633,434-55

\$10,877,055-87

This is the Balance Sheet referred to in the attached Report of even date,
addressed to the Shareholders of SIM LIM CO., LTD., Singapore.

(Sd) JEE AH CHIAN & CO.,
CERTIFIED ACCOUNTANTS,
PUBLIC ACCOUNTANTS, SINGAPORE,
CERTIFIED PUBLIC ACCOUNTANTS (MALAYSIAN),
AUDITORS.

(Sgd) Illegible
Directors

(Sgd) Illegible
Secretary

S'PORE, 7TH APRIL, 1966.
JAC/TKC/YKC.

JEE AH CHIAN & CO.
 Certified Accountants,
 Certified Public Accountants (Malaya)
 SINGAPORE, /K. LUMPUR

SIM LIM COMPANY LIMITED

TRADING AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1965

ACCOUNT

Stock at 1st January, 1965	1,336,313-08	Sales Less Returns	10,139,117-57
Purchases Less Returns	9,538,094-54	Stock at 31st December, 1965	1,298,060-19
Gross Profit for the Year Carried Down	562,770-14		
	<u>₹11,437,177-76</u>		<u>₹11,437,177-76</u>
Salaries, Wages, Allowances & Provident Fund	290,016-62	Gross Profit for the Year Brought Down	562,770-14
Staff Bonus	50,000-00	Commission Received	24,612-63
Office & Storage Rent	11,583-65	Rent Received Less Expenses	44,480-35
Property Tax	28,545-22	Ground Rent Received	1,116-00
Water & Electricity Charges	15,756-69	Hire Charges Received on Furniture, Air- Conditioners etc: Less Expenses	4,985-00
Telephone & Trunkcalls	13,858-84	Interest Received	92,039-49
Printing & Stationery	14,619-78	Profit on Contracts	190,426-94
Postage & Telegrams	12,907-05	Profit on Tiling jobs	20,570-65
Secretarial Fees	1,500-00	Interest Receivable on National Defence Bonds	44-63
Directors' Fees	9,000-00		
Audit Fees	3,200-00		
Sundry Expenses	6,566-95		
Insurance	9,124-75		
Advertisement	28,948-40		
Interest Paid	98,496-54		
Bank Charges	1,615-26		
Commission Paid	12,686-76		
Transport	1,596-30		
Travelling Expenses	17,437-82		
Legal Fees	2,752-72		
Charities & Donations	12,410-00		
Entertainment	16,511-08		
Medical Expenses	1,457-00		
Association Subscriptions	1,042-00		
Newspapers & Periodicals	1,632-84		
General Repairs	1,336-17		
Upkeep of Motor Vehicles	42,761-74		
Maintenance of Office Equipment	1,831-00		
Maintenance of Office Air-Conditioning Plants	1,371-82		
Maintenance of Office Furniture & Fittings	123-75		
Packing Charges	43-75		
Payroll Tax	6,959-00		
Bad Debts	25,986-34		
	<u>743,679-84</u>		<u>941,045-83</u>
C/Forward:		C/Forward:	

TRADING AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1965

JEE AH CHIAN & CO.,
 Certified Accountants,
 Certified Public Accountants (Malaya)
 SINGAPORE./K. LUMPUR.

			ACCOUNT	
Depreciation on:-	B/Forward:	743,679-84	B/Forward:	941,045-83
Office Furniture & Fittings		1,309-78		
Office Equipment		1,027-96		
Air-Conditioning Plant		1,457-36		
Motor Vehicles		17,422-24		
Tiling Equipment		184-83		
Refrigerator		27-99		
Telephone Instrument		359-36		
Accounting Machine		966-00		
Furniture on Hire		562-50		
Sound Projector		<u>574-80</u>		
		23,892-82		
Net Profit for the Year transferred to Appropriation Account		173,473-17		
		<u>941,045-83</u>		<u>941,045-83</u>

APPROPRIATION ACCOUNT

Income Tax:-			Balance at 1st January, 1965	24,283-59
Year of Assessment 1965 Balance	5,070-28		Net Profit for the Year Brought Down	173,473-17
Provision for Year of Assessment 1966	<u>85,000-00</u>	90,070-28	Provision for Turnover Tax Written Back	62,319-93
Provision for Dividend 45%	720,000-0		Profit on Sale of Motor Vehicle	262-72
Less Income Tax at 40%	<u>288,000-0</u>	432,000-0	Dividend Received & Receivable:-	
Balance Carried Forward		25,761-63	Sim Lim Co. (M) Ltd. -	
			Gross Dividend	300,000-00
			Less Income Tax	<u>120,000-00</u> 180,000-00
			Sim Lim Co. (M.K.) Ltd., Hongkong	5,350-00
			Popular Estate Ltd. -	
			Gross Dividend	150,000-00
			Less Income Tax	60,000-00 90,000-00
			Malayan Shipbreakers Ltd. -	
			Gross Dividend	15,005-00
			Less Income Tax	<u>6,002-00</u> <u>9,003-00</u>
			Final Return of Capital from Singapore Building & Realty Ltd.	3,139-50
		<u>547,831-91</u>		<u>547,831-91</u>

15.

NO. 4

ANNEXURE 7 TO AGREED STATEMENT
OF FACTS - RESOLUTION OF SIM
LIM COMPANY LIMITED

In the High
Court of the
Republic of
Singapore

No. 4

Annexure 7
to agreed
Statement of
Facts -
Resolution of
Sim Lim
Company
Limited
8th March 1965

Minutes of the 15th Ordinary General Meeting of Sim Lim Company Limited held at its registered office, 138 Robinson Road Singapore on Saturday, 6th March 1965 at 11.30 a.m.

Present: Mr. Soon Peng Yam (Chairman)
Mr. Tan Hooi Bing
Mr. Soon Peng Leong
Mr. Sim Lai Hee representing Sim Lim Investments Limited.

In Attendance: Mr. Sia Yong (Secretary)
Mr. Tan Khoon Cher and Mr. Lea Boon Chye for M/s Jee Ah Chian & Co. (Auditors)

Notice: The Notice covering the meeting which had been circulated was taken as read.

Previous Minutes: The Minutes of the 14th Ordinary General Meeting of the Company held on 10th August 1964 were read and explained by the Secretary and signed by the Chairman as a correct record of the proceedings thereat.

Accounts for the year ended 31st December 1964 The audited accounts for the year ended 31st December 1964 together with the Auditors' Report thereon were read and explained by the Secretary. Duly proposed and seconded, it was unanimously resolved:-

"That the audited accounts of the Company for the year ended 31st December 1964 together with the Auditors' Report thereon be and are hereby approved and adopted".

Dividend: It was resolved:-

"That a dividend of 75% less Income Tax 40% be paid to the shareholders as shown in the Share Register as at 6th March 1965 be and is hereby approved and passed".

Directors' and Secretarial Fees:

It was resolved:-

"That the Directors' Fees of \$9,000.00 and Secretarial Fees of \$1,500.00 for the year ended 31st December 1964 be and are hereby approved".

15/2

Retirement
of Directors
by Rotation:

It was resolved:-

"That Mr. Toh Aik Choon and Mr. Lim Kok Gin, the retired directors, and being eligible be and are hereby re-elected Directors of the Company for the ensuing year".

Auditors:

It was resolved:-

"That M/s Jee Ah Chian & Co., the retiring auditors be and are hereby re-appointed Auditors of the Company for the ensuing year at a remuneration of \$3,000.00 (Dollars three thousand only).

Donations:

It was resolved:-

"That pursuant to Section 79 of the Articles of Association of the Company the following donations made during the year 1964 be and are hereby approved".

Furniture Dealers Association	\$ 300.00
Catholic High School	1,000.00
Sian Chay Ee Siah	500.00
Adult Education Board	300.00
Olympic Council of Malaysia	1,000.00
Singapore National Union of Journalist	500.00
Total	<u>\$ 3,600.00</u>

General:

There being no other business, the meeting terminated with a vote of thanks to the Chair.

Confirmed this 26th day of March 1965.

(Sgd) Soon Peng Yam
Chairman

16.

NO. 4

ANNEXURE 8 TO AGREED STATEMENT
OF FACTS - DIVIDEND TAX VOUCHERS
ISSUED BY SIM LIM COMPANY
LIMITED

In the High
Court of the
Republic of
Singapore

No. 4

Annexure 8
to agreed
Statement of
Facts -
Dividend Tax
Vouchers
issued by
Sim Lim
Company
Limited

8th March 1965

SIM LIM CO. LTD.

138, Robinson Road,
Singapore - 1.DIVIDEND NOTICE

Folio No. 1

8th March, 1965

Dear Sirs,

Dividend at the rate of 75 per centum on 15,895 shares of \$100.00 each held by you having been declared on account for the year ended 31st December, 1964 as follows:-

Dividend	\$ 1,192,125.00
Less: Tax at 40%	476,850.00
	<hr/>
Net Amount:-	\$ 715,275.00
	<hr/> <hr/>

We hereby certify that the Tax on the profits out of which the above mentioned Dividend is paid, has been, or will be, duly accounted for by the Company to the Comptroller of Income Tax.

Yours faithfully,

(Sgd) Sim Lim Co. Ltd.

(Sgd) Illégible

Secretary.

To: M/s Sim Lim Investments Ltd.,
138, Robinson Road,
Singapore.

N.B. This notice should be preserved for production to the Tax Authorities in connection with any claim to Allowance or relief from Income Tax.

SIM LIM CO. LTD.

138, Robinson Road,
Singapore, 1.DIVIDEND NOTICE

Folio No. 2

Dear Sir,

Dividend at the rate of 75 per centum on 1 share of \$100.00 each held by you have been declared on account for the year ended 31st December, 1964 as follows:-

Dividend	\$ 75.00
Less: Tax at 40%	30.00
	<hr/>

Net Amount:-	<u>\$ 45.00</u>
--------------	-----------------

We hereby certify that the Tax on the profits out of which the above mentioned Dividend is paid, has been, or will be, duly accounted for by the Company to the Comptroller of Income Tax.

Yours faithfully,

(Sgd) Sim Lim Co. Ltd.

(Sgd) Illegible
Secretary.

To: Mr. Soon Peng Yam,
19, Gilstead Road,
Singapore.

N.B. This notice should be preserved for production to the Tax Authorities in connection with any claim to Allowance or relief from Income Tax.

SIM LIM CO. LTD.,
138, Robinson Road,
Singapore - 1,

DIVIDEND NOTICE

8th March, 1965.

Folio No. 3

Dear Sir,

Dividend at the rate of 75 per centum on 1 share of \$100.00 each held by you have been declared on account for the year ended 31st December, 1964 as follows:-

Dividend	\$ 75.00
Less: Tax at 40%	<u>30.00</u>
Net Amount:-	<u>\$ 45.00</u>

We hereby certify that the Tax on the profits out of which the above mentioned Dividend is paid, has been, or will be, duly accounted for by the Company to the Comptroller of Income Tax.

Yours faithfully,

(Sgd) Sim Lim Co. Ltd.

(Sgd) Illegible
Secretary

To: Mr. Toh Aik Choon,
8, Trevoise Crescent,
Singapore.

N.B. This notice should be preserved for production to the Tax Authorities in connection with any claim to Allowance or relief from Income Tax.

Sim Lim Co. Ltd.

138, Robinson Road,
Singapore - 1.

DIVIDEND NOTICE

8th March, 1965.

Folio No. 5

Dear Sir,

Dividend at the rate of 75 per centum on 1 share of \$100.00 each held by you having been declared on account for the year ended 31st December, 1964 as follows:-

Dividend	\$ 75.00
Less: Tax at 40%	<u>30.00</u>
Net Amount:-	<u>\$ 45.00</u>

We hereby certify that the Tax on the profits out of which the above mentioned Dividend is paid, has been, or will be, duly accounted for by the Company to the Comptroller of Income Tax.

Yours faithfully,

(Sgd) Sim Lim Co. Ltd.

(Sgd) Illegible
Secretary

To: Mr. Soon Peng Leong,
839, Geylang Road,
Singapore.

N.B. This notice should be preserved for production to the Tax Authorities in connection with any claim to Allowance or relief from Income Tax.

SIM LIM CO. LTD,
 138, Robinson Road,
 Singapore - 1,
 8th March, 1965

DIVIDEND NOTICE

Folio No. 6

Dear Sir,

Dividend at the rate of 75 per centum on 1 share of \$100.00 each held by you having been declared on account for the year ended 31st December, 1964 as follows:-

Dividend:	\$ 75.00
Less: Tax at 40%	30.00
Net Amount:-	<u>\$ 45.00</u>

We hereby certify that the Tax on the profits out of which the above mentioned Dividend is paid, has been, or will be, duly accounted for by the Company to the Comptroller of Income Tax.

Yours faithfully,

(Sgd) Sim Lim Co. Ltd.

(Sgd) Illegible
 Secretary

To: Mr. Lim Kok Gin,
 2, George Street,
 Singapore.

N.B. This notice should be preserved for production to the Tax Authorities in connection with any claim to Allowance or relief from Income Tax.

17.

NO. 4

ANNEXURES 9 AND 10 TO AGREED
STATEMENT OF FACTS. APPELLANTS
COMPUTATIONS OF THE TAX
PROPERLY ASSESSABLE FOR 1964
AND 1965

In the High
Court of the
Republic of
Singapore

No. 4

Annexures 9
and 10 to
agreed Statement
of Facts.
Appellants'
Computations of
the tax properly
assessable for
1964 and 1965.

17/1.

SIM LIM INVESTMENTS LTD

Computation for the year of Assessment 1964

Income first arose on 31.8.1964

Malaysian land	£15,002		
Sim Lim Co.(M) Ltd.	<u>2,713</u>	£17,715	
Malayan Shipbreakers Ltd.		<u>10,179</u>	£27,894

Less: Allowable expenses:-

Printing etc.	£ 1,141		
Postages	789		
General	30		
Directors fees	6,000		
Audit Fees	6,500		
Secretarial fees	<u>430</u>		
	£14,890		
Bank Charges	<u>114</u>		
			<u>15,004</u>
			<u>£12,890</u>

Tax at 40% £5,156.00

Computation for the year of Assessment 1965

Interest

Sim Lim Co. Ltd.	£1,192,500		
Malaysian land	38,115	(Ceased 30.6.1965)	
Sim Lim Co. (M) Ltd.	2,951	{ " 31.1.1965)	
E.D.B. Deposit	903	(uplifted 21.12.1965)	
National Development & Finance Corpn.	<u>1,200</u>	(ceased 30.9.1965)	
	£1,235,669		
<u>Less: Expenses (£14,890 + £4,932)</u>	<u>19,822</u>		
	<u>£1,215,847</u>		
Tax at 40%	<u>£486,338.80</u>		
Tax deducted from dividends	<u>£477,000.00</u>		
Tax payable	<u>£ 9,33680</u>		

18.

NO. 4

ANNEXURES 11 and 12 TO AGREED
STATEMENT OF FACTS. COMPTROLLERS
COMPUTATIONS FOR 1964 and 1965.

ANNEXURES 11 - 12

In the High
Court of the
Republic of
Singapore

No. 4

Annexures 11
and 12 to
Agreed
Statement of
Facts.
Comptrollers
Computations
for 1964 and
1965

18/1.

Year of Assessment 1964

File No. C.4324

Title Sim Lim Investments Ltd.

Accounts for the year ended

Basis Period

Balance of Profit & Loss A/c.

Income first arose on 31.8.64 - Interest from:-

(i)	Malaysian Land Investment Ltd. (Actual 1964)	15002	
(ii)	Sim Lim Co. (M) Ltd. (Actual) 1964	2713	
(iii)	Malayan Shipbreakers Ltd. (Actual 1964) (Subject to review)	<u>10179</u>	27894
	Less: Allowable expenses		<u>15004</u>
		Chargeable Income	<u>12890</u>
		Tax at 40% -	<u><u>5156.00</u></u>

18/2.

Year of Assessment 1965

File No. C.4324

Title: Sim Lim Investments Ltd.

Accounts for the year ended:

Basis Period

Balance of Profit & Loss A/c.

Additional

Interest: Malaysian Land	38115	
Sim Lim Co. (M) Ltd.	2951	
E.D.B. Deposit	903	
National Development & Finance Corpn.	<u>1200</u>	43169
Less: Allowable expenses as claimed:		
Registrars fee	7930	
Printing & Stationery	4086	
Postages	1730	
General Expenses	542	
Directors' Fees	6000	
Audit Fees	6500	
Secretarial Fee	<u>1500</u>	
	28288	
Proportion thereof: $\$28288 \times \frac{43169}{1378669} \times \frac{12}{15}$		<u>708</u>
	Chargeable Income	42461
Less: Amount assessed		<u>19000</u>
	Addl. Chargeable Income	<u>23461</u>
	Tax at 40% -	<u><u>\\$9384.40</u></u>

REPUBLIC OF SINGAPORE

INCOME TAX

NOTICE OF ADDITIONAL ASSESSMENT

YEAR OF ASSESSMENT 1965 ENDING 31ST DECEMBER, 1965

SYM/lpl
Please quote
this number
on all
communications:
Asst.No.C.4324/67B
Date: 26/4/1967

SIM LIM INVESTMENTS LTD.,
138, Robinson Road,
Singapore, 1.

Office of Comptroller
of Income Tax
P.O. Box 231,
Fullerton Building,
Singapore, 1.

In pursuance of the Income Tax Ordinance, Cap. 166 I have made an additional assessment on you as detailed below in respect of the Company.

Application is hereby made for the payment of the under-mentioned additional income tax for the year ending 31st December, 1965 due WITHIN ONE MONTH AFTER THE DATE OF SERVICE OF THIS NOTICE.

NOTWITHSTANDING ANY OBJECTION THE FULL AMOUNT OF ADDITIONAL TAX PAYABLE SHOULD BE PAID.

Any tax for 1965 which may already have been paid either direct or by deduction from remuneration should be deducted from the amount shown as payable.

If payment is not made on or before the due date, a penalty of 5% of the tax unpaid will be added.

If you dispute this additional assessment, you must give me notice of objection in writing, stating PRECISELY the grounds of your objection, WITHIN THIRTY DAYS from the date of service of this notice of additional assessment.

(Sgd) Illegible
Comptroller of Income Tax

AMOUNT OF ADDITIONAL ASSESSMENT:	\$	Total B/forward ...	\$
			23461
		DECREASE/INCREASE IN DEDUCTIONS FOR	
		Gifts to approved instns:-	
		Personal Reliefs:	
1. Trade, profession, etc.)	23461	Personal	
2. Share of partnership)		Earned Income	
Income)		Wife	
3. Employment, Pension, etc.)		Wife's Earnings	
Salary)		Child or Children	
Bonus, etc.)		Life Assurance)	
Quarters)		Provident Fund)	
Name and Address of Current)		and W. & O.)	
Employer)		Contributions)	
		ADDITIONAL CHARGEABLE INCOME ...	23461
		TAX PAYABLE	\$ c.
4. Net Annual Value of)		Tax on - \$23461 at 40%	9384 40
Residence owned and)		Tax on - \$ at %	
occupied or of beneficial)		Tax on - \$ at %	
occupation of residence)		Total \$ 23461	9384 40
5. Rent and income from)		DECREASE/INCREASE IN:	\$
property)		Tax allowed as set-off for:-	
6. Dividends, interest)		Tax deducted from dividends, etc.	
royalties, etc.)		Commonwealth Tax Relief	
		Double Taxation Relief	
		ADDITIONAL TAX PAYABLE ...	9384 40
Total C/forward ...	23461		

THIS NOTICE MUST ACCOMPANY ALL PAYMENTS AND WILL BE RETURNED WITH AN OFFICIAL RECEIPT.

METHOD OF PAYMENT:

CASH - At Fourth Floor Fullerton Building, Singapore, between the hours of 10 a.m. and 3 p.m.

CHEQUES)
MONEY ORDERS) should be crossed and made payable to the "Comptroller of Income Tax", and if not presented personally
POSTAL ORDERS) should be sent to P.O. Box 231, Singapore. Cheques drawn on banks outside Malaya cannot be accepted.

See NOTES OVER-LEAF

18/4.

To: Sim Lim Investments Ltd.,
138, Robinson Road,
Singapore, 1.

26th April, 1967.

I refer to your Return of Income for the year of assessment 1966 in which income from dividends was declared. Please note that under Article VII of the Double Taxation Agreement between Singapore and Malaysia, the following Apportionments have been made:-

Voucher No.	Date	Name of Company	Gross Amount of		Portion attributable to Singapore	
			Dividend	Tax Credit	Dividend	Tax Credit
	8.3.65	Sim Lim Co. Ltd.	\$1192125.00	476850.00	1013306.25	405322.50
	8.3.65	- " -	75.00	30.00	63.75	25.50
	8.3.65	- " -	75.00	30.00	63.75	25.50
	8.3.65	- " -	75.00	30.00	63.75	25.50
	8.3.65	- " -	75.00	30.00	63.75	25.50
	8.3.65	- " -	75.00	30.00	63.75	25.50
	6.5.65	Malaysia Land Investment Co. Ltd.	143000.00	57200.00	143000.00	57200.00
Total:			1335500.00	534200.00	1156625.00	462650.00

The balance of the dividend income and tax credit are attributable to Malaysia. If you wish to claim a refund of excess tax deducted, I suggest that you apply direct to the Comptroller of Income Tax, States of Malaya, Kuala Lumpur, for the necessary form.

SYM/1p1
Please quote this
number in all
communications.

Asst. No. C.4324/67C
Date: 26/4/67

STATE OF SINGAPORE

FROM
INCOME TAX
NOTICE OF ASSESSMENT

Year of Assessment 1964 ending 31st December, 1964.

SIM LIM INVESTMENTS LTD.,
138, Robinson Road,
Singapore, 1.

Office of Comptroller
of Income Tax
P.O. Box 231,
Fullerton Building,
Singapore, 1.

In pursuance of the Income Tax Ordinance, Cap. 166 (as amended) I have made an assessment on you as detailed below in respect of the Company.

Application is hereby made for the payment of the under-mentioned income tax for the year ending 31st December, 1964 due WITHIN ONE MONTH AFTER THE DATE OF SERVICE OF THIS NOTICE. NOTWITHSTANDING ANY OBJECTION THE FULL AMOUNT OF TAX PAYABLE SHOULD BE PAID.

Any tax for 1964 which may already have been paid either direct or by deduction from remuneration should be deducted from the amount shown as payable.

If payment is not made on or before the due date, a penalty of 5% of the tax unpaid will be added.

If you dispute this assessment, you must give me notice of objection in writing, stating PRECISELY the grounds of your objection, WITHIN THIRTY DAYS from the date of service of this notice of assessment.

(Sgd) Illegible
Comptroller of Income Tax

AMOUNT OF ASSESSMENT:	₹	ASSESSABLE INCOME B/forward ...	₹	...	₹
1. Trade, profession, etc.	12890				12890
2. Share of partnership income					
3. Employment, Pension, etc.					
Salary					
Bonus, etc.					
Quarters					
Name and Address of Current Employer					
4. Net Annual Value of residence owned and occupied or of beneficial occupation of residence					
5. Rents and income from property					
6. Dividends, interest, royalties, etc.					
TOTAL ...	12890				
Deductions for:					
Gifts to approved institutions					
ASSESSABLE INCOME C/forward	12890				
		Personal Reliefs:			
		Personal			
		*Earned Income			
		Wife			
		Child or Children			
		Life Assurance			
		Provident Fund			
		and W. & O.			
		Contributions			
		CHARGEABLE INCOME ...			12890
		TAX PAYABLE:			
		Tax on first ₹12890 @ 40%			5156 00
		(See table overleaf)			
		Tax on balance ₹.....at.....%			
		Total ₹ 12890			5156 00
		Less:			
		Tax allowed as set-off for:			
		Tax deducted from dividends, etc. ...			
		Commonwealth Tax Relief ...			
		Double Taxation Relief			
		TAX PAYABLE ...			5156.00

See NOTES OVERLEAF

* From Year of Assessment 1961.

THIS NOTICE MUST ACCOMPANY ALL PAYMENTS AND WILL BE RETURNED WITH AN OFFICIAL RECEIPT.

METHOD OF PAYMENT:

CASH - at Fourth Floor Fullerton Building, Singapore, between the hours of 10 a.m. and 1 p.m.

CHEQUES } should be crossed and made payable to the "Comptroller of Income Tax", and if not presented
MONEY ORDERS } personally should be sent to P.O. Box 231, Singapore. Cheques drawn on banks outside Malaya cannot be accepted.
POSTAL ORDERS }

Employees and Pensioners resident in the STATE OF SINGAPORE should see NOTES OVERLEAF.

19.

NO. 5

ADDITIONAL DOCUMENTS FOR
AGREED STATEMENT OF FACTS
APPELLANTS ACCOUNTANTS
REVISED COMPUTATIONS FOR
1966

In the High
Court of the
Republic of
Singapore

No. 5

Additional
documents to
Agreed Statement
of Facts.

C.B. & CO.

SIM LIM INVESTMENTS LTD.

COMPUTATION FOR THE YEAR OF ASSESS-
MENT 1966

Appellants'
Accountants
revised
Computation for
1966

10

Dividend from Malaysian Land & Investments
Ltd. \$143,000

Less: Directors fees: \$6,000
Audit fees 6,500
Secretarial fees 1,070 13,570
\$129,430

Tax at 40% \$51,772.00
Tax deducted
from dividends 57,200.00
\$ 5,428.00

20

This refund is really equivalent to tax at
40% in management expenses of \$13,570.

SUMMARY OF LIABILITIES

Year of Assessment 1964	\$5,156.00
Year of Assessment 1965	9,338.80
	<hr/>
	\$14,494.80
Year of Assessment 1966	5,428.00
	<hr/>
Net tax payable	<u>\$9,066.80</u>

In the High
Court of the
Republic of
Singapore

NO. 5

No. 5

Additional
documents to
Agreed
Statement of
Facts. Form
completed by
Appellants
pertaining
to Dividend
declared by
it.

22nd February
1966

ADDITIONAL DOCUMENTS TO AGREED
STATEMENT OF FACTS. FORM
COMPLETED BY APPELLANTS
PERTAINING TO DIVIDEND DECLARED
BY IT.

No. G/4324

LR.5A

FORM TO BE COMPLETED BY A COMPANY
RESIDENT IN SINGAPORE

Under the provisions of Section 44(3) of the Income Tax Ordinance, Cap. 166, a company resident in Singapore is required to furnish details of any dividends paid during any year of assessment. The form below should be completed with details of any dividends paid during the year ended 31st December, 1965. The completed form should be returned to this Office as soon as possible, notwithstanding the fact that the 1966 Form C and supporting accounts may not yet be ready for submission.

10

STATEMENT OF DIVIDENDS PAID DURING
THE YEAR ENDED 31st DECEMBER 1965

<u>Date of Payment</u>	<u>Gross amount</u>	<u>Tax deducted or deductible</u>	<u>Net amount paid</u>
17.8.65	£811,162.50	£324,465.00	£486,697.50

I hereby declare that the particulars given above are true and correct to the best of my knowledge and belief.

Sd.

for Sim Lim Investments Limited
Director

Date: 22nd February, 1966

NOTE: Where a dividend is declared "net" or "without deduction of tax" or "free of tax", the gross amount of the dividend is equal to such sum as after deduction of tax at the rate of 40% will leave the net amount paid.

30

NO. 5

ADDITIONAL DOCUMENTS TO AGREED
STATEMENT OF FACTS. INTERIM
DIVIDEND NOTICE FROM MALAYSIA
LAND INVESTMENT CO. LTD. TO
APPELLANTS

In the High
Court of the
Republic of
Singapore

No. 5

Additional
Documents to
Agreed
Statement of
Facts. Interim
Dividend
Notice from
Malaysia Land
Investment Co.
Ltd. to
Appellants.

MALAYSIA LAND INVESTMENTS CO. LTD.
138, Robinson, Road,
Singapore 1.

10

6th May, 1965.

INTERIM DIVIDEND NOTICE

Dear Sir/Madam,

An Interim Dividend at the rate of 20 per cent on 7150 shares of \$100/- held by you, having been declared for the year 1965 at the general meeting held on the 21st April 1965.

20

Dividend on 7,150 shares of \$100/- at 20%	\$143,000.00
	<hr/>
Less INCOME TAX 40%	57,200.00
	<hr/>
	<u>\$ 85,800.00</u>

We hereby certify that Tax on the profit, out of which the above mentioned interim Dividend is paid, will be accounted for by the Company to the Comptroller of Income Tax.

Yours faithfully,
MALAYSIA LAND INVESTMENT CO. LTD.

(Signed)

30

Secretary,

To Sim Lim Investments Ltd.
138, Robinson Road, Singapore.

N.B. This notice should be preserved for production to the Tax Authorities in connection with any claim to allowance or relief from Income Tax.

22.

NO.5

In the High
Court of the
Republic of
Singapore

No. 5

Additional
documents to
agreed
Statement of
Facts.
Appellants
Accountants
original
computations
of
Appellants
Income Tax
liability for
years 1964 to
1966
inclusive.

ADDITIONAL DOCUMENTS TO AGREED
STATEMENT OF FACTS. APPELLANTS
ACCOUNTANTS ORIGINAL COMPUTATIONS
OF APPELLANTS INCOME TAX LIABILITY
FOR YEARS 1964 to 1966 INCLUSIVE.

COOPER BROTHERS & CO.

P.O. Box 90

Denmark House,
Raffles Quay,
Singapore.

10

Enclosures

Our Reference TAX/BHR

12th September 1966.

The Comptroller of Income Tax,
Singapore.

Dear Sir,

Sim Lim Investments Ltd.
Income Tax File No.
C/4324

20

We enclose the following on behalf of the
above Company for year of assessment 1966:-

1. A copy of the accounts for the period
ended 31st March 1966.
2. Computations for years of assessment
1964 to 1966 inclusive.

Yours truly,

Sd.

SIM LIM INVESTMENTS LTD.
COMPUTATION FOR THE YEAR OF
ASSESSMENT 1964

In the High
Court of the
Republic of
Singapore

No. 5

Income first arose on 31.8.1964

Malaysian land	\$15,002	
Sim Lim Co.(M) Ltd.	<u>2,713</u>	17,715
Malayan Shipbreakers Ltd.		<u>10,179</u> \$27,894

Additional
documents to
agreed
Statement of
Facts.
Appellants
Accountants
original
computations
of
Appellants
Income Tax
liability for
years 1964 to
1966
inclusive.
(continued)

Less: Allowable expenses:-

10	Printing etc.	\$ 1,141	
	Postages	789	
	General	30	
	Directors fees	6,000	
	Audit fees	6,500	
	Secretarial fees	430	
		<u>\$14,890</u>	
	Bank charges	<u>114</u>	<u>15,004</u>
			<u>\$12,890</u>

Tax at 40% \$5,156.00

20 COMPUTATION FOR THE YEAR OF ASSESS-
MENT 1965

Interest

Malaysian Land	\$38,115	(ceased 30.6.1965)
Sim Lim Co. (M) Ltd.	2,951	(" 31.1.1965)
E.D.B. Deposit	903	(uplifted 21.12.1965)
National Development & Finance Corpn.	<u>1,200</u>	(ceased 30.9.1965)
	<u>\$43,169</u>	

30	<u>Less: Expenses</u>	
	(<u>\$14,890 + \$4,932</u>)	<u>19,822</u>
		<u>\$23,347</u>

Tax at 40% \$9,338.80

NO. 6

JUDGMENT OF WINSLOW, J.

Coram: Winslow, J.

JUDGMENT OF WINSLOW, J.

In the High
Court of the
Republic of
Singapore

No. 6

Judgment of
Winslow, J.

21st November
1967

10 On 8th March, 1965 Sim Lim Co. Ltd.
which is a wholly-owned trading subsidiary of
Sim Lim Investments Ltd. (hereinafter
referred to as "the parent company"), declared
a dividend of \$1,192,500 pursuant to a
resolution passed at its Fifteenth Ordinary
General Meeting held on 6th March, 1965.

On 17th August, 1965 the parent company
declared to its shareholders a dividend of
\$811,102.50 and the tax deducted under
section 44 (1) of the Income Tax Ordinance
(hereinafter referred to as the "Ordinance")
amounted to a sum of \$324,465.00.

20 In the accounts of the parent company
the dividend then declared by the subsidiary
in March 1965 was included by its auditors
as income of the parent company for the year
ending 31st December, 1964.

The computations of the Comptroller of
Income Tax however treat the dividend
declared by the subsidiary in March 1965
as income of the parent company for the year
ending 31st December, 1965.

30 The sole issue in this case is the
amount of tax payable by the parent company
in respect of the year of assessment 1965,
being the year in which it actually received
the dividend declared by the subsidiary
in March 1965. It is the Comptroller's
contention that since the subsidiary
declared its dividend on 8th March, 1965
and paid the whole of this dividend over to
the parent company in that year, such
dividend will only be available as a credit
to the parent company for the year of
assessment 1966, and not 1965, as the
40 defendants, who are the parent company,
contend.

In the High
Court of the
Republic of
Singapore

No. 6

Judgment of
Winslow, J.

21st November
1967
(continued)

It should be noted that the plaintiff's claim on behalf of the Comptroller is for the sum of \$302,324.60 being a debt alleged to be due to the Government under section 44 (4) of the Ordinance.

This amount of debt is alleged to be due not as income tax but by virtue of the provisions of sub-sections (3) and (4) of section 44 of the Ordinance which in effect provide that where a company has paid dividends to its shareholders during a year of assessment and has deducted tax at the rate of 40 per centum from such dividends, the excess of the amount of tax so deducted over and above the amount of tax payable by the company in respect of that year of assessment shall be a debt due from the company and recoverable as such. 10

There is no dispute about the amount of tax which has been deducted from the dividend paid by the parent company in August, 1965 i.e., \$324,465.00. The dispute in this case arises as to the amount of tax payable by the company in respect of the year of assessment 1965 in accordance with the provisions of the Ordinance. 20

If the parent company's computations are correct in the light of the view taken by its auditors that the dividends received from the subsidiary in 1965 were actually creditable to its income for 1964, then the plaintiff's claim would fail. If, however, the plaintiff's view is accepted, he must necessarily succeed. 30

I now propose to consider the two contrasting views.

It is contended on behalf of the parent company that as the term "income" is not defined in the Ordinance, one must start with a figure for such income which is based on normal commercial accounting practice subject only to express statutory modification. Several authorities, including Whimster & Co. v. C.I.R. 12 T.C. 813 at page 823 and Southern Railway of Peru Limited v. Owen (Inspector of Taxes) 1957 A.C. 334 at pages 352 - 358 were cited in support of this proposition. It was also pointed out that in England the Court of Appeal 40

in Princes Investments Ltd. v. I.R.C. 1967
2 All E.R. 238 at page 238 H - I and page
242 F - G confirmed the correctness of the
 accountancy practice as to which evidence
 was given in the present case supporting
 the contention that in drawing up the account
 of a holding company such as the parent company
 in this case, it is a proper commercial
 method of accounting to anticipate dividend
 by showing the profits out of which the
 dividend is paid in any particular year
 as its income for the preceding year. In
 short, it is contended, in this case that
 proper accounting practice approves what
 was done in the current case by the auditors
 in treating the dividend which was
 declared by the subsidiary in 1965 as the
 parent company's income for 1964.

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It was argued that, if this contention
 is correct, it follows that the amount of
 tax payable by the parent company in
 respect of 1965 should take into account its
 income for 1964 which would include the
 dividend declared by the subsidiary in 1965.

The plaintiff, on the other hand,
 contends that statutory recognition has not
 been granted in Singapore to consolidated
 accounts of a group of companies such as the
 Sim Lim Group and that, without acceptance
 of such accounts, a parent or holding
 company such as the defendants cannot properly
 anticipate dividends from any of its
 subsidiaries and claim them as income for
 the year preceding that in which such
 dividends are actually received. It was
 submitted on behalf of the Attorney-General
 that the expression "dividend" must necessarily
 mean "dividend which has already been
 received" and that the meaning of section
 35(7A) of the Ordinance was quite clear.
 That subsection reads as follows:-

"The statutory income of any person
 for any year of assessment in respect
 of dividends shall be the full
 amount of the income therefrom for
 the year preceding the year of
 assessment notwithstanding that
 the source of such income is not
 possessed by him during the year of
 assessment".

In the High
 Court of the
 Republic of
 Singapore

No. 6

Judgment of
 Winslow, J.

21st November
 1967

(continued)

In the High
Court of the
Republic of
Singapore

No. 6

Judgment of
Winslow, J.

21st November
1967
(continued)

It seems to me that one must carefully consider all those provisions of the Ordinance relating to dividends, namely, section 10 (1) (d), section 29, section 35 (7A), section 44 and section 46 of the Ordinance in order to ensure that there is nothing in such provisions which in any way modifies or runs counter to the proper accounting practice, of which evidence was given, assuming of course that such practice is acceptable in Singapore notwithstanding the fact that statutory recognition has not been granted to the consolidated accounts of group companies consisting of a parent company holding shares and a controlling interest in subsidiary companies where all the trading is done by the subsidiaries and the parent company looks for its dividends entirely to them.

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Section 10 (1) (d) merely imposes a tax on dividends. Sections 44 and 46 relate to the tax deductible from dividends which have already been paid and for certain allowances for tax so deducted from such dividends. There remain, therefore, only section 29 and section 35 (7A) which appear in Part IV and V of the Ordinance relating to ascertainment of income and ascertainment of statutory income respectively. Section 29 reads as follows:-

20

"The income of a person from a dividend paid by a company liable to tax under this Ordinance or Commonwealth income tax within the meaning of subsection (3) of section 48 of this Ordinance, shall, where any such tax has been deducted therefrom, be the gross amount before making such deduction; where no such deduction has been made, the income shall be deemed to be such a gross amount as after deduction of tax at the maximum rate deductible at the date of payment would be equal to the amount received".

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I would emphasise the fact that this section clearly relates the income of a person to the income which he receives from a dividend actually paid by a company liable to tax and goes on to provide that such income shall, where

any tax has been deducted therefrom, be the gross amount before such deduction, etc. It should be noted that the definition of "person" includes a company and it is clearly within the contemplation of this section that a company which receives a dividend paid by another company should be governed by its provisions.

In the High Court of the Republic of Singapore

No. 6

Judgment of Winslow, J.

21st November 1967

(continued)

10 I am of the opinion, therefore, that no person, whether a private individual or a company, can regard a dividend as that person's income unless such dividend has actually been paid to him by the company declaring the dividend.

20 This certainly helps to clarify the provisions of section 35 (7A) which declares the statutory income of any person in respect of dividends to be the full amount of the income therefrom for the year preceding the year of assessment. I would stress the importance of the words "full" and "therefrom" which I have underlined.

30 It is this particular subsection (7A) which is the corner stone of the edifice built by the legislature on which the success or failure of the plaintiff's claim substantially depends. As I have already stated earlier, section 29 of the Ordinance throws considerable light on what the legislature intended. The sole question now for me to determine is whether the intention of the legislature has been expressed in such clear terms as to make its actual meaning plain and unambiguous. It is conceded by the defendants that, in the case of a private individual who is a shareholder in a company, it is the year in which such person is paid his dividend that counts. Should a different meaning be given to this subsection in the case of a shareholder who happens to be a company merely because accounting practice regards the dividend paid to it as its income of the preceding year?

40

In my opinion such a conclusion would be erroneous and contrary to commonsense. The subsection in question cannot surely have

In the High
Court of the
Republic of
Singapore

No. 6

Judgment of
Winslow, J.

21st November
1967
(continued)

different meanings depending on whether a shareholder is a private individual or a company. Section 29 reinforces section 35 (7A) in circumstances which, to my mind, can lead to only one conclusion, namely, that the statutory income of any person (whether an individual or a company) for any year of assessment in respect of dividends is the full amount of income from such dividends for the year preceding the year of assessment and that such income from dividends must necessarily mean income from dividends already paid within the meaning of section 29 of the Ordinance. It would be strange if one were to give the expression "income from a dividend" a meaning such as that for which the defendants contend because to do so would be to equate an income which arises from a dividend to the income out of which an anticipated dividend is subsequently paid.

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It follows therefore that the assessable income of the defendants for the year of assessment 1965 has been correctly computed by the Comptroller. The net result is consonant with the result reached by the Privy Council in Government of the Federation of Malaya v. A. Omnibus Co. Ltd. (1963) M.L.J. 14 which approved the dissenting judgment of Thomson C.J., as he then was, in the Court of Appeal, in the same case, reported at page 92 of the 1961 Malayan Law Journal. Referring to section 40 (our section 44) Lord Pearce, in the Privy Council, said, at page 16, that it provides a sensible and intelligible scheme but observed that no general hardship is created by this scheme. He went on to say:-

30

"A particular hardship may arise in a case like the present where the holding company chose to pay out an increased dividend (with the consequent increased deduction of tax) in the same year as it received an increase from the B. Company with the result that the tax deducted by the company from its shareholders has to be taken into account in 1956 whereas the tax which the company will have to pay in respect of the increased

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dividend so received from the B. Company will not be payable or fall to be taken into account until the following year. And by that time the Government have already become entitled to any excess created by the increased deduction of tax in 1956. Such a situation would not arise in the case of an ordinary trading company which does not distribute its profits during the year in which they are earned but in the following year which is the year of assessment in respect of those profits".

In the High
Court of the
Republic of
Singapore

No. 6

Judgment of
Winslow, J.

21st November
1967
(continued)

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But a hardship such as that referred to above was within the control of the parent company in the present case and could have been avoided by the simple expedient of waiting for a further 4½ months till the beginning of 1966 before it declared the dividend which it did on 17th August, 1965. It is unfortunate perhaps that the sum in question may be irretrievably lost to the defendants, according to the opinion of Mr. Franklin, who gave evidence as an independent accountant with regard to the accounting practice affecting group companies. I would also add that I was at one stage somewhat attracted by the able submissions made by Mr. Hill on behalf of the defendants with regard to the accounting practice in question and its judicial acceptance in England but the case really turns on whether our Ordinance has expressed its meaning in such sufficiently clear terms as to override accounting practice, which, I think, it has done.

Judgment will accordingly be entered for the plaintiff with costs.

40

(Sd) A.V. Winslow

JUDGE

Certified true copy.

SINGAPORE,
21st November, 1967.

Sd. H.H. Choo
Private Secretary to Judge
Court No. 4
Supreme Court, Singapore.

In the High
Court of the
Republic of
Singapore

NO. 7
FORMAL JUDGMENT

21st November, 1967

No. 7
Formal
Judgment
21st November
1967

This action coming on for trial before the Honourable Mr. Justice Winslow on the 2nd and 10th days of November 1967 in the presence of Mr. Sat Pal Khattar with Mr. Tay Kim Whatt State Counsel for the Plaintiff and Mr. Graham Starforth Hill of Counsel for the Defendants and Upon Reading the Pleadings filed herein and Upon Hearing the evidence adduced and what was alleged by Counsel aforesaid IT WAS ORDERED that this action should stand for judgment and this action standing for judgment this day in the presence of Counsel aforesaid IT IS ADJUDGED that the Plaintiff do recover against the Defendants the sum of \$302,324.60 AND IT IS ORDERED that execution of this Judgment be stayed until the determination of the Defendants' Appeal, if any, or as this Honourable Court may direct AND IT IS FURTHER ORDERED that the costs of this action be taxed on the higher Scale of Costs and be paid by the Defendants to the Plaintiff. 10 20

Entered this 19th day of December,
1967 at 12.50 p.m. in Volume CI Page 149.

Sd. C.C. Tay

DY. REGISTRAR.

33.

NO. 8

NOTICE OF APPEAL

In the Federal
Court of
Malaysia

No. 8

Notice of
Appeal

19th December
1967

Take Notice that Sim Lim Investments Ltd. the above named Appellants being dissatisfied with the decision of the Honourable Mr. Justice Winslow given at Singapore on the 21st day of November 1967 appeal to the Federal Court against the whole of the said decision.

10 Dated this 19th day of December,
1967.

Sd. Rodyk & Davidson

Solicitors for the Appellants

To: The Registrar,
The Federal Court,
Kuala Lumpur.

and to:
The Registrar,
The High Court in the Republic of
20 Singapore at Singapore

and to:
The Attorney General,
c/o Comptroller of Income Tax,
4th Floor, Fullerton Building,
Singapore.

The address for service for the Appellants is c/o Messrs. Rodyk & Davidson, 24, Chartered Bank Chambers, Singapore.

In the Federal
Court of
Malaysia

NO.9

MEMORANDUM OF APPEAL

No. 9

Memorandum
of Appeal
18th January
1968

Sim Lim Investments Ltd., the above named Appellant, appeals to the Federal Court against the whole of the decision of the Honourable Mr. Justice Winslow given at Singapore on the 21st day of November 1967 on the following grounds:-

1. The learned judge was wrong in holding that the tax payable by the Appellant in respect of the year of assessment 1965 did not include tax payable in respect of the dividend of \$1,192,500 from its wholly owned trading subsidiary which had been credited in the Appellant's accounts for the year ending 31st December 1964 but was not paid until 1965; the learned judge was consequently wrong in deciding that there was a debt due by the Appellant under Section 44(4) of the Ordinance. 10 20

2. On the evidence the Appellant's accounts which credited the said dividend had been drawn up in accordance with proper principles of commercial accountancy and correctly stated the business profits for the year ended 31st December 1964 and in the absence of any statutory provision to the contrary were conclusive of the income of that year which formed the basis period for the year of assessment 1965. 30

3. The assessment for the year of assessment 1965 was properly made on the Appellant under Section 10(1)(a) of the Ordinance on the profits from the business and the profits from the business should have been ascertained from the Appellant's business accounts.

4. In the alternative if the assessment should have been made on the Appellant under Section 10(1) (d) of the Ordinance on income in respect of dividends there was nothing in the statutory provisions relating to dividends which excluded the Appellant's accounts as the basis for determining the year in which the income arose. 40

5. The learned judge was wrong in holding that the provisions of the Ordinance led to the conclusion that the income of any person in respect of dividends must be ascertained by the date of payment of the dividend only and not by reference to the business accounts of a holding company.

In the Federal
Court of
Malaysia

No. 9

Memorandum
of Appeal

18th January
1968

(continued)

10 6. The learned judge was wrong in relying for his conclusion on Section 29 of the Ordinance because that Section only determines the amount of income from dividends from which tax either has or has not been deducted and does not purport to determine the time when the income arises; together with Section 46 it relates the tax collected by deduction under Section 44 with the substantive imposition of liability to tax under
20 Section 10 and necessarily refers to payment of the dividends since that is when tax is deducted under Section 44.

30 7. The learned judge was wrong in relying for his conclusion on the fact that it would be contrary to common sense if there was different treatment for a holding company in the Appellant's position and an individual shareholder because there is a genuine difference, evidenced by the accounting procedure, between the position of an individual and the position of a holding company of a wholly owned trading subsidiary whose business profits include the trading profit of its subsidiary which has been appropriated for dividend.

Dated this 16th day of January, 1968.

Sd. Rodyk & Davidson

Solicitors for the Appellants

40 To The Registrar,
Federal Court,
Singapore.

and to: The Attorney General,
c/o Comptroller of Income Tax,
4th Floor, Fullerton Building,
Singapore .

The address for service for the Appellants is c/o Messrs. Rodyk & Davidson, 24, Chartered Bank Chambers, Singapore.

In the Federal
Court of
Malaysia

No.10

Judgment of
Federal Court

3rd September
1968

NO.10

FOUNDATIONS OF JUDGMENT
OF FEDERAL COURT

CORAM: Wee Chong Jin, C.J.
Tan Ah Tah, F.J.
Chua, J.

JUDGMENT OF THE COURT

The appellants, Sim Lim Investments Ltd. are a holding company of a group of companies known as the Sim Lim Group, one of them being Sim Lim Company Ltd., a wholly trading subsidiary of the parent company. 10

On the 8th March, 1965, Sim Lim Company Ltd. declared a dividend of \$1,192,500 pursuant to a resolution passed at an ordinary general meeting held on the 6th March, 1965.

On the 17th August, 1965, Sim Lim Investments Ltd., the parent company, declared to its shareholders a gross dividend from which tax was deducted under section 44 (1) of the Income Tax Ordinance amounting in the aggregate to a total sum of \$324,465. 20

In the accounts of the parent company, the dividend declared by Sim Lim Company Ltd. on the 8th March, 1965, was included by its auditors as income of the parent company for the year ended 31st December, 1964 although this dividend was paid by the subsidiary and received by the parent company in 1965. The Comptroller of Income Tax in his computation, however, treated the dividend declared in March, 1965, as income of the parent company for the basis period ending 31st December, 1965 and accordingly falling to be taxed in the year of assessment 1966. 30

The parent company on the other hand contended that this dividend declared by its subsidiary in March 1965 has been correctly treated by it in its own computation for income tax as its income for the basis period ending 31st December, 1964, thus falling to be assessed in the year of assessment 1965. 40

If the Comptroller is right, this appeal fails. If Sim Lim Investments Ltd. is right, this appeal succeeds.

In the Federal
Court of
Malaysia

No.10

Judgment of
Federal Court

3rd September
1968

(continued)

Winslow J. in the Court below held that the Comptroller was right and that on the true construction of Section 35 (7A) the dividend in question, for the purposes of ascertaining the statutory income of the appellants for the year of assessment 1965, was rightly excluded.

10

Section 35 (7A) reads as follows:-

"The statutory income of any person for any year of assessment in respect of dividends shall be the full amount of the income therefrom for the year preceding the year of assessment notwithstanding that the source of such income is not possessed by him during the year of assessment."

20

It is conceded that so far as an individual is concerned his statutory income for any year of assessment in respect of dividends shall be the full amount of the income from dividends declared or paid to him during the year preceding the year of assessment.

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Winslow J. held that it would be erroneous and contrary to common sense to give a different meaning where a shareholder is not an individual but a company, having regard to the other provisions of the Ordinance relating to dividends, namely Sections 10(1)(d), 29, 44 and 46 and accordingly came to the conclusion that the statutory income of any person (whether an individual or a company) for any year of assessment in respect of dividends is the full amount of income from dividends already paid during the year preceding the year of assessment.

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The appellants contend that Winslow J. was wrong. First, they say that the Comptroller himself, and properly so, assessed the appellants for the year of assessment 1965 under Section 10(1)(a) on

In the Federal
Court of
Malaysia

No.10

Judgment of
Federal Court
3rd September
1968
(continued)

the basis of profits from business. That being so, the appellants' accounts for the year ended 31st December 1964 are conclusive for the purposes of ascertaining the income for the year of assessment 1965 as such accounts were properly drawn up in accordance with current principles of commercial accounting.

In our opinion this point has no validity. It is common ground that the appellants are a holding company and not a trading company and the evidence confirms this position. The income in question is income from a dividend it received from its shareholding in a subsidiary company. In our opinion, the provisions of the charging section, Section 10, clearly require the relevant assessment to be made on the basis of income from dividends under sub-paragraph (d) of sub-section (1) and not on the basis of income derived from profits from a trade or business under sub-paragraph (a).

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The real question then is whether on the true construction of Section 35 (7A) in ascertaining the statutory income of the appellants for the year of assessment 1965 the dividend that it received from its subsidiary in March 1965 can be said to be its income from dividends for the year preceding the year of assessment, i.e. the year ending 31st December, 1964.

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It is submitted that as the term "income" is not defined in the Ordinance one must start with a figure based on normal commercial accounting practice, subject to express statutory modification, to calculate the income of a tax payer and that on the evidence it has been shown that in drawing up the accounts of a holding company it is a proper commercial method of accounting to anticipate dividends even though the same have not been declared as distinct from the case of an individual shareholder in a company where the date of declaration or of receipt of the dividend would be conclusive of the date on which the income arose for tax purposes.

40

In our judgment, this submission is untenable. To ascertain the statutory income for tax purposes for any year of assessment the Ordinance provides by Section 35 (1) that it shall be the full amount of the income for the year preceding the year of assessment and in the case of income from dividends, Section 35 (7A) specifically provides that it shall be the full amount of the income from dividends for the year preceding the year of assessment. For the purposes of the present appeal, it is conceded that an individual shareholder's income arises under Section 35 (7A) when the dividend is declared or paid to him by the company and in our opinion, so far as income from dividends is concerned, there can be no distinction between the case of a shareholder who is an individual and the case of a shareholder who is itself a company holding shares in another company. We agree with Winslow J. that to hold otherwise would be erroneous and contrary to common sense and would be to disregard the other provisions of the Ordinance which relate to dividends.

It may well be that good accountancy practice requires that in order to produce group accounts in the case of a chain of companies, the accounts of the various companies in the group must be consistent inter se, for which purpose it may be necessary to anticipate in the accounts of the companies, the probable receipts of dividends from other companies in the group although these receipts are not yet the subject matter of declarations of dividends. All that this means is that to do so is good accountancy practice as it will show the "commercial profit" for the accounting year but so far as the Ordinance is concerned it does not in our opinion show that any such anticipated dividends are income which arose in the accounting year. What we are concerned with in the present case is not the method of ascertaining the profits for the year preceding the year of assessment, in which case good accountancy practice may come into play, but the ascertainment of the full amount of the income from dividends for the year preceding the year of assessment, in which

In the Federal
Court of
Malaysia

No.10

Judgment of
Federal Court
3rd September
1968

(continued)

In the Federal
Court of
Malaysia

No.10

Judgment of
Federal Court
3rd September
1968
(continued)

case, in our view, good accountancy practice
can play no part.

For all these reasons we would dismiss
this appeal with costs.

Sd. Wee Chong Jin
Chief Justice,
Singapore.

Sd. Tan Ah Tah
Judge,
Federal Court

Sd. F.A. Chua
Judge

10

SINGAPORE, 3rd September, 1968.

Certified true copy.
Sd. Heng Peng Hoe
Private Secretary to
the Hon. the Chief Justice,
High Court,
Singapore, 6. 3/9/68

41.

NO.11

ORDER

In the Federal
Court of
Malaysia

No.11

Order

3rd September
1968

Coram: The Honourable Mr. Justice Wee
Chong Jin, Chief Justice,
Singapore;

The Honourable Mr. Justice Tan Ah
Tah Judge, Federal Court, Malaysia;

The Honourable Mr. Justice Frederick
Arthur Chua Judge, High Court,
Singapore.

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IN OPEN COURT

THIS 3rd DAY OF SEPTEMBER 1968

THIS APPEAL coming on for hearing on
the 20th and 21st day of May 1968 in the
presence of Mr. Graham Starforth Hill of
Counsel for the Appellants and Mr. Sat Pal
Khattar State Counsel for the Respondent AND
UPON READING the Record of Appeal filed
herein AND UPON HEARING Counsel as aforesaid
IT WAS ORDERED that this appeal should stand
for Judgment and this appeal standing for
Judgment this day in the presence of Counsel
aforesaid IT IS ORDERED that the Appeal
be dismissed AND IT IS ORDERED that the
execution of the Judgment be stayed for one
month from the date of this order the
Appellants being at liberty upon applying
for leave to appeal to apply for an extension
of the stay AND IT IS FURTHER ORDERED that
the Costs of this Appeal be taxed on the
Higher Scale of Costs and be paid by the
Appellants to the Respondent AND IT IS
FURTHER ORDERED that the Deposit of Five
hundred Dollars be paid out to the
Respondent in part satisfaction of their
entitlement to Costs.

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GIVEN under my hand and seal of the
Court this 3rd day of September, 1968.

Sd. Tay Chin Chye

DY. REGISTRAR

40

In the Federal
Court of
Malaysia

NO.12

ORDER GRANTING LEAVE TO
APPEAL TO THE JUDICIAL
COMMITTEE OF THE PRIVY
COUNCIL

No.12

Order Granting
leave to
Appeal to the
Judicial
Committee of
the Privy
Council

CORAM: Tan Ah Tah, Judge, Federal Court
Malaysia,
Frederick Arthur Chua, Judge,
High Court, Singapore,
Choor Singh, Judge, High Court
Singapore.

10

7th October
1968

IN OPEN COURT

THIS 7th DAY OF OCTOBER, 1968

Upon Motion preferred unto this
Honourable Court this day by Mr. Graham Starforth
Hill of Counsel for the above named Appellants
in the presence of Mr. Tay Kim Whatt, State
Counsel, of Counsel for the Respondent and
Upon Reading the Notice of Motion and the
Affidavit of Sim Lai Hee filed herein on
the 24th September, 1968 and Upon Hearing
Counsel aforesaid IT IS ORDERED:-

20

(1) that the Appellants be at liberty
to appeal to the Judicial Committee
under Section 3(1) of the Judicial
Committee Act, 1966 against the whole
of the Judgment delivered herein on
the 3rd day of September, 1968 by
this Honourable Court at Singapore;
and

30

(2) that the stay of execution on the
said Judgment be extended pending
the result of the appeal to the
Privy Council.

GIVEN under my hand and the Seal of
the Court this 7th day of October, 1968.

(L.S.) Sd. Tay Chin Chye
Dy. REGISTRAR

IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL No.34 of 1968

O N A P P E A L
FROM THE FEDERAL COURT OF MALAYSIA, HOLDEN AT SINGAPORE
(APPELLATE JURISDICTION)

B E T W E E N:

SIM LIM INVESTMENTS LIMITED
(Defendants) Appellants

- and -

ATTORNEY GENERAL SINGAPORE
(Plaintiff) Respondent

(In the matter of Suit No. 358 of 1967 in
the High Court in the Republic of
Singapore at Singapore)

B E T W E E N:

Attorney General Singapore Plaintiff

- and -

Sim Lim Investments Limited Defendants)

R E C O R D O F P R O C E E D I N G S

COWARD, CHANCE & CO.
St. Swithin's House,
Walbrook,
London, E.C.4.

Solicitors for the Appellants.

CHARLES RUSSELL & CO.,
37, Norfolk Street,
London, W.C.2.

Solicitors for the
Respondent.