

## Balance Sheet

at 31 August 1999

	Note	RM'000	1998 RM'000
INTEREST IN SUBSIDIARY COMPANIES	4	<b>104,164</b>	132,313
CURRENT ASSETS			
Other debtors, deposits and prepayments		<b>1,585</b>	1,325
Fixed deposits	9	<b>84,266</b>	51,840
Investment securities	10	<b>10,195</b>	–
Bankers acceptances		<b>7,519</b>	50,215
Cash and bank balances		<b>60</b>	271
		<b>103,625</b>	103,651
LESS: CURRENT LIABILITIES			
Other creditors and accruals		<b>144</b>	177
Provision for taxation		<b>1,234</b>	2,572
Proposed dividend		<b>17,754</b>	53,262
		<b>19,132</b>	56,011
Net Current Assets		<b>84,493</b>	47,640
		<b>188,657</b>	179,953
		=====	=====
Financed by:			
SHARE CAPITAL	13	<b>98,632</b>	98,632
CAPITAL REDEMPTION RESERVE	14	<b>1,365</b>	1,365
		<b>99,997</b>	99,997
SHARE PREMIUM	15	<b>66,568</b>	66,568
UNAPPROPRIATED PROFIT		<b>22,092</b>	13,388
		<b>188,657</b>	179,953
		=====	=====
Shareholders' Funds			

The notes set out on pages 30 to 38 form an integral part of, and should be read in conjunction with, these accounts.

## Profit And Loss Account

for the year ended 31 August 1999

	Note	RM'000	1998 RM'000
TURNOVER	17	<b>76,323</b>	110,047
		=====	=====
PROFIT BEFORE TAXATION	18	<b>83,681</b>	118,871
TAXATION	19	<b>(21,716)</b>	(32,804)
		-----	-----
PROFIT AFTER TAXATION		<b>61,965</b>	86,067
UNAPPROPRIATED PROFIT BROUGHT FORWARD		<b>13,388</b>	4,289
		-----	-----
PROFIT AVAILABLE FOR APPROPRIATION		<b>75,353</b>	90,356
APPROPRIATION:			
Dividends	20	<b>(53,261)</b>	(68,362)
		-----	-----
		<b>22,092</b>	21,994
SHARE BUY-BACKS			
Transfer to Capital Redemption Reserve	13	-	(1,365)
Premium paid on shares repurchased	13	-	(7,241)
		-	(8,606)
		-----	-----
UNAPPROPRIATED PROFIT CARRIED FORWARD		<b>22,092</b>	13,388
		=====	=====

The notes set out on pages 30 to 38 form an integral part of, and should be read in conjunction with, these accounts.

## Consolidated Cash Flow Statement

for the year ended 31 August 1999

	RM'000	1998 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	59,292	102,560
Adjustments for:		
Accretion of discount less amortisation of premium on investment securities	(346)	–
Amortisation of goodwill	305	305
Depreciation	1,605	2,092
Gain on sale of fixed assets	(28)	(19)
Interest income	(17,271)	(25,605)
Effects of exchange rate changes on profit of a sub-subsidiary company	(31)	28
Fixed assets written off	7	2
Realisation of exchange reserve on payment of dividend by a sub-subsidiary company	(1,479)	–
Operating profit before working capital changes	42,054	79,363
(Increase)/Decrease in working capital:		
Stocks	8,992	(2,579)
Debtors	(2,479)	(734)
Related companies	4,739	(2,679)
Creditors	200	902
Cash generated from operations	53,506	74,273
Taxation paid	(35,598)	(31,423)
Net cash generated from operating activities	17,908	42,850
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(708)	(556)
Proceeds from sale of fixed assets	28	25
Purchase of investment securities	(13,051)	(12,626)
Interest income	17,271	25,605
Net cash generated from investing activities	3,540	12,448
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Holding company	7	(405)
Dividends paid	(88,769)	(39,599)
Share buy-backs	–	(8,606)
Net cash used in financing activities	(88,762)	(48,610)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(67,314)	6,688
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	290,671	282,314
<b>EFFECTS OF EXCHANGE RATE CHANGES ON OPENING CASH AND CASH EQUIVALENTS</b>	(518)	1,669
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	222,839	290,671
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Fixed deposits	211,468	207,299
Bankers acceptances	7,519	79,846
Cash and bank balances	3,852	3,526
	222,839	290,671

The notes set out on pages 30 to 38 form an integral part of, and should be read in conjunction with, these accounts.

**1. PRINCIPAL ACTIVITIES**

The Company is the parent company of Amway (Malaysia) Sdn. Bhd. and Amway (B) Sdn. Bhd. The principal activities of its subsidiary companies consist of the distribution of consumer products principally under the "AMWAY" trademark.

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

**2. SIGNIFICANT ACCOUNTING POLICIES****2.1 Basis of Preparation**

The accounts of the Group and of the Company are prepared under the historical cost convention and in compliance with approved accounting standards in Malaysia other than the non-disclosure of cost of goods sold as required by International Accounting Standard ("IAS") No. 2 (Revised) – Inventories.

**2.2 Basis of Consolidation**

The consolidated accounts include the accounts of the Company and its wholly-owned subsidiary companies, the particulars of which is in Note 4 to the accounts. The consolidation is based on the audited accounts of the subsidiary companies made up to 31 August 1999.

All internal transactions are eliminated on consolidation and the turnover and profits relate to external transactions only.

The Company adopts the merger method of accounting in accordance with Malaysian Accounting Standard No. 2 for the acquisition of Amway (Malaysia) Sdn. Bhd. and the acquisition method of accounting for the acquisition of Amway (B) Sdn. Bhd. in preparing the consolidated accounts.

Under the merger method of accounting, the results of the subsidiary company are accounted for as if the company has been combined throughout the current and previous financial years. The difference between the nominal value of shares issued as consideration for the merger over the nominal value of the share capital and reserves of the subsidiary company acquired is taken to consolidated reserves.

Under the acquisition method of accounting, the excess of the purchase consideration paid for acquiring the subsidiary company over the fair value attributable to the net assets acquired is taken up as goodwill arising on consolidation. The proportion of the profit or loss after taxation applicable to any pre-acquisition year is deducted in arriving at the profit attributable to the shareholders of the Company.

**2.3 Goodwill on Consolidation**

Goodwill on consolidation represents the difference, at the date of acquisition, between the consideration paid for shares in the subsidiary company and the fair values attributable to the net assets acquired. Goodwill arising on consolidation is amortised over a period of 25 years from date of acquisition.

**2.4 Subsidiary Companies**

Investments in subsidiary companies are stated at cost. Provision for diminution in value is made when the directors consider that there has been a permanent diminution in value.

## 2.5 Fixed Assets

Freehold land is not amortised. Long term leasehold land are amortised over the remaining period of the leases of 74 to 99 years.

Leasehold fixture and improvements are amortised over the lives of the leases of 3 years or their estimated useful lives, whichever is shorter.

During the year, the Group and the Company changed its basis of capitalisation for furniture, fittings and equipment from RM250 and above to RM500 and above. Any furniture, fittings and equipment costing less than RM500 are written off in the month of purchase. The effect of the change is not material to the Group and Company accounts.

Other fixed assets are stated at cost less depreciation provided on a straight-line basis so as to write off the cost of the assets over their estimated useful lives. The principal annual rates used are as follows:-

Buildings	2%
Building improvements	10%
Furniture, fittings and equipment	10% – 33 $\frac{1}{3}$ %
Motor vehicles	25%

## 2.6 Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is determined on a first-in-first-out (FIFO) basis and includes actual purchase price plus the cost of bringing the stocks to their present location.

## 2.7 Investment Securities

Investment securities are stated at the lower of cost and market value. Cost of the Malaysian Government Securities, Malaysian Government Treasury Bills and private debt securities include cost of purchase and amortisation of premium or accretion of discount.

## 2.8 Foreign Currency Translation

The assets and liabilities of the overseas subsidiary company are translated into Ringgit Malaysia at exchange rates closely approximating to those ruling at balance sheet date. The results of the overseas subsidiary company for the year are translated at the average rates applicable throughout the year. Exchange differences arising from the restatement at year end rates of the opening net investment in the overseas subsidiary company are taken to the Exchange Difference Account.

Assets and liabilities in foreign currencies are translated into Ringgit Malaysia at the exchange rates closely approximating to those ruling at the balance sheet date. Transactions in foreign currencies are translated into Ringgit Malaysia at the exchange rates closely approximating to those ruling at the date of the transactions. Gains or losses on exchange are dealt with in the Profit and Loss Account.

## 2.9 Deferred Taxation

Deferred taxation is calculated on the liability method in respect of all material timing differences except where the liability is not expected to arise in the foreseeable future. Deferred tax benefits are only recognised where there is a reasonable expectation of realisation in the near future.

## 2.10 Retirement Plan

The Group has a non-contributory retirement plan for all full-time permanent employees who have completed six months of service with the Group. Any employee who resigns within five years from the date of eligibility will not be entitled to this benefit. The retirement plan is funded by payments to a trust fund whose assets are separately administered from those of the Group.

The amount contributed by the Group is computed at a certain percentage of basic monthly salaries.

### 3. FIXED ASSETS

Group	Freehold land	Long term leasehold land	Buildings	Building improvements	Leasehold fixture and improvements	Furniture, fittings and equipment	Motor vehicles	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost								
At 1 September 1998	18,858	2,637	6,452	897	277	10,423	1,750	41,294
Additions	–	–	–	–	–	520	188	708
Disposals	–	–	–	–	–	–	(108)	(108)
Assets scrapped	–	–	–	–	–	(152)	–	(152)
Exchange difference <sup>†</sup>	–	–	–	–	(3)	(11)	–	(14)
At 31 August 1999	18,858	2,637	6,452	897	274	10,780	1,830	41,728
Accumulated Depreciation								
At 1 September 1998	–	70	1,082	685	265	7,967	966	11,035
Charge for the year	–	35	129	26	12	1,021	382	1,605
Disposals	–	–	–	–	–	–	(108)	(108)
Assets scrapped	–	–	–	–	–	(145)	–	(145)
Exchange difference <sup>†</sup>	–	–	–	–	(3)	(5)	–	(8)
At 31 August 1999	–	105	1,211	711	274	8,838	1,240	12,379
Net book value								
At 31 August 1999	18,858	2,532	5,241	186	–	1,942	590	29,349
At 31 August 1998	18,858	2,567	5,370	212	12	2,456	784	30,259
Depreciation charge for the year ended 31 August 1998	–	35	129	26	20	1,533	349	2,092

<sup>†</sup> This represents the effects of exchange rate changes on opening fixed assets balances.

The title deed to the freehold land acquired by a subsidiary company in 1997 is in the process of being registered in the subsidiary company's name.

#### 4. INTEREST IN SUBSIDIARY COMPANIES

	Company	
	RM'000	1998 RM'000
Interest in subsidiary companies		
Unquoted shares, at cost	86,202	86,202
Amount due from a subsidiary company	17,962	46,111
	<b>104,164</b>	<b>132,313</b>
	=====	=====

Details of the subsidiary companies are as follows:

	Issued Share Capital '000	Group Equity Interest %		Country of incorporation	Principal Activities
		1999	1998		
Amway (Malaysia) Sdn. Bhd.	RM35,499	100	100	Malaysia	Distribution of consumer products principally under the "AMWAY" trademark.
Amway (B) Sdn. Bhd. <sup>†</sup>	B\$10	100	100	Negara Brunei Darussalam	Distribution of consumer products principally under the "AMWAY" trademark.

<sup>†</sup> The entire equity interest of Amway (B) Sdn. Bhd. is held by Amway (Malaysia) Sdn. Bhd.  
The amount due from a subsidiary company is unsecured, interest free and has no fixed terms of repayment.

#### 5. GOODWILL ARISING ON CONSOLIDATION

	Group	
	RM'000	1998 RM'000
Goodwill arising on consolidation of a sub-subsidiary company	7,630	7,630
Less: Accumulated amortisation	(1,017)	(712)
	<b>6,613</b>	<b>6,918</b>
	=====	=====

This represents the unamortised balance of the goodwill arising on consolidation of Amway (Malaysia) Sdn. Bhd. and Amway (B) Sdn. Bhd.

#### 6. STOCKS

	Group	
	RM'000	1998 RM'000
Consumer products	27,853	36,886
	=====	=====

## 7. TRADE DEBTORS

	Group	
	RM'000	1998 RM'000
Trade debtors	9,111	6,367
Less: Provision for doubtful debts	(132)	(46)
	<u>8,979</u>	<u>6,321</u>
	=====	=====

## 8. AMOUNTS DUE FROM/(TO) RELATED COMPANIES

### Group

The amounts due from/(to) related companies are mostly trade related, unsecured and interest free.

## 9. FIXED DEPOSITS

	Group		Company	
	RM'000	1998 RM'000	RM'000	1998 RM'000
Deposits with licensed banks	92,251	99,962	10,006	–
Deposits with finance companies	96,320	92,803	56,671	51,840
Deposits with other corporations	22,897	14,534	17,589	–
	<u>211,468</u>	<u>207,299</u>	<u>84,266</u>	<u>51,840</u>
	=====	=====	=====	=====

## 10. INVESTMENT SECURITIES

	Group		Company	
	RM'000	1998 RM'000	RM'000	1998 RM'000
Marketable securities at cost:				
Malaysian Government Securities	10,548	–	5,270	–
Malaysian Government Treasury Bills	4,689	–	4,689	–
	<u>15,237</u>	<u>–</u>	<u>9,959</u>	<u>–</u>
	=====	=====	=====	=====
Unquoted securities at cost:				
Private debt securities in Malaysia	10,440	12,626	–	–
	<u>25,677</u>	<u>12,626</u>	<u>9,959</u>	<u>–</u>
	=====	=====	=====	=====
Accretion of discount/ (Amortisation of premium)				
Malaysian Government Securities	(35)	–	(17)	–
Private debt securities in Malaysia	381	–	253	–
	<u>346</u>	<u>–</u>	<u>236</u>	<u>–</u>
	=====	=====	=====	=====
	<u>26,023</u>	<u>12,626</u>	<u>10,195</u>	<u>–</u>
	=====	=====	=====	=====
Market value of marketable securities:				
Malaysian Government Securities	10,513	–	5,253	–
Malaysian Government Treasury Bills	4,860	–	4,860	–
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

## 11. OTHER CREDITORS AND ACCRUALS

### Group

Included in other creditors and accruals is an amount of RM689,000 (1998 – RM3,071,000) being the remaining purchase consideration for the freehold land acquired in 1997 (Note 3).

## 12. HOLDING COMPANY

The holding company is Amway Asia Pacific Ltd., a company incorporated in Bermuda and listed on the New York Stock Exchange and the Australian Stock Exchange, under the stock symbols, AAP and AMW respectively.

The amount due to the holding company is unsecured, interest free and has no fixed terms of repayment.



### 13. SHARE CAPITAL

	Company	
		1998
	RM'000	RM'000
Ordinary shares of RM1 each Authorised	250,000	250,000
	=====	=====
Issued and fully paid:		
Balance at 1 September	98,632	99,997
Shares cancelled on repurchased of Nil (1998 – 1,365,000 shares) (Note 14)	-	(1,365)
	-----	-----
Balance at 31 August	98,632	98,632
	=====	=====

The shareholders of the Company at the conclusion of the previous authority given to the Board of Directors to buy back its own shares, by a resolution passed in the Annual General Meeting held on 12 January 1999, approved the Company's proposal to repurchase its own shares and to amend its Memorandum and Articles of Association to authorise the Company to purchase up to 9,863,000 shares of RM1 each, representing 10% of its issued and paid-up share capital of 98,632,000 shares of RM1 each on that date, for a consideration of up to RM90,000,000.

The Company did not buy back any of its shares during the year.

In the previous year, the Company purchased 1,365,000 shares of RM1 each for a purchase consideration of RM8,606,000 which represented 1.4% of its issued and paid-up share capital. The average price paid for the shares repurchased was RM6.30 per share. The shares repurchased were cancelled and an amount equivalent to their par value of RM1,365,000 was transferred to the Capital Redemption Reserve in accordance with the requirement of Section 67A of the Companies Act, 1965 prevailing at that time. The transfer to Capital Redemption Reserve and the premium paid on the shares repurchased were made out of retained profits.

### 14. CAPITAL REDEMPTION RESERVE

	Company	
		1998
	RM'000	RM'000
Transfer from unappropriated profit (Note 13)	1,365	1,365
	=====	=====

### 15. SHARE PREMIUM

	Company	
		1998
	RM'000	RM'000
Balance at 1 September / 31 August	66,568	66,568
	=====	=====

### 16. EXCHANGE DIFFERENCE ACCOUNT

Arising from translation of overseas subsidiary company:

	Group	
		1998
	RM'000	RM'000
Balance at 1 September	1,965	450
Realisation of exchange reserve on payment of dividend by a sub-subsidiary company	(1,479)	-
	-----	-----
	486	450
Net movement from exchange differences in the current year	(493)	1,515
	-----	-----
Balance at 31 August	(7)	1,965
	=====	=====

## 17. TURNOVER

Turnover of the Group represents the gross invoiced value of sales less returns and discounts and services rendered. Turnover of the Company represents dividend income from subsidiary companies.

## 18. PROFIT BEFORE TAXATION

	Group		Company	
		1998		1998
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at:				
After charging:				
Auditors' remuneration	71	68	12	9
Amortisation of goodwill	305	305	-	-
Contribution to employees' retirement plan	282	292	-	-
Depreciation (Note 3)	1,605	2,092	-	-
Directors' remuneration				
- emoluments	833	1,434	-	-
- fees	101	82	60	70
Fixed assets written off	7	2	-	-
Loss on foreign exchange	699	-	-	-
Provision for support charges payable to a related company	1,798	2,379	-	-
Provision for doubtful debts	86	14	-	-
Rental of premises	457	454	-	-
	=====	=====	=====	=====
and crediting:				
Accretion of discount less amortisation of premium on investment securities	346	-	236	-
Dividends from a subsidiary company	-	-	76,323	110,047
Gain on sale of fixed assets	28	19	-	-
Gain on foreign exchange	-	2,136	-	-
Interest income	17,271	25,605	7,403	9,210
Provision for management fee payable to holding company written back	-	651	-	-
Realisation of exchange reserve on payment of dividend by a sub-subsidiary company	1,479	-	-	-
	=====	=====	=====	=====
The monetary value of benefits-in-kind received by the directors	45	45	-	-
	=====	=====	=====	=====

## 19. TAXATION

	GROUP		COMPANY	
		1998		1998
	RM'000	RM'000	RM'000	RM'000
Current year taxation	<b>684</b>	31,252	<b>22,054</b>	33,514
Overprovision of taxation in prior year	<b>(338)</b>	–	<b>(338)</b>	(710)
	<b>346</b>	31,252	<b>21,716</b>	32,804
Foreign taxation	<b>322</b>	511	–	–
	<b>668</b>	31,763	<b>21,716</b>	32,804
	=====	=====	=====	=====

The current year taxation of the Company is in respect of interest income received in the four months period ended 31 December 1998 and for dividend income received/receivable for the financial year ended 31 August 1999. No income taxation is provided for interest income earned in eight months period ended 31 August 1999 in view of the tax waiver for 1999 pursuant to Income Tax (Amendment) Act, 1999.

No income taxation is provided for the Group for the year ended 31 August 1999 in view of the tax waiver for 1999 as mentioned above, other than the taxation of the Company which is in respect of interest income received in the four months period ended 31 December 1998.

The disproportionate tax charge for the Group and the Company in the previous year was due to certain expenses being disallowed for income tax purposes.

## 20. DIVIDENDS

	Company	
		1998
	RM'000	RM'000
Paid – First interim dividend of 20 sen (1998 – 20 sen) per share less tax at 28% (1998 – 28%)	<b>14,203</b>	14,400
Paid – Special interim dividend of 30 sen (1998 – Nil) per share less tax at 28% (1998 – Nil)	<b>21,304</b>	–
Proposed – Final dividend of 25 sen (1998 – 25 sen) per share less tax at 28% (1998 – 28%)	<b>17,754</b>	17,754
Declared – Special interim dividend of Nil (1998 – 50 sen per share less tax at 28%)	–	35,508
Underprovision of prior year proposed final dividend of 25 sen per share and special dividend of 10 sen per share due to change in statutory tax rate from 30% to 28%	–	700
	<b>53,261</b>	68,362
	=====	=====

## 21. EARNINGS PER ORDINARY SHARE

### Group

The earnings per ordinary share is calculated based on the Group profit after taxation of RM58,624,000 (1998 – RM70,797,000) divided by ordinary shares in issue of 98,632,000 (1998 – weighted average number of ordinary shares in issue of 99,849,000 after taking into account of share buy-back of 1,365,000 ordinary shares by the Company).

## 22. DEFERRED TAXATION

Subject to agreement by the Inland Revenue Board, the Group has potential deferred tax benefits not taken up in the accounts under the liability method in respect of the following items:

	Group	
	RM'000	1998 RM'000
Timing differences between net book value and tax written down value of fixed assets	(996)	(1,348)
Other timing differences	18,657	24,240
	17,661	22,892
Potential deferred tax benefits not taken up in the accounts at 28% (1998 – 28%)	4,945	6,410

## 23. SECTION 108 TAX CREDIT

Subject to agreement by the Inland Revenue Board, the Company has sufficient tax credit under Section 108 of the Income Tax Act, 1967 to frank all its distributable reserves in full.

## 24. CAPITAL COMMITMENT

	Group	
	RM'000	1998 RM'000
Capital expenditure approved but not contracted	25,528	21,011

## 25. LEASE COMMITMENTS

At 31 August 1999, the Group has future annual lease commitments in respect of its premises as follows:

	Group	
	RM'000	1998 RM'000
2000	321	76
2001	109	9

## 26. SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant related party transactions of the Group and of the Company include the following:

	Group		Company	
	RM'000	1998 RM'000	RM'000	1998 RM'000
Purchases from a related company	98,378	113,913	-	-
Contribution to Amway Malaysia Retirement Fund	282	292	-	-
Dividends from a subsidiary company	-	-	76,323	110,047

The directors of the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that are no less favourable than those arranged with independent third parties.

## Regional Distribution Centres

31 August 1999

### Headquarters

No. 34 Jalan 223  
46100 Petaling Jaya, Selangor  
Tel : 03-7555222  
Fax : 03-7555002

### Butterworth

10 Lorong Nagasari 4  
Taman Nagasari  
13600 Prai, Penang  
Tel : 04-3905722, 04-3905222  
Fax : 04-3905688

### Johor Bahru

125, Jalan Seroja 39, Taman Johor Jaya  
81100 Johor Bharu, Johor  
Tel : 07-3540018, 07-3555111  
Fax : 07-3540122

### Ipoh

34, Hala Rapat Baru 22  
Taman Perusahaan Ringan Kinta Jaya  
Off Jalan Gopeng, 31350 Ipoh, Perak  
Tel : 05-3138222  
Fax : 05-3133111

### Kuala Terengganu

No. 36-S Lorong 8, Off Jalan Bukit Kecil  
21100 Kuala Terengganu, Terengganu  
Tel : 09-6230111, 09-6230222  
Fax : 09-6223333

### Miri

Lot 1741 & 1742, Block 3  
Piasau Industrial Estate MCLD  
98000 Miri, Sarawak  
Tel : 085-661222, 085-663222  
Fax : 085-664222

### Kuching

Lot 40 & 41, Jalan Tun Ahmad Zaidi Adruce  
93200 Kuching, Sarawak  
Tel : 082-418916, 082-418923, 082-418932  
Fax : 082-248244

### Kota Kinabalu

Lot 24 Jalan Sembulan Lama  
Karamunsing, 88000 Kota Kinabalu, Sabah  
Tel : 088-245222, 088-245111  
Fax : 088-214451

### Tawau

TB 1242, Yeong Li Light Industrial Area  
Mile 2 1/2 Jalan Apas, 91000 Tawau, Sabah  
Tel : 089-911020, 089-911940  
Fax : 089-913079

### Brunei

No. 16 Bunut Jaya Complex  
Mile 4 1/2 Jalan Tutong  
Bandar Seri Begawan 2690 Brunei Darussalam  
Tel : 00-673-2-653037, 00-673-2-652691  
00-673-2-652693  
Fax : 00-673-2-652694

## Particulars Of Properties

The properties held by the Group and the Company as at 31 August 1999 are as follows:

Location	Usage	Land Area in Square Metres	Land Tenure	Year Of Expiry	Net Book Value RM '000	Approximate Age (Years)
10, Lorong Nagasari 4 Taman Nagasari 13600 Prai, Penang	Office & Warehouse	975	Freehold	-	515	7
No. 34 Jalan 223 46100 Petaling Jaya Selangor Darul Ehsan	Office & Warehouse	5,940	Leasehold expiring 22 August 2070	2070	6,800	10
34, Hala Rapat Baru 22 Taman Perusahaan Ringan Kinta Jaya Off Jalan Gopeng 31350 Ipoh, Perak	Office & Warehouse	1,271	Leasehold expiring 18 August 2094	2094	720	3
No. 6 Persiaran A Seksyen U8, Bukit Jelutong Shah Alam Selangor Darul Ehsan	In Progress	25,287	Freehold	-	18,595	N/A

## Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fifth Annual General Meeting of AMWAY (MALAYSIA) HOLDINGS BERHAD will be held at the Ballroom (Mezzanine Floor), Hotel Equatorial Kuala Lumpur, Jalan Sultan Ismail, 50250 Kuala Lumpur on Monday, 17 January 2000 at 11.30 a.m. for the following purposes:

### **AGENDA**

#### **As Ordinary Business**

1. To receive and adopt the Audited Accounts for the year ended 31 August 1999 together with the Directors' and the Auditors' Reports thereon. **Ordinary Resolution 1**
2. To declare a Final Dividend of 25 sen per share less income tax in respect of the year ended 31 August 1999. **Ordinary Resolution 2**
3. To re-elect Tan Sri Azmi Wan Hamzah who is retiring under Article 63 of the Company's Articles of Association. **Ordinary Resolution 3**
4. To re-elect Tan Sri Dato' Ahmad Farouk bin Haji SM Ishak who is retiring under Article 63 of the Company's Articles of Association. **Ordinary Resolution 4**
5. To re-elect Mr Choong Lai Huat who is retiring under Article 63 of the Company's Articles of Association. **Ordinary Resolution 5**
6. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 6**

#### **As Special Business**

To consider and, if thought fit, to pass the following resolution:

7. Proposed purchase of own shares. **Ordinary Resolution 7**

(The detailed text and the rationale on Resolution 7 on the proposed Purchase of Own Shares is contained in the Circular dated 27 December 1999 which is enclosed together with the Annual Report.)

## NOTICE OF DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT, subject to the approval of the shareholders at the Fifth Annual General Meeting, a Final Dividend of 25 sen per share less 28% income tax in respect of the year ended 31 August 1999 will be paid to shareholders on 16 February 2000. The entitlement date for the said dividend shall be 26 January 2000.

A Depositor shall qualify for entitlement to the Dividend only in respect of:

- a) Share transferred to the Depositor's securities account before 12.30 pm on 26 January 2000 in respect of ordinary transfers.
- b) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

BY ORDER OF THE BOARD

NG LEE CHUM (MAICSA 7003990)  
LUM CHEE YENG (MAICSA 0880217)  
Secretaries

Kuala Lumpur  
27 December 1999

### NOTE:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1) (b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney so authorised.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 11th Floor, Wisma Damansara, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

## Analysis Of Shareholdings

As at 16 November 1999

Authorised Share Capital	:	RM250,000,000
Issued and Paid-Up Share Capital	:	RM98,632,000
Class of Shares	:	Ordinary Share of RM1.00 each
Voting Rights	:	One vote per share

### ANALYSIS OF SHAREHOLDINGS

Distribution of shareholdings according to size:

Size Of Holdings	No. Of Shareholders/ Depositors	% Of Shareholders/ Depositors	No. Of Shares Held	% Of Issued Capital
1 – 499	5	0.22	780	0.00
500 – 5,000	1,997	86.98	2,990,136	3.03
5,001 – 10,000	87	3.79	718,000	0.73
10,001 – 100,000	136	5.92	4,929,044	5.00
100,001 – 1,000,000	61	2.66	18,028,700	18.28
Above 1,000,000	10	0.43	71,965,340	72.96
Total	2,296	100.00	98,632,000	100.00

### TWENTY LARGEST SHAREHOLDERS

Name of Shareholders	No. Of Shares Held	% Of Issued Capital
1. Amway Asia Pacific Limited	50,994,170	51.70
2. Employees Provident Fund Board	5,147,000	5.22
3. RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Puan Sri Nik Anida Nik Manshor (WAWH 981102)	4,142,669	4.20
4. DB (Malaysia) Nominee (Asing) Sdn Bhd UBS AG Singapore For Pacific Investment Fund	2,918,301	2.96
5. Wang Tak Company Limited	1,754,000	1.78
6. Chase Malaysia Nominees (Asing) Sdn Bhd Emerging Markets Growth Fund	1,721,200	1.74
7. Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (MLF)	1,697,000	1.72
8. Chase Malaysia Nominees (Asing) Sdn Bhd Abu Dhabi Investment Authority	1,562,000	1.58
9. HSBC Nominees (Asing) Sdn Bhd BBH (Lux) Societe Commandite Par Actions For Fidelity Funds South East Asia (101771)	1,023,000	1.04
10. BBMB Trustee Berhad RHB Mudharabah Fund	1,006,000	1.02
11. OUB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Wan Azmi B. Wan Hamzah (T51-6110525437)	1,000,000	1.01
12. Cartaban Nominees (Asing) Sdn Bhd Clydesdale Bank Glasgow For Fidelity Institutional (South East Asia Fund)	796,000	0.81
13. Prudential Assurance Malaysia Berhad	725,000	0.73
14. Chase Malaysia Nominees (Asing) Sdn Bhd Fidelity Emerging Markets Fund	660,000	0.67
15. RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Rohas Sdn Bhd (981063)	600,000	0.61
16. HSBC Nominees (Asing) Sdn Bhd BBH (Lux) Societe Commandite Par Actions For Fidelity Funds Malaysia (101870)	560,000	0.57
17. Overseas Assurance Corporation (Malaysia) Berhad	529,000	0.54
18. Straits Nominees (Asing) Sdn Bhd GK Goh SPL For Halfmoon Bay Enterprises Ltd (212070-A6/68029)	490,000	0.49
19. John Hancock Life Insurance (Malaysia) Berhad	452,000	0.46
20. Cartaban Nominees (Asing) Sdn Bhd Clydesdale Bank Glasgow For Fidelity Institutional Emerging Markets Fund	452,000	0.46
	78,229,340	79.31

### SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	No. Of Shares Held	% Of Issued Capital
1. Amway Asia Pacific Limited	50,994,170	51.70
2. Tan Sri Azmi Wan Hamzah	* 9,323,830	9.45
3. Puan Sri Nik Anida binti Nik Manshor	* 9,323,830	9.45
4. FMR Corp. and Fidelity Int'l Ltd	7,345,500	7.45
5. Employees Provident Fund Board	6,077,000	6.16
6. Pacific Investment Fund	2,918,301	2.96
7. The Capital Group Companies, Inc.	2,611,364	2.65

\* Includes deemed interest held through nominee companies and spouse.



# Proxy Form

AMWAY (MALAYSIA) HOLDINGS BERHAD (Company No.340354-U)  
(Incorporated in Malaysia)

No. of Shares held

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being a member/members of AMWAY (MALAYSIA) HOLDINGS BERHAD, hereby appoint \_\_\_\_\_  
of \_\_\_\_\_  
or failing him, \_\_\_\_\_  
of \_\_\_\_\_

or failing him, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Fifth Annual General Meeting of the Company to be held at the Ballroom (Mezzanine Floor), Hotel Equatorial Kuala Lumpur, Jalan Sultan Ismail, 50250 Kuala Lumpur on Monday, 17 January 2000 at 11.30 a.m. and at any adjournment thereof.

My/our proxy is to vote as indicated below:

No.	Resolution	For	Against
Ordinary Resolution 1	Adoption of Audited Accounts and Directors' and Auditors' Reports for the year ended 31 August 1999.		
Ordinary Resolution 2	Declaration of a Final Dividend of 25 sen per share less 28% income tax for the year ended 31 August 1999		
Ordinary Resolution 3	Re-election of Tan Sri Azmi Wan Hamzah as Director		
Ordinary Resolution 4	Re-election of Tan Sri Dato' Ahmad Farouk bin Haji SM Ishak as Director		
Ordinary Resolution 5	Re-election of Mr Choong Lai Huat as Director		
Ordinary Resolution 6	Re-appointment of KPMG as Auditors of the Company		
Ordinary Resolution 7	Proposed purchase of own shares.		

(Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he thinks fit.)

Signature:  
Shareholder  
or Common Seal

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 1999/2000

#### NOTE:

- A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1) (b) of the Companies Act, 1965 shall not apply.
- Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney so authorised.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at 11th Floor, Wisma Damansara, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

Stamp

The Registrars  
M & C Services Sdn Bhd  
11th Floor Wisma Damansara  
Jalan Semantan  
Damansara Heights  
50490 Kuala Lumpur