

Financial



Statements

Directors' Report

The Directors have pleasure in presenting their report and the audited financial statements of the Company and of the Group for the year ended 31 December 2000.

PRINCIPAL ACTIVITIES

The principal activities of the Company and the Group are the production of beer, stout, shandy and non-alcoholic beverages for distribution in the home market and for export. There have been no significant changes in the nature of these activities during the year.

RESULTS FOR THE YEAR

	GROUP RM '000	COMPANY RM '000
Operating profit	151,657	74,143
Dividend from subsidiary company	-	99,000
Share of results of associated company	551	-
Profit before taxation	152,208	173,143
Taxation	(42,200)	(47,920)
Profit for the year after taxation	110,008	125,223
Retained profit brought forward	237,754	123,691
	347,762	248,914
Dividends paid and proposed, less tax	(81,991)	(81,991)
Retained profit carried forward	265,771	166,923

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

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

DIVIDENDS

During the financial year, the following dividends were paid by the Company:

- A final dividend of 15% per share less tax, amounting to RM16,398,180 in respect of the previous year as proposed in the Directors' Report of that year;
- A special dividend of 75% per share less tax, amounting to RM81,990,900 in respect of the previous year as proposed in the Directors' Report of that year; and
- An interim dividend of 10% per share less tax, amounting to RM10,932,120 in respect of the financial year.

The Directors propose the payment of dividends of 65% per share less tax, comprising:

- a final dividend of 15% per share less tax, amounting to RM16,398,180; and
- a special dividend of 50% per share less tax, amounting to RM 54,660,600.

EMPLOYEES' SHARE OPTION SCHEME

At an Extraordinary General Meeting held on 23 April 1998, the shareholders of the Company approved the establishment of an Employees' Share Option Scheme ("the Scheme") for eligible employees of the Group. The Securities Commission, the Kuala Lumpur Stock Exchange and the Registrar of Companies approved the Scheme on 19 June 1998, 30 September 1998 and 26 October 1998 respectively.

The main features of the Scheme are as follows:

- (a) Eligible employees are those employees and full-time executive directors of the Group who are confirmed and with at least twelve calendar months of continuous service in the Group prior to the Date of Offer.
- (b) The aggregate number of new shares to be issued under the Scheme shall not exceed three per cent of the issued and paid-up share capital of the Company.
- (c) The Scheme shall continue to be in force for a duration of five years from 26 October 1998.
- (d) The Scheme shall be administered by the ESOS and Remuneration Committee consisting of such persons as shall be appointed by the Board of Directors from time to time.
- (e) Options shall be granted in multiples of 1,000 shares and no option shall be granted for less than 1,000 shares or more than 100,000 shares to any individual employee.
- (f) Options granted can only be exercised at any time after the third anniversary of the Scheme until the Scheme expires.
- (g) The Option Price shall be the average of the mean open market quotations (calculated at the average of the highest and lowest prices as traded on the Kuala Lumpur Stock Exchange for the day) of the shares as shown in the daily official list issued by the KLSE for the five market days immediately preceding the Date of Offer, and in no event be less than the par value of the shares.
- (h) The new shares to be allotted upon exercise of any of the options will upon allotment rank pari passu in all respects with the then existing issued shares of the Company except for dividends or distributions the entitlement date of which is prior to the date of exercise of the option and will be subject to all the provisions of the Articles of Association of the Company relating to transfer, transmission and otherwise.

Pursuant to the Scheme, as of 31 December 2000, options to subscribe for 1,265,000 ordinary shares of RM1.00 each in the Company have been granted to eligible employees of the Group. Of this total, an alternate director had been granted options to subscribe for 27,000 ordinary shares at RM8.09 per share. None of the options granted had been exercised as of 31 December 2000.

DIRECTORS

The names of the Directors of the Company in office since the date of the last report and at the date of this report are:

Michael Iuul, R. (Chairman)
 Chan Hua Eng, R OBE
 Jen. (B) Tan Sri Dato' Mohd. Ghazali bin Dato' Mohd. Seth,
 P.G.A.T., P.M.N., P.S.M., S.P.M.J., S.I.M.P., D.H.M.S., P.N.B.S., J.M.N., P.P.C., *jssc, psc*
 Y.A.M. Tunku Naquiyuddin ibni Tuanku Ja'afar
 D.K., D.K.Y.R., S.P.N.S., P.P.T.
 Tan Sri Datuk Asmat bin Kamaludin, (Appointed on 1.2.2001)
 P.S.M., P.J.N., J.S.M., S.M.J., K.M.N.
 Flemming Lindelov, R.
 Mogens Thomsen
 Dato' Jorgen Bornhoft, D.P.T.J. (Managing Director)
 Martin Cecil
 (Alternate director for Flemming Lindelov, R.)
 Chin Voon Loong
 (Alternate director for Mogens Thomsen)
 John Madsen, R. (Resigned on 2.6.2000)
 Fong Kok Keong (Resigned on 2.6.2000)
 (Alternate director for John Madsen, R.)

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company is a party, whereby Directors might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than benefits which might arise from the options to subscribe for ordinary shares in the Company granted pursuant to the Employees' Share Option Scheme.

None of the Directors who held office at the end of the financial year had, according to the register required to be kept under Section 134 of the Companies Act, 1965, an interest in shares and/or debentures of the Company, except for the following Directors:

Direct interest in the Company	At 1.1.2000	Acquired During the year	Disposed	At 31.12.2000
Y.A.M. Tunku Naquiyuddin ibni Tuanku Ja'afar, D.K., D.K.Y.R., S.P.N.S., P.P.T.	-	1,000	-	1,000
Options to subscribe for Ordinary Shares of RM1.00 each of the Company	At 1.1.2000	Granted	Exercised	At 31.12.2000
Chin Voon Loong	27,000	-	-	27,000

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in the accounts or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest required to be disclosed by Section 169(8) of the Companies Act, 1965.

In accordance with Section 129(2) of the Companies Act, 1965, Mr Chan Hua Eng, R OBE and Jen. (B) Tan Sri Dato' Mohd. Ghazali bin Dato' Mohd. Seth, P.G.A.T., P.M.N., P.S.M., S.P.M.J., S.I.M.P., D.H.M.S., P.N.B.S., J.M.N., P.P.C., jssc, psc retire having attained the age of seventy. The Board recommends that they be re-appointed in accordance with Section 129(6) of the Act.

SHARE REPURCHASE

Pursuant to the authority granted by an ordinary resolution passed in the Annual General Meeting held on 29 April 1999, the Company had, during the previous financial year ended 31 December 1999, repurchased 1,165,000 ordinary shares of RM1.00 each through the Kuala Lumpur Stock Exchange, for an aggregate consideration of RM12,042,622, representing an average price of RM10.34 per share. The lowest and highest prices paid for each share were RM9.75 and RM10.60 respectively. The repurchase of shares was financed by internally generated funds.

The shares repurchased are being retained as treasury shares in accordance with Section 67A of the Companies Act, 1965. During the financial year, no additional shares were bought back and none of the shares previously bought back were reissued or distributed as share dividends.

SIGNIFICANT EVENT DURING THE YEAR

During the year, Carlsberg A/S acquired 33,555,550 additional ordinary shares of RM1.00 each in Carlsberg Brewery Malaysia Berhad ("CBMB"), thereby increasing its equity interest in CBMB from 27.9% to 50.0%.

MATERIAL LITIGATION

The Company is involved in the following pending litigation matters:-

- (a) A Statement of Claim had been filed in court by Asia Pacific Breweries Limited/Guinness Anchor Berhad against the Company over an advertisement that appeared in certain newspapers. The Company had filed its Statement of Defence and the case is still pending.
- (b) The Company commenced legal action against Guinness Anchor Berhad in respect of their advertisement in the newspapers and other media associating Heineken with the World Cup Golf tournament which was held in Malaysia on 18 to 21 November 1999. The Company had obtained an inter-parties injunction against Guinness Anchor Berhad restraining such advertisements. The case is still pending trial.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Company and of the Group were made out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

OTHER STATUTORY INFORMATION (CONTD.)

- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
 - (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the Company and the Group inadequate to any substantial extent;
 - (ii) the values attributed to current assets in the financial statements of the Company and of the Group misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Company and the Group misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company and of the Group which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Company or of the Group which have arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liabilities in respect of the Company or of the Group which have arisen since the end of the financial year.
- (f) In the opinion of the Directors:
 - (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company and of the Group to meet their obligations as and when they fall due;
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Company or of the Group for the financial year in which this report is made.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

On behalf of the Board,

CHAN HUA ENG, R OBE
DIRECTOR

DATO' JORGEN BORNHOFT, D.P.T.J.
DIRECTOR

Kuala Lumpur, Malaysia
2 March 2001

Statement by Directors

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

We, **CHAN HUA ENG, R OBE** and **DATO' JORGEN BORNHOFT, D.P.T.J.**, being two of the Directors of **CARLSBERG BREWERY MALAYSIA BERHAD**, do hereby state that in the opinion of the Directors, the financial statements set out on pages 37 to 56 are drawn up in accordance with approved accounting standards in Malaysia so as to give a true and fair view of:

- (i) the state of affairs of the Company and of the Group as at 31 December 2000 and of the results of the business of the Company and of the Group for the year ended on that date;
- (ii) the cash flows of the Company and of the Group for the year ended 31 December 2000.

On behalf of the Board,

CHAN HUA ENG, R OBE
DIRECTOR

DATO' JORGEN BORNHOFT, D.P.T.J.
DIRECTOR

Kuala Lumpur, Malaysia
2 March 2001

Statutory Declaration

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

I, **CHIN VOON LOONG**, being the person primarily responsible for the financial management of **CARLSBERG BREWERY MALAYSIA BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 37 to 56 are in my opinion correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
the abovenamed **CHIN VOON LOONG**
at Kuala Lumpur in the Federal Territory
on 2 March 2001

CHIN VOON LOONG
Before me,

ZAINAL ABIDIN BIN MD. NOOR, PPN (No. W254)
Commissioner for Oaths,

Kuala Lumpur, Malaysia
2 March 2001

Auditors' Report

to the Members of Carlsberg Brewery Malaysia Berhad

We have audited the financial statements set out on pages 37 to 56. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements, based on our audit.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and approved accounting standards in Malaysia so as to give a true and fair view of:-
 - (i) the state of affairs of the Company and of the Group as at 31 December 2000 and of the results of the Company and of the Group and the cash flows of the Company and of the Group for the year then ended; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements and consolidated financial statements.
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiaries have been properly kept in accordance with the provisions of the Act.

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

The Auditors' Reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Companies Act, 1965.

ERNST & YOUNG AF: 0039

Public Accountants

Sukanta Kumar Dutt 1556/08/02(J)

Partner

Kuala Lumpur, Malaysia
2 March 2001

Income Statements

for the year ended 31 December 2000

	Note	GROUP		COMPANY	
		2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
REVENUE	3	851,984	771,412	545,973	480,888
COST OF SALES		(554,451)	(505,742)	(457,545)	(414,434)
GROSS PROFIT		297,533	265,670	88,428	66,454
Other operating income		8,900	13,206	7,274	12,052
Sales & distribution costs		(123,182)	(115,730)	(338)	(187)
Administrative expenses		(18,017)	(17,997)	(11,644)	(11,622)
Other operating expenses		(13,577)	(7,991)	(9,577)	(2,988)
OPERATING PROFIT		151,657	137,158	74,143	63,709
DIVIDEND FROM SUBSIDIARY COMPANY		-	-	99,000	99,000
SHARE OF RESULTS OF ASSOCIATED COMPANY		551	777	-	-
PROFIT BEFORE TAXATION	4	152,208	137,935	173,143	162,709
TAXATION	6	(42,200)	-	(47,920)	(27,720)
PROFIT AFTER TAXATION		110,008	137,935	125,223	134,989
RETAINED PROFIT BROUGHT FORWARD		237,754	209,140	123,691	98,023
		347,762	347,075	248,914	233,012
DIVIDENDS	7	(81,991)	(109,321)	(81,991)	(109,321)
RETAINED PROFIT CARRIED FORWARD		265,771	237,754	166,923	123,691
BASIC EARNINGS PER SHARE	8				
- pre tax (sen)		100.2	90.7	114.0	107.0
- post tax (sen)		72.5	90.7	82.5	88.8
FULLY DILUTED EARNINGS PER SHARE	8				
- pre tax (sen)		100.0	90.6	113.7	106.8
- post tax (sen)		72.2	90.6	82.2	88.6

The annexed notes form an integral part of these financial statements

Balance Sheets

as at 31 December 2000

	Note	GROUP		COMPANY	
		2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
ASSETS EMPLOYED:					
PROPERTY, PLANT AND EQUIPMENT	9	195,471	200,925	176,033	182,049
SUBSIDIARY COMPANIES	10	-	-	1,909	1,909
ASSOCIATED COMPANIES	11	13,359	13,307	10,940	10,940
LONG TERM INVESTMENT	12	1,733	1,733	1,733	1,733
CURRENT ASSETS					
Inventories	13	47,183	43,578	18,951	20,917
Debtors	14	122,705	132,031	10,930	11,702
Dividend receivable from subsidiary company		-	-	71,280	71,280
Bank balances and deposits	15	249,167	210,653	226,628	196,429
		419,055	386,262	327,789	300,328
CURRENT LIABILITIES					
Creditors	16	95,417	81,753	52,809	43,840
Amount owing to subsidiary company	17	-	-	47,089	60,898
Taxation		26,382	13,643	14,374	4,791
Proposed dividend		71,059	98,389	71,059	98,389
		192,858	193,785	185,331	207,918
NET CURRENT ASSETS		226,197	192,477	142,458	92,410
		436,760	408,442	333,073	289,041
FINANCED BY:					
SHARE CAPITAL	18	153,000	153,000	153,000	153,000
RESERVES	19	282,969	255,451	179,282	136,050
		435,969	408,451	332,282	289,050
TREASURY SHARES	18	(12,043)	(12,043)	(12,043)	(12,043)
SHAREHOLDERS' EQUITY		423,926	396,408	320,239	277,007
DEFERRED TAXATION	20	12,834	12,034	12,834	12,034
		436,760	408,442	333,073	289,041

The annexed notes form an integral part of these financial statements

Statement of Changes in Equity of the Group

for the year ended 31 December 2000

	Note	Share capital RM '000	General reserve RM '000	Capital reserve RM '000	Exchange reserve RM '000	Treasury shares RM '000	Retained earnings RM '000	Total RM '000
GROUP								
At 1 January 1999		153,000	5,766	10,524	2,477	-	209,140	380,907
Exchange differences		-	-	-	(1,070)	-	-	(1,070)
Purchase of treasury shares		-	-	-	-	(12,043)	-	(12,043)
Profit for the year		-	-	-	-	-	137,935	137,935
Dividends	7	-	-	-	-	-	(109,321)	(109,321)
At 31 December 1999		153,000	5,766	10,524	1,407	(12,043)	237,754	396,408
Exchange differences		-	-	-	(499)	-	-	(499)
Profit for the year		-	-	-	-	-	110,008	110,008
Dividends	7	-	-	-	-	-	(81,991)	(81,991)
At 31 December 2000		153,000	5,766	10,524	908	(12,043)	265,771	423,926

The annexed notes form an integral part of these financial statements

Statement of Changes in Equity of the Company

for the year ended 31 December 2000

	Note	Share capital RM '000	General reserve RM '000	Capital reserve RM '000	Treasury shares RM '000	Retained earnings RM '000	Total RM '000
COMPANY							
At 1 January 1999		153,000	5,766	6,593	-	98,023	263,382
Purchase of treasury shares		-	-	-	(12,043)	-	(12,043)
Profit for the year		-	-	-	-	134,989	134,989
Dividends	7	-	-	-	-	(109,321)	(109,321)
At 31 December 1999		153,000	5,766	6,593	(12,043)	123,691	277,007
Profit for the year		-	-	-	-	125,223	125,223
Dividends	7	-	-	-	-	(81,991)	(81,991)
At 31 December 2000		153,000	5,766	6,593	(12,043)	166,923	320,239

The annexed notes form an integral part of these financial statements

Consolidated Statement of Cash Flows of the Group

for the year ended 31 December 2000

	Note	2000 RM '000	1999 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		152,208	137,935
Adjustments for:			
Interest income		(6,664)	(10,624)
Dividend income		(100)	(100)
Share of profit of associated company		(551)	(777)
Depreciation		25,961	24,369
Provision for doubtful debts		6,380	4,345
Gain on disposal of property, plant and equipment		(1,498)	(1,600)
Operating profit before working capital changes		175,736	153,548
Working capital changes:			
Debtors		2,946	(58,060)
Inventories		(3,605)	8,914
Creditors		13,664	1,911
Cash generated from operations		188,741	106,313
Taxation paid		(28,661)	(35,676)
Net cash from operating activities		160,080	70,637
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income		6,664	10,624
Dividend income - associated company		-	494
- others		100	100
Proceeds from disposal of property, plant and equipment		1,550	2,145
Purchase of fixed assets		(20,559)	(49,400)
Net cash used in investing activities		(12,245)	(36,037)
CASH FLOWS FROM FINANCING ACTIVITIES			
Purchase of treasury shares		-	(12,043)
Dividends paid		(109,321)	(115,584)
Net cash used in financing activities		(109,321)	(127,627)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		38,514	(93,027)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		210,653	303,680
CASH AND CASH EQUIVALENTS AT END OF YEAR	15	249,167	210,653

The annexed notes form an integral part of these financial statements

Statement of Cash Flows of the Company

for the year ended 31 December 2000

	Note	2000 RM '000	1999 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		173,143	162,709
Adjustments for:			
Interest income		(6,088)	(10,241)
Dividend income		(100)	(594)
Depreciation		20,980	19,835
Gain on disposal of property, plant and equipment		(268)	(155)
Operating profit before working capital changes		187,667	171,554
Working capital changes:			
Debtors		772	(2,026)
Inventories		1,966	2,060
Subsidiary company		(112,809)	(169,420)
Creditors		8,969	3,934
Cash generated from operations		86,565	6,102
Taxation paid		(9,817)	(10,552)
Net cash from/(used in) operating activities		76,748	(4,450)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income		6,088	10,241
Dividend income - subsidiary company		71,280	71,280
- others		100	594
Proceeds from disposal of property, plant and equipment		296	700
Purchase of fixed assets		(14,992)	(42,460)
Net cash from investing activities		62,772	40,355
CASH FLOWS FROM FINANCING ACTIVITIES			
Purchase of treasury shares		-	(12,043)
Dividends paid		(109,321)	(115,584)
Net cash used in financing activities		(109,321)	(127,627)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		30,199	(91,722)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		196,429	288,151
CASH AND CASH EQUIVALENTS AT END OF YEAR	15	226,628	196,429

The annexed notes form an integral part of these financial statements

Notes to the Accounts

1. BASIS OF ACCOUNTING

The financial statements of the Company and of the Group are prepared under the historical cost convention modified to include the revaluation of certain fixed assets, and comply with approved accounting standards issued by the Malaysian Accounting Standards Board (MASB). The Company and the Group have applied certain transitional provisions adopted by the MASB in respect of International Accounting Standard 16 (Revised), Property, Plant and Equipment, by virtue of which a reporting enterprise is allowed to retain revalued amounts on the basis of their previous revaluations (subject to continuity in depreciation policy and the requirement to write an asset down to its recoverable amount), if it does not further revalue such assets.

2. ACCOUNTING POLICIES

(i) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies for the year to 31 December. The results of subsidiary companies acquired or disposed of are included in the consolidated accounts from the date of acquisition or up to the date of disposal.

(ii) Property, Plant and Equipment, and Depreciation

Property, plant and equipment are stated at cost modified by the revaluation of certain land and buildings less accumulated depreciation and amortisation.

Depreciation is calculated on the original cost or subsequent valuation of property, plant and equipment and is charged on a straight line basis at varying rates to write off assets over their estimated economic lives.

Freehold land is not depreciated.

Leasehold land is depreciated over the periods of the leases ranging from 43 to 99 years.

The principal annual depreciation rates on other property, plant and equipment used are as follows :-

Buildings	- 2%
Plant and machinery	- at rates varying from 5% to 20%
Furniture and equipment	- 20%
Motor vehicles	- 20%

(iii) Dividend, Interest and Rental Income

(a) Dividends from long term investments, and in respect of the Company, from subsidiary and associated companies, are recognised in the income statement upon the right to receipt of such dividends being established.

(b) Interest income and rental income are recognised on an accrual basis.

(iv) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Cost includes the actual cost of materials and incidentals in bringing the inventories into store, and for finished goods and work-in-progress, also includes labour and attributable production overheads. In arriving at net realisable value, due allowance is made for all obsolete and slow moving items.

2. ACCOUNTING POLICIES (CONTD.)

(v) Provision for Doubtful Debts

Known bad debts are written off and specific provisions are made for debts, individually reviewed and specifically identified as doubtful. A general provision is also made to cover possible losses on debts which are not specifically identified.

(vi) Foreign Currencies

Transactions in Foreign Currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing at the dates of the respective transactions and where settlement has not taken place at year end, the balances are translated at approximate rates then prevailing. Exchange differences arising are taken to the income statement.

Translation of Foreign Currency Financial Statements

The Group's share of net assets and results of foreign associated companies are translated at rates of exchange ruling at the balance sheet date. The translation differences arising are taken to Exchange Reserve.

(vii) Retirement Benefits

Retirement benefits are paid to employees by way of monthly contributions to the Employees Provident Fund over and above the statutory contributions, or to an approved external funded defined contribution scheme. Contributions are charged to the income statement as and when the obligations arise.

(viii) Deferred Taxation

Deferred taxation is provided by the liability method on the difference between the net book value of assets eligible for capital allowances and the tax written down value of those assets, and on other timing differences existing at the balance sheet date expected to crystallise in the foreseeable future. No account is taken in respect of timing differences giving rise to a deferred tax asset.

(ix) Subsidiary Companies

A subsidiary company is defined as a company in which the parent company holds directly or indirectly more than 50% of the equity share capital and has control over the financial and operating policies.

Investments in subsidiary companies are stated in the financial statements of the Company at cost unless, in the opinion of the Directors, there has been a permanent diminution in value, in which case an appropriate provision is made.

(x) Associated Companies

An associated company is defined as a company, not being a subsidiary company, in which the Group has a long term interest of not less than 20% of the equity and in whose financial and operating policy decisions the Group exercises significant influence.

Investments in associated companies are stated in the financial statements of the Company at cost unless, in the opinion of the Directors, there has been a permanent diminution in value, in which case an appropriate provision is made. The Group equity accounts its share of post-acquisition results and reserves of associated companies.

2. ACCOUNTING POLICIES (CONTD.)

(xi) Long Term Investments

Long term investments are stated at cost unless in the opinion of the Directors there has been a permanent diminution in value, in which case provision is made for the diminution in value.

(xii) Cash and Cash Equivalents

The statement of cash flows, prepared using the indirect method, classifies changes in cash and cash equivalents according to operating, investing and financing activities. For the purpose of cashflow statement, cash and cash equivalents comprise cash and bank balances and deposits with licensed financial institutions. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are not subject to significant risk changes in value.

3. REVENUE

Revenue represents the value of the gross sales of goods less returns, discounts and sales tax. The comparative amounts have been restated from those disclosed (as "Turnover") in the previous year, of RM842,330,000 for the Group and RM550,237,000 for the Company, to exclude sales tax.

4. PROFIT BEFORE TAXATION

	Note	GROUP		COMPANY	
		2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
This is stated after charging / (crediting):-					
Auditors' remuneration	5	74	74	53	53
Directors' emoluments		2,131	1,932	1,966	1,932
Depreciation of property, plant and equipment		25,961	24,369	20,980	19,835
Provision for doubtful debts		6,380	4,345	-	-
Rent of land and buildings		285	234	-	-
Provision for retirement benefits		694	675	378	353
Dividend income from					
- subsidiary company		-	-	(99,000)	(99,000)
- investment (tax exempt)					
- quoted in Malaysia		(100)	(100)	(100)	(100)
- quoted outside Malaysia		-	-	-	(494)
Rental income					
- subsidiary company		-	-	(180)	(180)
- others		(638)	(881)	(638)	(881)
Gain on disposal of property, plant and equipment		(1,498)	(1,600)	(268)	(155)
Interest income		(6,664)	(10,624)	(6,088)	(10,241)
Employee information:					
Staff costs		33,397	32,565	18,575	18,183

The total number of employees of the Group and of the Company (including directors) at year end were 676 (1999: 675) and 324 (1999: 321) respectively.

5. DIRECTORS' EMOLUMENTS

Directors' emoluments, as disclosed in Note 4, are made up as follows:

	GROUP		COMPANY	
	2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
Fees	173	134	173	134
Other emoluments paid to full time service executives of the Company who are also directors or alternate directors	1,958	1,798	1,793	1,798
	2,131	1,932	1,966	1,932

The estimated value of benefits-in-kind provided to Directors of the Company and of the Group amounted to RM371,000 (1999: RM346,000) and RM377,000 (1999: RM346,000) respectively.

6. TAXATION

	GROUP		COMPANY	
	2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
Malaysian taxation based on results for the year:-				
- current	41,400	-	47,120	27,720
- deferred	800	-	800	-
	42,200	-	47,920	27,720

In the previous financial year, the operating results of the Company and of the Group were not subject to taxation, in view of the legislative waiver of taxation other than that arising on dividend income. The taxation charge in respect of the Company was that arising on its dividend income.

7. DIVIDENDS

	GROUP/COMPANY			
	2000 RM '000	Sen per share	1999 RM '000	Sen per share
Interim dividend of 10% per share less tax (1999: 10% per share less tax)	10,932	7.2	10,932	7.2
Proposed dividend of 65% (1999: 90%) per share made up of:				
- final 15% per share less tax (1999: 15% per share less tax)	16,398	10.8	16,398	10.8
- special 50% per share less tax (1999: special 75% per share less tax)	54,661	36.0	81,991	54.0
	81,991	54.0	109,321	72.0

8. EARNINGS PER ORDINARY SHARE

(a) Basic earnings per share

Basic earnings per share of the Group has been computed by dividing the net profit before and after tax by the weighted average number of shares in issue during the year. For the purposes of this computation, the number of shares repurchased and held as treasury shares has been excluded from the number of shares in issue.

	GROUP		COMPANY	
	2000	1999	2000	1999
Profit before taxation (RM '000)	152,208	137,935	173,143	162,709
Profit after taxation (RM '000)	110,008	137,935	125,223	134,989
Weighted average number of ordinary shares in issue ('000)	151,835	152,000	151,835	152,000
Basic earnings per share				
- pre tax (sen)	100.2	90.7	114.0	107.0
- post tax (sen)	72.5	90.7	82.5	88.8

(b) Diluted earnings per share

For the diluted earnings per share, the weighted number of ordinary shares in issue has been adjusted to assume conversion of all options on 1 January 2000, and the number of shares repurchased and held as treasury shares has been excluded from the number of shares in issue.

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of dilutive options on the assumption all options were exercised on the first day of the financial year, or on the date granted if later.

	GROUP		COMPANY	
	2000	1999	2000	1999
Profit before taxation (RM '000)	152,208	137,935	173,143	162,709
Profit after taxation (RM '000)	110,008	137,935	125,223	134,989
Weighted average number of ordinary shares in issue ('000)	151,835	152,000	151,835	152,000
Adjustment for share options ('000)	432	307	432	307
Weighted average number of ordinary shares for diluted earnings per share ('000)	152,267	152,307	152,267	152,307
Diluted earnings per share				
- pre tax (sen)	100.0	90.6	113.7	106.8
- post tax (sen)	72.2	90.6	82.2	88.6

9. PROPERTY, PLANT AND EQUIPMENT

GROUP	Freehold land and buildings RM '000	Leasehold land and buildings RM '000	Plant and machinery RM '000	Motor vehicles RM '000	Furniture, office equipment and others RM '000	Assets in-progress RM '000	Total 2000 RM '000	1999 RM '000
COST AND VALUATION								
At 1 January	23,759	52,451	241,998	19,537	33,104	11,922	382,771	338,586
Additions	-	136	8,209	3,715	4,579	3,920	20,559	49,400
Transfers	-	1,143	10,429	-	-	(11,572)	-	-
Disposals	-	-	(884)	(3,105)	(90)	-	(4,079)	(5,215)
At 31 December	23,759	53,730	259,752	20,147	37,593	4,270	399,251	382,771
ACCUMULATED DEPRECIATION								
At 1 January	736	12,165	133,267	12,311	23,367	-	181,846	162,147
Charge for the year	96	972	17,709	3,584	3,600	-	25,961	24,369
Disposals	-	-	(857)	(3,081)	(89)	-	(4,027)	(4,670)
As 31 December	832	13,137	150,119	12,814	26,878	-	203,780	181,846
NET BOOK VALUE								
At 31 December 2000	22,927	40,593	109,633	7,333	10,715	4,270	195,471	-
At 31 December 1999	23,023	40,286	108,731	7,226	9,737	11,922	-	200,925
ANALYSIS OF COST AND VALUATION								
At 31 December 2000								
Cost	23,759	35,408	259,752	20,147	37,593	4,270	380,929	-
Valuation - 1981	-	18,322	-	-	-	-	18,322	-
	23,759	53,730	259,752	20,147	37,593	4,270	399,251	-
At 31 December 1999								
Cost	23,759	34,129	241,998	19,537	33,104	11,922	-	364,449
Valuation - 1981	-	18,322	-	-	-	-	-	18,322
	23,759	52,451	241,998	19,537	33,104	11,922	-	382,771

Of the land and buildings of the Group, RM18,938,431 (1999:RM18,938,431) is in respect of the net book value of freehold land, RM9,467,970 (1999: RM9,594,447) is in respect of the net book value of long term leasehold land and RM148,763 (1999: RM152,784) is in respect of the net book value of short term leasehold land.

9. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

COMPANY	Freehold land and buildings RM '000	Leasehold land and buildings RM '000	Plant and machinery RM '000	Motor vehicles RM '000	Furniture, office equipment and others RM '000	Assets in-progress RM '000	Total 2000 RM '000	1999 RM '000
COST AND VALUATION								
At 1 January	18,040	49,233	241,998	2,412	14,055	11,922	337,660	297,371
Additions	-	123	8,209	862	1,878	3,920	14,992	42,460
Transfers	-	1,143	10,429	-	-	(11,572)	-	-
Disposals	-	-	(884)	(532)	(20)	-	(1,436)	(2,171)
At 31 December	18,040	50,499	259,752	2,742	15,913	4,270	351,216	337,660
ACCUMULATED DEPRECIATION								
At 1 January	101	11,778	133,267	1,948	8,517	-	155,611	137,402
Charge for the year	11	912	17,709	470	1,878	-	20,980	19,835
Disposals	-	-	(857)	(532)	(19)	-	(1,408)	(1,626)
As 31 December	112	12,690	150,119	1,886	10,376	-	175,183	155,611
NET BOOK VALUE								
At 31 December 2000	17,928	37,809	109,633	856	5,537	4,270	176,033	-
At 31 December 1999	17,939	37,455	108,731	464	5,538	11,922	-	182,049
ANALYSIS OF COST AND VALUATION								
At 31 December 2000								
Cost	18,040	32,177	259,752	2,742	15,913	4,270	332,894	-
Valuation - 1981	-	18,322	-	-	-	-	18,322	-
	18,040	50,499	259,752	2,742	15,913	4,270	351,216	-
At 31 December 1999								
Cost	18,040	30,911	241,998	2,412	14,055	11,922	-	319,338
Valuation - 1981	-	18,322	-	-	-	-	-	18,322
	18,040	49,233	241,998	2,412	14,055	11,922	-	337,660

Of the land and buildings of the Company, RM17,461,669 (1999:RM17,461,669) is in respect of the net book value of freehold land, RM8,874,465 (1999: RM8,992,769) is in respect of the net book value of long term leasehold land.

9. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

The leasehold land and buildings of the Company and of the Group were valued by the directors in 1981 based on professional appraisals by an independent valuer using open market values. These assets have continued to be stated on the basis of their 1981 valuations, as allowed by the transitional provisions adopted by the Malaysian Accounting Standards Board in respect of International Accounting Standard No. 16 (Revised), Property, Plant and Equipment.

The net book value of assets stated at valuation had they been stated at cost would have been RM190,480,000 (1999: RM195,854,000) in respect of the Group and RM171,042,000 (1999: RM176,978,000) in respect of the Company.

The tax effects in respect of the surplus that arose upon revaluation of properties had not been accounted for in view of there being no intention to dispose of these properties in the foreseeable future.

10. SUBSIDIARY COMPANIES

	COMPANY	
	2000 RM '000	1999 RM '000
Investment in subsidiary companies, at cost	1,909	1,909

The subsidiaries of the Company are:-

Name	Principal activity	Country of incorporation	Percentage of equity	
			2000 %	1999 %
Carlsberg Marketing Sdn. Bhd.	Marketing and distribution of beer, stout, shandy and non-alcoholic beverages	Malaysia	100	100
Euro Distributors Sdn. Bhd.	Dormant	Malaysia	100	100

11. ASSOCIATED COMPANY

	GROUP		COMPANY	
	2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
Investment in associated company quoted outside Malaysia:				
Group's share of net assets at acquisition	10,807	10,807		
Premium on acquisition	133	133		
Cost of investment	10,940	10,940	10,940	10,940
Share of post-acquisition profits and reserves brought forward	960	677		
Share of results for the year	551	777		
Dividends received	-	(494)		
Share of post-acquisition profits and reserves carried forward	1,511	960		
Exchange difference on translation of net assets	908	1,407		
	13,359	13,307		
Represented by Group's share of:				
Net tangible assets	13,226	13,174		
Premium on acquisition	133	133		
	13,359	13,307		
Market value as at 31 December	6,400	13,018	6,400	13,018

Details of the associated company are:-

Name	Principal activity	Country of incorporation	Percentage of equity	
			2000 %	1999 %
The Lion Brewery Ceylon Limited	Manufacturing, marketing and distribution of beer, stout, shandy and non-alcoholic beverages	Sri Lanka	24.6	24.6

11. ASSOCIATED COMPANY (CONTD.)

In conjunction with the investment undertaken in The Lion Brewery Ceylon Limited, the Directors entered into a call option with the principal licensor, Carlsberg A/S, a company incorporated in Denmark, allowing Carlsberg A/S to acquire the Company's interest in the associated company, should certain events occur. The purchase consideration is to be based on an agreed formula and in any event to be a minimum of the original purchase price paid by the Company. The Directors of the Company consider the likelihood of occurrence of such events as remote.

12. LONG TERM INVESTMENTS

	GROUP/COMPANY	
	2000	1999
	RM '000	RM '000
Shares quoted in Malaysia, at cost	3,983	3,983
Provision for diminution in value	(2,250)	(2,250)
	1,733	1,733
Market value at 31 December	1,710	3,075

13. INVENTORIES

	GROUP		COMPANY	
	2000	1999	2000	1999
	RM '000	RM '000	RM '000	RM '000
Finished goods and work-in-progress	28,596	25,214	4,970	6,504
Raw, packaging and other materials	12,884	12,619	8,388	8,668
Spare parts for machinery	5,703	5,745	5,593	5,745
	47,183	43,578	18,951	20,917

14. DEBTORS

	GROUP		COMPANY	
	2000	1999	2000	1999
	RM '000	RM '000	RM '000	RM '000
Trade debtors	115,444	118,900	-	-
Provision for doubtful debts				
- specific	(4,699)	(4,782)	-	-
- general	(5,600)	(2,600)	-	-
	(10,299)	(7,382)	-	-
	105,145	111,518	-	-
Other debtors and prepayments	17,560	20,513	10,930	11,702
	122,705	132,031	10,930	11,702

Included in other debtors and prepayments of the Company and of the Group is an amount of RM269,056 (1999: RM284,318) in respect of a housing loan granted to an Alternate Director of the Company, in accordance with the Housing Loan Scheme applicable to executive staff.

15. BANK BALANCES AND DEPOSITS

	GROUP		COMPANY	
	2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
Deposits with licensed banks	225,208	191,823	223,259	191,071
Cash and bank balances	23,959	18,830	3,369	5,358
	249,167	210,653	226,628	196,429

16. CREDITORS

Trade creditors	38,907	38,412	30,957	28,325
Other creditors and accruals	56,510	43,341	21,852	15,515
	95,417	81,753	52,809	43,840

17. AMOUNT OWING TO SUBSIDIARY COMPANY

The amount owing to the subsidiary company is unsecured, interest-free and has no fixed terms of repayment. The amount arose out of inter-company sales, dividends, fund transfers, and other normal inter-company transactions in the normal course of business.

18. SHARE CAPITAL

	GROUP/COMPANY	
	2000 RM '000	1999 RM '000
Authorised: 300,000,000 ordinary shares of RM1.00 each	300,000	300,000
Issued and fully paid: 153,000,000 ordinary shares of RM1.00 each	153,000	153,000

The shareholders of the Company, by an ordinary resolution passed in a general meeting held on 29 April 1999, approved the Company's plan to repurchase its own shares.

In the last financial year ended 31 December 1999, the Company repurchased 1,165,000 of its issued shares from the open market. The aggregate consideration paid for the repurchased shares was RM12,042,622, representing an average price of RM10.34 per share. The lowest and the highest prices paid for each share were RM9.75 and RM10.60 respectively. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with the provisions of Section 67A of the Companies Act, 1965. No further shares were repurchased during the year ended 31 December 2000, and none of the previously repurchased shares were reissued or distributed as share dividends.

18. SHARE CAPITAL (CONTD.)

As at 31 December 2000, the number of outstanding shares in issue and fully paid is 151,835,000 ordinary shares of RM1.00 each.

Pursuant to the Employees' Share Option Scheme, options to subscribe for 1,265,000 ordinary shares of RM1.00 each have been granted to eligible employees of the Group. None of the options granted had been exercised as of 31 December 2000. The exercise price in respect of all the outstanding options is RM8.09 per share.

19. RESERVES

	GROUP		COMPANY	
	2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
Retained earnings				
- Distributable	253,728	225,711	154,880	111,648
- Non-distributable	12,043	12,043	12,043	12,043
Total retained earnings	265,771	237,754	166,923	123,691
General reserve	5,766	5,766	5,766	5,766
Capital reserve	10,524	10,524	6,593	6,593
Exchange reserve	908	1,407	-	-
Total reserves	282,969	255,451	179,282	136,050
Total Distributable Reserves	259,494	231,477	160,646	117,414
Total Non-distributable Reserves	23,475	23,974	18,636	18,636
TOTAL RESERVES	282,969	255,451	179,282	136,050

The non-distributable retained earnings have been allocated based on the cost of treasury shares held.

Based on estimated tax credits available and the prevailing tax rate applicable to dividends, all of the distributable reserves of the Company are available for distribution by way of dividends without incurring additional tax liability.

20. DEFERRED TAXATION

	GROUP		COMPANY	
	2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
Balance at 1 January	12,034	12,034	12,034	12,034
Charge for the year	800	-	800	-
Balance at 31 December	12,834	12,034	12,834	12,034

These amounts represent the tax effects of timing differences on property, plant and equipment.

The Group's maximum potential liability to deferred taxation from timing differences as at 31 December 2000 is estimated to be RM18,600,000 (1999: RM17,800,000), of which RM5,766,000 (1999: RM5,766,000) has been set aside in General Reserve after taking account of the above provision for deferred taxation.

Deferred tax not provided for in the financial statements of the Group and Company arising from revaluation of fixed assets which are held for long term use amounts to RM1,846,000 (1999: RM1,846,000).

21. CAPITAL COMMITMENTS

	GROUP		COMPANY	
	2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
Commitments in respect of expenditure contracted for:-	48,565	14,285	44,252	14,285
Approved by the directors but not contracted for:-	52,023	35,241	39,486	29,095

22. OPERATING LEASE COMMITMENTS

The future minimum lease payments under non-cancellable operating leases are as follows:

In respect of premises:	GROUP	
	2000 RM '000	1999 RM '000
Not later than 1 year	260	278
Later than 1 year and not later than 5 years	256	521
Later than 5 years	5	12
	521	811

23. SIGNIFICANT RELATED PARTY TRANSACTIONS

	GROUP		COMPANY	
	2000 RM '000	1999 RM '000	2000 RM '000	1999 RM '000
Transactions with a significant shareholder corporation				
Sales	37,692	25,139	-	-
Purchases	1,378	1,312	1,378	1,312
Royalties payable	16,036	14,911	8,977	8,348

24. SEGMENTAL INFORMATION

The Group operates principally in the brewing industry in Malaysia in the production of beer, stout, shandy and non-alcoholic beverages. The other segments are not significant. Accordingly, information on geographical and industry segments of the Group's operations are not presented.

25. CONTINGENCIES: MATERIAL LITIGATION

The Company is involved in the following pending litigation matters:-

- (a) A Statement of Claim had been filed in court by Asia Pacific Breweries Limited/Guinness Anchor Berhad against the Company over an advertisement that appeared in certain newspapers. The Company had filed its Statement of Defence and the case is still pending.
- (b) The Company commenced legal action against Guinness Anchor Berhad in respect of their advertisement in the newspapers and other media associating Heineken with the World Cup Golf tournament which was held in Malaysia on 18 to 21 November 1999. The Company had obtained an inter-parties injunction against Guinness Anchor Berhad restraining such advertisements. The case is still pending trial.

26. COMPARATIVE FIGURES

The presentation of financial statements for the current year has been changed to adopt the format as prescribed in MASB No. 1 - Presentation of Financial Statements, issued by the Malaysian Accounting Standards Board. Comparative figures have been reclassified to conform with the presentation, where necessary.

Particulars of Group Properties

The Properties included in land and buildings at 31 December 2000 (note 9 to the Accounts) and their net book values are indicated below :-

Address	Description	Area	Land Tenure	Approx. Age of Buildings (Years)	RM'000
55, Persiaran Selangor, Section 15, 40200 Shah Alam, Selangor Darul Ehsan	Brewery and Offices	20.00 acres	Leasehold expiring 23.2.2070	30	30,321
Lot 6, Jalan Delima 1/1, Subang Hi-Tech Industrial Park, Batu Tiga, 40150 Shah Alam, Selangor Darul Ehsan	Office and Warehouse	1.12 acres	Freehold	9	3,835
25, Jalan Kilang Dua, Kawasan MIEL, Jelapang, 30100 Ipoh, Perak Darul Ridzuan	Office and Warehouse	0.33 acre	Leasehold expiring 15.9.2072	23	392
10, Pinggiran Tunku, Bukit Tunku, 50480 Kuala Lumpur, Wilayah Persekutuan	Residential – bungalow	0.64 acre	Freehold	29	1,978
83, Jalan Seroja 39, Taman Johor Jaya, 81100 Johor Bahru, Johor Darul Takzim	Office and Warehouse	0.34 acre	Freehold	8	776
Plot 42, off Lot 2817, Jalan Jelawat, Bandar Seberang Jaya, 13700 Prai, Butterworth	Office and Warehouse	0.75 acre	Leasehold expiring 18.8.2073	8	1,749
Lot 6, No. 34, Towering Industrial Estate, Mile 4½, Jalan Penampang, 88300 Kota Kinabalu, Sabah	Office and Warehouse	0.06 acre	Leasehold expiring 31.12.2037	21	410
394, Taman AST, Jalan Labu, 70200 Seremban, Negeri Sembilan Darul Khusus	Office and Warehouse	0.04 acre	Freehold	6	388
Lot 22, Jalan Pengapit 15/19, 40200 Shah Alam, Selangor Darul Ehsan	Factory and Office	1.81 acres	Leasehold expiring 23.2.2082	10	7,487
25, Jalan IM 14/3, Kawasan Perindustrian Ringan Indera Mahkota, 25200 Kuantan, Pahang Darul Makmur	Office and Warehouse	0.05 acre	Leasehold expiring 29.3.2097	3	235
No. EMR 3099, Lot No. 9 & No. EMR 3100, Lot No. 10, No. GM 76, Lot No. 35 & No. GM 77, Lot No. 36, In The Village of Batu Tiga / Mukim of Damansara, District of Petaling, Selangor Darul Ehsan	Land	6.41 acres	Freehold	-	15,949
					<hr/> 63,520 <hr/>

Analysis of Shareholdings

as at 28 February 2001

Size Of Holdings

Shareholdings (No. of Shares)	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
less than 500	413	12.47	48,207	0.03
500 – 5,000	1,712	51.67	3,689,608	2.43
5,001 – 10,000	387	11.68	2,978,308	1.96
10,001 – 100,000	690	20.83	20,344,227	13.40
100,001 – 1,000,000	103	3.11	28,044,110	18.47
1,000,001 and above	8	0.24	96,730,540	63.71
TOTAL	3,313	100.00	*151,835,000	100.00

Class of Share : RM1.00 Ordinary Share

Voting Rights : 1 Vote Per Ordinary Share

* This is net of share buy-back of 1,165,000 ordinary shares of RM1.00 each

Twenty Largest Shareholders

Name	Number of Shares	% of Shares
1. Carlsberg A/S	75,917,500	50.00
2. Silvercord Capital (Singapore) Limited	8,857,000	5.83
3. Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (MLF)	4,250,000	2.80
4. Overseas Assurance Corporation (Malaysia) Berhad	2,204,000	1.45
5. UOBM Nominees (Asing) Sdn Bhd Bankers Trust Company For BP Pension Trustees Limited	2,000,000	1.32
6. Universal Trustee (Malaysia) Berhad Mayban Unit Trust Fund	1,339,000	0.88
7. UOB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Yoke Fong @ Wong Nyok Fing	1,100,000	0.72
8. Mak Tian Meng	1,063,040	0.70
9. Cartaban Nominees (Asing) Sdn Bhd State Street London Fund XCF5 For Aberdeen Far East Emerging Economies Unit Trust	1,000,000	0.66
10. Chase Malaysia Nominees (Asing) Sdn Bhd General Motors Employees Global Group Pension Trust	942,000	0.62
11. Cartaban Nominees (Asing) Sdn Bhd Boston Safe Deposit And Trust Company For Commonwealth Of Pennsylvania Public School Employees Retirement System	909,000	0.60
12. Citicorp Nominees (Asing) Sdn Bhd TNTC For Government of Singapore Investment Corporation Pte Ltd	830,000	0.55
13. Hwang-DBS Custodian Nominees (Asing) Sdn. Bhd. DBS Bank For Mrs. Theresa Foo Nee Cheng Theresa	774,750	0.51
14. Citicorp Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad (Par Fund)	759,500	0.50
15. Cartaban Nominees (Asing) Sdn Bhd Boston Safe Deposit and Trust Company For Commonwealth Of Massachusetts Pension Reserve Investment Trust	759,000	0.50
16. Tai Tak Estates Sdn Bhd	750,000	0.49
17. Asia Life (M) Berhad As Beneficial Owner (M'sia Life Fund)	723,000	0.48
18. Arab-Malaysian Nominees (Tempatan) Sdn Bhd Arab-Malaysian Trustee Bhd For Pacific Pearl Fund	700,000	0.46
19. Citicorp Nominees (Asing) Sdn Bhd American International Assurance Company Limited (P Core)	652,500	0.43
20. Cartaban Nominees (Asing) Sdn Bhd State Street London Fund XCC6 For Aberdeen New Dawn Investment Trust Plc	650,000	0.43
Total	106,180,290	69.93

Substantial Shareholders

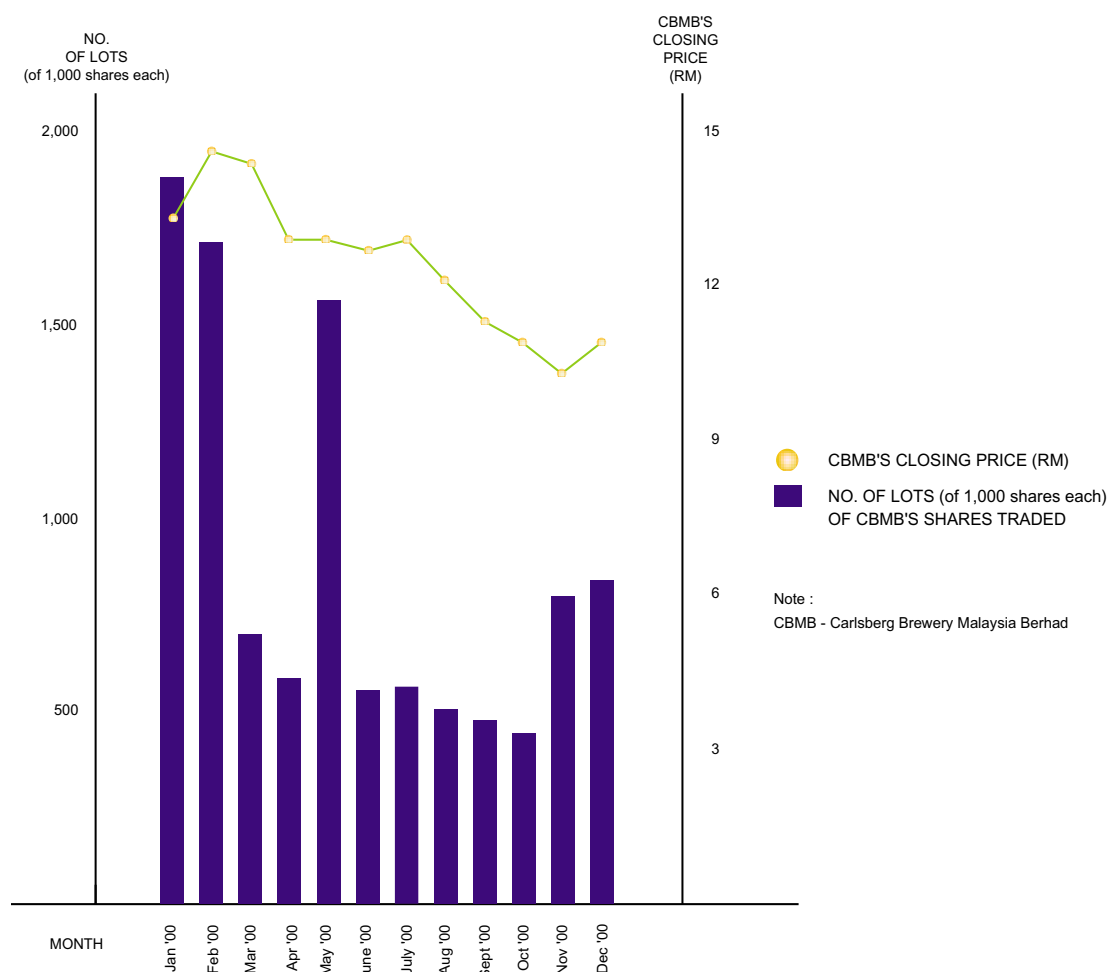
Name	Number of Shares	% of Shares
1. Carlsberg A/S	75,917,500	50.00
2. Silvercord Capital (Singapore) Limited	8,857,000	5.83
3. Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (MLF)	4,250,000	2.80
Total	89,024,500	58.63

Share Buy-Back

Month	No. of Shares Purchased (Units)	Purchase Price Per Share (RM)		Average Cost Per Share (RM)	Total Cost (RM)
		Lowest	Highest		
August 99	577,000	9.75	10.30	10.09	5,822,317.83
September 99	588,000	10.30	10.60	10.58	6,220,304.57
Total	1,165,000	9.75	10.60	10.34	12,042,622.40

No further shares were repurchased during the year ended 31 December 2000. None of the repurchased shares were reissued, cancelled or distributed as share dividends during the period under review.

Share Performance



Carlsberg Sales Offices and Depots in Malaysia



1. PENANG

No. 27, Jalan Gottlieb,
10350 Penang.
(Tel. : 04-226 9430/04-226 9436)
(Fax : 04-226 9471)

2. BUTTERWORTH

Plot 42, off Lot 2817,
Jalan Jelawat,
Bandar Seberang Jaya,
13700 Prai, Butterworth.
(Tel. : 04-390 3077)
(Fax : 04-399 1488)

3. IPOH

25 Jalan Kilang Dua
Kawasan MIEL, Jelapang,
30100 Ipoh, Perak Darul Ridzuan.
(Tel. : 05-526 4622/526 2385)
(Fax : 05-526 4090)

4. SUBANG HI-TECH

Lot 6, Jalan Delima 1/1,
Subang Hi-Tech Industrial Park,
Batu Tiga, 40150 Shah Alam,
Selangor Darul Ehsan.
(Tel. : 03-5634 1702/6/13)
(Fax : 03-5634 8230)

5. SEREMBAN

394, Taman AST,
Jalan Labu, 70200 Seremban,
Negeri Sembilan Darul Khusus.
(Tel. : 06-762 0319/762 9102)
(Fax : 06-764 3895)

6. MELAKA

23-23A Jalan Malinja 1,
Taman Malinja, Bukit Baru,
75150 Melaka.
(Tel. : 06-282 7709/284 1530)
(Fax : 06-282 7930)

7. BATU PAHAT

24, Jalan Tukas Satu, Taman Soga,
83000 Batu Pahat,
Johor Darul Takzim.
(Tel. : 07-433 2463)
(Fax : 07-433 2464)

8. JOHOR BAHRU

83, Jalan Seroja 39,
Taman Johor Jaya,
81100 Johor Bahru,
Johor Darul Takzim.
(Tel. : 07-355 5078)
(Fax : 07-354 6092)

9. KOTA BAHRU

5591-F, Jalan Sultan Yahya Petra,
Wakaf Siku, 15200 Kota Bahru,
Kelantan Darul Naim.
(Tel. : 09-744 0624)
(Fax : 09-744 0624)

10. MENTAKAB

2, Jalan Keruing,
Taman Rimba,
28400 Mentakab,
Pahang Darul Makmur.
(Tel. : 09-277 3976)

11. KUANTAN

25 Jalan IM14/3,
Kawasan Perindustrian Ringan,
Indera Mahkota,
25200 Kuantan,
Pahang Darul Makmur.
(Tel. : 09-508 8348/508 8349)
(Fax : 09-508 8343)

12. KOTA KINABALU

Lot 6, No. 34,
Towering Industrial Estate,
Mile 4 1/2, Jalan Penampang,
88300 Kota Kinabalu, Sabah.
(Tel. : 088-715 091/715 019)
(Fax : 088-717 480)

13. TAWAU

TB 3813 (Lot 46), Sri Aman Light
Industrial Estate, Mile 3 1/2,
Apas Road, 91000 Tawau, Sabah.
(Tel. : 089-911 961)
(Fax : 089-911 297)

14. SANDAKAN

Lot 4, Block A, Bandar Nam Tung
Leila Road, 90000 Sandakan,
Sabah.
(Tel. : 089-611 748)

15. KUCHING

287, Section 9, KTLD,
Ground & 1st Floor Rubber Road,
93762 Kuching, Sarawak.
(Tel. : 082-425 319/425 320)
(Fax : 082-421 660)



CARLSBERG BREWERY MALAYSIA BERHAD

(Company No.9210-K)
(Incorporated in Malaysia)

NO. OF SHARES HELD	
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FORM OF PROXY

I/We, _____
of _____
being a member of the abovenamed Company, hereby appoint _____
of _____
_____ or failing him _____
of _____.

as my/our proxy to vote for me/us and on my/our behalf at the Thirty-First Annual General Meeting of the Company to be held on **Monday, 23 April 2001 at 11.00 a.m.**, and at any adjournment thereof. The proxy is to vote on the business before the meeting as indicated below (if no indication is given, the proxy will vote as he thinks fit or abstain from voting):

No.		For	Against
1.	To receive and adopt Directors' and Auditors' Reports and Audited Accounts for the year ended 31 December 2000.		
2.	To approve the payment of a Final Dividend of 15 sen per share and a Special Dividend of 50 sen per share less Malaysian income tax in respect of the year ended 31 December 2000.		
3.	To re-elect Mr Mogens Thomsen who retires in accordance with Article 92(a) of the Company's Articles of Association.		
4.	To re-elect Yang Berbahagia Tan Sri Datuk Asmat bin Kamaludin who retires pursuant to Article 92(e) of the Company's Articles of Association.		
5.	To re-appoint Mr Chan Hua Eng in accordance with Section 129 of the Companies Act, 1965.		
6.	To re-appoint Yang Berbahagia Jen. (B) Tan Sri Dato' Mohd. Ghazali bin Dato' Mohd. Seth in accordance with Section 129 of the Companies Act, 1965.		
7.	To approve Directors' fees for the year ended 31 December 2000.		
8.	To re-appoint Messrs Ernst & Young as auditors and to authorise the Directors to fix their remuneration.		
9.	To authorise the Directors to issue shares pursuant to Section 132D of the Companies Act, 1965.		

As witness my/our hand this _____ day of _____ 2001.

Signed by the said _____

In the presence of _____

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote in his stead. A proxy need not be a member of the Company but in accordance with Section 149 of the Companies Act, 1965, a member shall not be entitled to appoint a person who is not a member of the Company as his proxy unless that person is an advocate, an approved company auditor or a person approved by the Registrar of Companies in a particular case.
2. Where the Proxy Form is executed by a corporation, it must be either under its Seal or under the hand of an officer or attorney duly authorised.
3. The Proxy Form must be deposited at the Registered Office at No. 55 Persiaran Selangor, Section 15, 40200 Shah Alam, Selangor, not less than 48 hours before the time set for the meeting.

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AFFIX
STAMP

THE COMPANY SECRETARY
CARLSBERG BREWERY MALAYSIA BERHAD
No. 55, Persiaran Selangor
Section 15
40200 Shah Alam
Selangor Darul Ehsan

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