

Statement Of Corporate Governance

In continually striving to raise standards, the Board of Directors is committed to ensuring that the highest standards of corporate governance are practiced throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholder value and the financial performance of the Group.

To this end, the Board welcomes the recommendations of the Malaysian Code of Corporate Governance ("Code") issued in March 2000 which sets out the principles and best practices on structures and processes that companies may use in their operations towards achieving the optimal governance framework.

COMPLIANCE STATEMENT

The Group has not complied with the Principle and Best Practice of the Code set out in the schedule below throughout the year. The reason for non-compliance is specified accordingly.

| Provision of the code | Details | Reasons |
|-----------------------|---|---|
| AA.VII | Nomination of a Senior Independent Non-Executive Director to whom concerns may be conveyed. | Given the current composition of the Board, in particular the strong and independent element and the separation of the roles of Chairman and Managing Director, the Board does not consider it necessary to nominate a recognised Senior Independent Non-Executive Director. |
| B.III | Disclosure of details of the remuneration of each director | <p>The Board has considered this Principle against the backdrop of compliance with a related disclosure required under the Kuala Lumpur Stock Exchange Rules, i.e. that of disclosure of an analysis of Directors' Remuneration by applicable bands of RM50,000 (refer to Note 5 of the Notes to the Financial Statements).</p> <p>The Board is of the view that the transparency and accountability aspects of corporate governance as applicable to Directors' Remuneration are appropriately served by the 'band disclosure' made.</p> |

The statement in the ensuing paragraphs describes how the Group has applied the principles and best practices of the Code.

A) DIRECTORS

I. The Board

An effective Board leads and controls the Group whereby collective decision and/or close monitoring is conducted on issues relating to strategy, performance, resources, standards of conduct and financial matters.

During the year ended 31 December 2001, 3 Board Meetings were held. The following is the record of attendance of the Board Members:-

| Directors | No. of meetings attended |
|---|--------------------------|
| Michael Iuul | 3/3 |
| Chan Hua Eng | 3/3 |
| Jen (B) Tan Sri Dato' Mohd Ghazali bin Dato' Mohd. Seth | 3/3 |
| Y.A.M. Tunku Naquiyuddin ibni Tuanku Ja'afar | 3/3 |
| Tan Sri Datuk Asmat bin Kamaludin | 3/3 |
| Mogens Thomsen | 2/3 |
| Flemming Lindelov (resigned on 20.9.2001) | 1/1 |
| Dato' Jorgen Bornhoft | 3/3 |

In future, the Board intends to meet at least 4 times a year, with additional meetings convened where necessary.

In the intervals between Board meetings, for exceptional matters requiring urgent Board decisions, Board approvals are sought via circular resolutions which are attached with sufficient information required for an informed decision. Additional discussions are also held with the Chairman where necessary during the year.

The Board has delegated specific responsibilities to the following Board Committees :-

1. Audit Committee

The Audit Committee was established on 15 April 1994. Please refer to the Audit Committee Report on page 39.

2. Nomination Committee

The Nomination Committee was established on 1 October 2001. The Committee had one meeting during the year ended 31 December 2001.

Members

Michael Iuul (Non-Executive Chairman)

Tan Sri Datuk Asmat bin Kamaludin (Independent Non-Executive Director)

Key responsibilities

- Reviewing the Board composition and recommending new nominees to the Board as well as Board committees for the Directors' consideration.
- Assessing the effectiveness of the Board, Board Committees and each Director every year, taking into consideration the required mix of skills and experience and other requisite qualities including core competencies contributed by Non-Executive Directors.

3. Remuneration Committee

The Remuneration Committee, which was established on 18 August 2001, has had one meeting during the year ended 31 December 2001.

Members

Michael Iuul (Non-Executive Chairman)

Chan Hua Eng (Independent Non-Executive Director)

Key responsibilities

- Recommending the level of the Executive Director's remuneration package.
- Evaluating the remuneration packages of senior management executives.

4. ESOS Committee

The ESOS Committee was set up on 30 April 1998. Meetings of the ESOS Committee are held where necessary. During the year ended 31 December 2001, one meeting was held and attended by all members.

Members

Michael Iuul (Non-Executive Chairman)

Chan Hua Eng (Independent Non-Executive Director)

Key responsibilities

Administering the Carlsberg Brewery Malaysia Berhad Employees' Share Option Scheme in accordance with the objectives and regulations as stated in the Bye-Laws which include:-

- Recommending to establish, amend and revoke any rules or arrangement relating to the ESOS where necessary.
- Determining all questions of policy and expediency that may arise in the administration of the ESOS and exercising such powers and performing such acts where necessary.

II. Board Balance

The Board currently has 7 members, comprising 6 Non-Executive Directors and 1 Executive Director. Out of the 7 Directors, 4 are Independent Directors, which is in excess of the requirement of one-third. Collectively, the Directors bring a wide range of business, legal, financial and technical experience relevant to the Group. The profile of each Director is summarised on pages 4 to 7.

The roles and responsibilities of the Chairman and Managing Director are clearly distinct to ensure that there is a balance of power and authority. The Chairman holds a Non-Executive position and is primarily responsible for matters pertaining to the Board and overall conduct of the Group. The Managing Director oversees the running of the Group and the implementation of the Board's decisions and policies.

Further, the presence of Independent Non-Executive Directors ensures that issues of strategies, performance and resources proposed by the management are objectively evaluated, taking into consideration the long-term interests of shareholders, employees, customers, suppliers and other communities in which the Group conducts its business. The relatively large number of Independent Directors also ensures that the investment of minority shareholders is fairly reflected through Board representation.

III. Supply of Information

All Directors are furnished with a comprehensive Board File including the meeting agenda usually at least 2 weeks before each Board meeting. Sufficient time is given to enable the Directors to solicit further explanations and/or information, where necessary, so that deliberations at the meeting are focused and constructive.

The Board File includes, amongst others, sales and marketing development and strategies, financial results and forecasts, status of major projects, minutes of meetings of Board Committees and other major operational, financial and legal issues. In addition, there is a schedule of matters reserved specifically for the Board's decision.

All Directors have access to the advice and services of the Company Secretary as well as to all information within the Group. There is also a formal procedure sanctioned by the Board of Directors, for Directors, whether as a full board or in their individual capacity, to take independent professional advice, where necessary and in appropriate circumstances, in furtherance of their duties, at the Group's expense.

IV. Appointments to the Board

The Malaysian Code on Corporate Governance endorses, as good practice, the setting up of a Nomination Committee to formalise procedures for appointments to the Board. Although the Code states that this procedure may be performed by the Board as a whole, as a matter of best practice, it recommends that this responsibility be delegated to a committee.

To this end, the Nomination Committee composed exclusively of Non-Executive Directors, is charged with the responsibility of, amongst others, recommending the appointment of new Directors to the Board.

Carlsberg has an induction and education programme for new Board members, which includes a visit to the brewery and meetings with the Managing Director and department heads to better understand the operations and business of the Group, which will allow the director to contribute effectively from the outset of the appointment.

In addition, a formal schedule of matters requiring Board's approval is furnished to the new Director which includes, amongst others, material acquisitions and disposals of assets, authority levels, treasury policies, risk management policies and corporate plans and budget.

V. Re-election

In accordance with the Company's Articles of Association, all Directors are subject to election at the first Annual General Meeting after their appointment.

The Articles also provide that at least one third of the remaining Directors, save for the Managing Director, be subject to re-election by rotation at each Annual General Meeting. In compliance with the Kuala Lumpur Stock Exchange Listing Requirements which came into force in 2001, the Managing Director will now also be required to submit himself for re-election by rotation. The amended Articles of Association to be tabled for adoption purposes provides for all Directors to submit themselves for re-election at least once every 3 years.

Directors over 70 years of age are required to submit themselves for re-appointment at every Annual General Meeting in accordance with Section 129(6) of the Companies Act, 1965.

B) DIRECTORS' REMUNERATION

I. Remuneration Policy

The objective of the Group's remuneration policy is to attract and retain the Directors required to lead and control the Group effectively. In the case of the Executive Director, the components of the remuneration package are linked to corporate and individual performance. For Non-Executive Directors, the level of remuneration is reflective of their experience and level of responsibilities.

II. Remuneration Procedure

The Remuneration Committee recommends for the Board's approval, the framework of executive remuneration and the cost level of the Executive Director's remuneration package.

Non-Executive Directors' fees are determined by the Board as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his fee.

The fees payable to Directors are subject to the approval of shareholders.

III. Details of Remuneration

Details of the number of Executive and Non-Executive Directors in remuneration bands of RM50,000 for the year ended 31 December 2001 are disclosed in the Statutory Accounts as Note 5 of the Notes to the Financial Statements.

C) INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION

The Board recognises the importance of an effective communications channel between the Board, shareholders and general public.

The annual reports, press releases, quarterly results and any announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance.

The Annual General Meeting represents the principal forum for dialogue and interaction with shareholders. At every meeting, the Board sets out the progress and performance of the Group since the last meeting held. Shareholders are encouraged to participate in the subsequent question and answer session wherein Directors, Heads of Department as well as the Group's Auditors are available to respond to the queries raised. In the event that an answer cannot be readily given at the meeting, the Chairman will undertake to provide a written reply to the shareholder.

Each item of special business included in the notice of meeting will be accompanied by a full explanation of the effects of a proposed resolution.

During the year, the Managing Director and/or key management personnel also hold discussions with the press and analysts when necessary, to provide information on the Group's strategy, performance

and major developments. A press briefing, attended by the Chairman, is also held after each Annual General Meeting.

In addition, the Group maintains a website at www.carlsberg.com.my for shareholders and the public to access information on, amongst others, the Group's background and products, financial performance, frequently-asked questions (FAQs) and updates on its various sponsorships and promotions.

D) ACCOUNTABILITY AND AUDIT

I. Financial Reporting

In presenting the annual financial statements and quarterly announcement of results to shareholders, the Board takes responsibility in conveying a balanced and understandable assessment of the Group's position and prospects.

A statement by Directors of their responsibilities in preparing the financial statements is set out on page 43 of this Annual Report.

II. Internal Controls

The Board of Directors has always placed significant emphasis on sound internal controls which are necessary to safeguard the Group's assets and shareholders' investment. To this end, the Board affirms its overall responsibility for the Group's internal controls system which encompasses risk management practices as well as financial, operational and compliance controls. However, it should be noted that such system, by its nature, manages but not eliminates risks and therefore can provide only reasonable, and not absolute, assurance against material misstatement, loss or fraud.

Ongoing reviews are performed throughout the year to identify, evaluate, monitor and manage significant risks affecting the business and to ensure that adequate and effective controls are in place. Such continuous review processes are conducted by the Group's independent and adequately resourced internal audit function as well as the management team. The findings of the internal audit function are regularly reported to the Audit Committee.

III. Relationship with Auditors

The role of the Audit Committee in relation to the external auditors is described on page 42.

Audit Committee Report

MEMBERSHIP AND MEETINGS

The Audit Committee had 4 meetings during the year ended 31 December 2001. The members of the Audit Committee and the record of their attendance are as follows:-

| Membership | No. of meetings attended |
|--|--------------------------|
| Chan Hua Eng (Chairman/Independent Non-Executive Director) | 4/4 |
| Jen (B) Tan Sri Dato' Mohd Ghazali bin Dato' Mohd. Seth (Member/Independent Non-Executive Director) | 4/4 |
| Y.A.M. Tunku Naquiyuddin ibni Tuanku Ja'afar (Member/Independent Non-Executive Director) | 3/4 |
| Dato' Jorgen Bornhoft (Member/Managing Director) | 4/4 |

The Heads of the Finance and Internal Audit Departments were invited to attend the meetings for the purpose of briefing the Audit Committee on the activities involving their areas of responsibilities. The Audit Committee was also briefed by the external auditor on the findings of the external audit.

The Company had, on 25 May 2001, requested for a waiver from having to comply with Section 15.10(1)(c) of the KLSE Listing Requirements which stipulate that at least 1 member of the Audit Committee must be a member of the Malaysian Institute of Accountants (MIA) or must have at least 3 years' working experience and have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967 or be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967. Such exemption was sought on the grounds that the present members of the Audit Committee have the necessary skills and experience required to effectively carry out their responsibilities. In addition, Dato' Jorgen Bornhoft possesses accounting qualifications from Denmark and was also the first Chief Accountant and Company Secretary of the Company. A reply from the KLSE is still pending.

TERMS OF REFERENCE

Terms of membership

1. The Audit Committee shall be appointed by the Board from amongst their number and shall consist of not less than 3 members with the majority being Independent Directors.
2. The members of the Audit Committee shall elect a Chairman from amongst their number who shall be an Independent Non-Executive Director.
3. In the event of any vacancy in the Audit Committee, the Board shall within 3 months of that event, appoint such new members to make up the minimum number of 3 members.
4. No alternate director can be appointed as a member of the Audit Committee.

5. The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board at least once in every 3 years.

Authority

The Audit Committee is authorised by the Board to perform the following:-

1. To investigate any matter within its terms of reference. It shall have full and unrestricted access to any information pertaining to the Group, both the internal and external auditors and to all employees of the Group. It shall have the resources required to perform its duties.
2. To obtain external legal or other professional advice and secure the attendance of outsiders with relevant experience to attend, if necessary.
3. To promptly report to the Kuala Lumpur Stock Exchange, any matter reported by it to the Board which has not been satisfactorily resolved resulting in a breach of the KLSE Listing Requirements.

Functions

The functions of the Audit Committee shall be:-

1. to review the following and report the same to the Board of Directors:-
 - (a) with the external auditor, the audit plan;
 - (b) with the external auditor, his evaluation of the system of internal controls;
 - (c) with the external auditor, his audit report, including his management letter and management's response;
 - (d) with the external auditor, any other matter he may wish to discuss (in the absence of management where necessary);
 - (e) the assistance given by the Company's officers to the external auditor;
 - (f) the adequacy of the scope, functions and resources of the internal audit function and that it has the necessary authority to carry out its work;
 - (g) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - (h) any appraisal or assessment of the performance of members of the internal audit function;
 - (i) any appointment or termination of senior staff members of the internal audit function;
 - (j) any resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning;
 - (k) the quarterly results and year end financial statements of the Company and of the Group, prior to the approval by the Board, focusing particularly on :-
 - (i) changes in or implementation of major accounting policy changes;
 - (ii) significant and unusual events;
 - (iii) compliance with accounting standards and other legal requirements;
 - (iv) significant adjustments arising from the audit;
 - (v) going concern assumption;
 - (l) any related party transaction and/or conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

- (m) any major findings of internal investigations and management's response; and
- 2. to recommend and consider the nomination and appointment of a person or persons as external auditors, the audit fees and any questions of resignation or dismissal; and
- 3. to consider any other functions as may be agreed to by the Audit Committee and the Board of Directors.

Meetings

- 1. Meetings shall be held not less than 4 times a year.
- 2. The quorum for each meeting shall be two independent Members of the Audit Committee.
- 3. The Chief Financial Officer, the Head of Internal Audit and the external auditor shall normally attend meetings. Other Board members and employees may attend meetings only upon the invitation of the Audit Committee.
- 4. At least once a year, the Audit Committee shall meet with the external auditor without executive board members present. The external auditor may also request a meeting if they consider that one is necessary.
- 5. The Company Secretary shall be the Secretary of the Audit Committee.

Reporting Procedures

The Secretary shall circulate the minutes of meetings of the Audit Committee to all members of the Board.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION AND THE AUDIT COMMITTEE DURING THE YEAR ENDED 31 DECEMBER 2001

Internal Audit Function

Carlsberg has an Internal Audit Department with the principal responsibility to undertake regular and systematic reviews of the systems of internal controls so as to provide reasonable assurance that such systems continue to operate effectively and efficiently.

In attaining such objectives, the following activities were carried out by the Internal Audit Department in 2001:-

- 1. ascertained the extent of compliance with established policies, procedures and statutory requirements;
- 2. carried out investigations and special reviews;
- 3. appraised the reliability and usefulness of the information developed within the Group for Management;
- 4. recommended improvements to the existing systems of controls by way of issuing audit reports to the appropriate level of management capable of achieving satisfactory results and ensured corrective actions were taken;

5. assisted the various Departments within the Group in establishing revised "Guidelines on Internal Controls" (written procedures) and ensured adherence to the same; and
6. identified opportunities to improve the operations of and processes within the Group.

Summary of Activities of the Audit Committee

During the year ended 31 December 2001, the Audit Committee performed its duties as set out in its terms of reference.

The main activities undertaken by the Audit Committee were as follows:-

- Reviewed the external auditors' scope of work and audit plans for the year.
- Reviewed the results of the external audit, the audit report and the management letter, including management's response.
- Considered and recommended to the Board for approval of the audit fees payable.
- Considered the independence and objectivity of the external auditors and the services provided, including non-audit services. Non-audit services totalling RM14,200 were paid to the external auditors during the year for tax advisory services.
- Reviewed the internal audit department's resources requirements, programmes and plan for the year under review and the annual assessment of the department's performance.
- Reviewed the internal audit reports, recommendations and management's response. Discussed actions taken with Management to improve the internal controls system based on internal audit findings.
- Approved the setting up of a Risk Assessment Team to assist the Board in identifying and managing the Group's risks.
- Reviewed the annual report and audited financial statements of the Company and the Group prior to the submission to the Board for their consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards approved by MASB.
- Reviewed the quarterly unaudited financial results announcements before recommending them for the Board's approval. The review and discussions were conducted with the Chief Financial Officer.
- Reviewed the Company's compliance with the Listing Requirements of the KLSE, MASB and other relevant legal and regulatory requirements.
- Reviewed pertinent issues of the Group which had a significant impact on the results of the Group which included enhancement and further investment in existing products, cost rationalisation measures, plant expansion and human resource development.
- Reviewed the significant related party transactions entered into by the Group.
- Reviewed the extent of the Group's compliance with the provisions set out under the Malaysian Code on Corporate Governance for the purpose of the Corporate Governance Statement pursuant to the KLSE Listing Requirements. Recommended to the Board action plans to address the identified gaps between the Group's existing corporate governance practices and the prescribed corporate governance principles and best practices under the Code.

Responsibility Statement

RESPONSIBILITY STATEMENT BY THE BOARD OF DIRECTORS

In the course of preparing the annual financial statements for the Group and the Company, the Directors are collectively responsible for ensuring that these financial statements are drawn up in accordance with the requirements of the applicable Approved Accounting Standards in Malaysia, the provisions of the Companies Act, 1965 and the Listing Requirements of the Kuala Lumpur Stock Exchange.

It is the responsibility of the Directors to ensure that financial statements for each financial year present a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of the results and cash flows of the Group and the Company for the financial year.

In preparing the financial statements for the year ended 31 December 2001, the Directors have applied appropriate and relevant accounting policies consistently and in accordance with applicable accounting standards and made judgments and estimates that are reasonable and fair.

The financial statements are prepared on a going concern basis and the Directors have ensured that proper accounting records are kept which enable the preparation of the financial statements with reasonable accuracy.

The Directors have also taken the necessary steps, as are reasonably open to them, to ensure that appropriate systems are in place for the assets of the Group and the Company to be adequately safeguarded through the prevention and detection of fraud and other irregularities and material misstatements. Such systems, by their nature, can only provide reasonable and not absolute assurance against material misstatement, loss and fraud.

Ten-Year Financial Summary

PROFIT AND LOSS ACCOUNTS (RM - MILLION)

| 2001 | | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|-------|--------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 841.1 | Revenue | 383.3 | 407.0 | 461.3 | 525.5 | 609.6 | 685.9 | 707.8 | 771.4 | 852.0 |
| 161.7 | Profit before Tax | 61.7 | 68.1 | 88.0 | 108.1 | 129.0 | 160.0 | 151.9 | 137.9 | 152.2 |
| 35.7 | Taxation | 17.5 | 20.4 | 25.8 | 31.1 | 37.3 | 44.2 | 37.4 | - | 42.2 |
| 126.0 | Profit after Tax | 44.2 | 47.7 | 62.2 | 77.0 | 91.7 | 115.8 | 114.5 | 137.9 | 110.0 |
| - | Transfer from Revenue Reserves | - | - | - | - | - | - | 1.2 | - | - |
| 126.0 | | 44.2 | 47.7 | 62.2 | 77.0 | 91.7 | 115.8 | 115.7 | 137.9 | 110.0 |
| 103.4 | Dividends | 21.6 | 21.9 | 27.8 | 28.0 | 43.4 | 65.8 | 115.7 | 109.3 | 82.0 |
| 22.6 | Retained Earnings | 22.6 | 25.8 | 34.4 | 49.0 | 48.3 | 50.0 | 0.0 | 28.6 | 28.0 |

BALANCE SHEETS (RM - MILLION)

| 2001 | | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|--------|--|-------|-------|-------|-------|-------|-------|-------|--------|--------|
| 153.0 | Issued and Paid-Up Share Capital | 81.6 | 81.6 | 102.0 | 102.0 | 102.0 | 153.0 | 153.0 | 153.0 | 153.0 |
| 288.3 | Retained Earnings | 78.7 | 100.0 | 114.0 | 163.0 | 211.4 | 210.3 | 209.1 | 237.7 | 265.8 |
| (12.0) | Treasury Shares | - | - | - | - | - | - | - | (12.0) | (12.0) |
| 5.8 | General Reserves | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 |
| 9.3 | Non-distributable Reserves | 6.1 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 13.0 | 11.9 | 11.4 |
| 444.4 | Shareholders' Funds | 172.2 | 197.9 | 232.3 | 281.3 | 329.7 | 379.6 | 380.9 | 396.4 | 424.0 |
| 14.0 | Deferred Taxation | 8.7 | 9.8 | 10.8 | 10.8 | 12.0 | 12.0 | 12.0 | 12.0 | 12.8 |
| 458.4 | | 180.9 | 207.7 | 243.1 | 292.1 | 341.7 | 391.6 | 392.9 | 408.4 | 436.8 |
| 211.6 | Property, Plant and Equipment (Net Book Value) | 125.1 | 153.9 | 144.6 | 144.6 | 158.9 | 157.8 | 176.4 | 200.9 | 195.5 |
| 8.3 | Investment in Associated Company | - | - | - | - | 11.0 | 11.0 | 14.1 | 13.3 | 13.4 |
| 1.7 | Long Term Investment | - | - | - | - | - | - | 1.7 | 1.7 | 1.7 |
| 236.8 | Net Current Assets | 55.8 | 53.8 | 98.5 | 147.5 | 171.8 | 222.8 | 200.7 | 192.5 | 226.2 |
| 458.4 | | 180.9 | 207.7 | 243.1 | 292.1 | 341.7 | 391.6 | 392.9 | 408.4 | 436.8 |

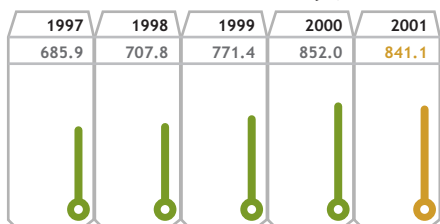
FINANCIAL RATIOS

| 2001 | | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|-------|--|------|------|------|------|-------|-------|-------|-------|-------|
| 1.06 | Pre-Tax Earnings per Share (RM)* | 0.40 | 0.45 | 0.58 | 0.71 | 0.84 | 1.05 | 0.99 | 0.91 | 1.00 |
| 0.83 | Post-Tax Earnings per Share (RM)* | 0.29 | 0.31 | 0.41 | 0.50 | 0.60 | 0.76 | 0.75 | 0.91 | 0.72 |
| 0.68 | Net Dividend per Ordinary Share (RM) | 0.14 | 0.14 | 0.18 | 0.18 | 0.28 | 0.43 | 0.76 | 0.72 | 0.54 |
| 2.93 | Net Assets Backing per Share (RM)** | 1.13 | 1.29 | 1.52 | 1.84 | 2.15 | 2.48 | 2.49 | 2.61 | 2.79 |
| 1.2 | Dividend Cover, No. of Times (Based on post-tax earnings) | 2.0 | 2.2 | 2.2 | 2.8 | 2.1 | 1.8 | 1.0 | 1.3 | 1.3 |
| 28.3 | Return on Shareholders' Funds (%) | 25.7 | 24.1 | 26.8 | 27.4 | 27.8 | 30.5 | 30.1 | 34.8 | 25.9 |
| 2.1 | Current Ratio | 1.8 | 1.6 | 1.9 | 2.3 | 2.2 | 2.2 | 1.9 | 2.0 | 2.2 |
| 10.80 | KLSE Price at 31 December (RM) (After adjustment for all bonus issues till 1997) | 4.64 | 6.51 | 7.33 | 7.93 | 12.47 | 12.50 | 10.90 | 11.70 | 11.00 |

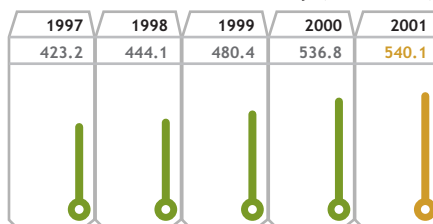
* For 1998 and prior, figures are calculated based on 153 million ordinary shares. 1999 figures are based on weighted average number of shares issued during the year while 2000 and 2001 figures are based on number of shares net of treasury shares.

** 1999, 2000 and 2001 figures based on number of shares net of treasury shares.

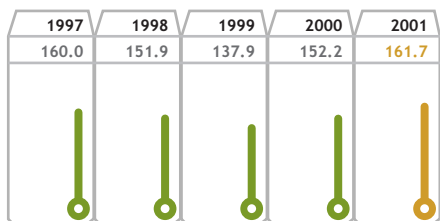
REVENUE Before Excise Duty (RM-MILLION)



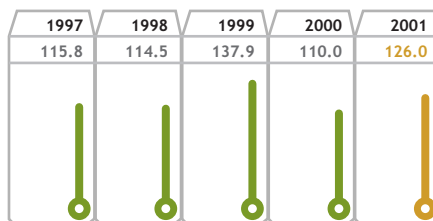
REVENUE After Excise Duty (RM-MILLION)



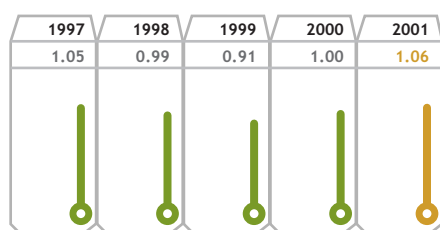
NET PROFIT Before Tax (RM-MILLION)



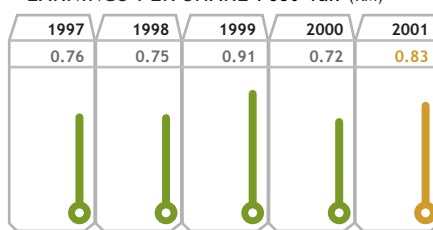
NET PROFIT After Tax (RM-MILLION)



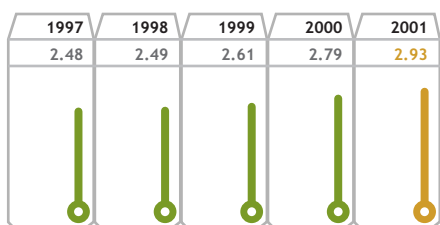
EARNINGS PER SHARE Pre-Tax (RM)



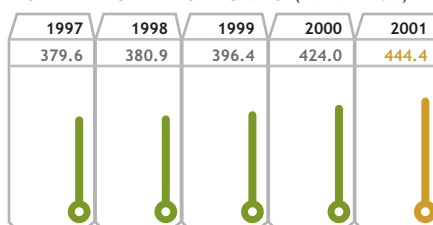
EARNINGS PER SHARE Post-Tax (RM)



NET ASSETS BACKING PER SHARE (RM)



SHAREHOLDERS' FUNDS (RM-MILLION)



| | |
|--|-------|
| Excise Duties | 35.8% |
| Sales, Distribution and Administration Costs | 27.3% |
| Profit after Taxation | 15.0% |
| Raw Materials and Packaging Costs | 10.1% |
| Employees' Costs | 4.3% |
| Taxation | 4.2% |
| Depreciation | 3.3% |



Analysis of 2001 Group Revenue

Development of Investment in Carlsberg Brewery Malaysia Berhad Shares

| Year | Particulars | New shares issued to a shareholder# | Cumulative number of shares held by a shareholder | Cost of investment |
|---|------------------------|-------------------------------------|---|-------------------------------------|
| 1971 | Initial subscription | | 1,000 | RM1,000 |
| 1973 | Rights issue : 1 for 2 | 500 | 1,500 | RM500 |
| 1978 | Bonus issue : 1 for 2 | 750 | 2,250 | |
| 1981 | Bonus issue : 1 for 2 | 1,125 | 3,375 | |
| 1988 | Bonus issue : 1 for 3 | 1,125 | 4,500 | |
| 1990 | Bonus issue : 1 for 2 | 2,250 | 6,750 | |
| 1992 | Bonus issue : 1 for 3 | 2,250 | 9,000 | |
| 1994 | Bonus issue : 1 for 4 | 2,250 | 11,250 | |
| 1997 | Bonus issue : 1 for 2 | 5,625 | 16,875 | |
| | | | Current investment of a shareholder | Initial investment of a shareholder |
| Total number of shares held | | | 16,875 | 1,500 |
| Closing market price as at 21.03.02 | | | RM11.90 | |
| Market value of shares held | | | RM200,813 | RM1,500 |
| Cumulative gross dividends received (1971 - 2001) | | | RM105,319 | |

Assumption of issue of exact lots for illustrative purposes only

DIVIDEND HISTORY

| Year | Total dividend RM'000 | Dividend rate Gross | Dividend rate Net | Year | Total dividend RM'000 | Dividend rate Gross | Dividend rate Net |
|------|-----------------------|---------------------|-------------------|------|-----------------------|---------------------|-------------------|
| 1976 | 720 | 10.0% | 6.0% | 1989 | 10,710 | 35.0% | 26.3% |
| 1977 | 1,800 | 25.0% | 15.0% | 1990 | 16,065 | 35.0% | 26.3% |
| 1978 | 2,426 | 22.5% | 13.5% | 1991 | 16,065 | 35.0% | 26.3% |
| 1979 | 2,700 | 25.0% | 15.0% | 1992 | 21,542 | 35.0% | 26.4% |
| 1980 | 2,700 | 25.0% | 15.0% | 1993 | 21,869 | 35.0% | 26.8% |
| 1981 | 4,050 | 25.0% | 15.0% | 1994 | 27,846 | 35.0% | 27.3% |
| 1982 | 4,374 | 25.0% | 15.0% | 1995 | 28,050 | 35.0% | 27.5% |
| 1983 | 4,590 | 25.0% | 15.0% | 1996 | 43,350 | 50.0% | 42.5% |
| 1984 | 4,590 | 25.0% | 15.0% | 1997 | 65,790 | 60.0% | 43.0% |
| 1985 | 4,590 | 25.0% | 15.0% | 1998 | 115,668 | 105.0% | 75.6% |
| 1986 | 4,590 | 25.0% | 15.0% | 1999 | 109,321 | 100.0% | 72.0% |
| 1987 | 4,590 | 25.0% | 15.0% | 2000 | 81,991 | 75.0% | 54.0% |
| 1988 | 6,426 | 25.0% | 15.8% | 2001 | 103,410 | 75.0% | 68.0% |

FIVE-YEAR DIVIDEND PAYOUT AS % OF PROFIT AFTER TAX

| | 1997 RM'000 | 1998 RM'000 | 1999 RM'000 | 2000 RM'000 | 2001 RM'000 |
|--|-------------|-------------|-------------|-------------|-------------|
| Dividend amount | 65,790 | 115,668 | 109,321 | 81,991 | 103,410 |
| Group profit after tax | 115,785 | 114,454 | 137,935 | 110,008 | 125,970 |
| Dividend amount as % of profit after tax | 56.8% | 101.1% | 79.3% | 74.5% | 82.1% |