

corporate information

maklumat korporat

DIRECTORS / PENGARAH-PENGARAH

Gen. (R) Tan Sri Dato'

Mohd. Ghazali Seth (Chairman),

Michael W. Garrett,

**José Lopez Y Vargas
(Managing Director),**

Malcolm B. Hunter,

Tan Sri Ernest Zulliger,

Dato' Haji Badroddin Bin Kassim,

Tan Meng Kow.

ALTERNATE DIRECTOR TO MICHAEL W. GARRETT / PENGARAH SILIH GANTI KEPADA MICHAEL W. GARRETT

Rajendra Singh

AUDIT COMMITTEE / JAWATANKUASA AUDIT

Chairman Dato' Haji Badroddin Bin Kassim (Independent non-executive director)

Members Gen. (R) Tan Sri Dato' Mohd. Ghazali Seth (Independent non-executive director), Tan Sri Ernest Zulliger (Independent non-executive director)

COMPANY SECRETARIES / SETIAUSAHA-SETIAUSAHA SYARIKAT

Mohd. Shah Bin Hashim, Diana Binti Mohd Ghazali

AUDITORS / JURUAUDIT

Ernst & Young

REGISTERED OFFICE & HEAD OFFICE / PEJABAT BERDAFTAR & IBU PEJABAT

NESTLÉ HOUSE,

4 Lorong Pesiaran Barat, 46200 Petaling Jaya, Selangor Darul Ehsan.

Tel: (03) 755-4466/755-3177 Telex: MA37165 Fax: (03) 755-0992

SHARE REGISTRAR / PENDAFTAR SAHAM

Signet & Co. Sdn. Bhd.

10th & 11th Floor, Tower Block, Kompleks Antarabangsa, Jalan Sultan Ismail,
50250 Kuala Lumpur, P.O. Box 12547, 50782 Kuala Lumpur.

Tel: (03) 245-4337 (GL) Fax: (03) 242-1353

EXECUTIVE DIRECTORS



Seated from left to right : José Lopez Y Vargas, Arrifin Buranudeen, Rajendra Singh.

Standing from left to right : Larry Eisentrager, Abdul Wahab Abu Bakar,
Malcolm B. Hunter, Graeme Toft.

Corporate | Governance

Formation Of Audit Committee

The Board of Directors, which currently comprises four non-executive directors and three executive directors is responsible to shareholders for the proper management of the Group. It meets periodically to set and monitor Group strategy, review trading performance, ensure adequate funding, formulate policy on key issues and report to shareholders.

In order to assist the Directors in discharging their control and monitoring functions, which are part of their statutory duties and responsibilities, an Audit Committee was set up on 2 March 1994.

Membership

The Committee comprises three independent non-executive directors;

Dato' Haji Badroddin bin Kassim (Chairman) (Appointed on 21 December 1998)

Gen. (R) Tan Sri Dato' Mohd. Ghazali Seth

Tan Sri Ernest Zulliger (Appointed on 17 August 1998)

Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference and to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee. The Committee is also authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

Functions

The functions of the Committee shall be:

- a) to review
 - i) with the external auditors:
 - the audit plan;
 - their evaluation of the system of internal accounting controls; and
 - their audit report;
 - ii) the assistance given by the Company's officers to the auditors;
 - iii) the scope and results of internal audit procedures;
 - iv) the financial statements of the Company and of the Group, and thereafter submit them to the Board;
 - v) any related party transactions, and
- b) to consider the nomination of auditors together with such other functions as may be agreed to by the Committee and the Board of Directors.

Attendance

The Finance Director, Internal Audit Manager, and a representative of the external auditors normally attend meetings. Other Board members also have the right of attendance.

The Company Secretary is the Secretary of the Committee.

Frequency Of Meetings

Meetings are held twice a year. The external auditors may request a meeting if they consider that one is necessary.

Reporting Procedures

The Secretary circulates the minutes of meetings of the Committee to all members of the Board.

Peraturan | Korporat

Penubuhan Jawatankuasa Audit

Lembaga Pengarah yang pada masa ini terdiri daripada empat orang pengarah bukan eksekutif dan tiga pengarah eksekutif bertanggungjawab kepada para pemegang saham untuk pengurusan yang sempurna bagi Kumpulan. Jawatankuasa ini bersidang dari masa ke masa untuk menyediakan dan mengesan strategi Kumpulan, mengkaji prestasi perdagangan, menentukan pembiayaan yang mencukupi, merumuskan dasar mengenai isu-isu penting dan membuat laporan kepada para pemegang saham.

Untuk membantu Para Pengarah menunaikan fungsi mengawal dan mengesan yang menjadi sebahagian daripada tugas dan tanggungjawab berkanun mereka, sebuah Jawatankuasa Audit telah ditubuhkan pada 2 Mac 1994.

Keanggotaan

Jawatankuasa tersebut terdiri daripada tiga pengarah bukan eksekutif;

Dato' Haji Badroddin bin Kassim (Pengerusi)

(Dilantik pada 21 Disember 1998)

Gen. (B) Tan Sri Dato' Mohd. Ghazali Seth

Tan Sri Ernest Zulliger

(Dilantik pada 17 Ogos 1998)

Bidang Kuasa

Jawatankuasa ini diberi kuasa oleh Lembaga untuk mengkaji sebarang kegiatan yang termasuk dalam syarat-syarat rujukan dan meminta sebarang maklumat yang ia perlukan dari sebarang kakitangan dan semua kakitangan diarah memberi kerjasama mereka kepada sebarang permintaan Jawatankuasa ini. Jawatankuasa tersebut juga diberi kuasa oleh Lembaga untuk mendapatkan nasihat undang-undang daripada orang luar atau lain-lain nasihat profesional yang bebas dan untuk meminta kehadiran orang luar yang mempunyai pengalaman dan kepakaran berkaitan jika diperlukan.

Fungsi

Fungsi Jawatankuasa ini adalah seperti berikut:

- a) menyemak
 - i) dengan juruaudit luar:
 - rancangan audit;
 - penilaiannya mengenai sistem kawalan akaun dalaman; dan
 - laporan auditnya;
 - ii) bantuan yang diberikan oleh pegawai-pegawai Syarikat kepada juruaudit;
 - iii) bidang dan keputusan peraturan audit dalaman;
 - iv) penyata kewangan Syarikat dan Kumpulan, dan kemudian membentangkannya kepada Lembaga;
 - v) sebarang urusan dengan pihak yang ada kena mengena; dan
- b) menimbangkan perlantikan juruaudit dan fungsi-fungsi yang lain sebagaimana dipersetujui oleh Jawatankuasa itu dan Lembaga Pengarah.

Kehadiran

Pengarah Kewangan, Pengurus Audit Dalaman dan seorang wakil juruaudit luar biasanya mestilah hadir di mesyuarat-mesyuarat jawatankuasa. Lain-lain ahli Lembaga Pengarah juga mempunyai hak untuk hadir.

Setiausaha Syarikat ialah Setiausaha Jawatankuasa Audit.

Kekerapan Mesyuarat

Mesyuarat diadakan dua kali setahun. Juruaudit-juruaudit luar boleh memohon diadakan mesyuarat sekiranya mereka mendapati mesyuarat itu perlu.

Peraturan Melapor

Setiausaha Syarikat mengedarkan catitan mesyuarat Jawatankuasa Audit kepada semua ahli Lembaga Pengarah.

List Of Properties Held At 31 December 1999

Senarai Harta-Harta Pada 31 Disember 1999

NESTLÉ FOODS (MALAYSIA) SDN. BHD.

Location <i>Lokasi</i>	Tenure <i>Hakmilik</i>	Age* <i>Usia*</i>	Expiry Date <i>Tarikh Tamat</i>	Size (sq. ft.) <i>Saiz (kps)</i>	Description <i>Jenis</i>	Net Book Value <i>Nilai Buku Bersih (RM'000)</i>
1. No. 25 Jalan Tandang 46050 Petaling Jaya Selangor	Leasehold <i>Pajak</i>	39	Q.T. (R) 2619 4.9.2058 Q.T. (R) 5281 12.6.2059	541,887	Factory <i>Kilang</i>	21,627
2. Lot No. 3 Jalan Pelaya 15/1 40700 Shah Alam Selangor	Leasehold <i>Pajak</i>	29	10.6.2070	109,300	Factory <i>Kilang</i>	2,526
3. Lot No. 5 Jalan Pelaya 15/1 40700 Shah Alam Selangor	Leasehold <i>Pajak</i>	26	H.S. (D) 97 H.S. (D) 159 7.11.2072	672,500	Factory <i>Kilang</i>	8,184
4. Lot No. 6 Pesiaran Raja Muda 40700 Shah Alam Selangor	Leasehold <i>Pajak</i>	30	29.1.2070	396,500	Factory & warehouse <i>Kilang & gudang</i>	14,285
5. Lot Nos. 691-696 Mukim Chembong Daerah Rembau Negeri Sembilan	Leasehold <i>Pajak</i>	8	27.6.2049	1,439,309.5	Factory <i>Kilang</i>	4,154
6. Lot Nos. 3863-3866 and Lot Nos. 687-690 Mukim Chembong Daerah Rembau Negeri Sembilan	Leasehold <i>Pajak</i>	8	27.6.2049		Factory <i>Kilang</i>	
7. Lot No. 844, Block 7 Muara Tebas Land District Sejingkat Industrial Estate Kuching, Sarawak	Leasehold <i>Pajak</i>	8	19.10.2053	274,050	Factory <i>Kilang</i>	456
8. Plot 46 Bemban Industrial Park Batu Gajah Perak	Leasehold <i>Pajak</i>	2	30.9.2056	1,694,923	Vacant land <i>Tanah kosong</i>	8,091

NESTLÉ COLD STORAGE (MALAYSIA) SDN BHD

1. Lot Nos. 3857-3862 Jalan Perusahaan 4, Kawasan Perindustrian Chembong, Chembong, Rembau, Negeri Sembilan	Leasehold <i>Pajak</i>	8	27.6.2049	360,258	Factory <i>Kilang</i>	861
2. Lot 915, Block 7 Muara Tebas Land District Demak Laut Industrial Park, Kuching, Sarawak	Leasehold <i>Pajak</i>	5	13.10.2054	184,912	Factory <i>Kilang</i>	1,928

NESTLÉ COLD STORAGE (SABAH) SDN BHD

1. Lot 015319472 Lot 1A, Karamunsing Warehouse, Kota Kinabalu, Sabah	Freehold	98	—	7,884	Factory <i>Kilang</i>	446
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*Approximation of age of building in years.

*Penganggaran usia bangunan dalam tahun.

Shareholding Statistics As At 9 March 2000

Perangkaan Pegangan Saham Pada 9 Mac 2000

20 largest shareholders

20 pemegang-pemegang saham yang terbesar

Name	No. of Shares	%
<i>Nama</i>	<i>Jumlah Saham</i>	
1. Nestlé S.A.	134,454,763	57.33
2. Lembaga Tabung Haji	32,878,154	14.02
3. Emerging Markets Growth Fund	5,548,100	2.37
4. Great Eastern Life Assurance (Malaysia) Berhad	3,411,000	1.45
5. Lembaga Tabung Angkatan Tentera	3,261,236	1.39
6. Malaysia National Insurance Berhad	2,815,000	1.20
7. MIDF Sisma Norminees (Tempatan) Sdn Bhd	2,262,726	0.96
8. Employee Provident Fund Board	2,083,000	0.89
9. Principal Life Insurance Company (Intl Small)	1,079,000	0.46
10. Abu Dhabi Investment Authority	986,000	0.42
11. Kuwait Investment Authority	851,000	0.36
12. Capital International Emerging Markets Investment Fund	832,000	0.35
13. Nestlé (M) Group Retirement Scheme	800,000	0.34
14. Morgan Stanley Asset Management Emerging Markets Trust	726,000	0.31
15. IFC Emerging Markets Fund – Malaysia	666,000	0.28
16. JP Morgan Life Assurance Limited	657,000	0.28
17. Brunei Investment Agency	645,000	0.28
18. Soon Cheong (Malaya) Sdn Bhd	641,698	0.27
19. Government of Singapore	636,000	0.27
20. Kuala Lumpur Growth Fund	626,000	0.27
Total/Jumlah	195,859,677	83.50

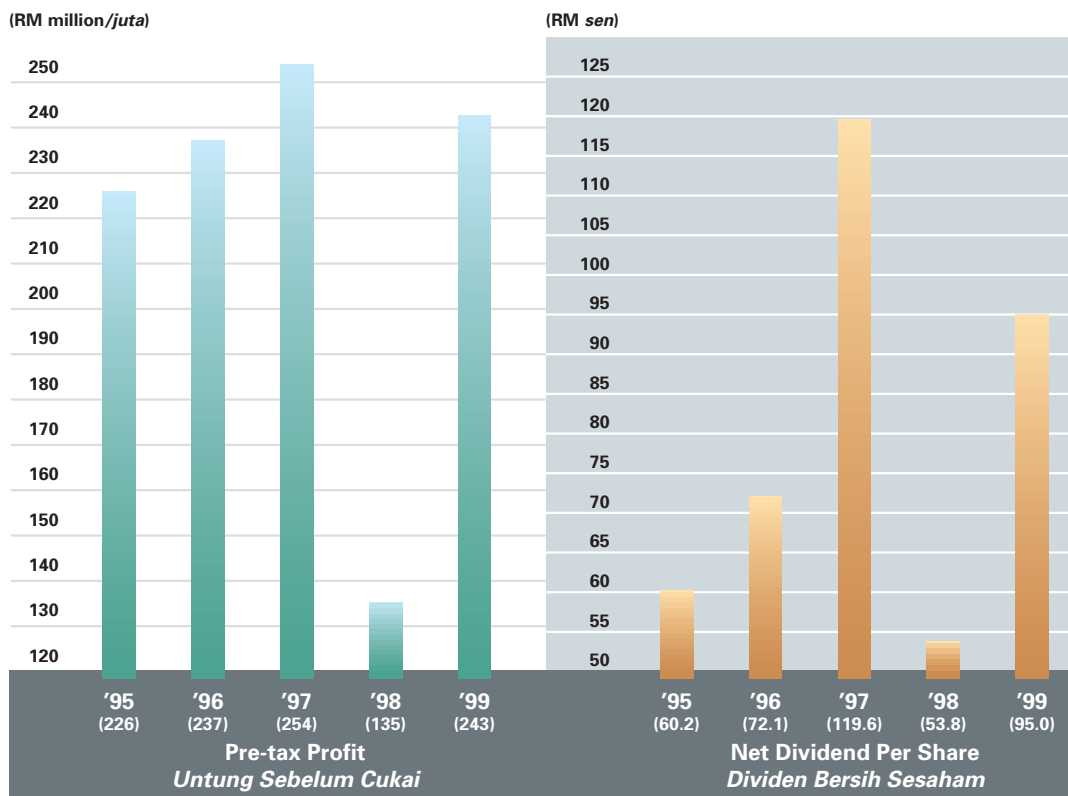
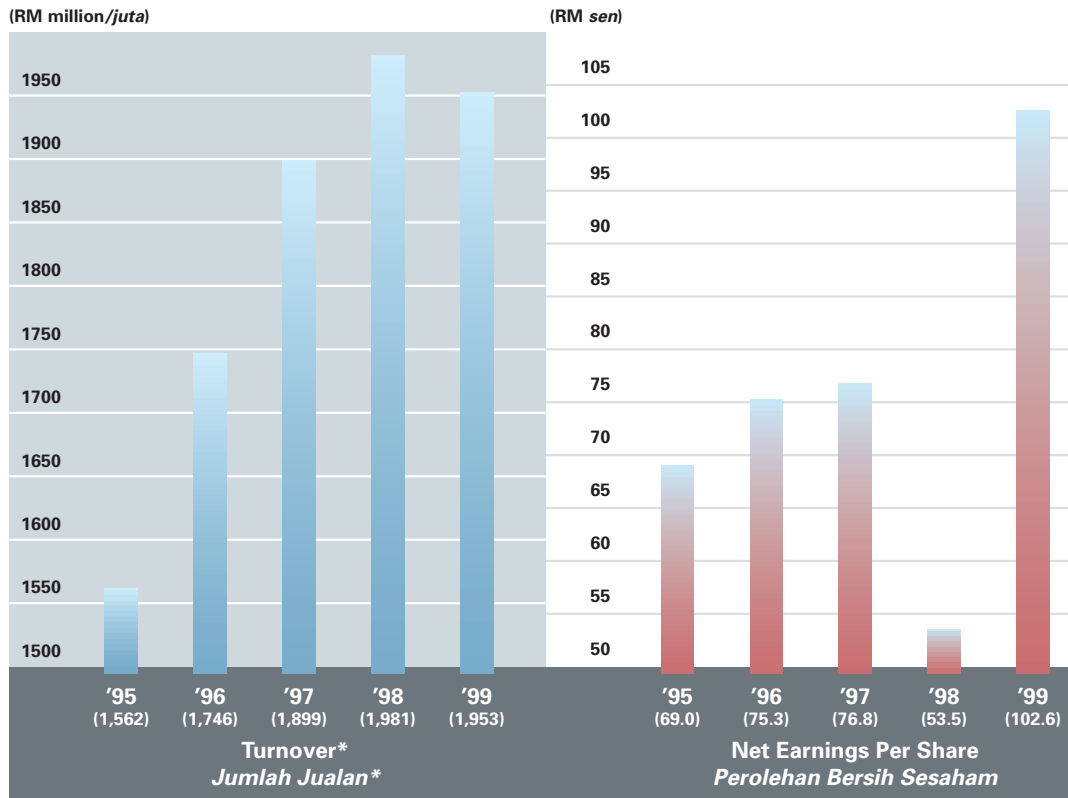
Substantial shareholders

Pemegang saham utama

1. Nestlé S.A.	134,454,763	57.33
2. Lembaga Tabung Haji	32,878,154	14.02
3. Emerging Markets Growth Fund	5,548,100	2.37
Total/Jumlah	172,881,017	73.72

Size of Holding	No. of Shareholders	%	No. of Shares	%
<i>Saiz Pegangan</i>	<i>Jumlah Pemegang Saham</i>		<i>Jumlah Saham</i>	
1 – 499	62	1.92	5,285	0.00
500 – 5,000	2,504	77.62	3,915,952	1.67
5,001 – 10,000	224	6.94	1,813,646	0.77
10,001 – 100,000	334	10.35	11,563,199	4.93
100,001 – 1,000,000	91	2.82	29,408,939	12.54
More than 1,000,000 / 1,000,000 ke atas	11	0.34	187,792,979	80.08
Total /Jumlah	3,226	100.00	234,500,000	100.00

Financial | *Performance* *Prestasi Kewangan*



* Note: Turnover has been restated to net after deducting rebates.
 * Nota: Jumlah jualan telah dinyatakan semula setelah ditolak rebet.

5 Years | Statistics

		1999 (RM'000)	1998 (RM'000)	1997 (RM'000)	1996 (RM'000)	1995 (RM'000)
Turnover		1,952,571	1,981,219	1,899,187	1,746,421	1,561,648
Earnings/Cash Flow						
Profit before tax		242,702	135,322	253,949	237,071	225,907
% of turnover		12.4%	6.8%	13.4%	13.6%	14.5%
Profit after tax		240,659	125,391	180,043	176,582	161,903
% of turnover		12.3%	6.3%	9.5%	10.1%	10.4%
Dividends paid & proposed (net)		222,775	126,161	280,462	169,075	141,169
Depreciation of fixed assets		55,347	55,860	45,037	43,941	40,270
Cash flow (net profit + depreciation)		296,006	181,251	225,080	220,523	202,173
% of turnover		15.2%	9.1%	11.9%	12.6%	12.9%
Capital expenditure		40,194	124,715	115,333	58,645	52,659
Employment of Assets:						
Fixed assets (net)		555,546	473,138	408,233	345,058	332,479
Associated companies		17,644	19,620	21,963	21,363	21,363
Goodwill		100,194	9,749	11,379	18,044	14,639
Net current assets		(302,599)	(157,360)	(102,089)	53,811	62,288
Total		370,785	345,147	339,486	438,276	430,769
Financed by:						
Share capital		234,500	234,500	234,500	234,500	234,500
Reserves		100,877	82,993	83,763	203,776	196,269
Total shareholders' funds		335,377	317,493	318,263	438,276	430,769
Deferred Taxation		29,803	27,654	21,223	—	—
Minority Interest		5,605	—	—	—	—
Total		370,785	345,147	339,486	438,276	430,769
Per Share						
Market price (RM)		16.40	15.20	18.00	20.30	18.60
Earnings (sen)		102.6	53.5	76.8	75.3	69.0
Price earnings ratio		15.98	28.4	23.4	27.0	27.0
Dividend (net) (sen)		95.0	53.8	119.6	72.1	60.2
Dividend yield (%)		5.8	3.5	6.6	3.6	3.2
Dividend cover (no.)		1.1	1.0	0.6	1.0	1.1
Shareholders' funds (RM)		1.43	1.35	1.36	1.87	1.84
Net tangible assets (RM)		1.00	1.31	1.31	1.79	1.77
Personnel	(no.)	3,477	3,312	3,224	3,009	3,028
Factories	(no.)	7	6	6	6	6

Notes:

1. Turnover has been restated to net after deducting rebates.
2. Earnings per share and dividend cover are based on profit after tax.
3. Net tangible assets consist of issued share capital plus reserves less intangible assets.
4. The market price represents last done price of the shares quoted on the last trading day of December.
5. Personnel number is restated to include temporary staff.

Perangkaan | 5 Tahun

	1999 (RM'000)	1998 (RM'000)	1997 (RM'000)	1996 (RM'000)	1995 (RM'000)
Jumlah jualan	1,952,571	1,981,219	1,899,187	1,746,421	1,561,648
Perolehan/Aliran Tunai					
Untung sebelum cukai	242,702	135,322	253,949	237,071	225,907
% jumlah jualan	12.4%	6.8%	13.4%	13.6%	14.5%
Untung selepas cukai	240,659	125,391	180,043	176,582	161,903
% jumlah jualan	12.3%	6.3%	9.5%	10.1%	10.4%
Dividen dibayar & dicadangkan (bersih)	222,775	126,161	280,462	169,075	141,169
Susut nilai harta tetap	55,347	55,860	45,037	43,941	40,270
Aliran tunai (keuntungan + susut nilai)	296,006	181,251	225,080	220,523	202,173
% jumlah jualan	15.2%	9.1%	11.9%	12.6%	12.9%
Perbelanjaan modal	40,194	124,715	115,333	58,645	52,659
Harta Digunakan					
Harta tetap (bersih)	555,546	473,138	408,233	345,058	332,479
Syarikat bersekutu	17,644	19,620	21,963	21,363	21,363
Muhibah	100,194	9,749	11,379	18,044	14,639
Harta semasa bersih	(302,599)	(157,360)	(102,089)	53,811	62,288
Jumlah	370,785	345,147	339,486	438,276	430,769
Dibiayai Oleh					
Modal saham	234,500	234,500	234,500	234,500	234,500
Rizab	100,877	82,993	83,763	203,776	196,269
Jumlah dana pemegang saham	335,377	317,493	318,263	438,276	430,769
Cukai tertunda	29,803	27,654	21,223	—	—
Kepentingan Minoriti	5,605	—	—	—	—
Jumlah	370,785	345,147	339,486	438,276	430,769
Sesaham					
Harga pasaran (RM)	16.40	15.20	18.00	20.30	18.60
Perolehan (sen)	102.6	53.5	76.8	75.3	69.0
Nisbah harga perolehan	15.98	28.4	23.4	27.0	27.0
Dividen (bersih) (sen)	95.0	53.8	119.6	72.1	60.2
Kadar hasil dividen (%)	5.8	3.5	6.6	3.6	3.2
Lindungan dividen (bil.)	1.1	1.0	0.6	1.0	1.1
Dana pemegang saham (RM)	1.43	1.35	1.36	1.87	1.84
Harta ketara bersih (RM)	1.00	1.31	1.31	1.79	1.77
Personel (bil.)	3,477	3,312	3,224	3,009	3,028
Kilang (bil.)	7	6	6	6	6

Nota:

1. Jumlah jualan telah dinyatakan semula setelah ditolak rebet.
2. Perolehan sesaham dan lindungan dividen adalah berdasarkan keuntungan selepas cukai.
3. Harta ketara bersih meliputi modal saham campur rizab tolak harta tak ketara.
4. Harga pasaran adalah berdasarkan harga saham pada hari urusan terakhir dalam bulan Disember.
5. Jumlah personel dinyatakan semula termasuk kakitangan sementara.

Other | Information

Lain-Lain Maklumat

Financial Calendar / Kalendar Kewangan

Results / Keputusan

Interim/Pertengahan	– announced/diumumkan	– 19 August 1999/19 Ogos 1999
Preliminary/Pendahuluan	– announced/diumumkan	– 24 February 2000/24 Februari 2000

Dividends / Dividen

Interim/Interim	– record date/ tarikh penentuan daftar	– 16 September 1999/16 September 1999
	– paid/dibayar	– 5 October 1999/5 Oktober 1999
Final (proposed)/ Akhir (dicadangkan)	– record date/ tarikh penentuan daftar	– 11 May 2000/11 Mei 2000
	– payable/bayaran	– 26 May 2000/26 Mei 2000

Annual General Meeting / Mesyuarat Agung Tahunan

– 27 April 2000/27 April 2000

Share Prices (K.L.S.E.) / Harga Saham (B.S.K.L.)

Based on month-end closing price/
Berdasarkan harga tutup akhir bulan

Highest/Tertinggi – RM

Lowest/Terendah – RM

Calendar Year / Tahun Kalendar

1999	1998
16.40	20.20
13.30	13.00

Share Prices (K.L.S.E.) – Close / Harga Saham (B.S.K.L.) – Tutup

