

New Products

Produk-produk Baru



1. NESCAFÉ GOLD®

New vax technology, fresher taste, richer aroma.

Teknologi 'vax' baru, rasa yang lebih segar, aroma yang lebih harum.

2. MILO® FUZE™ with Hi Calcium

With high calcium for stronger bones.

Dengan kalsium tinggi untuk tulang lebih kuat.

3. MILO® FUZE™ with Cereals

With cereals (goodness of wheat-corn combination) to satisfy hunger pangs.

Dengan bijirin (khasiat kombinasi gandum dan jagung) untuk mengalas perut.

4. MILO® FUZE™ 3 in 1

Improved 3 in 1 for even greater taste.

3 dalam 1 diperbaharu untuk kelazatan yang lebih istimewa.

5. NESCAFÉ® CAFÉ LATTE™

Smooth and creamy coffee with the perfect blend of Arabica and Robusta coffee beans, and creamy milk.

Kopi penuh nikmat berkrım dengan adunan sempurna bijian kopi Arabica dan Robusta, dan susu berkrım.

6. NESTEA® ICE RUSH™

An ice lemon drink with an instant cooling sensation.

Minuman ais limau dengan kesegaran dingin segera.

7. NESCAFÉ® ICE

First-ever canned coffee with a great chilling sensation to give you that cool kick!

Minuman kopi bertin yang pertama dengan sensasi dingin yang menakjubkan!

8. NESTLÉ OMEGA PLUS® Soya

Everything you have enjoyed with NESTLÉ OMEGA PLUS® Milk – the double goodness of high calcium and Omega 3 & 6 – now available in delicious soya.

Segala kebaikan susu NESTLÉ OMEGA PLUS® – kalsium tinggi dan Omega 3 & 6 – kini terdapat di dalam susu soya.

9. NESTLÉ BONUS® Calcium

Soya Bean Milk with Carrot Juice
NESTLÉ BONUS® Calcium

Soya Bean Milk with Honey Dew Juice

Your tasty source of calcium, now in two exciting new flavours. Packed with the goodness of soya, low in fat and good for strong, healthy bones.

Sumber kalsium yang enak, kini dengan dua rasa yang hebat. Penuh dengan kebaikan soya, rendah lemak dan baik untuk tulang yang kuat dan sihat.



**10. NESTLÉ COFFEE-MATE® French Vanilla
NESTLÉ COFFEE-MATE® Hazelnut**

New flavours to give you that special cuppa only NESTLÉ COFFEE-MATE® can give. In all-new Titan jars for easy pouring and storing.

Perisa baru untuk memberikan rasa kopi yang istimewa, hanya dari NESTLÉ COFFEE-MATE®. Dalam bekas baru 'Titan' untuk mudah dituang dan disimpan.

11. NESVITA® NESTUM® 3-in-1

New formulation – less sugar, with a combination of 15 vitamins and minerals.

Formulasi baru – rendah gula, dengan kombinasi 15 vitamin dan mineral.

12. NESTUM® OATS All-Family Cereal

A high quality, nutritional cereal product. With oats soluble fiber (beta-glucan) to help reduce cholesterol.

Minuman bijirin berkhasiat dan berkualiti tinggi. Dengan serat terlarut oat (beta-glucan) untuk merendahkan tahap kolesterol.

**13. POWERBAR® PROTEINPLUS™ –
Strawberry Crème**

**POWERBAR® PROTEINPLUS™ –
Chocolate Caramel Nut**

In two delicious flavours, with 14-15gm of high quality proteins, plus 16 vitamins and minerals to keep you energized and satisfied throughout the day.

Di dalam dua perisa lazat, dengan 14-15gm protein berkualiti tinggi, serta 16 vitamin dan mineral, untuk memberikan anda tenaga dan kepuasan sepanjang hari.

**14. POWERBAR® PROTEINPLUS™ –
Mocha Almond Fudge flavour
Sugar Free**

A delicious counterpart to the original variant, giving 16gm of complete milk and soy protein blend and a combo of 16 vitamins and minerals.

Variasi tanpa gula yang enak, memberikan 16gm gabungan protein susu dan soya, serta 16 vitamin and mineral.

**15. MAGGI® XTRA DELIXIOUS™
Instant Noodles – Curry Xtreme
MAGGI® XTRA DELIXIOUS™
Instant Noodles – Chicken Onion**

Richer on taste, firmer on bite, with no added MSG.

Kaya dengan rasa, lebih kenyal, tanpa ditambah MSG.

New Products

Produk-produk Baru



16. MAGGI® Stock Cube and Granules – No Added MSG range

A new range of cooking aids developed on the wellness platform. Providing the same rich flavours of Chicken and Ikan Bilis, without the added MSG.

Rangkaian terbaru untuk melazatkan masakan, dirumus berlandaskan pemakanan sihat. Memberikan kelazatan sebenar Ayam dan Ikan Bilis, tanpa tambahan MSG.

17. NESTLÉ® Infant Cereals Brown Rice with Chamomile & Orange Blossom Stage 2 / NESTLÉ® Infant Cereals Wheat & Milk with Chamomile & Orange Blossom Stage 2

Introducing Nestlé's latest range of infant dinner cereals, specially formulated to give your baby a nourishing and fulfilling dinner, for a good night's sleep to help his growth and development.

Memperkenalkan rangkaian bijirin makan malam Nestlé yang terbaru, dirumus khas untuk memberikan bayi khasiat dan kepuasan makan malam, untuk tidur yang nyenyak bagi membantu tumbesaran dan perkembangan.

18. NESTLÉ® COOKIE CRISP™

Made from wholesome grains of wheat and corn, with 10 vitamins and minerals, plus the great taste of chocolate chip cookies your kids will love!

Diperbuat daripada bijirin gandum dan jagung, dengan 10 vitamin dan mineral, serta rasa hebat biskut cip coklat yang pasti anak anda gemari!

19. NESTLÉ® DRUMSTICK® X-CHOC™

Most 'Xtreme' chocolate ice cream that guarantees chocolate sensations from the very first bite to the last tip of the cone!

Ais krim coklat ekstrim yang menjanjikan sensasi coklat yang hebat daripada gigitan pertama hinggalah ke hujung kon!

20. NESTLÉ® DRUMSTICK® GOLD™

The ultimate ice cream for chocoholics, with a new and unique cone made entirely of milk chocolate, with creamy vanilla ice cream swirled in strawberry sauce.

Ais krim yang dicipta khas untuk penggemar coklat, dengan kon unik yang diperbuat keseluruhannya daripada coklat, dengan ais krim vanila berkrim bersama putaran sos strawberi.

21. NESTLÉ® MAT KOOL® Dynamite

Ice confection in refreshing cola and lemon flavour with popping candies in the centre that "explode" in your mouth.

Konfeksi ais dalam perisa kola dan lemon yang mengandungi "popping candies" yang "meletup" di dalam mulut anda.

22. NESTLÉ® Yogurt Drink

Now in new vibrant packaging, offering the balanced goodness of milk, real fruit juice and live culture.

Kini di dalam pek berwajah baru, menawarkan kebaikan seimbang susu, jus buah sebenar dan kultur hidup.



23. NESTLÉ® Extra Fruity and Creamy Yogurt

Bursting with chunky bits of choice imported fruit, smothered in luxurious creamy yogurt.

Penuh dengan kepingan buah-buahan pilihan yang diimport, dilitupi yogurt mewah berkrim.

24. NESTLÉ® Low-Fat Yogurt

Contains all the natural goodness of milk, fruit pieces and live culture. What's more, it's low in fat.

Mengandungi kebaikan semulajadi susu, kepingan buah-buahan dan kultur hidup. Juga rendah lemak.

25. KIT KAT®

New international recipe – more chocolatey, smoother, creamier and less sweet.

Resipi antarabangsa baru – lebih rasa coklat, lebih halus dan berkrim, serta kurang manis.

26. KIT KAT® Bites

Now in bite-sizes so you can enjoy lots of little breaks anytime, anywhere!

Kini di dalam saiz kecil supaya anda boleh menikmatinya setiap masa, di mana jua!

27. NESTLÉ® MILKY BAR™ NUGGETS™

MILO® KIBBLES enrobed in delicious MILKY BAR™ chocolate.

"KIBBLES" MILO® diliputi coklat MILKY BAR™ yang lazat.

28. MAGGI® Prawn Mee Paste

Made from fresh and finest quality ingredients. Packed in economical 1kg pouch and ready to use – just cut, scoop and cook.

Diperbuat daripada bahan-bahan yang segar dan berkualiti tinggi. Di dalam pek ekonomi 1kg dan sedia untuk digunakan – hanya potong, cedok dan masak.

29. MAGGI® Worcester Sauce

A trusted 125-year old recipe, made from a careful blend of vegetables and spices. Suitable for Asian and Western Cuisine.

Resipi tradisional 125 tahun yang dipercayai, diperbuat daripada adunan istimewa sayur-sayuran dan rempah ratus. Sesuai untuk masakan Asia dan Barat.

30. NESTLÉ® Blackcurrant Drink

A thirst quencher with natural Blackcurrant flavour & added Vitamin C for your all day consumption.

Minuman penghilang dahaga dengan perisa Blackcurrant dan tambahan Vitamin C untuk nikmat sepanjang hari.

Highlights

Detik-detik Menarik 2004



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1 TSUNAMI RELIEF

Nestlé Malaysia was swift in responding to the Tsunami disaster, which hit the Asia Pacific Region, in particular Penang, Kedah, including Langkawi and part of Perak. Nestlé was one of the first corporations to respond to the disaster at ground level, providing much needed nourishment for those involved in the rescue operations, as well as the homeless. In addition, a total of 11 Sampling Vans were deployed to the various Relief Centres in the three states, where our Field Promotion Operators served over 100,000 cups of nutrition to the victims and volunteers, over a span of three weeks. Employees donated over 100 boxes of essentials to victims, locally and abroad.

BANTUAN TSUNAMI

Nestlé Malaysia telah memberikan respons yang pantas terhadap bencana Tsunami yang telah melanda Rantau Asia Pasifik, termasuk Pulau Pinang, Kedah, Langkawi dan sebahagian negeri Perak. Nestlé merupakan salah satu organisasi yang pertama memberikan bantuan makanan terus kepada pasukan-pasukan

penyelamat dan mangsa. Di samping itu, sebanyak 11 Van Persampelan telah dihantar ke Pusat-Pusat Penempatan Sementara di mana lebih daripada 100,000 cawan makanan berkhasiat telah diberikan kepada mangsa dan sukarelawan. Warga kerja Nestlé telah mendermakan lebih daripada 100 kotak barang-barang keperluan kepada mangsa di dalam dan luar negara.

2 NESCAFÉ® KICK-START™

NESCAFÉ® launched NESCAFÉ® KICK-START™, a Reality TV Show produced by 8TV, which presents an opportunity for Malaysian citizens between the ages 18-25 years to achieve their dream jobs. This programme aims to bring a world of possibilities among the future key contributors of the nation. It encourages them to work towards their ambitions driven by aspirations and inspirations. Youths will also discover real-life role models that they can emulate. These role models are living proof that they can live their dreams! The show has the endorsement of the Ministry of Youth and Sports, and is in smart partnership with Rakan Muda.

NESCAFÉ® KICK-START™

NESCAFÉ® telah melancarkan NESCAFÉ® KICK-START™, sebuah rancangan TV realiti terbitan 8TV, yang memberikan peluang kepada warganegara Malaysia berumur di antara 18-25 tahun untuk mengecapi kerjaya idaman mereka. Program ini menggalakkan remaja untuk bekerja keras ke arah mencapai cita-cita, didorong aspirasi dan inspirasi. Remaja juga akan dipertemukan dengan idola mereka, untuk dijadikan sebagai contoh tauladan. Program ini mendapat sokongan Kementerian Belia dan Sukan, dan Rakan Muda.

3 SMART PARTNERSHIP WITH NFC

Nestlé recently signed an MOU with the Ministry of Youth and Sports, to have Nestlé as the "anchor sponsor" for the National Fitness Council (NFC). The NFC was mooted by Dato' Azalina Othman, Minister of Youth and Sports, in collaboration with the Ministry of Health, the Ministry of Housing and Local Government and Department of National Unity and Integration, to promote and



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develop the fitness industry in Malaysia, towards creating a Fit, Healthy and United Malaysia. In this smart partnership, Nestlé, through its various brands, and NFC will have joint activities and programmes to focus and build on the synergies of good health, good nutrition and sporty active lifestyles.

PERKONGSIAN PINTAR DENGAN MKK

Nestlé telah menandatangani satu Memorandum Persefahaman dengan Kementerian Belia dan Sukan, untuk menjadikan Nestlé sebagai penaja utama kepada Majlis Kecergasan Kebangsaan (MKK). Penubuhan MKK telah dicadangkan oleh Dato' Azalina Othman, Menteri Belia dan Sukan, dengan kerjasama Kementerian Kesihatan, Kementerian Perumahan dan Kerajaan Tempatan, dan Bahagian Perpaduan dan Integrasi Kebangsaan untuk mempromosikan dan mengembangkan industri kecergasan di Malaysia. Dalam perkongsian pintar ini, Nestlé melalui jenama-jenamanya, dan MKK akan mengadakan aktiviti dan program berlandaskan kesihatan dan pemakanan yang baik, serta gaya hidup yang cergas.

4 CHARITY PREMIERE IN AID OF CHILDREN

Nestlé through NESCAFÉ GOLD® as the title presenter, sponsored the charity premiere of the film adaptation of the acclaimed musical, *The Phantom of the Opera*, in aid of the National Child Friendly Healthcare Association of Malaysia. Funds raised amounted to RM40,000 and were presented to YABhg Datin Paduka Seri Endon Mahmood, wife of the Prime Minister of Malaysia, in her capacity as the Patron of the National Child Friendly Healthcare Association of Malaysia. Nestlé has been in support of the Association for several years, initiating the establishment of a "Toy Library" at the Occupational Therapy Unit of the Pediatric Institute, Kuala Lumpur Hospital, via monetary contributions channeled through the Association.

TAYANGAN AMAL PERDANA BAGI MEMBANTU KANAK-KANAK

Nestlé melalui NESCAFÉ GOLD® sebagai penaja utama, telah mengadakan tayangan amal perdana filem adaptasi muzikal terkemuka, *The Phantom of the Opera*, bagi membantu Persatuan Kesihatan Mesra Kanak-Kanak Negara Malaysia.

Hasil kutipan sebanyak RM40,000 telah diserahkan kepada YABhg Datin Paduka Seri Endon Mahmood, isteri Perdana Menteri Malaysia, selaku Penaung Persatuan Kesihatan Mesra Kanak-Kanak Negara Malaysia. Nestlé telah menyokong Persatuan ini selama beberapa tahun, dengan penubuhan Perpustakaan Permainan di Unit Terapi Carakerja, Hospital Kuala Lumpur, melalui sumbangan kewangan.

5 NESTLÉ NITE @ NPC

Monthly celebrations, with specially-themed events, were held at the National Press Club (NPC), an 'after-hours' meeting place for members of the media. Nestlé is the first corporate organization to strike a partnership with NPC in having a monthly event at its newly renovated premises. This opportunity for informal interaction is hoped to continue to foster good relations between Nestlé and the media, and also as a gesture of thanks for the media's continued support of the Company.

NESTLÉ NITE @ NPC

Perayaan bulanan, dengan tema-tema istimewa, telah diadakan di National Press

Highlights 2004

Detik-detik Menarik 2004



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Club (NPC), sebuah kelab bersantai untuk ahli-ahli media. Nestlé merupakan organisasi pertama menjalinkan hubungan rapat dengan NPC, dengan mengadakan acara bulanan di premisnya yang baru diubahsuai. Peluang untuk berinteraksi secara informal ini adalah usaha untuk terus merapatkan hubungan di antara Nestlé dan media, serta sebagai tanda penghargaan ke atas sokongan media terhadap Nestlé selama ini.

6 LAUNCH OF MILO® FUZE™

Shah Alam Factory played host to the launch of MILO® FUZE™, which was officiated by YBhg Dato' Talaat Husain, Secretary General, Ministry of Domestic Trade and Consumer Affairs. MILO® FUZE™ got its name from a creative adaptation of the word "fusion" to symbolize the mixture of two or more rich and nourishing ingredients fused into one. Its introduction is proof of the brand's continuous innovation to stay 'young', contemporary and relevant to consumers in all walks of life. MILO® has continued to play a vital role in the development and nurturing of grassroot and junior sports in Malaysia.

PELANCARAN MILO® FUZE™

Kilang Shah Alam telah menjadi tuan rumah untuk pelancaran MILO® FUZE™, yang telah dirasmikan oleh YBhg Dato' Talaat Husain, Ketua Setiausaha Kementerian Perdagangan dalam Negeri dan Hal Ehwal Pengguna. Pelancarannya adalah sebagai bukti inovasi berterusan jenama tersebut untuk sentiasa berubah dengan keadaan semasa. MILO® memainkan peranan utama di dalam memupuk dan membangunkan sukan di peringkat akar umbi, di Malaysia.

7 CAHAYA RAMADHAN CAMPAIGN

Realising how the Ramadhan bazaar has evolved to become an integral part of Malaysia's local culture, Nestlé launched the Cahaya Ramadhan Campaign in support of this unique activity, while promoting greater ties with food operators and hawkers operating in Ramadhan food bazaars and creating better awareness of Nestlé's extensive range of products

amongst its consumers. In addition to supplying products to the food operators and hawkers, Nestlé also supported the traders with promotional materials including banners, aprons, stickers and more.

KEMPEN CAHAYA RAMADHAN

Menyedari pentingnya bazar Ramadhan sebagai salah satu budaya rakyat Malaysia, Nestlé telah melancarkan Kempen Cahaya Ramadhan untuk memberi sokongan serta mengeratkan lagi hubungan dengan para pengusaha gerai yang menjalankan perniagaan di bazar-bazar Ramadhan. Di samping itu, Kempen tersebut bertujuan memperkenalkan produk Nestlé kepada para pembeli. Selain daripada produk, para pengusaha gerai telah disokong dengan bahan promosi seperti kain rentang, apron, pelekat dan sebagainya.

Environment & Agriculture Report

LAPORAN ALAM SEKITAR & PERTANIAN

ENVIRONMENT AS A PRIORITY IN SUSTAINABLE DEVELOPMENT

In 2004, we maintained the direction established in our brochure:

– **A commitment to preserve the environment.** We believe that the environment can be best preserved by adopting the principles of sustainable development and by integrating environmental management into our daily business practices while prioritizing source reduction over “end-of-pipe” solutions.

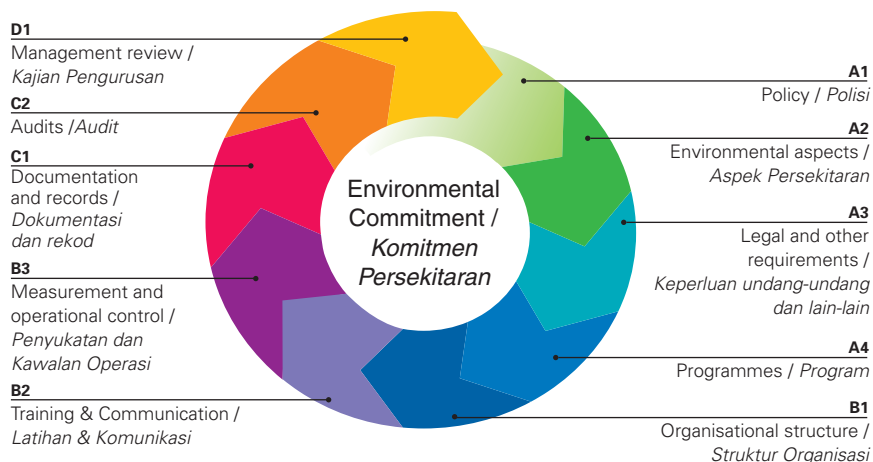
Our commitment extends to engagement with responsible organisations that are active in promoting sustainable development. In 2004, we continued our support and cooperation with organisations such as the “Business Council for Sustainable Development, Malaysia”; and similar NGO’s.

An important contributor to sustainable development is our commitment to use local agricultural raw materials where feasible. Associated with this is our Agricultural Service’s extensive support and guidance for farmers in crop management and sustainable practices. Typical of this is the leading role we have played in the development of Red Rice and Chili cultivation and our support for local farmers as described on page 39 of this report.

HOW NESTLÉ MANAGES ENVIRONMENTAL PERFORMANCE

The cornerstone of our environmental management is the Nestlé Environmental Management System (NEMS), which provides the framework for systematic management of all environmental activities and the continuous improvement in our performance.

Nestlé Environmental Management System Framework / Sistem Pengurusan Alam Sekitar Nestlé



LAPORAN TERKINI ALAM SEKITAR & PERTANIAN

Pada tahun 2004, kami meneruskan langkah menurut apa yang telah ditetapkan di dalam risalah kami – **Komitmen untuk memelihara alam sekitar.** Kami percaya bahawa cara terbaik memelihara persekitaran ialah dengan menggunakan prinsip-prinsip pembangunan mampan dan dengan menerapkan pengurusan persekitaran dalam amalan perniagaan harian kami sambil mengutamakan pengurangan sumber dari permulaan hingga ke akhir projek.

Komitmen kami dipanjangkan kepada hubungan dengan organisasi-organisasi yang bertanggungjawab yang aktif dalam penggalakan pembangunan mampan. Pada tahun 2004 juga kami terus memberi sokongan dan kerjasama kepada organisasi-organisasi seperti “Business Council for Sustainable Development Malaysia” dan Pertubuhan-pertubuhan Bukan Kerajaan yang seumpama.

Penyumbang penting kepada pembangunan mampan ialah komitmen kami untuk menggunakan bahan pertanian tempatan di mana sesuai. Kami juga memberikan sokongan dan bimbingan menerusi Khidmat Pertanian kepada para petani dalam pengurusan tanaman dan amalan mampan di mana kami memainkan peranan penting dalam pembangunan penanaman Beras Merah dan Cili. Maklumat lanjut boleh di dapati pada mukasurat 39.

CARA NESTLÉ MENGURUS PRESTASI PERSEKITARAN

Asas pengurusan persekitaran kami ialah Sistem Pengurusan Alam Sekitar Nestlé (NEMS) yang memberikan rangka kerja untuk pengurusan semua aktiviti persekitaran yang sistematik dan pembaikan prestasi kami yang berterusan.

Environment & Agriculture Report

LAPORAN ALAM SEKITAR & PERTANIAN

In addition to NEMS, we enforce a range of internal technical performance standards, which meet or exceed government regulations. Most notable among these are the Environmental Minimum Technical Requirements (EMTR), which set standards in areas such as energy and water use efficiency, waste management, waste water treatment and air emissions to name a few.

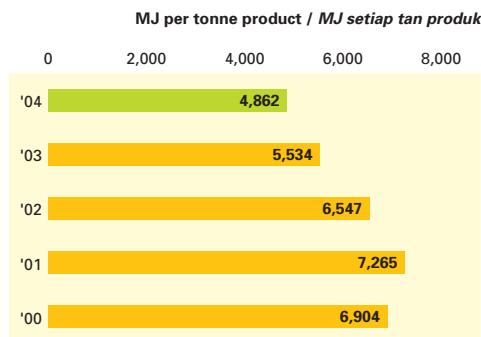
We ensure compliance with these requirements with a comprehensive audit program, covering management, technical performance and plant safety. Additionally, performance to reduce our environmental impact is tracked with a range of indicators on a monthly basis, with overall annual figures reported to our corporate headquarters in Switzerland.

Despite an almost 40%⁽¹⁾ increase in our domestic and export production tonnage since 2000, all of our key indicators⁽²⁾ show an overall continuing reduction in environmental impact, as can be seen from the examples below.

ENERGY MANAGEMENT & AIR EMISSIONS

With the entry into force of the Kyoto Protocol, to which Malaysia is a signatory, energy efficiency and emissions minimization become even more important to our operations. Through our energy management programs Nestlé has continued to reduce energy consumption achieving an overall 12% reduction in 2004.

Energy Consumption / Penggunaan Tenaga



Di samping NEMS, kami juga telah melaksanakan rangkaian tahap prestasi teknikal dalaman yang memenuhi atau mengatasi syarat-syarat kerajaan. Yang paling nyata ialah Tuntutan Minimum Teknikal Alam Sekitar (EMTR) yang menetapkan tahap dalam perkara-perkara seperti kecekapan penggunaan tenaga dan air, pengurusan bahan buangan, rawatan air kotor dan pengaliran udara dan sebagainya.

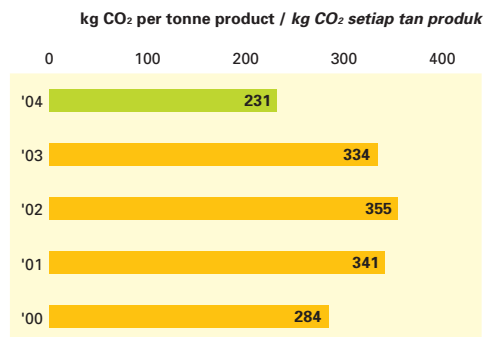
Kami memastikan komplians dengan syarat-syarat ini melalui program audit yang komprehensif, meliputi pengurusan, prestasi teknikal dan keselamatan kilang. Di samping itu, prestasi untuk mengurangkan impak terhadap persekitaran diukur setiap bulan dengan rangkaian penunjuk utama, dan keputusannya dihantar ke ibu pejabat korporat kami di Switzerland.

Walaupun pengeluaran domestik dan eksport kami meningkat hampir 40%⁽¹⁾ sejak tahun 2000, kebanyakan penunjuk utama⁽²⁾ kami menunjukkan penurunan berterusan keseluruhannya dalam kesan persekitaran sebagaimana ditunjukkan pada contoh-contoh berikut.

PENGURUSAN TENAGA & SEBARAN UDARA

Dengan wujudnya Protokol Kyoto, di mana negara Malaysia menjadi salah satu penandatangan, efisiensi tenaga dan pengurangan sebaran udara kini lebih dipertekankan di dalam operasi kami. Hasil program-program pengurusan tenaga kami, Nestlé telah dapat mengekalkan penurunan penggunaan tenaga sebanyak 12% pada tahun 2004.

Air Emissions / Sebaran Udara



Combined with improving energy efficiency, changing to cleaner or sustainable fuels has further reduced our environmental impact. In 2004, our Shah Alam factory completed phase 1 of conversion from oil to natural gas. In addition to phase 2 of this project, which will be completed in 2005, we are working with our gas suppliers to extend this program to our other sites.

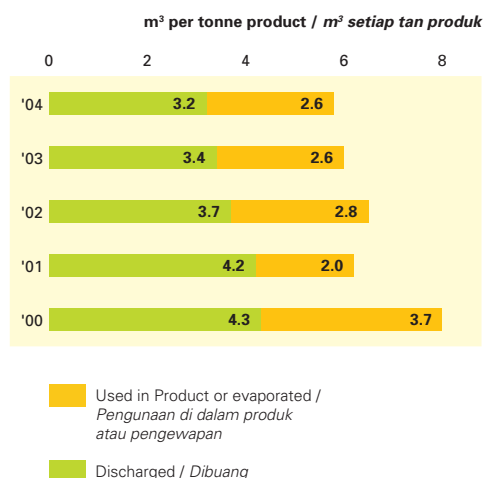
With the Malaysian Palm Oil Board, we conducted trials to evaluate palm oil as a boiler fuel, proving that it is a technically feasible alternative sustainable fuel. This initiative may in the future provide a renewable fuel source, while assisting to stabilize palm oil prices; thus protecting a major local industry from world commodity price fluctuations.

With these combined initiatives, we have reduced our CO₂ emissions by 30% in 2004.

WATER MANAGEMENT

Although with a more local impact, sound water management practices are no less important to our programs to minimise the environmental impact of our operations. As with energy, our water management initiatives continue to be successful. In 2004, we reduced our water consumption by 3% and wastewater discharge by 5% compared to 2003.

Water Consumption Discharge / Pengeluaran Penggunaan Air



Di samping meningkatkan efisiensi tenaga, penggunaan sumber tenaga yang lebih bersih juga telah membantu di dalam pengurangan impak terhadap alam sekitar. Pada tahun 2004, kami telah melengkapkan Fasa 1 projek untuk menukarkan penggunaan bahan api di kilang Shah Alam kami, daripada minyak kepada gas asli. Fasa 2 akan dilengkapkan pada tahun 2005, dan program ini akan juga dilaksanakan di kilang-kilang kami yang lain.

Dengan kerjasama Lembaga Kelapa Sawit Malaysia, kami telah menjalankan beberapa ujian untuk menguji keupayaan minyak sawit sebagai bahan bakar dandang, dan telah dapat membuktikan bahawa ianya adalah sesuai untuk dijadikan sumber bahan api alternatif. Inisiatif ini memungkinkan penggunaan sumber bahan api baru, di samping dapat membantu menstabilkan harga minyak sawit di pasaran. Ini akan dapat membantu melindungi industri utama tempatan daripada ketidaktentuan harga komoditi dunia.

Inisiatif-inisiatif ini telah dapat mengurangkan sebaran CO₂ sebanyak 30% pada tahun 2004.

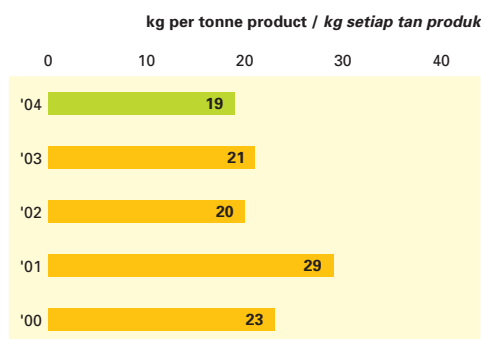
PENGURUSAN AIR

Seperti tenaga, inisiatif pengurusan air kami telah mencapai kejayaan berterusan. Pada tahun 2004, kami telah dapat mengurangkan penggunaan air sehingga 3% dan pengeluaran buangan air sehingga 5% berbanding tahun 2003.

Environment & Agriculture Report

LAPORAN ALAM SEKITAR & PERTANIAN

Solid Waste Disposal / Pembuangan Bahan Buangan Pejal



INTEGRATED SOLID WASTE MANAGEMENT

Using our Integrated Waste Management (IWM) approach, which gives priority to production efficiency and source reduction, followed by recovery/recycling, we have further reduced our disposed solid wastes by more than 20% in 2004, equivalent to more than 160 tonnes, which would otherwise have gone to landfills.

SOURCE REDUCTION IN PACKAGING

Post-consumer waste reduction remains a major concern to Nestlé and an important consideration in our packaging innovation. As an integral part of IWM, our packaging renovation and source reduction program contributes to reduce post-consumer waste, while meeting our consumers' quality expectations.

Typical improvements are our 200g MILO® cartons, where we reduced annual packaging usage by 348 tonnes per year, by extending from other MILO® products an innovative packaging concept that won the Malaysia Star Packaging Award in 2003.

PENGURUSAN SISA BERSEPADU

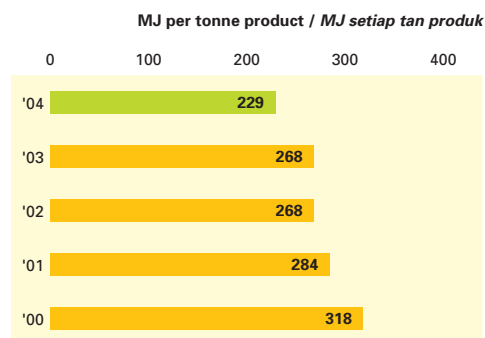
Dengan menggunakan pendekatan Pengurusan Sisa Bersepadu (IWM), yang memberikan keutamaan kepada pengurusan sumber, dan pemulihan/pengitaran semula, kami telah berjaya mengurangkan pembuangan bahan pejal sebanyak lebih daripada 20% pada tahun 2004, bersamaan dengan 160 tan bahan buangan.

PENGURUSAN SUMBER DALAM PEMBUNGKUSAN

Pengurangan bahan buangan pascapengguna sangat membimbangkan Nestlé dan telah diberikan perhatian serius dalam program inovasi dan renovasi pembungkusan kami. Sebagai salah satu bahagian penting dalam IWM, program pengurangan sumber pembungkusan kita juga telah menyumbang kepada pengurangan bahan buangan pascapengguna, di samping memenuhi jangkaan pengguna-pengguna kami tentang kualiti.

Kemajuan tipikal kami adalah terhadap karton MILO® 200g, di mana kami dapat mengurangkan penggunaan bungkusan tahunan sebanyak 348 tan setahun dengan menggunakan konsep pembungkusan inovatif yang berjaya memenangi anugerah "Malaysia Star Packaging Awards 2003".

Packaging Material Usage / Penggunaan Bahan Pembungkusan





In 2004, we were also able to reduce the weight of cans in our range of canned beverages, saving 26 tonnes of aluminium.

Pada tahun 2004 kami telah berjaya mengurangkan berat tin-tin rangkaian minuman kami, dan dapat mengurangkan penggunaan aluminium sebanyak 26 tan.

- (1) Figures exclude Sweetened Condensed Milk manufacturing, which was discontinued in 2000.
- (2) Key indicators are expressed per tonne of product unless otherwise noted.
- (1) Angka tidak termasuk pengeluaran Susu Pekat Manis yang dihentikan pada tahun 2000.
- (2) Penunjuk utama berdasarkan setan produk kecuali dinyatakan sebaliknya.

Agriculture

PERTANIAN

Nestlé currently supports three full contract-farms for the supply of red rice and fresh chilies in Perak, Kedah, and Kelantan. They involve both entrepreneur, and small farmer co-operatives under the umbrella of Area Farmers' Organisations. In total, about 300 farming families are involved.

SAFE, SUSTAINABLE AGRICULTURE

In addition to the traditional assistance to improve quality and yields, as a means of improving living standards, we also help farmers develop safer and sustainable agriculture practices, without compromising on quality and/or yields. With this approach, we aim to create an environment of wellness, which in its own way, will transform commercial agriculture into a sustainable and desirable vocation.

Nestlé kini memberi bantuan kepada tiga ladang-ladang kontrak-penuh di Perak, Kedah dan Kelantan, untuk bekalan beras merah dan cili segar. Ini melibatkan usahawan-usahawan dan koperasi peladang kecil, di bawah naungan Organisasi Peladang Kawasan, berjumlah lebih kurang 300 buah keluarga peladang.

PERTANIAN MAMPAN DAN SELAMAT

Di samping bantuan tradisional yang diberikan bagi meningkatkan kualiti dan hasil, sebagai satu cara mempertingkatkan taraf kehidupan, kami juga membantu peladang-peladang membangunkan cara-cara perladangan yang mampan dan selamat, tanpa kompromi terhadap kualiti dan hasil. Dengan cara ini, kami bertujuan mewujudkan suasana kesejahteraan yang dapat menjadikan pertanian komersial sebagai satu kerjaya menarik.

Environment & Agriculture Report

LAPORAN ALAM SEKITAR & PERTANIAN

A major part of this program is training. In 2004, we conducted four Pesticide Application Technology courses for our contract farmers. Here, the main thrust continues to be alternatives to chemical pesticides and their safe handling and use where pesticides are needed.

In 2004, we successfully completed large field tests on a “chemical-free” package for both red rice and chilies, with promising results. In addition to reducing pesticide levels in the produce, this also eliminates pesticide-laden run-off and improves farm safety by reducing or eliminating the need to handle pesticides.

A direct consequence is that all of our fresh Chili deliveries for 2004 were well below norms on pesticides residue limits.

SALAM ACCREDITATION SCHEME

For our fresh chili project with the Bukit Awan Farmers' Organisation, the whole process of planting to production is being documented, and audited, by the Ministry of Agriculture. A significant part of SALAM, or Malaysian Farm Accreditation Scheme, concerns the well being of the environment. Once accredited, farm produce from our project can carry the seal of “Malaysian Best”, and all who consume fresh chilies from Nestlé fields in one way or another, can rest assured that they are consuming safe and soundly produced chilies.

After completion, this will be extended to other contract farms in Perak and Kedah.

Sebahagian besar daripada program ini adalah bertumpukan kepada latihan. Untuk tahun 2004, kami telah menjalankan empat latihan Teknologi Aplikasi Racun Serangga untuk peladang kontrak kami, di mana penekanan diberikan terhadap penggunaan alternatif kepada racun serangga kimia, serta cara penggunaannya yang selamat.

Pada tahun 2004 juga, kami telah berjaya melengkapkan ujian pembungkusan “tiada bahan kimia” untuk beras merah dan cili, dengan hasil keputusan yang memberangsangkan. Di samping dapat mengurangkan tahap racun serangga di dalam hasil tanaman, ianya juga dapat mengurangkan atau menghapuskan keperluan untuk mengendalikan racun serangga.

Hasil langsungnya ialah kesemua bekalan cili segar kami pada tahun 2004 mempunyai tahap sisa racun serangga yang rendah.

SKIM PENTAULIAHAN SALAM

Untuk projek cili kami dengan Organisasi Peladang-peladang Bukit Awan, keseluruhan proses penanaman sehinggalah pengeluaran kini sedang didokumentasikan oleh Kementerian Pertanian. Sebahagian besar daripada projek SALAM, atau Skim Pentaualiahan Perladangan Malaysia, mementingkan pemeliharaan alam persekitaran. Setelah ditauliah, hasil ladang daripada projek kami akan dapat membawa cap tera “Malaysian Best” (Terbaik dari Malaysia) dan setiap pembeli dan pengguna boleh berkeyakinan bahawa hasil cili dari ladang-ladang Nestlé telah dihasilkan dengan cara yang terbaik dan selamat. Prose pentaualiahan ini juga akan dilakukan di ladang-ladang kontrak kami di Perak dan Kedah.

Close and constant interaction with farmers on site is important.

Perhubungan rapat dan berterusan dengan peladang amat penting.



Crop survey to gauge potential field problems and yield.

Penyelidikan ke atas tanaman untuk mengenalpasti masalah yang mungkin dihadapi hasil tanaman.

Corporate Information

MAKLUMAT KORPORAT

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Profil Ahli Lembaga Pengarah

Corporate Data

DATA KORPORAT

Board of Directors / Lembaga Pengarah

General (Rtd) Tan Sri Dato' Mohd Ghazali Seth
Chairman, Independent, Non-Executive Director /
Pengerusi, Pengarah Bebas, Bukan Eksekutif

Tan Sri Dato' Ernest Zulliger
Independent, Non-Executive Director /
Pengarah Bebas, Bukan Eksekutif

Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff
Independent, Non-Executive Director /
Pengarah Bebas, Bukan Eksekutif

Dato' Seri Syed Anwar Jamalullail
Independent, Non-Executive Director /
Pengarah Bebas, Bukan Eksekutif

Mr. Jimmy Tan @ Tan Meng Kow
Non-Independent, Non-Executive Director /
Pengarah Bukan Bebas, Bukan Eksekutif
(Resigned on / *Meletak jawatan pada 7 May 2004*)

Datuk Azlan bin Mohd Zainol
Non-Independent, Non-Executive Director /
Pengarah Bukan Bebas, Bukan Eksekutif
(Appointed on / *Dilantik pada 5 November 2004*)

Mr. Michael W. Garrett
Non-Independent, Non-Executive Director /
Pengarah Bukan Bebas, Bukan Eksekutif

Mr. Sullivan Joseph O'Carroll
Managing Director / *Pengarah Urusan*

Mr. Pierre Francois Streit
Executive Director / *Pengarah Eksekutif*
(Resigned on / *Meletak jawatan pada 27 February 2004*)

Mr. Stéphane Nicolas Jean Marie Alby
Executive Director / *Pengarah Eksekutif*
(Appointed on / *Dilantik pada 27 February 2004*)

Mr. Faïçal Krichane
Alternate Director to Mr. Michael W. Garrett /
Pengarah Silih Ganti kepada Encik Michael W. Garrett
(Resigned on / *Meletak jawatan pada 1 November 2004*)

Dr. Magdi Batato
Alternate Director to Mr. Michael W. Garrett /
Pengarah Silih Ganti kepada Encik Michael W. Garrett
(Appointed on / *Dilantik pada 5 November 2004*)

Registered Office / Pejabat Berdaftar

Nestlé House
No. 4, Lorong Pesiaran Barat
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Telephone : + 603 7965 6000
Facsimile : + 603 7965 6767
Website : www.nestle.com.my

Company Secretary / Setiausaha Syarikat

Mohd. Shah bin Hashim (LS 006824)

Share Registrar / Pendaftar Saham

Tenaga Koperat Sdn. Bhd. (118401-V)
20th Floor, Plaza Permata
Jalan Kampar
Off Jalan Tun Razak
50400 Kuala Lumpur
Malaysia
Telephone : + 603 4041 6522
Facsimile : + 603 4042 6352

Auditors / Juruaudit

KPMG (Firm No. AF 0758)
Chartered Accountants
Wisma KPMG
Jalan Dungun
Damansara Heights
50490 Kuala Lumpur
Telephone : + 603 2095 3388
Facsimile : + 603 2095 0971

Principal Bankers / Bank-bank Utama

Malayan Banking Berhad
Citibank Berhad

Stock Exchange Listing / Penyenaraian Bursa Saham

Main Board
Bursa Malaysia Securities Berhad

Audit Committee / Jawatankuasa Audit

General (Rtd) Tan Sri Dato' Mohd Ghazali Seth
Chairman / *Pengerusi*

Tan Sri Dato' Ernest Zulliger
Member / *Ahli*

Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff
Member / *Ahli*

Dato' Seri Syed Anwar Jamalullail
Member / *Ahli*

Mr. Pierre Francois Streit
Member / *Ahli*
(Resigned on / *Meletak jawatan pada 27 February 2004*)

Mr. Stéphane Nicolas Jean Marie Alby
Member / *Ahli*
(Appointed on / *Dilantik pada 27 February 2004*)

Management Team / Pasukan Pengurusan

As at / Pada 28 February 2005

Mr. Sullivan Joseph O'Carroll
Managing Director / *Pengarah Urusan*

Mr. Pierre Francois Streit
Executive Director, Finance & Control /
Pengarah Eksekutif, Kewangan & Kawalan
(Resigned on / *Meletak jawatan pada 27 February 2004*)

Mr. Stéphane Nicolas Jean Marie Alby
Executive Director, Finance & Control /
Pengarah Eksekutif, Kewangan & Kawalan
(Appointed on / *Dilantik pada 27 February 2004*)

Mr. Faïçal Krichane
Executive Director, Production /
Pengarah Eksekutif, Pengeluaran
(Resigned on / *Meletak jawatan pada 1 November 2004*)

Dr. Magdi Batato
Executive Director, Production /
Pengarah Eksekutif, Pengeluaran
(Appointed on / *Dilantik pada 5 November 2004*)

Encik Abdul Wahab bin Abu Bakar
Human Resource Director / *Pengarah Sumber Manusia*

Encik Ariffin bin Buranudeen
Supply Chain Director / *Pengarah Rangkaian Bekalan*

Mr. Ganesan R. Ampalavanar
Sales Director / *Pengarah Jualan*

Mr. Ian James Donald
Director, Ice Cream, Chilled Products & Associated Businesses /
Pengarah, Ais Krim, Produk Sejuk & Perniagaan Berkaitan

Directors

PENGARAH-PENGARAH

From left to right / Dari kiri ke kanan

Dr. Magdi Batato

Mr. Ganesan R. Ampalavanar

Mr. Sullivan Joseph O'Carroll

Mr. Ian James Donald

Mr. Stéphane Nicolas Jean Marie Alby

Encik Ariffin bin Buranudeen

Encik Abdul Wahab bin Abu Bakar



Profile of Board of Directors

PROFIL AHLI LEMBAGA PENGARAH



General (Rtd) Tan Sri Dato' Mohd Ghazali Seth

Age 76, Malaysian

Chairman, Independent,
Non-Executive Director and Chairman
of the Audit Committee

Berusia 76 tahun, Rakyat Malaysia

*Pengerusi dan Pengarah Bebas,
Bukan Eksekutif dan juga
Pengerusi Jawatankuasa Audit*

General (Rtd) Tan Sri Dato' Mohd Ghazali Seth is a retired General in the Malaysian Armed Forces after having served with distinction for nearly 36 years. Appointed to the Board since January 1986 and was elected Chairman since then. Attended all four meetings of the Board of Directors in the financial year ended 31 December 2004. Also serves as Director of Carlsberg Brewery Malaysia Berhad and ABN-AMRO Bank Berhad. No conflict of interest with the Group and has no family relationship with any other directors and/or major shareholder of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences within the past ten years other than traffic offences, if any.

Jeneral (B) Tan Sri Dato' Mohd Ghazali Seth merupakan seorang Jeneral bersara selepas berkhidmat dengan cemerlang selama hampir 36 tahun dalam Angkatan Tentera Malaysia. Beliau telah dilantik menjadi Ahli Lembaga sejak bulan Januari 1986 dan sejak itu juga telah dilantik sebagai Pengerusi. Beliau telah menghadiri keempat-empat mesyuarat Lembaga Pengarah dalam tahun kewangan berakhir 31 Disember 2004. Beliau juga berkhidmat sebagai Pengarah Carlsberg Brewery Malaysia Berhad dan ABN-AMRO Bank Berhad. Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat, atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

Tan Sri Dato' Ernest Zulliger has had an illustrious career with the worldwide Nestlé group of companies, which spanned over 37 years. The last position he held before his retirement was as Managing Director of the Company. Appointed to the Board since November 1983. Attended two out of four meetings of the Board of Directors for the financial year ended 31 December 2004. He studied Commerce and Business Administration in Switzerland and attended the International Management School, IMD in Lausanne. Also serves as Director of Bumiputra-Commerce Bank Berhad. No conflict of interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences within the past ten years other than traffic offences, if any.

Tan Sri Dato' Ernest Zulliger mempunyai kerjaya yang cukup cemerlang, merangkumi lebih dari 37 tahun, dengan kumpulan Nestlé di seluruh dunia. Jawatan terakhir yang dipegang oleh beliau sebelum bersara adalah sebagai Pengarah Urusan, Nestlé Malaysia. Beliau telah dilantik menjadi Ahli Lembaga sejak bulan November 1983 dan telah menghadiri dua daripada empat mesyuarat Lembaga Pengarah dalam tahun kewangan berakhir 31 Disember 2004. Beliau mengambil jurusan Pentadbiran Perniagaan dan Perdagangan di Switzerland serta menghadiri International Management School IMD di Lausanne. Tan Sri Dato' Ernest Zulliger juga berkhidmat sebagai Pengarah Bumiputra-Commerce Bank Berhad. Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat, atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.



Tan Sri Dato' Ernest Zulliger

Age 72, Swiss

Independent, Non-Executive Director and
Member of the Audit Committee

*Berusia 72 tahun, Rakyat Switzerland
Pengarah Bebas Bukan Eksekutif dan
Ahli Jawatankuasa Audit*

Profile of Board of Directors

PROFIL AHLI LEMBAGA PENGARAH



Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff

Age 58, Malaysian

Independent, Non-Executive Director and
Member of the Audit Committee

Berusia 58 tahun, Rakyat Malaysia

*Pengarah Bebas Bukan Eksekutif
dan juga Ahli Jawatankuasa Audit*

Tengku Tan Sri Dr. Mahaleel Bin Tengku Ariff is currently the Group Chief Executive Officer of Proton Holdings Berhad and was chosen as the “Malaysian CEO of the Year” in 1999 by Business Times & American Express and was voted Malaysia’s Auto Man of the Year for 2004 by NST and MasterCard. Tengku Tan Sri graduated with B.A. (Hons) from the University of Malaya in 1970. He completed the MIM classes in Company Law and Marketing. He was conferred an Honorary Doctorate in Engineering by Universiti Teknologi Malaysia in 2001 and is currently an Adjunct Professor in Universiti Utara School of Management. Tengku Tan Sri brings with him a very diverse career background having started in Nestlé in the Marketing & Sales Department before joining Shell Malaysia in 1974 and served them for 20 years before leaving to join New Toyo, Mofaz and now Proton. His 35 years of experience includes the food, paper, cigarettes, oil, marine, aviation, cars and motorcycle industries. Tengku Tan Sri also sits on the London Business School Advisory Board, the NEAC Committee on Globalisation and the National Science Council. He has also represented Malaysia on the Asia Pacific Economic Council and Asean Business Advisory Council. He is currently the Chairman of the Board of University College of Engineering & Technology. Tengku Tan Sri was appointed to the Board on 30th April 2003 and attended all four meetings of the Board of Directors for the financial year ended 31 December 2004. Tengku Tan Sri has no conflict of interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences other than traffic offences, if any.

Tengku Tan Sri Dr. Mahaleel Bin Tengku Ariff kini merupakan Ketua Pegawai Eksekutif di Proton Holdings Berhad dan telah dipilih sebagai “Malaysian CEO of the Year” pada tahun 1999 oleh Business Times & American Express dan juga telah dipilih sebagai “Malaysia’s Auto Man of the Year” pada 2004 oleh NST dan MasterCard. Tengku Tan Sri merupakan lulusan Ijazah Sarjana Muda (Kepujian) daripada Universiti Malaya pada tahun 1970. Beliau kemudian telah menamatkan pengajiannya di MIM dalam jurusan Perundangan Syarikat dan Pemasaran. Tengku Tan Sri juga telah dianugerahkan Ijazah Doktor Kehormat dalam Kujuruteraan oleh Universiti Teknologi Malaysia pada tahun 2001 dan beliau kini adalah profesor tambahan di Fakulti Pengajian Pengurusan, Universiti Utara Malaysia. Tengku Tan Sri mempunyai latar belakang kerjaya yang luas, bermula di Nestlé sebagai wakil Pemasaran sebelum beliau menyertai Shell Malaysia pada tahun 1974 dan berkhidmat untuk mereka selama 20 tahun. Tengku Tan Sri kemudiannya telah meninggalkan Shell Malaysia untuk menyertai New Toyo, Mofaz dan kini Proton. Pengalaman bidang kerjaya beliau selama 35 tahun merangkumi industri makanan, kertas, rokok, minyak, perairan, penerbangan, kereta dan permotoran. Tengku Tan Sri menjadi ahli Lembaga Penasihat Serantau London Business School, Jawatankuasa NEAC tentang Globalisasi dan Majlis Sains Negara. Beliau juga telah mewakili Malaysia di Majlis Penasihat Perniagaan APEC dan ahli Lembaga Pengarah Majlis Ekonomi Lembangan Pasifik. Beliau kini merupakan Pengerusi Lembaga untuk University College of Engineering & Technology. Tengku Tan Sri telah dilantik sebagai Ahli Lembaga pada 30 April 2003 dan telah menghadiri keempat-empat mesyuarat Lembaga Pengarah untuk tahun kewangan berakhir 31 Disember 2004. Tengku Tan Sri tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat, atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

Dato' Seri Syed Anwar Jamalullail is a Chartered Accountant. A graduate from Macquarie University in Sydney, Australia with a Bachelor of Arts degree in Accounting, he qualified as a Chartered Accountant of the Australian Society of Certified Practising Accountants in 1984. Dato' Seri Syed Anwar was appointed to the Board on February 2002 as a Non-Independent Director and was re-classified as an Independent Director on 5 November 2004. He attended three out of four meetings of the Board of Directors for the financial year ended 31 December 2004. Dato' Seri Syed Anwar also serves as Director of Bangkok Bank Berhad, Malaysian Resources Corporation Berhad, Sistem Televisyen Malaysia Berhad and Maxis Communication Berhad. He has no conflict of interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences within the past ten years other than traffic offences, if any.

Dato' Seri Syed Anwar Jamalullail adalah seorang Akauntan Berkanun, lulusan Ijazah Sarjana Muda Sastera dalam Perakaunan daripada Macquarie University di Sydney, Australia dan menerima tauliah sebagai Akauntan Berkanun daripada Australian Society of Certified Practising Accountants pada tahun 1984. Dato' Seri Syed Anwar telah dilantik sebagai Ahli Lembaga sejak bulan Februari 2002 sebagai Pengarah Bukan Bebas dan telah diklasifikasikan semula sebagai Pengarah Bebas pada 5 November 2004. Beliau telah menghadiri tiga daripada empat mesyuarat Lembaga Pengarah untuk tahun kewangan berakhir 31 Disember 2004. Dato' Seri Syed Anwar juga turut berkhidmat sebagai Pengarah Bangkok Bank Berhad, Malaysian Resources Corporation Berhad, Sistem Televisyen Malaysia Berhad dan Maxis Communication Berhad. Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat; atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Beliau juga tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.



Dato' Seri Syed Anwar Jamalullail

Age 53, Malaysian

Independent, Non-Executive Director
and Member of the Audit Committee

Berusia 53 tahun, Rakyat Malaysia

*Pengarah Bebas Bukan Eksekutif
dan juga Ahli Jawatankuasa Audit*

Profile of Board of Directors

PROFIL AHLI LEMBAGA PENGARAH



Datuk Azlan bin Mohd Zainol

Age 55, Malaysian

Non-Independent, Non-Executive Director

Berusia 55 tahun, Rakyat Malaysia

Pengarah Bukan Bebas, Bukan Eksekutif

Datuk Azlan Bin Mohd Zainol graduated as a Fellow of the Institute of Chartered Accountants in England & Wales in 1974 and became a member of both the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants in 1975. Datuk Azlan started his career as an Audit Manager with Razak & Co before being appointed as the General Manager of Kwong Yik Finance Berhad and then the Operations Manager of Maybank Finance in 1977. He became a partner of Tan Azlan & Company and Binder Hamlyn (BDO) in 1980, then was appointed as Managing Director of Arab-Malaysian Finance Berhad in 1982 and the Managing Director of Arab-Malaysian Bank Berhad in 1994 prior to his appointment as the Chief Executive Officer of Employees Provident Fund in 2001. Datuk Azlan was appointed to the Board on 5 November 2004 and is also the Chairman of Malaysian Resources Corporation Berhad, a director of Malaysia Building Society Berhad and Bursa Malaysia Depository Sdn. Bhd. He is also on the Board of Advisory of the Malaysian Venture Capital Management Berhad (MAVCAP), a Member of The Financial Reporting Foundation, a Member of The Securities Market Consultative Panel of Bursa Malaysia and a Bureau Member of The International Social Security Association (ISSA). Datuk Azlan has no conflict of interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences within the past ten years other than traffic offences, if any.

Datuk Azlan Bin Mohd Zainol merupakan lulusan Fellow daripada Institute of Chartered Accountants di England & Wales pada tahun 1974 dan telah menjadi ahli kepada kedua-dua Malaysian Institute of Certified Public Accountants dan Malaysian Institute of Accountants pada tahun 1975. Datuk Azlan memulakan karier beliau sebagai Pengurus Audit di Razak & Co sebelum perantikannya sebagai Pengurus Besar di Kwong Yik Finance Berhad dan kemudiannya sebagai Pengurus Operasi di Maybank Finance pada tahun 1977. Beliau kemudian telah menjadi rakan kongsi kepada Tan Azlan & Company dan Binder Hamlyn (BDO) pada tahun 1980, seterusnya dilantik sebagai Pengarah Urusan di Arab-Malaysian Finance Berhad pada 1982 dan kemudian dilantik sebagai Pengarah Urusan Arab-Malaysian Bank Berhad pada tahun 1994 sebelum perantikan beliau sebagai Ketua Pegawai Eksekutif di Kumpulan Wang Simpanan Pekerja pada tahun 2001. Datuk Azlan telah dilantik menjadi Ahli Lembaga Pengarah pada 5 November 2004, dan beliau turut berkhidmat sebagai Pengerusi Malaysian Resources Corporation Berhad, juga sebagai Pengarah Malaysia Building Society Berhad dan Bursa Malaysia Depository Sdn. Bhd. Beliau turut merupakan Ahli Lembaga Penasihat bagi Malaysian Venture Capital Management Berhad [MAVCAP], juga ahli di Financial Reporting Foundation, ahli di The Securities Market Consultative Panel of Bursa Malaysia dan juga ahli biro di The International Social Security Association (ISSA). Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat, atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

Mr. Michael W. Garrett is the Executive Vice President of Nestlé S.A. and is responsible for the zone including Asia, Oceania, Africa and the Middle East. Mr. Garrett's career in Nestlé began in 1961 as a management trainee at Crosse & Blackwell. After two years in Vevey between 1967 and 1968 he began his first major overseas assignment in Australia. In 1974 he returned to the UK for six years heading a number of key functions including Nestlé's Confectionery business before returning to Australia, first as Marketing Director and subsequently as Managing Director of Nestlé Australia Ltd. He was assigned to Japan as Market Head from 1990 to 1993 prior to his appointment as Zone Director responsible for Asia and Oceania. In July 1996 his responsibilities were expanded to include Africa and the Middle East. He is a graduate of IMEDE Business School in Lausanne, Switzerland. Mr. Garrett was appointed to the Board since December 1992. He attended three out of the four meetings of the Board of Directors for the financial year ended 31 December 2004 and his Alternate Director, Mr. Faïçal Krichane, who has since resigned on 1 November 2004, attended the remaining one other meeting of the Board of Directors not attended by Mr. Garrett. Out of the three meetings of the Board of Directors attended by Mr. Garrett, two of them were via telephone conferencing. Mr. Garrett has no conflict of interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences within the past ten years other than traffic offences, if any.



Mr. Michael W. Garrett

Age 62, Australian

Non-Independent, Non-Executive Director

Berusia 62 tahun, Rakyat Australia

Pengarah Bukan Bebas, Bukan Eksekutif

Encik Michael W. Garrett merupakan Timbalan Presiden Eksekutif Nestlé S.A., yang bertanggungjawab terhadap rantau Asia, Oceania, Afrika dan Asia Tengah. Kerjayanya dengan Nestlé bermula pada tahun 1961 sebagai pelatih pengurusan di Crosse & Blackwell. Selepas dua tahun di Vevey, di antara tahun 1967 dan 1968, beliau telah memulakan tugas luar negaranya yang pertama di Australia. Pada tahun 1974 beliau kembali ke United Kingdom selama enam tahun untuk mengetuai beberapa bahagian penting termasuk perniagaan Konfeksi Nestlé sebelum kembali semula ke Australia, pada mulanya sebagai Pengarah Pemasaran dan kemudiannya sebagai Pengarah Urusan Nestlé Australia Ltd. Beliau telah ditugaskan ke Jepun sebagai Ketua Pasaran dari tahun 1990 hingga tahun 1993 sebelum perantikannya sebagai Pengarah Zon yang bertanggungjawab untuk Asia dan Oceania. Pada bulan Julai 1996 tanggungjawab beliau dikembangkan untuk merangkumi Afrika dan Asia Tengah. Encik Michael W. Garrett yang merupakan seorang lulusan IMEDE Business School di Lausanne, Switzerland telah dilantik menjadi Ahli Lembaga sejak bulan Disember 1992. Beliau telah menghadiri tiga daripada empat mesyuarat Lembaga Pengarah dalam tahun kewangan berakhir 31 Disember 2004. Manakala Encik Faïçal Krichane yang merupakan Pengarah Silih Ganti kepada beliau telah meletak jawatan pada 1 November 2004 dan telah menghadiri satu daripada empat mesyuarat Lembaga Pengarah yang tidak dihadiri oleh Encik Michael W. Garrett dalam tahun kewangan 2004. Dua daripada tiga mesyuarat Lembaga Pengarah yang dihadiri oleh Encik Michael W. Garrett adalah melalui persidangan telefon. Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat, atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

Profile of Board of Directors

PROFIL AHLI LEMBAGA PENGARAH



Mr. Sullivan Joseph O'Carroll

Age 55, South African

Managing Director

Berusia 55 tahun, Rakyat Afrika Selatan

Pengarah Urusan

Mr. Sullivan Joseph O'Carroll is a graduate in psychology from the University of South Africa. He has been with the Nestlé group for the last 31 years and is currently the Managing Director of the Company. He joined Nestlé in 1973 as a Merchandising Trainee in South Africa. Within 7 years, he was transferred to Randburg as the Marketing Manager for the combined Coffee & Milk business and was appointed as the Marketing & Sales Manager for the Confectionery business in 1985. He held various other senior positions in other Nestlé markets prior to his appointment in Malaysia. Mr. O'Carroll was appointed to the Board on 1 July 2003 and attended all four meetings of the Board of Directors for the financial year ended 31 December 2004. Mr. O'Carroll has no conflict of interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences other than traffic offences, if any.

Encik Sullivan Joseph O'Carroll merupakan seorang lulusan psikologi daripada University of South Africa. Beliau telah berkhidmat dengan kumpulan Nestlé selama 31 tahun dan kini bertugas sebagai Pengarah Urusan Syarikat. Beliau menyertai Nestlé pada tahun 1973 sebagai Pelatih Barang Dagangan di Afrika Selatan. Dalam tempoh tujuh tahun, beliau telah ditukarkan ke Randburg sebagai Pengurus Kumpulan untuk perniagaan Minuman dan telah dilantik menjadi Pengurus Pemasaran dan Jualan untuk perniagaan Konfeksi pada tahun 1985. Sebelum perantikannya di Malaysia, beliau telah menjawat pelbagai jawatan kanan di lain-lain pasaran Nestlé. Beliau telah dilantik sebagai Ahli Lembaga pada 1 Julai 2003 dan telah menghadiri keempat-empat mesyuarat Lembaga Pengarah dalam tahun kewangan berakhir 31 Disember 2004. Encik O'Carroll tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan beliau tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Beliau juga tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

Mr. Stéphane Nicolas Jean Marie Alby was appointed to the Board on 27 February 2004 and is the Executive Director, Finance & Control of the Company. He attended all three meetings of the Board of Directors for the financial year ending 31 December 2004. Mr. Alby joined Nestlé France as an Auditor in 1989. He was then appointed as a Treasurer of Nestlé Capital Corporation in United States of America in 1997. He was appointed as the Deputy Treasurer of the Nestlé Group in 1999. Prior to his transfer to Malaysia, he was a Corporate Controller of Nestlé S.A. in Vevey, Switzerland, in charge of Strategic Business Units. Mr. Alby is a graduate from the business school “Institut D’Etudes Politiques” of Paris in Economics and Finance. He also has a Masters Degree in law from the University of Paris and is a Graduate of the Anderson School at UCLA (USA), also of the IMD Business School, Lausanne, Switzerland. Mr. Alby has no conflict of interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences other than traffic offences, if any.

Encik Stéphane Nicolas Jean Marie Alby telah dilantik menjadi ahli Lembaga Pengarah dan sebagai Pengarah Eksekutif, Kewangan dan Kawalan Syarikat pada 27 Februari 2004. Beliau telah menghadiri tiga mesyuarat Lembaga Pengarah dalam tahun kewangan berakhir 31 Disember 2004. Beliau telah menyertai Nestlé Perancis sebagai Juruaudit pada tahun 1989. Beliau kemudian telah dilantik sebagai Bendahari Nestlé Capital Corporation di Amerika Syarikat pada tahun 1997 dan telah dilantik sebagai Timbalan Bendahari Kumpulan Nestlé pada tahun 1999. Sebelum ditukarkan ke Malaysia, beliau bertugas sebagai Pengawal Korporat, yang bertanggungjawab terhadap Unit Strategi Perniagaan di Nestlé S.A di Vevey, Switzerland. Encik Alby merupakan lulusan “Institut D’Etudes Politiques of Paris” dalam jurusan Ekonomi dan Kewangan. Beliau juga memiliki Ijazah Sarjana Undang-Undang daripada University of Paris dan merupakan lulusan Anderson School di UCLA (USA), juga di IMD Business School di Lausanne, Switzerland. Encik Alby tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Beliau juga tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.



Mr. Stéphane Nicolas Jean Marie Alby

Age 40, French

Executive Director and a Member
of the Audit Committee

Berusia 40 tahun, Rakyat Perancis

Pengarah Eksekutif dan Ahli Jawatankuasa Audit

Profile of Board of Directors

PROFIL AHLI LEMBAGA PENGARAH



Dr. Magdi Batato

Age 46, Swiss

Alternate Director to Mr. Michael W. Garrett

Berusia 46 tahun, Rakyat Switzerland

Pengarah Silih Ganti kepada Encik Michael W. Garrett

Dr. Magdi Batato was appointed to the Board on 5 November 2004 and is the Executive Director, Production of the Company. He joined Nestlé Switzerland in 1991 as an Engineering Specialist. He was then the Head of Production in a MAGGI® German factory before managing a mineral water factory in Lebanon in 1997. In 1999, he was appointed as a technical manager for both Lebanon and Egypt in Nestlé Waters. In 2001, he was appointed as a factory manager in South Africa prior to his transfer to Malaysia. Dr. Batato graduated as a Mechanical Engineer from the Federal Ecole Polytechnique, Lausanne, Switzerland in 1982 and obtained his Doctorate in Sciences Techniques from the same Polytechnique in 1988. He has no conflict of interest with the Group and no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences other than traffic offences, if any.

Dr. Magdi Batato telah dilantik sebagai ahli Lembaga Pengarah pada 5 November 2004 dan merupakan Pengarah Eksekutif Pengeluaran syarikat. Beliau menyertai Nestlé Switzerland pada tahun 1991 sebagai Jurutera Pakar. Beliau pada masa itu adalah merupakan Ketua Pengeluaran di kilang MAGGI® di Jerman sebelum beliau bertanggungjawab untuk menguruskan sebuah kilang air mineral di Lebanon pada tahun 1997. Pada tahun 1999, beliau telah dilantik sebagai Pengurus Teknikal Nestlé Waters di Lebanon dan Mesir. Pada tahun 2001, beliau dilantik menjadi Pengurus Kilang di Afrika Selatan sebelum pertukaran beliau ke Malaysia sebagai Pengarah Pengeluaran. Dr. Batato merupakan lulusan Kejuruteraan Mekanikal daripada Federal Ecole Polytechnique di Lausanne, Switzerland pada tahun 1982 dan memperolehi Anugerah Kedoktoran didalam jurusan Sains Teknikal juga daripada Federal Ecole Polytechnique pada tahun 1988. Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Beliau juga tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

Corporate Governance

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Corporate Governance Statement

INTRODUCTION

The Group is committed to high standards of Corporate Governance. The Directors are directly accountable to the shareholders and stakeholders for ensuring that good governance is committed and practised at every level of its operations, including relationships with third parties. The Group has adopted the “Nestlé Corporate Governance Principles” of its parent company, Nestlé S.A., Vevey, Switzerland, as its best practice in Corporate Governance.

The principles cover four areas, as follows:

- The rights and responsibilities of shareholders;
- The equitable treatment of shareholders;
- The duties and responsibilities of Directors; and
- Disclosure and transparency.

These principles are in line with Part 1 and 2 of the Malaysian Code on Corporate Governance and paragraph 15.26 and 15.27 of the Listing Requirements of the Malaysia Securities Exchange Berhad.

COMPLIANCE STATEMENT

The Board of Directors is responsible for the stewardship of the Group. These responsibilities include:

- Reviewing and adopting a strategic plan for the Group;
- Overseeing the conduct of the Group’s business to evaluate whether the business is being properly managed;
- Identifying principal risks and ensure the implementation of appropriate systems to manage these risks;
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management;
- Developing and implementing an investor relations programme or shareholder communications policy for the Group; and
- Reviewing the adequacy and the integrity of the Group’s internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board has yet to establish a Nomination and a Remuneration Committee as recommended by the Malaysian Code on Corporate Governance. The reasons for this are as follows:

NOMINATION COMMITTEE

The Board do not consider it necessary to establish a Nomination Committee as the turn-over of Directors is very low and that whenever appropriate, the nomination and acceptance of a resignation or an appointment of a Director is fully deliberated by each and every Director at the meeting of the Board of Directors. This was best illustrated when the Board received the offer of resignation from Dato’ Seri Syed Anwar Jamalullail, whom at the material time, was a Non-Independent and Non-Executive Director. At several meetings of the Board of Directors, the Directors had the opportunity to deliberate on the offer of resignation and made a unanimous resolution to reject the offer and gave authority to the Company Secretary to request Dato’ Seri Syed Anwar Jamalullail to continue serving the Board. As it turned out, Dato’ Seri Syed Anwar Jamalullail agreed to continue, but in an independent capacity. The Company then took the appropriate steps to re-classify Dato’ Seri Syed Anwar Jamalullail from a Non-Independent, Non-Executive Director to that of an Independent, Non-Executive Director. This re-classification took effect on 5 November 2004. In another instance, the Board received a request from the Employee Provident Fund, as a substantial shareholder, for a seat on the Board of Directors. Again, this request was carefully deliberated by all Directors and a unanimous resolution was taken to invite the Chief Executive Officer of the Employee Provident Fund to accept a seat on the Board. This resulted in the appointment of Datuk Azlan bin Mohd Zainol as a Non-Independent, Non-Executive Director on 5 November 2004.

REMUNERATION COMMITTEE

The Board further do not consider it necessary to establish a Remuneration Committee as the Executive Directors of the Group are employees and their remuneration package (including expatriation benefits) is in accordance with the remuneration practice of the Nestlé group of companies established by the Human Resource function of Nestlé S.A. in Vevey, Switzerland. The remuneration package of Non-Executive Directors including the Chairman are deliberated by the Board as a whole and any recommendation for a review of the remuneration package of Non-Executive Directors are seriously considered by the Company.

Corporate Governance Statement

For the financial year ended 31 December 2004, apart from the non-establishment of the Nomination and Remuneration Committees, the reasons for which has been explained above, the Board and Management adheres strictly with the recommendation of the Malaysian Code on Corporate Governance in the conduct of its business and operations.

PRINCIPLE STATEMENTS

The following principle statements outlines the application of the principles of Corporate Governance by the Group:

A. THE BOARD OF DIRECTORS

Board Responsibilities and Information

The Board of Directors is committed to establishing long-term shareholder and stakeholder value. Therefore all matters with regards to strategy and business conduct proposed by Management are critically scrutinised and deliberated by the Board. The monitoring of the results of strategies implemented is deliberated at the meetings of the Board of Directors. The Board is also responsible for the overall Group strategy, acquisition and divestment policies, capital expenditure approval and review of the financial and operational performance. Accountability of the Board for the proper handling and governance of the Group is therefore not only under the law but also by company statutes and processes. An individual Director has access to any form of independent professional advice and information at the expense of the Group in the performance of their mandate as Directors. During the formal meetings of the Board of Directors, there were more than adequate opportunities for the Directors to deliberate on all matters pertaining to the stewardship of the Group. In addition to the formal meetings of the Board of Directors, each Director has open access to any member of Management to confer on any aspect of the operations of the business as they see fit. The papers to be tabled at the meeting of the Board of Directors are delivered to each Director well in advance of such meetings, to ensure that Directors are adequately prepared to go through the meeting's agenda.

Meetings of the Board of Directors

During the financial year ending 31 December 2004, meetings of the Board of Directors took place on 4 occasions. The record of attendance were as follows:

General (Rtd) Tan Sri Dato' Mohd Ghazali Seth	4/4 or 100%
Tan Sri Dato' Ernest Zulliger	2/4 or 50%
Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff	4/4 or 100%
Dato' Seri Syed Anwar Jamalullail	3/4 or 75%
Mr. Jimmy Tan @ Tan Meng Kow (Resigned on 7 May 2004)	2/2 or 100%
Datuk Azlan bin Mohd Zainol (Appointed on 5 November 2004)	0/0
Mr. Michael W. Garrett	3/4 or 75%
Mr. Sullivan Joseph O'Carroll	4/4 or 100%
Mr. Pierre Francois Streit (Resigned on 27 February 2004)	1/1 or 100%
Mr. Stéphane Nicolas Jean Marie Alby (Appointed on 27 February 2004)	3/3 or 100%
Mr. Faïçal Krichane (Resigned on 1 November 2004)	1/3 or 3.33%
Dr. Magdi Batato (Appointed on 5 November 2004)	0/0

Audit Committee

The risks of the Group in relation to its long-term strategies are identified, evaluated and managed according to a predefined process. The effectiveness of this process is subject to review by the Audit Committee. The Audit Committee comprises of 4 Non-Executive and 1 Executive Directors. During its deliberation, the Audit Committee examined the following:

- Assessment of risk by reviewing evidence of risk assessment activity either by Management or via a report from Internal Audit; and
- Systems of internal control primarily through reviewing the scope of the internal audit programme and its findings, review of annual and interim financial statements and a review of the nature and scope of external audit.

Corporate Governance Statement

Strategy

The Group's strategic direction is subject to regular review at the meeting of the Board of Directors. Management has in place a process for such reviews. Annual operating plans and the Market Business Strategy (MBS) are established and reviewed as well as the setting of measurable and objective Key Performance Indicators (KPIs). The processes to manage and identify key risks are an integral part of the internal control environment and day-to-day management operations.

Such processes, which are constantly reviewed and benchmarked against best practices, includes establishing of scorecards and tracking, controlling and monitoring of performance, group initiatives as well as quality, safety, health and environment.

Delegation

The management of the financial and long-term objectives of the Group, as resolved at the meeting of the Board of Directors is delegated to the Managing Director and the Management team, comprising of Executive Directors and Senior Managers. The Management team is committed to ensure and are accountable for the conduct, performance and profitability of the Group within the agreed strategy and policies as resolved at the meeting of the Board of Directors.

Reporting

Businesses and functional units are responsible to report to the Managing Director within a defined timetable and in compliance with instructions and guidelines. The Management team receives monthly reports on the financial and operational situation from each business area and function. The quarterly reports and financial information are based on a standardised process. Such information is discussed at the meeting of the Board of Directors to ensure adequate level of information, decision on capital appropriations or other items of relevance are taken up and followed through by the Management team.

Principles of Conduct

The Group is committed to high ethical standards and regard them as a key success factor to the performance of the Group. The "Basic Nestlé Management and Leadership Principles" and the "Corporate Business Principles" have been applied within Malaysia and have been communicated to every employee with respect to his/her function. Furthermore in order to ensure greater transparency with third parties, the Group distributes the Group's "Code of Ethics Policy Statement" and the "Nestlé Principles of Purchasing" to its long-term distributors and suppliers and service providers.

Board Composition

The Board of Directors comprises of a Chairman who is an Independent, Non-Executive Director, 3 Independent, Non-Executive Directors, 2 Non-Independent, Non-Executive Directors and 2 Executive Directors, including the Managing Director. The 2 Non-Independent, Non-Executive Directors represent the substantial shareholders, namely Nestlé S.A. and the Employee Provident Fund respectively. The 2 Executive Directors, including the Managing Director, are expatriate managers assigned by Nestlé S.A. under the Nestlé group of Companies expatriation programme.

The experience of the members of the Board of Directors encompasses various backgrounds, representing a high business, international and financial knowledge, which is core to the setting of strategies, monitoring of strategy achievement, the leading and ultimately the success of the Group. The Board of Directors is very well balanced between the number of Independent and Non-Executive Directors and Non-Independent, Non-Executive Directors and between Executive and Non-Executive Directors.

Appointments to the Board

Appointments to the Board are on a rotating basis of a maximum of 3 years before retirement and proposal for re-election. 2 members of the Board, being over 70 years of age are reappointed at the Annual General Meeting of the shareholders.

Corporate Governance Statement

During the financial year ended 31 December 2004, the following changes took place at the Board:

- Mr. Pierre Francois Streit resigned on 27 February 2004;
- Mr. Stéphane Nicolas Jean Marie Alby was appointed on 27 February 2004;
- Mr. Jimmy Tan @ Tan Meng Kow resigned on 7 May 2004;
- Mr. Faïçal Krichane resigned on 1 November 2004;
- Dr. Magdi Batato was appointed on 5 November 2004; and
- Datuk Azlan bin Mohd Zainol was appointed on 5 November 2004.

Directors' MAP, CEP and Continuing Education

All Directors have attended the Mandatory Accreditation Programme (MAP) and will complete the Continuing Education Program (CEP) as stipulated by Malaysia Securities Exchange Berhad during the financial year ended 31 December 2005. The Company shall also make arrangements to put in place a specific programme for the continuing education of the Directors, on a voluntary basis, on an ongoing basis.

Application of MASB Standards

The Group has adopted and applied all new standards, issued by the Malaysian Accounting Standards Board and shall continue to do so whenever new standards are introduced and made mandatory.

B. DIRECTORS' REMUNERATION

For the financial year ended 31 December 2004, the details of the remuneration paid to Directors are as follows:

Directors	Salary RM	Bonus RM	Fees RM	Benefits RM	Total RM
General (Rtd) Tan Sri Dato' Mohd Ghazali Seth	–	–	40,000	44,000	84,000
Tan Sri Dato' Ernest Zulliger	–	–	20,000	2,000	22,000
Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff	–	–	20,000	4,000	24,000
Dato' Seri Syed Anwar Jamalullail	–	–	20,000	3,000	23,000
Mr. Jimmy Tan @ Tan Meng Kow	–	–	20,000	–	20,000
Mr. Michael W. Garrett	–	–	20,000	–	20,000
Mr. Sullivan Joseph O'Carroll	678,180	121,489	–	404,815	1,204,484
Mr. Pierre Francois Streit	81,190	5,046	–	47,222	133,458
Mr. Stéphane Nicolas Jean Marie Alby	407,472	26,000	–	270,699	704,171
Mr. Faïçal Krichane	444,380	131,902	–	185,648	761,930
Dr. Magdi Batato	169,780	10,869	–	34,364	215,013
Total	1,781,002	295,306	140,000	995,748	3,212,056

Bonuses paid to Executive Directors are based on the remuneration package of each Directors and also based on the individual performance and Company achievements. Non-Executive Directors are not paid any performance related bonus.

Corporate Governance Statement

C. SHAREHOLDERS, INVESTORS AND THE FINANCIAL COMMUNITY

The Group regards regular communication to the public (shareholders, stakeholders and investing public) as key. The Group performance is reported quarterly to the Malaysia Securities Exchange Berhad and on a yearly basis, in the Annual Report. Dialogue between shareholders and the Group is fostered at the Annual General Meeting and any other meetings of the shareholders, including any Extraordinary General Meeting. At such meetings, each individual shareholder can raise questions or concerns with regards to the Group as a whole. The Chairman of the Board, the Management Team and the Audit Committee members are available to respond to questions during these meetings of shareholders. As soon as the quarterly results are announced, the Group will invite the analyst community for a briefing of the Group's quarterly performance as well as its latest products innovation. A press conference is also held at the Annual General Meeting or Extraordinary General Meeting. These communications efforts by the Group comply with the Listing Requirements of the Malaysia Securities Exchange Berhad. The Group's website also displays the latest information on the performance of the Group.

D. ACCOUNTABILITY AND AUDIT

Directors' responsibility statement in respect of the preparation of the audited financial statement

The Directors are responsible for securing the accuracy of the profit & loss statement, the balance sheet, the cash flow statement and all other financial disclosure. Applicable Accounting Standards (MASB) and legislation are the basis for the disclosure of the Group's affairs. The financial disclosure follows the principles of true and fair view, prudence and transparency. In addition, in line with the accounting policy of the Nestlé group of Companies, the Group has ensured that its external auditors are fully independent in that they are not involved in any consulting activity and also requires management employees involved in book closing activities to certify the accuracy of their accounts after each reporting period/(quarterly) in writing.

Statement on Internal Control

INTRODUCTION

Nestlé (Malaysia) Berhad and its Directors are highly committed to a sound system of internal control and are pleased to provide the following statement on the scope and nature of internal control of the Group for the financial year ended 31 December 2004.

BOARD RESPONSIBILITY

The Directors and Management are responsible and accountable for all internal control systems. Internal control systems are established and regularly evaluated on their adequacy and integrity by the Directors and Management. These systems however are designed to manage rather than to eliminate the risk of failure to achieve the policies, goals and objectives of the Group. Therefore, such systems only provide reasonable rather than absolute assurance against material misstatement or loss. Furthermore, the Directors regard this as a duty that Management has to perform and consequently delegates the monitoring of these systems to Management.

Accompanying this regular review and evaluation of internal control systems is an ongoing process for identifying, evaluating and managing significant risks faced by the Group. This process is subject to regular review by the Directors in accordance with the Internal Control Guidance provided by the Institute of Internal Auditors Malaysia ("Statement on Internal Controls: Guidance for Directors of Public Listed Companies").

RISK MANAGEMENT FRAMEWORK AND ENTERPRISE RISK MANAGEMENT

The Directors and Management fully support the contents of the Internal Control Guidance and, together with the Internal Audit Department, in close consultation with related companies, have put in place several internal control measures, risk management guidelines and processes. These are periodically reported to the Audit Committee and thereafter to the Directors for further deliberation.

In addition to the above, the Group embarked on the establishment of a formal Enterprise Risk Management in 2002. The process is ongoing and has resulted in a Corporate and unit-specific (Factories and Distribution Centres) risk profiles, tolerances and action plans. This process helps the Group to identify, structure, measure and mitigate risk more effectively.

In addition, to demonstrate the Group's commitment to risk management, a department known as "Corporate Finance, Tax and Risk Management" was created in October 2004 and is headed by a Senior Manager reporting to the Executive Director, Finance & Control.

INTERNAL AUDIT FUNCTION

The Group is supported by an Internal Audit Department, which reviews all processes of the Group and its relations with third parties.

The Internal Audit Department provides the Directors with independent reviews of the processes, risk exposures and system of internal controls of the Group. The specific areas of focus covered by the Internal Audit Department are as follows:

- Giving assurance services with regards to effectiveness of the internal control systems;
- Assessment of the operational efficiency of the Group and identification of saving potentials;
- Assessing the reliability of systems and reporting information; and
- Ensuring compliance with Group standards/guidelines and with legislation.

In line with developments in Enterprise Risk Management, the Internal Audit Department conducts audits based on:

- (a) end to end processes; and
- (b) risk.

Statement on Internal Control

The coverage of functions/processes within/outside the organisation is based on the risk these functions/processes represent. The plan for the financial year ended 31 December 2005 has been presented to and deliberated by the Audit Committee. The results of audit reviews are reported on a quarterly basis to the Audit Committee and then via the Chairman to the Board of Directors. The responses from Management and action plans are regularly reviewed and followed up by the Internal Audit Department and the Audit Committee.

Furthermore, the Nestlé Audit Group, the internal auditing arm of the holding company also conducts reviews of processes, systems and business excellence on selected business areas/units.

In the current year, the systems of internal controls were generally satisfactory. Where exceptions were noted, these were not material in the context of this report and corrective actions have been taken.

BUSINESS ASSURANCE

In line with the Global Business Excellence (GLOBE) project, of which Nestlé (Malaysia) Berhad was one of the pilot markets, a Business Assurance function - Internal Compliance Group - was created. The Business Assurance Manager's duties are to ensure that:

- Processes are in line with globally defined best practices;
- Access controls within the new SAP platform are in line with internal control principles; and
- System designs support the application of best practices.

OTHER RISK AND CONTROL PROCESSES

The structure and the formally defined process (via Company Standing Instructions) play a major part in risk mitigation.

The Group's hierarchical reporting structure provides a documented and auditable trail of accountability. In addition, authority limits and major Group Policies (health and safety, training and development, equality of opportunity, staff performance, sexual harassment and serious misconduct) have been disseminated to the Group's employees. These procedures are established across the whole organisation and in itself provide assurance at all levels of Management up to the Director level.

The Internal Audit function serves to ensure the full application of these procedures and reporting structures as well as to verify the system of internal controls. A follow up procedure has been developed for both internal audit recommendations and management improvement actions. The Managing Director also reports to the Directors on significant changes in the business and the external environment which affect significant risks.

Financial information, key performance and risk indicators are reported quarterly by the Executive Director, Finance & Control to the Directors. Recommendations for improvement by the Audit Committee and Management are deliberated and given adequate consideration by the Directors.

Audit Committee Report

SIZE, COMPOSITION & ATTENDANCE AT MEETINGS

General (Rtd) Tan Sri Dato' Mohd Ghazali Seth (4/4)

Chairman, Independent, Non-Executive Director

Tan Sri Dato' Ernest Zulliger (2/4)

Member, Independent, Non-Executive Director

Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff (4/4)

Member, Independent, Non-Executive Director

Dato' Seri Syed Anwar Jamalullail (3/4)

Member, Independent, Non-Executive Director

Mr. Pierre Francois Streit (1/1)

Member, Executive Director (Resigned on 27 February 2004)

Mr. Stéphane Nicolas Jean Marie Alby (3/3)

Member, Executive Director (Appointed on 27 February 2004)

A quorum, established by the presence of the Chairman and at least 2 members, was always present at each meeting of the Audit Committee. When there is an absence of consensus on any issue arising in the Audit Committee, the Executive Director will withdraw his participation in the decision-making so as to ensure the independence of decision-making process.

DUTIES & RESPONSIBILITIES

The Audit Committee acts as a committee of the Board of Directors and was established on 2nd March 1994 under the Terms of Reference as stated in this report.

SUMMARY OF THE ACTIVITIES DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2004

The Audit Committee has undertaken the following activities:

Activities with regards to external audit

- Review of external audit scope and audit plans based on the external auditors' presentation of audit strategy and plans;
- Review of external audit results, audit reports, Management letter and the response from Management.

Activities with regards to internal audit

- Review of internal audit's resource requirements;
- Review of internal audit's plan and programmes;
- Review of internal audit reports, recommendations and management responses;
- Improvement actions in the areas of internal control, systems and efficiency enhancements suggested by the internal auditors were discussed together with management;

- Review of implementation of these recommendations through follow up audit reports;
- Suggested additional improvement opportunities in the areas of internal control, systems and efficiency improvement.

Activities with regards to financial statements

- Review of annual report and the audited financial statements of the Group prior to submission to the Directors for their perusal and approval. This was to ensure compliance of the financial statements with the provisions of the Companies Act 1965 and the applicable approved accounting standards as per the MASB;
- Review of the Group's compliance with the Listing Requirements of the Malaysia Securities Exchange Berhad, MASB and other relevant legal and regulatory requirements with regards to the quarterly and year-end financial statements;
- Review of the un-audited financial results announcements before recommending them for the Director's approval.

Other activities

- Review of related party transactions and extraordinary and ordinary dividend payments;
- Review of compliance to the Malaysian Code on Corporate Governance.

INTERNAL AUDIT FUNCTION

The Internal Audit Function, though reporting to the Executive Director, Finance & Control - next to the Audit Committee - is an independent institution within the Group. Its main role is to undertake independent and systematic reviews of the processes and guidelines of the Group and to report on their application and compliance.

The individual assessments are to be objectively reported to Management and to the Audit Committee. The Internal Audit Department has conducted 9 (nine) audits in the financial year ended 31 December 2004. The reports covered all types of units of the Company, ranging from factories, sales branches to Head Office functions. In addition, based on Management request, 3 (three) special audit reviews have been conducted by the Internal Audit Department. All meetings of the Audit Committee have been fully attended by the Internal Audit Manager, the External Auditors, the Corporate Controller and the Head of Accounting & Consolidation Department.

During the financial year ended 31 December 2004, the Nestlé Audit Group has also conducted a review of processes and systems related to manufacturing activities in the factories.

Terms of Reference of the Audit Committee

OBJECTIVES

The Audit Committee is an independent committee who assists the Directors in the discharge of its responsibilities for corporate governance, corporate control and financial reporting. The Audit Committee acts on behalf of the Directors to ensure that:

- The internal audit function is operating effectively and in accordance with the Standards for the Professional Practice of Internal Auditing;
- Adequate attention is paid to the effectiveness, efficiency and economy of the Company operations;
- The quarterly results and year end financial statements are reviewed prior to the approval by the Board;
- Adequate systems of internal control are in operation so as to produce accurate and meaningful management information; and
- Appropriate and timely action is taken by the relevant managers to rectify the major areas of concern.

To report at least quarterly to the Directors on matters falling within the term of reference of the Audit Committee terms of reference.

DUTIES AND RESPONSIBILITIES

The Audit Committee is responsible in particular for :

Risk and Control

- Assess if adequate risk assessment processes and measures to minimise any risk exposures, including fraud, are in place;
- Review and evaluate, with the external and internal auditors, management procedures, which are designed to provide assurance of compliance with laws, regulations, policies and codes of practice or conduct;
- Monitor systems and procedures, with external and internal auditors, which are designed to provide a satisfactory and effective level of internal control, asset protection and management information;
- Monitor Group operations via appropriate Internal Audit reviews, to ascertain if adequate attention is paid to attributes of efficiency, effectiveness and economy.

Internal Audit

- Review the Internal Audit reports of major audits, which were undertaken;

- Review the extent to which Internal Audit recommendations are implemented and the timeliness of responses received;
- Review internal audit performance and effectiveness to ensure consistency with the approved plans, the Internal Audit Charter, and relevant professional standards.

External Audit

- Review managements' responses to the external auditor's interim reports, annual report and management letter;
- Monitor developments in the external audit field and standards issued by professional bodies and other regulatory authorities;
- Oversee external audit arrangements in place at the various controlled entities / subsidiaries.

Reporting

- Review the quarter and annual final draft of the annual financial statements (prior to the meeting of Board of Directors to approve the financial statements), receiving explanations for significant variations from the prior year and from budget and refer issues to the Board of Directors, as necessary;
- Monitor compliance with statutory requirements for financial reporting, with focus on significant changes in accounting policies and practices, together with significant adjustments recommended by external audit;
- Review compliance with all related-party disclosures required by the Accounting Standards.

Others

- Review as necessary any matters arising from the Group's financial operations;
- Commission such investigations or reviews relevant to its role as it sees fit.

Authority

The Audit Committee in the course of discharging its duties, is authorised to:

- Require any officer of Group or any subsidiary to supply such information and explanations as may be needed;
- Have discussions with line managers and employees of the company and subsidiaries at any reasonable time; and
- Draw assistance from qualified external party to advise on issues, where the members require expert input.

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69 *Notis Mesyuarat Agung Tahunan*

Proxy Form

Borang Proksi

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty-First (21st) Annual General Meeting of the Company will be held at the Kristal Ballroom, First Floor, Petaling Jaya Hilton, No. 2, Jalan Barat, 46200 Petaling Jaya, Malaysia on Tuesday, 26 April 2005 at 11.00 am for the transaction of the following business:

AGENDA

As Ordinary Business

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2004 and the Directors' and Auditors' Reports thereon. **Resolution 1**
2. To approve the payment of a final dividend of 65.92 sen per share less tax and 7.54 sen tax exempt dividend per share, resulting in a total dividend of 80.20 sen net per share in respect of the financial year ended 31 December 2004. **Resolution 2**
3. To approve the payment of Directors' fees for the financial year ended 31 December 2004. **Resolution 3**
4. To re-elect the following Directors retiring in accordance with the Company's Articles of Association:
4.1 Under Article 90.1
 - 4.1.1 Mr. Sullivan Joseph O'Carroll **Resolution 4**
 - 4.1.2 Mr. Michael W. Garrett **Resolution 5****4.2 Under Article 97**
 - Datuk Azlan bin Mohd Zainol **Resolution 6**
5. To re-appoint KPMG (Firm No. AF 0758) as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 7**

As Special Business

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

6. **Re-appointment of General (Rtd) Tan Sri Dato' Mohd Ghazali Seth as a Director pursuant to Section 129(6) of the Companies Act, 1965.**
"THAT General (Rtd) Tan Sri Dato' Mohd Ghazali Seth being over the age of 70 years and retiring in accordance with Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company." **Resolution 8**

7. **Re-appointment of Tan Sri Dato' Ernest Zulliger as a Director pursuant to Section 129(6) of the Companies Act, 1965.**
"THAT Tan Sri Dato' Ernest Zulliger being over the age of 70 years and retiring in accordance with Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company." **Resolution 9**
8. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as set out under Section 2.3 (i) of the Circular to Shareholders dated 1 April 2005.**
"THAT subject always to the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and/or any of its subsidiaries shall be mandated to enter into the category of recurrent related party transactions of a revenue or trading nature with those related parties as specified in Section 2.2 (i) of the Circular to Shareholders dated 1 April 2005 subject to the following:
 - 8.1 The transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public, and the transactions are undertaken on arm's length basis and are not to the detriment of the minority shareholders;
 - 8.2 Such approval shall continue to be in force until the conclusion of the next Annual General Meeting of the Company, unless earlier revoked or varied by a resolution passed at a general meeting of the Company, whichever is earlier;
 - 8.3 The Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Resolution; and

Notice of Annual General Meeting

8.4 The disclosure of the aggregate value of the recurrent related party transactions conducted pursuant to the shareholders' mandate in the Annual Report, wherein the Company must provide a breakdown of the aggregate value of the recurrent related party transactions made during the financial year, amongst others, based on the following information:

8.4.1 The type of the recurrent related party transactions made; and

8.4.2 The names of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company and/or any of its subsidiaries.

Resolution 10

9. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as set out under Section 2.3 (ii), (iii), (iv) and (v) of the Circular to Shareholders dated 1 April 2005.**

"THAT subject always to the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and/or any of its subsidiaries shall be mandated to enter into the category of recurrent related party transactions of a revenue or trading nature with those related parties as specified in Section 2.2 (ii), (iii), (iv) and (v) of the Circular to Shareholders dated 1 April 2005 subject to the following:

9.1 The transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public, and the transactions are undertaken on arm's length basis and are not to the detriment of the minority shareholders;

9.2 Such approval shall continue to be in force until the conclusion of the next Annual General Meeting of the Company, unless earlier revoked or varied by a resolution passed at a general meeting of the Company, whichever is earlier;

9.3 The Directors and/or any of them be and are hereby authorised to complete and do all such acts and things [including executing such documents as may be required] to give effect to the transactions contemplated and/or authorised by this Resolution; and

9.4 The disclosure of the aggregate value of the recurrent related party transactions conducted pursuant to the shareholders' mandate in the Annual Report, wherein the Company must provide a breakdown of the aggregate value of the recurrent related party transactions made during the financial year, amongst others, based on the following information:

9.4.1 The type of the recurrent related party transactions made; and

9.4.2 The names of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company and/or any of its subsidiaries.

Resolution 11

NOTICE IS ALSO HEREBY GIVEN THAT, subject to the approval of the shareholders at the Twenty-First (21st) Annual General Meeting, a final dividend 65.92 sen per share less tax and 7.54 sen tax exempt dividend per share, resulting in a total dividend of 80.20 sen net per share in respect of the financial year ended 31 December 2004 will be paid to the shareholders on 31 May 2005. The entitlement date for the said dividend shall be 17 May 2005.

FURTHER NOTICE IS HEREBY GIVEN THAT a depositor shall qualify for entitlement only in respect of:

- A. Shares transferred into the Depositors' Securities Account before 12.30 pm on 17 May 2005 in respect of ordinary transfer; and
- B. Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

Mohd Shah bin Hashim

Company Secretary
(LS 6824)

Petaling Jaya
1 April 2005

Notice of Annual General Meeting

Notes:

- (i) A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy may, but need not, be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965, shall not apply to the Company.
- (ii) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation either under the corporation's seal or under the hand of an officer or attorney duly authorised.
- (iii) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) (Amendment) Act 1996, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (iv) An authorised nominee with more than one securities account must submit separate instrument of proxy for each securities account.
- (v) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at the Share Registrar of the Company at Tenaga Koperat Sdn. Bhd., 20th Floor, Plaza Permata, Jalan Kampar, Off Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia, not less than 48 (forty-eight) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, or in the case of a poll, not less than 24 (twenty-four) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

EXPLANATORY NOTES ON SPECIAL BUSINESS:-

Section 129(6) of the Companies Act, 1965

Pursuant to Section 129(6) of the Companies Act, 1965, the proposed Ordinary Resolutions under items 6 and 7, are to seek shareholders' approval on the re-appointment of Directors who are over the age of 70 years.

Recurrent Related Party Transaction

For further information, please refer to the Circular to Shareholders dated 1 April 2005 accompanying the Company's Annual Report for the financial year ended 31 December 2004.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

4 meetings of the Board of Directors were held during the financial year ended 31 December 2004, as follows:

Meeting No.	Date:	Time:	Place:
1/2004	26 February 2004	11.30am	Petaling Jaya
2/2004	6 May 2004	11.30am	Petaling Jaya
3/2004	5 August 2004	11.30am	Petaling Jaya
4/2004	4 November 2004	11.30am	Petaling Jaya

The record of attendance of Directors at the meeting of the Board of Directors that were held during the financial year ended 31 December 2004 were as follows:

General (Rtd) Tan Sri Dato' Mohd Ghazali Seth	(4/4)
Tan Sri Dato' Ernest Zulliger	(2/4)
Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff	(4/4)
Dato' Seri Syed Anwar Jamalullail	(3/4)
Mr. Jimmy Tan @ Tan Meng Kow (Resigned on 7 May 2004)	(2/2)
Datuk Azlan bin Mohd Zainol (Appointed on 5 November 2004)	(0/0)
Mr. Michael W. Garrett	(3/4)
Mr. Sullivan Joseph O'Carroll	(4/4)
Mr. Pierre Francois Streit (Resigned on 27 February 2004)	(1/1)
Mr. Stéphane Nicolas Jean Marie Alby (Appointed on 27 February 2004)	(3/3)
Mr. Faiçal Krichane (Resigned on 1 November 2004)	(1/3)
Dr. Magdi Batato (Appointed on 5 November 2004)	(0/0)

Notice of Annual General Meeting

Details of Directors standing for re-election and re-appointment are as follows:

Mr. Sullivan Joseph O'Carroll

Age 55. South African. Managing Director

Mr. Sullivan Joseph O'Carroll is a graduate in psychology from the University of South Africa. He has been with the Nestlé group for the last 31 years and is currently the Managing Director of the Company. He joined Nestlé in 1973 as a Merchandising Trainee in South Africa. Within 7 years, he was transferred to Randburg as the Marketing Manager for the combined Coffee & Milk business and was appointed as the Marketing & Sales Manager for the Confectionery business in 1985. He held various other senior positions in other Nestlé markets prior to his appointment in Malaysia. Mr. O'Carroll was appointed to the Board on 1 July 2003 and attended all four meetings of the Board of Directors for the financial year ended 31 December 2004. Mr. O'Carroll has no conflict or interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences other than traffic offences, if any.

Mr. Michael W. Garrett

Age 62. Australian. Non-Independent, Non-Executive Director.

Mr. Michael W. Garrett is the Executive Vice President of Nestlé S.A. and is responsible for the zone including Asia, Oceania, Africa and the Middle East. Mr. Garrett's career in Nestlé began in 1961 as a management trainee at Crosse & Blackwell. After two years in Vevey between 1967 and 1968 he began his first major overseas assignment in Australia. In 1974 he returned to the UK for six years heading a number of key functions including Nestlé's Confectionery business before returning to Australia, first as Marketing Director and subsequently as Managing Director of Nestlé Australia Ltd. He was assigned to Japan as Market Head from 1990 to 1993 prior to his appointment as Zone Director responsible for Asia and Oceania. In July 1996 his responsibilities were expanded to include Africa and the Middle East. He is a graduate of IMEDE Business School in Lausanne, Switzerland. Mr. Garrett was appointed to the Board since December 1992. He attended three out of the four meetings of the Board of Directors for the financial year ended 31 December 2004 and his Alternate

Director, Mr. Faïçal Krichane, who has since resigned on 1 November 2004, attended the remaining one other meeting of the Board of Directors not attended by Mr. Garrett. Out of the three meetings of the Board of Directors attended by Mr. Garrett, two of them were via telephone conferencing. Mr. Garrett has no conflict of interest with the Group and has no family relationship with any other director and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences within the past ten years other than traffic offences, if any.

Datuk Azlan Bin Mohd Zainol

Age 55. Malaysian. Non-Independent, Non-Executive Director.

Datuk Azlan Bin Mohd Zainol graduated as a Fellow of the Institute of Chartered Accountants in England & Wales in 1974 and became a member of both the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants in 1975. Datuk Azlan started his career as an Audit Manager with Razak & Co before being appointed as the General Manager of Kwong Yik Finance Berhad and then the Operations Manager of Maybank Finance in 1977. He became a partner of Tan Azlan & Company and Binder Hamlyn (BDO) in 1980, then was appointed as Managing Director of Arab-Malaysian Finance Berhad in 1982 and the Managing Director of Arab-Malaysian Bank Berhad in 1994 prior to his appointment as the Chief Executive Officer of Employees Provident Fund in 2001. Datuk Azlan was appointed to the Board on 5 November 2004 and is also the Chairman of Malaysian Resources Corporation Berhad, a director of Malaysia Building Society Berhad and Bursa Malaysia Depository Sdn. Bhd. He is also on the Board of Advisory of the Malaysian Venture Capital Management Berhad (MAVCAP), a Member of The Financial Reporting Foundation, a Member of The Securities Market Consultative Panel of Bursa Malaysia and a Bureau Member of The International Social Security Association (ISSA). Datuk Azlan has no conflict of interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences within the past ten years other than traffic offences, if any.

Notice of Annual General Meeting

General (Rtd) Tan Sri Dato' Mohd Ghazali Seth

Age 76. Malaysian. Chairman, Independent, Non-Executive Director and Chairman of the Audit Committee

General (Rtd) Tan Sri Dato' Mohd Ghazali Seth is a retired General in the Malaysian Armed Forces after having served with distinction for nearly 36 years. Appointed to the Board since January 1986 and was elected Chairman since then. Attended all four meetings of the Board of Directors in the financial year ended 31 December 2004. Also serves as Director of Carlsberg Brewery Malaysia Berhad and ABN-AMRO Bank Berhad. No conflict of interest with the Group and has no family relationship with any other directors and/or major shareholder of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences within the past ten years other than traffic offences, if any.

Tan Sri Dato' Ernest Zulliger

Age 72. Swiss. Independent, Non-Executive Director and Member of the Audit Committee.

Tan Sri Dato' Ernest Zulliger has had an illustrious career with the worldwide Nestlé group of companies, which spanned over 37 years. The last position he held before his retirement was as Managing Director of the Company. Appointed to the Board since November 1983. Attended two out of four meetings of the Board of Directors for the financial year ended 31 December 2004. He studied Commerce and Business Administration in Switzerland and attended the International Management School, IMD in Lausanne. Also serves as Director of Bumiputra-Commerce Bank Berhad. No conflict of interest with the Group and has no family relationship with any other directors and/or major shareholders of the Group, nor any personal interest in any business arrangement involving the Group. He has not been convicted for any offences within the past ten years other than traffic offences, if any.

Notis Mesyuarat Agung Tahunan

ADALAH DENGAN INI DIMAKLUMKAN BAHAWA Mesyuarat Agung Tahunan Syarikat yang ke Dua Puluh Satu (21) akan diadakan di Kristal Ballroom, Tingkat Satu, Petaling Jaya Hilton, No. 2, Jalan Barat, 46200 Petaling Jaya pada hari Selasa, 26 April 2005 jam 11.00 pagi untuk melaksanakan urusan-urusan seperti berikut:

AGENDA

Untuk Perniagaan Biasa

1. Untuk menerima dan meluluskan Penyata Kewangan Yang Telah Diaudit untuk tahun yang berakhir pada 31 Disember 2004 bersama dengan Laporan Pengarah dan Juruaudit yang dilampirkan. **Resolusi 1**

2. Untuk meluluskan pembayaran dividen akhir yang mengandungi dividen kasar tidak terkecuali cukai sebanyak 65.92 sen sesaham dan dividen terkecuali cukai sebanyak 7.54 sen sesaham yang menghasilkan jumlah dividen bersih sebanyak 80.20 sen sesaham untuk tahun yang berakhir pada 31 Disember 2004. **Resolusi 2**

3. Untuk meluluskan pembayaran yuran para Pengarah untuk tahun berakhir 31 Disember 2004. **Resolusi 3**

4. Untuk melantik semula para Pengarah berikut yang akan bersara mengikut Tataurusan Pertubuhan Syarikat:

4.1 Di bawah Artikel 90.1

4.1.1 Mr. Sullivan Joseph O'Carroll **Resolusi 4**

4.1.2 Mr. Michael W. Garrett **Resolusi 5**

4.2 Di bawah Artikel 97

Datuk Azlan bin Mohd Zainol **Resolusi 6**

5. Untuk melantik semula Tetuan KPMG (No. Firma AF 0758) sebagai Juruaudit Syarikat dan memberi kuasa kepada para Pengarah untuk menetapkan imbuhan mereka. **Resolusi 7**

Untuk Perniagaan Khusus

Untuk mempertimbangkan dan jika perlu, meluluskan Resolusi berikut:

6. **Perlantikan semula Jeneral (B) Tan Sri Dato' Mohd Ghazali Seth sebagai Pengarah, tertakluk kepada Seksyen 129(6) Akta Syarikat, 1965.**

"BAHAWA Jeneral (B) Tan Sri Dato' Mohd Ghazali Seth yang berusia lebih daripada 70 tahun dan bersara mengikut Seksyen 129(6) Akta Syarikat, 1965, adalah dengan ini dilantik semula sebagai Pengarah Syarikat untuk memegang jawatan tersebut sehingga tamat Mesyuarat Agung Tahunan Syarikat yang berikutnya." **Resolusi 8**

7. **Perlantikan semula Tan Sri Dato' Ernest Zulliger sebagai Pengarah, tertakluk kepada Seksyen 129(6) Akta Syarikat, 1965.**

"BAHAWA Tan Sri Dato' Ernest Zulliger yang berusia lebih daripada 70 tahun dan bersara mengikut Seksyen 129(6) Akta Syarikat, 1965 adalah dengan ini dilantik semula sebagai Pengarah Syarikat untuk memegang jawatan tersebut sehingga tamat Mesyuarat Agung Tahunan Syarikat yang berikutnya."

Resolusi 9

8. **Cadangan Pembaharuan Mandat Pemegang-Saham untuk Urus Niaga Hasil atau Sifat Perdagangan Pihak Berkaitan yang Berulang seperti yang dinyatakan di bawah Seksyen 2.3 (i) dalam Surat Pekeliling kepada Pemegang-Saham bertarikh 1 April 2005.**

"BAHAWA dengan sentiasa tertakluk kepada Penyenaraian Kelayakan Bursa Malaysia Securities Berhad, Syarikat dan/atau mana-mana anak syarikatnya diberi mandat untuk menyertai kategori urus niaga hasil atau sifat perdagangan pihak berkaitan yang berulang dengan pihak-pihak yang berkaitan seperti yang dispesifikasikan di bawah Seksyen 2.2 (i) dalam Surat Pekeliling kepada Pemegang-Saham bertarikh 1 April 2005, tertakluk kepada perkara-perkara yang berikut:

- 8.1 Urus Niaga dibuat dalam urusan perniagaan yang biasa dan dengan syarat-syarat yang tidak lebih memihak kepada pihak-pihak yang berkaitan berbanding syarat-syarat yang ditawarkan kepada orang awam, dan urus niaga ini dijalankan berasaskan sepercapaian dan tidak akan menjejaskan pemegang-Saham minoriti;
- 8.2 Kelulusan ini akan terus berkuatkuasa sehingga tamatnya Mesyuarat Agung Tahunan yang berikutnya kecuali ditarik balik atau diubah sebelumnya oleh satu Resolusi yang diluluskan di mesyuarat agung Syarikat, mana-mana satu yang berlaku terlebih dahulu;
- 8.3 Pengarah-pengarah dan/atau seorang daripada mereka adalah dengan ini diberi kuasa untuk menyelesaikan (termasuk menguatkuasakan dokumen-dokumen seperti yang diperlukan) semua tindakan serta perkara bagi melaksanakan urus niaga yang telah difikirkan dan/atau diberi kuasa oleh Resolusi ini; dan
- 8.4 Pendedahan nilai agregat urus niaga pihak berkaitan yang berulang yang telah dijalankan tertakluk kepada mandat pemegang-Saham dalam Laporan Tahunan, di mana Syarikat harus menghuraikan nilai

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agregat urus niaga pihak berkaitan yang berulang yang dijalankan dalam tahun kewangan, antara lainnya berasaskan maklumat-maklumat yang berikut:

- 8.4.1 Jenis urus niaga pihak berkaitan yang berulang yang dilakukan; dan
- 8.4.2 Nama pihak-pihak yang terlibat dalam setiap jenis urus niaga pihak berkaitan yang berulang yang dilakukan dan hubungan mereka dengan Syarikat dan/atau mana-mana syarikatnya."

Resolusi 10

9. Cadangan Pembaharuan Mandat Pemegang-Pemegang Saham untuk Urus Niaga Hasil atau Sifat Perdagangan Pihak Berkaitan yang Berulang seperti yang dinyatakan di bawah Seksyen 2.3 (ii), (iii), (iv) dan (v) dalam Surat Pekeliling kepada Pemegang-pemegang Saham bertarikh 1 April 2005.

"BAHAWA dengan sentiasa tertakluk kepada Penyenaraian Kelayakan Bursa Malaysia Securities Berhad, Syarikat dan/atau mana-mana anak syarikatnya diberi mandat untuk menyertai kategori urus niaga hasil atau sifat perdagangan pihak berkaitan yang berulang dengan pihak-pihak berkaitan seperti dispesifikasikan di bawah Seksyen 2.2 (ii), (iii), (iv) dan (v) Surat Pekeliling kepada Pemegang-pemegang Saham bertarikh 1 April 2005 tertakluk kepada perkara-perkara yang berikut:

- 9.1 Urus niaga dibuat dalam urusan perniagaan yang biasa dan dengan syarat-syarat yang tidak lebih memihak kepada pihak-pihak yang berkaitan berbanding syarat-syarat yang ditawarkan kepada orang awam, dan urus niaga ini dijalankan berasaskan sepercapaian dan tidak akan menjejaskan pemegang-pemegang saham minoriti;
- 9.2 Kelulusan ini akan berkuatkuasa sehingga tamatnya Mesyuarat Agung Tahunan yang berikutnya kecuali ditarik balik atau diubah sebelumnya oleh satu Resolusi yang diluluskan di mesyuarat agung Syarikat, mana-mana satu yang berlaku terlebih dahulu;
- 9.3 Pengarah-pengarah dan/atau seorang daripada mereka adalah dengan ini diberi kuasa untuk menyelesaikan (termasuk menguatkuasakan dokumen-dokumen seperti yang diperlukan) semua tindakan serta perkara bagi melaksanakan urus niaga yang telah difikirkan dan/atau diberi kuasa oleh Resolusi ini; dan

- 9.4 Pendedahan nilai agregat urus niaga pihak berkaitan yang berulang yang telah dijalankan tertakluk kepada mandat pemegang-pemegang saham dalam Laporan Tahunan, di mana Syarikat harus menghuraikan nilai agregat urus niaga pihak berkaitan yang berulang yang dijalankan dalam tahun kewangan, antara lainnya berasaskan maklumat-maklumat yang berikut:

- 9.4.1 Jenis urus niaga pihak berkaitan yang berulang yang dilakukan; dan
- 9.4.2 Nama pihak-pihak terlibat dalam setiap jenis urus niaga pihak berkaitan yang berulang yang dilakukan dan hubungan mereka dengan Syarikat dan/atau mana-mana anak syarikatnya."

Resolusi 11

ADALAH DENGAN INI DIMAKLUMKAN BAHAWA tertakluk kepada kelulusan daripada pemegang-pemegang saham di Mesyuarat Agung Tahunan ke Dua Puluh Satu (21), dividen akhir yang mengandungi dividen kasar tidak terkecuali cukai sebanyak 65.92 sen sesaham dan dividen terkecuali cukai sebanyak 7.54 sen sesaham yang menghasilkan jumlah dividen bersih sebanyak 80.20 sen sesaham untuk tahun yang berakhir pada 31 Disember 2004, akan dibayar kepada pemegang-pemegang saham pada 31 Mei 2005. Tarikh kelayakan untuk dividen tersebut adalah pada 17 Mei 2005.

ADALAH DENGAN INI DIMAKLUMKAN SELANJUTNYA BAHAWA seseorang pendeposit akan layak mendapatkan kelayakan hanya dari segi:

- A. Saham yang di pindahkan ke Akaun Sekuriti Pendeposit sebelum jam 12.30 tengahari pada 17 Mei 2005, bagi perpindahan biasa; dan
- B. Saham yang dibeli di Bursa Malaysia Securities Berhad berasaskan kelayakan mengikut peraturan-peraturan Bursa Malaysia Securities Berhad.

Dengan Perintah Ahli Lembaga

Mohd Shah bin Hashim

Setiausaha Syarikat
(LS 6824)

Petaling Jaya
1 April 2005

Notis Mesyuarat Agung Tahunan

Nota-nota:

- (i) Ahli Syarikat layak untuk menghadiri dan mengundi di mesyuarat tersebut layak melantik seorang proksi untuk menghadiri dan mengundi bagi pihak dirinya. Seorang proksi boleh tetapi tidak semestinya, terdiri daripada ahli Syarikat dan peruntukan Seksyen 149(1)(b) Akta Syarikat 1965, tidak akan dikenakan ke atas Syarikat.
- (ii) Suratcara untuk melantik proksi mestilah secara bertulis oleh orang yang melantik atau peguamnya yang di beri kuasa atau jika yang melantik adalah suatu perbadanan, sama ada dimeterai dengan cap syarikat atau dengan ditandatangani oleh pegawai atau peguam yang diberi kuasa.
- (iii) Di mana seseorang ahli syarikat adalah penama yang diberi kuasa seperti didefinisikan di bawah Akta Industri Sekuriti (Depositori Pusat) (Pindaan) Akta 1996, dia boleh melantik sekurang-kurangnya seorang proksi bagi setiap akaun sekuriti yang dipegangnya dengan saham biasa Syarikat pada jumlah yang sama seperti akaun sekuriti tersebut.
- (iv) Penama yang diberi kuasa yang mempunyai lebih daripada satu akaun sekuriti mesti menyerahkan suratcara proksi yang berasingan untuk setiap akaun sekuriti.
- (v) Suratcara untuk melantik proksi yang telah ditandatangani oleh peguam yang diberi kuasa atau lain-lain badan berkuasa (jika ada) atau yang disahkan secara notary, kuasa atau badan berkuasa tersebut, hendaklah diserahkan kepada Pendaftar Saham Syarikat di Tenaga Korporat Sdn. Bhd., Tingkat 20, Plaza Permata, Jalan Kampar, Off Jalan Tun Razak, 50400 Kuala Lumpur, tidak kurang daripada 48 (empat puluh lapan) jam sebelum masa yang ditetapkan untuk mengadakan mesyuarat atau mesyuarat ditamatkan di mana orang yang dinamakan di dalam suratcara bercadang untuk mengundi, atau dalam kes membuang undi, tidak kurang daripada 24 (dua puluh empat) jam sebelum masa yang ditetapkan untuk membuat undian dan jika gagal, suratcara proksi akan dianggap tidak sah.

NOTA-NOTA PENJELASAN UNTUK URUSAN KHAS:

Seksyen 129(6) Akta Syarikat, 1965

Tertakluk kepada Seksyen 129(6) Akta Syarikat 1965, Resolusi yang dicadangkan dibawah perkara 6 dan 7, perlu mendapatkan kelulusan daripada pemegang-pemegang saham untuk melantik semula Pengarah yang melebihi usia tujuh puluh tahun.

Urus Niaga Pihak Berkaitan Yang Berulang

Untuk maklumat lanjut, sila rujuk kepada Surat Pekeliling kepada pemegang-pemegang saham bertarikh 1 April 2005 yang dilampirkan bersama dengan Laporan Tahunan Syarikat untuk tahun kewangan berakhir pada 31 Disember 2004.

PENYATA YANG DILAMPIRKAN BERSAMA DENGAN NOTIS MESYUARAT AGUNG TAHUNAN

4 Mesyuarat Lembaga Pengarah telah diadakan pada tahun kewangan berakhir 31 Disember 2004 adalah seperti berikut:

No. Mesyuarat	Tarikh	Jam	Tempat
1/2004	26 Februari 2004	11.30 pagi	Petaling Jaya
2/2004	6 Mei 2004	11.30 Pagi	Petaling Jaya
3/2004	5 Ogos 2004	11.30 Pagi	Petaling Jaya
4/2004	4 November 2004	11.30 Pagi	Petaling Jaya

Kehadiran Ahli Lembaga di Mesyuarat Lembaga Pengarah semasa tahun kewangan berakhir 31 Disember 2004 adalah seperti berikut:

General (B) Tan Sri Dato' Mohd Ghazali Seth	(4/4)
Tan Sri Dato' Ernest Zulliger	(2/4)
Tengku Tan Sri Dr. Mahaleel bin Tengku Ariff	(4/4)
Dato' Seri Syed Anwar Jamalullail	(3/4)
Encik Jimmy Tan @ Tan Meng Kow (Meletak jawatan pada 7 Mei 2004)	(2/2)
Datuk Azlan bin Mohd Zainol (Dilantik pada 5 November 2004)	(0/0)
Encik Michael W. Garrett	(3/4)
Encik Sullivan Joseph O'Carroll	(4/4)
Encik Pierre Francois Streit (Meletak jawatan pada 27 Februari 2004)	(1/1)
Encik Stéphane Nicolas Jean Marie Alby (Dilantik pada 27 Februari 2004)	(3/3)
Encik Faïçal Krichane (Meletak jawatan pada 1 November 2004)	(1/3)
Dr. Magdi Batato (Dilantik pada 5 November 2004)	(0/0)

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Butiran para Pengarah yang akan dipilih dan dilantik semula adalah seperti berikut:

Encik Sullivan Joseph O'Carroll

Berusia 55. Rakyat Afrika Selatan. Pengarah Urusan

Encik Sullivan Joseph O'Carroll merupakan seorang lulusan psikologi daripada University of South Africa. Beliau telah berkhidmat dengan kumpulan Nestlé selama 31 tahun dan kini bertugas sebagai Pengarah Urusan Syarikat. Beliau menyertai Nestlé pada tahun 1973 sebagai Pelatih Barang Dagangan di Afrika Selatan. Dalam tempoh tujuh tahun, beliau telah ditukarkan ke Randburg sebagai Pengurus Kumpulan untuk perniagaan Minuman dan telah dilantik menjadi Pengurus Pemasaran dan Jualan untuk perniagaan Konfeksi pada tahun 1985. Sebelum perlantikannya di Malaysia, beliau telah menjawat pelbagai jawatan kanan di lain-lain pasaran Nestlé. Beliau telah dilantik sebagai Ahli Lembaga pada 1 Julai 2003 dan telah menghadiri keempat-empat mesyuarat Lembaga Pengarah dalam tahun kewangan berakhir 31 Disember 2004. Encik O'Carroll tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan beliau tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Beliau juga tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

Encik Michael W. Garrett

Berusia 62. Rakyat Australia. Pengarah bukan Bebas, Bukan Eksekutif.

Encik Michael W. Garrett merupakan Timbalan Presiden Eksekutif Nestlé S.A., yang bertanggungjawab terhadap rantau Asia, Oceania, Afrika dan Asia Tengah. Kerjayanya dengan Nestlé bermula pada tahun 1961 sebagai pelatih pengurusan di Crosse & Blackwell. Selepas dua tahun di Vevey, di antara tahun 1967 dan 1968, beliau telah memulakan tugas luar negaranya yang pertama di Australia. Pada tahun 1974 beliau kembali ke United Kingdom selama enam tahun untuk mengetuai beberapa bahagian penting termasuk perniagaan Konfeksi Nestlé sebelum kembali semula ke Australia, pada mulanya sebagai Pengarah Pemasaran dan kemudiannya sebagai Pengarah Urusan Nestlé Australia Ltd. Beliau telah ditugaskan ke Jepun sebagai Ketua Pasaran dari tahun 1990 hingga tahun 1993 sebelum perlantikannya sebagai Pengarah Zon yang bertanggungjawab untuk Asia dan Oceania. Pada bulan Julai 1996 tanggungjawab beliau dikembangkan untuk merangkumi Afrika dan Asia Tengah. Encik Michael W. Garrett yang merupakan seorang lulusan IMEDE Business School di Lausanne, Switzerland telah dilantik menjadi Ahli Lembaga sejak bulan Disember 1992. Beliau telah menghadiri tiga daripada empat mesyuarat Lembaga Pengarah dalam tahun kewangan berakhir 31 Disember 2004.

Manakala Encik Faïçal Krichane yang merupakan Pengarah Silih Ganti kepada beliau telah meletak jawatan pada 1 November 2004 dan telah menghadiri satu daripada empat mesyuarat Lembaga Pengarah yang tidak dihadiri oleh Encik Michael W. Garrett dalam tahun kewangan 2004. Dua daripada tiga mesyuarat Lembaga Pengarah yang dihadiri oleh Encik Michael W. Garrett adalah melalui persidangan telefon. Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat, atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

Datuk Azlan Bin Mohd Zainol

Berusia 55 tahun. Rakyat Malaysia. Pengarah Bukan Bebas, Bukan Eksekutif.

Datuk Azlan Bin Mohd Zainol merupakan lulusan Fellow daripada Institute of Chartered Accountants di England & Wales pada tahun 1974 dan telah menjadi ahli kepada kedua-dua Malaysian Institute of Certified Public Accountants dan Malaysian Institute of Accountants pada tahun 1975. Datuk Azlan memulakan karier beliau sebagai Pengurus Audit di Razak & Co sebelum perlantikannya sebagai Pengurus Besar di Kwong Yik Finance Berhad dan kemudiannya sebagai Pengurus Operasi di Maybank Finance pada tahun 1977. Beliau kemudian telah menjadi rakan kongsi kepada Tan Azlan & Company dan Binder Hamlyn (BDO) pada tahun 1980, seterusnya dilantik sebagai Pengarah Urusan di Arab-Malaysian Finance Berhad pada 1982 dan kemudian dilantik sebagai Pengarah Urusan Arab-Malaysian Bank Berhad pada tahun 1994 sebelum perlantikan beliau sebagai Ketua Pegawai Eksekutif di Kumpulan Wang Simpanan Pekerja pada tahun 2001. Datuk Azlan telah dilantik menjadi Ahli Lembaga Pengarah pada 5 November 2004, dan beliau turut berkhidmat sebagai Pengerusi Malaysian Resources Corporation Berhad, juga sebagai Pengarah Malaysia Building Society Berhad dan Bursa Malaysia Depository Sdn. Bhd. Beliau turut merupakan Ahli Lembaga Penasihat bagi Malaysian Venture Capital Management Berhad (MAVCAP), juga ahli di Financial Reporting Foundation, ahli di The Securities Market Consultative Panel of Bursa Malaysia dan juga ahli biro di The International Social Security Association (ISSA). Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat, atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

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Jeneral (B) Tan Sri Dato' Mohd Ghazali Seth

Berusia 76 tahun. Rakyat Malaysia. Pengerusi dan Pengarah Bebas, Bukan Eksekutif dan juga Pengerusi Jawatankuasa Audit.

Jeneral (B) Tan Sri Dato' Mohd Ghazali Seth merupakan seorang Jeneral bersara selepas berkhidmat dengan cemerlang selama hampir 36 tahun dalam Angkatan Tentera Malaysia. Beliau telah dilantik menjadi Ahli Lembaga sejak bulan Januari 1986 dan sejak itu juga telah dilantik sebagai Pengerusi. Beliau telah menghadiri keempat-empat mesyuarat Lembaga Pengarah dalam tahun kewangan berakhir 31 Disember 2004. Beliau juga berkhidmat sebagai Pengarah Carlsberg Brewery Malaysia Berhad dan ABN-AMRO Bank Berhad. Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat, atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

Tan Sri Dato' Ernest Zulliger

Berusia 72 tahun. Rakyat Switzerland. Pengarah Bebas Bukan Eksekutif dan Ahli Jawatankuasa Audit.

Tan Sri Dato' Ernest Zulliger mempunyai kerjaya yang cukup cemerlang, merangkumi 37 tahun, dengan kumpulan Nestlé di seluruh dunia. Jawatan terakhir yang dipegang oleh beliau sebelum bersara adalah sebagai Pengarah Urusan, Nestlé Malaysia. Beliau telah dilantik menjadi Ahli Lembaga sejak bulan November 1983 dan telah menghadiri dua daripada empat mesyuarat Lembaga Pengarah dalam tahun kewangan berakhir 31 Disember 2004. Beliau mengambil jurusan Pentadbiran Perniagaan dan Perdagangan di Switzerland serta menghadiri International Management School IMD di Lausanne. Tan Sri Dato' Ernest Zulliger juga berkhidmat sebagai Pengarah Bumiputra-Commerce Bank Berhad. Beliau tidak mempunyai sebarang konflik kepentingan dengan Kumpulan Syarikat dan tidak mempunyai sebarang pertalian kekeluargaan dengan lain-lain pengarah dan/atau pemegang saham utama dalam Kumpulan Syarikat, atau mempunyai kepentingan sendiri dalam mana-mana urusan perniagaan yang melibatkan Kumpulan Syarikat. Tidak pernah disabitkan sebarang kesalahan selain kesalahan trafik, jika ada, dalam tempoh 10 tahun yang lalu.

No. of shares held

Proxy Form

I/We _____
of _____
being a member of NESTLÉ (Malaysia) Berhad, hereby appoint *the Chairman of the meeting or _____
of _____
or failing him/her, _____
of _____

as my/our proxy to vote for me/us on my/our behalf at the Twenty-First (21st) Annual General Meeting of the Company to be held at the Kristal Ballroom, First Floor, Petaling Jaya Hilton, No. 2, Jalan Barat, 46200 Petaling Jaya, Malaysia on Tuesday, 26 April 2005 at 11.00 am and at any adjournment thereof.

* Delete if not applicable

My/Our proxy is to vote as indicated with an "X" below:

If no specific direction as to voting is given, the proxy will vote or abstain from voting at his discretion.

No.	Resolutions	For	Against
1.	To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2004 and the Directors' and Auditors' Reports thereon.		
2.	To approve the payment of a final dividend of 65.92 sen per share less tax and 7.54 sen tax exempt dividend per share, resulting in a total dividend of 80.20 sen net per share in respect of the financial year ended 31 December 2004.		
3.	To approve the payment of Directors' fees for the financial year ended 31 December 2004.		
4.	To re-elect Mr. Sullivan Joseph O'Carroll, retiring in accordance with Article 90.1 of the Company's Articles of Association.		
5.	To re-elect Mr. Michael W. Garrett, retiring in accordance with Article 90.1 of the Company's Articles of Association.		
6.	To re-elect Datuk Azlan bin Mohd Zainol, retiring in accordance with Article 97 of the Company's Articles of Association.		
7.	To re-appoint KPMG (Firm No. AF 0758) as Auditors of the Company and to authorise the Directors to fix their remuneration.		
8.	To re-appoint General (Rtd) Tan Sri Dato' Mohd Ghazali Seth, Director retiring pursuant to Section 129(6) of the Companies Act, 1965.		
9.	To re-appoint Tan Sri Dato' Ernest Zulliger, Director retiring pursuant to Section 129(6) of the Companies Act, 1965.		
10.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as set out under Section 2.3 (i) of the Circular to Shareholders dated 1 April 2005.		
11.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as set out under Section 2.3 (ii), (iii), (iv) and (v) of the Circular to Shareholders dated 1 April 2005.		

Dated this _____ day of _____, 2005

Witness by: _____

Signature: _____

Address: _____

Company Stamp: _____

Occupation: _____

Signature of Shareholder or Common Seal

Notes:

- (i) A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy may, but need not, be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965, shall not apply to the Company.
- (ii) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation either under the corporation's seal or under the hand of an officer or attorney duly authorised.

- (iii) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) (Amendment) Act 1996, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (iv) An authorised nominee with more than one securities account must submit separate instrument of proxy for each securities account.

- (v) The instrument appointing a proxy and the power of attorney or other authority [if any] under which it is signed or a notorially certified copy of such power or authority shall be deposited at the Share Registrar of the Company at Tenaga Koperat Sdn. Bhd., 20th Floor, Plaza Permata, Jalan Kampar, Off Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia, not less than 48 [forty-eight] hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, or in the case of a poll, not less than [24] twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Please fold here to seal

Affix postage
stamp

Tenaga Koperat Sdn. Bhd.
20th Floor, Plaza Permata
Jalan Kampar, Off Jalan Tun Razak
50400 Kuala Lumpur

Please fold here to seal

Jumlah saham yang dipegang

Borang Proksi

Saya/Kami _____

dari _____

sebagai ahli NESTLÉ (Malaysia) Berhad, dengan ini melantik *Pengerusi mesyuarat atau _____

dari _____

atau jika beliau tidak dapat hadir, _____

dari _____

Sebagai proksi saya/kami untuk mengundi bagi pihak saya/ kami di Mesyuarat Agung Tahunan ke Dua Puluh Satu (21) Syarikat yang akan diadakan di Kristal Ballroom, Tingkat Satu, Petaling Jaya Hilton, No. 2, Jalan Barat, 46200 Petaling Jaya, Malaysia pada hari Selasa, 26 April 2005 jam 11.00 pagi dan pada sebarang penangguhannya.

* Potong jika tidak berkenaan

Proksi saya/kami akan mengundi dengan memangkah "X" seperti dibawah:

Jika tiada arahan khusus tentang pengundian diberikan, proksi akan mengundi atau tidak mengundi atas budi bicaranya.

No.	Resolusi	Setuju	Tidak setuju
1.	Untuk menerima dan meluluskan penyata kewangan yang telah diaudit untuk tahun berakhir 31 Disember 2004 dengan Laporan Pengarah dan Juruaudit yang dilampirkan.		
2.	Untuk meluluskan pembayaran dividen akhir yang mengandungi dividen kasar tidak terkecuali cukai sebanyak 65.92 sen sesaham dan dividen terkecuali cukai sebanyak 7.54 sen sesaham yang menghasilkan jumlah dividen bersih sebanyak 80.20 sen sesaham untuk tahun yang berakhir pada 31 Disember 2004.		
3.	Untuk meluluskan pembayaran yuran para Pengarah untuk tahun berakhir 31 Disember 2004.		
4.	Untuk melantik semula En. Sullivan Joseph O'Carroll, yang akan bersara tertakluk kepada Artikel 90.1 Tataurusan Pertubuhan Syarikat.		
5.	Untuk melantik semula En. Michael W. Garrett, yang akan bersara tertakluk kepada Artikel 90.1 Tataurusan Pertubuhan Syarikat.		
6.	Untuk melantik semula Datuk Azlan bin Mohd Zainol, yang akan bersara tertakluk kepada Artikel 97 Tataurusan Pertubuhan Syarikat.		
7.	Untuk melantik semula Tetuan KPMG (No. Firma AF 0758) sebagai Juruaudit dan memberi kuasa kepada para Pengarah menetapkan imbuhan mereka.		
8.	Untuk melantik semula General (B) Tan Sri Dato' Mohd Ghazali Seth, Pengarah yang akan bersara tertakluk kepada Seksyen 129(6) Akta Syarikat, 1965.		
9.	Untuk melantik semula Tan Sri Dato' Ernest Zulliger, Pengarah yang akan bersara tertakluk kepada Seksyen 129(6) Akta Syarikat, 1965.		
10.	Pembaharuan Mandat Pemegang-Pemegang Saham untuk Urus Niaga Hasil atau Sifat Perdagangan Pihak Berkaitan yang Berulang seperti yang dinyatakan di bawah Seksyen 2.3 (i) dalam Surat Pekeliling kepada Pemegang-Pemegang Saham bertarikh 1 April 2005.		
11.	Cadangan Pembaharuan Mandat Pemegang-Pemegang Saham untuk Urus Niaga Hasil atau Sifat Perdagangan Pihak Berkaitan yang Berulang seperti yang dinyatakan di bawah Seksyen 2.3 (ii), (iii), (iv) dan (v) dalam Surat Pekeliling kepada Pemegang-Pemegang Saham bertarikh 1 April 2005.		

Bertarikh _____ haribulan _____ 2005

Disaksikan oleh: _____

Tandatangan: _____

Alamat: _____

Cap Syarikat: _____

Pekerjaan: _____

Tandatangan Ahli/Pemegang Saham Tunggal atau Meterai

Nota-nota:

- (i) Ahli Syarikat layak untuk menghadiri dan mengundi di mesyuarat tersebut layak melantik seorang proksi untuk menghadiri dan mengundi bagi pihak dirinya. Seorang proksi boleh tetapi tidak semestinya, terdiri daripada ahli Syarikat dan peruntukan Seksyen 149(1)(b) Akta Syarikat 1965, tidak akan dikenakan ke atas Syarikat.
- (ii) Suratcara untuk melantik proksi mestilah secara bertulis oleh orang yang melantik atau peguamnya yang di beri kuasa atau jika yang melantik adalah suatu perbadanan, sama ada dimeterai dengan cap syarikat atau dengan ditandatangani oleh pegawai atau peguam yang diberi kuasa.
- (iii) Di mana seseorang ahli syarikat adalah penama yang diberi kuasa seperti didefinisikan di bawah Akta Industri Sekuriti (Depositori Pusat) (Pindaan) Akta 1996, dia boleh melantik sekurang-kurangnya seorang proksi bagi setiap akaun sekuriti yang dipegangnya dengan saham biasa Syarikat pada jumlah yang sama seperti akaun sekuriti tersebut.
- (iv) Penama yang diberi kuasa yang mempunyai lebih daripada satu akaun sekuriti mesti menyerahkan suratcara proksi yang berasingan untuk setiap akaun sekuriti.
- (v) Suratcara untuk melantik proksi yang telah ditandatangani oleh peguam yang diberi kuasa atau lain-lain badan berkuasa (jika ada) atau yang disahkan secara notary, kuasa atau badan berkuasa tersebut, hendaklah diserahkan kepada Pendaftar Saham Syarikat di Tenaga Korporat Sdn. Bhd., Tingkat 20, Plaza Permata, Jalan Kampar, Off Jalan Tun Razak, 50400 Kuala Lumpur, tidak kurang daripada 48 (empat puluh lapan) jam sebelum masa yang ditetapkan untuk mengadakan mesyuarat atau mesyuarat ditamatkan di mana orang yang dinamakan di dalam suratcara bercadang untuk mengundi, atau dalam kes membuang undi, tidak kurang daripada 24 (dua puluh empat) jam sebelum masa yang ditetapkan untuk membuat undian dan jika gagal, suratcara proksi akan dianggap tidak sah.

Sila lipat di sini untuk digam

*Tampalkan
setem*

Tenaga Koperat Sdn. Bhd.
Tingkat 20, Plaza Permata
Jalan Kampar, Off Jalan Tun Razak
50400 Kuala Lumpur

Sila lipat di sini untuk digam