

## Directors' Report

For the Year Ended 30 June 2005

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 30 June 2005.

### Principal activities

The Group and the Company are principally engaged in the production, packaging, marketing and distribution of Guinness Stout, Guinness Draught, Lion Stout, Anchor Ice Beer, Anchor Smooth, Tiger Beer, Heineken Beer, Baron's Strong Brew, Kilkenny Draught, Anglia Shandy and Malta. The principal activities of the subsidiaries are as stated in Note 3 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

| Results                 | Group<br>RM'000 | Company<br>RM'000 |
|-------------------------|-----------------|-------------------|
| Net profit for the year | 107,968         | 47,565            |

### Reserves and provisions

There were no material transfers to or from reserves and provisions during the year except as disclosed in the financial statements.

### Dividends

Since the end of the previous financial year, the Company paid:

- i) a final dividend of 12 sen gross per 50 sen stock unit, less Singapore tax at 20%, totalling RM29,001,400, in respect of the year ended 30 June 2004, on 17 December 2004;
- ii) a special final dividend of 14 sen gross per 50 sen stock unit, less Singapore tax at 20%, totalling RM33,835,000 in respect of the year ended 30 June 2004, on 17 December 2004; and
- iii) an interim dividend of 12 sen gross per 50 sen stock unit, comprising 7 sen gross less Singapore tax at 20% and 5 sen gross less Malaysian tax at 28%, totalling RM27,793,000, in respect of the year ended 30 June 2005, on 28 April 2005.

The Directors now recommend payment of a final dividend of 29 sen gross per 50 sen stock unit, less Malaysian tax at 28%, totalling RM63,078,000, payable on 25 November 2005.

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**Directors of the Company**

Directors who served since the date of the last report are:

Tan Sri Saw Huat Lye (Chairman)  
 Theo A F de Rond (Managing Director)  
 Tan Sri Dato' Alwi Jantan  
 Chin Yoong Chong  
 Dato' Jaffar bin Ahmad Indot  
 Low Teng Lum  
 Khoo Gaik Bee  
 Quek Peck Leng  
 John Irving  
 Tang Swee Seng (Alternate Director to Quek Peck Leng)  
 David Heginbottom (Alternate Director to John Irving; appointed on 10.5.2005)  
 Asa Ulrica Susanne Fearn (Alternate Director to John Irving; appointed on 1.10.2004 and resigned on 10.5.2005)  
 Sanjeevi Giridhar (Alternate Director to John Irving; resigned on 1.10.2004)

**Directors' Interests**

The holdings and deemed holdings in the ordinary shares/stock units of the Company and/or its related corporations of those who were Directors at year end as recorded in the Register of Directors' Shareholdings are as follows:

|   | Stock units of 50 sen each |        |      | At<br>30.6.2005 |
|---|----------------------------|--------|------|-----------------|
|   | At<br>1.7.2004             | Bought | Sold |                 |
| Shareholdings in which Director has direct interest |                            |        |      |                 |
| Chin Yoong Chong                                    | 150,000                    | -      | -    | 150,000         |

None of the other Directors holding office at 30 June 2005 had any interest in the ordinary shares/stock units of the Company and/or its related corporations during the financial year.

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### Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the Company or of a related corporation) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than legal fees paid to a firm in which a Director is a member.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company during the financial year.

### Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

### Ultimate holding company

The Directors regard GAPL Pte Ltd, a company incorporated in the Republic of Singapore, as the ultimate holding company. GAPL Pte Ltd is a joint venture company whose ultimate owners are Diageo Plc, a company incorporated in England and Wales, and Asia Pacific Breweries Limited, a company incorporated in the Republic of Singapore.

### Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provisions made for doubtful debts; and
- ii) all current assets have been stated at the lower of cost and net realisable value.

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At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent; or
- ii) that would render the value attributed to the current assets in the Group and in the Company's financial statements misleading; or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person; or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of 12 months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the results of the operations of the Group and of the Company for the financial year ended 30 June 2005 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

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**Auditors**

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed in accordance with a resolution of the Directors:



**Tan Sri Saw Huat Lye**

Director



**Theo A F de Rond**

Director

Petaling Jaya.

5 August 2005