



For immediate release

## **INTERIM FINANCIAL REPORT**

Quarter 1 : Financial Year Ending 30 September 2003

The Directors are pleased to release the interim financial report for the three months ended 31<sup>st</sup> December 2002 being the first quarter for the financial year 2002/2003.

The contents of the financial report comprise the following attached condensed financial statements, explanatory notes and additional disclosures and these must be read in conjunction with the Company's financial statements for the year ended 30 September 2002:

- Schedule A : Condensed Consolidated Income Statement
- Schedule B : Condensed Consolidated Balance Sheet
- Schedule C : Condensed Consolidated Cash Flow Statement
- Schedule D : Condensed Consolidated Statement on Changes in Equity
- Schedule E : Selected Explanatory Notes
- Schedule F : Additional Disclosures

This interim financial report has been prepared in accordance with the accounting standards on interim financial reporting issued by the Malaysian Accounting Standards Board (MASB 26) and contained additional disclosures prescribed by the Kuala Lumpur Stock Exchange. Unless specified otherwise, the same accounting policies and methods of computation applied to the annual financial statements for the previous year had been followed throughout this interim financial report.

By Order of the Board

Tony Lee Cheow Fui  
Company Secretary

Kuala Lumpur  
25 February 2003

**Schedule A : Condensed Consolidated Income Statement**

For the three months ended 31 December 2002

RM'000	First Quarter		% chg
	31/12/2002	31/12/2001	
Revenue	412,009	397,027	3.8%
Operating profit	39,299	31,797	23.6%
Interest expense	(850)	(1,155)	
Interest income	1,064	686	
Profit before taxation (PBT)	39,513	31,328	26.1%
Taxation	(9,103)	(6,113)	
Profit after taxation	30,410	25,215	20.6%
Minority interest	(2,471)	(2,536)	
Net profit	27,939	22,679	23.2%
Basic earning per share (sen)	7.8	6.4	

*This Statement should be read in conjunction with the selected explanatory notes on Schedule E & F of this Report and the Company's Annual Report for the year ended 30 September 2002.*

**Schedule B : Condensed Consolidated Balance Sheet**

As at 31 December 2002

RM'000	31/12/2002	30/9/2002 <i>(audited)</i>
Property, plant & equipment	747,228	739,077
Advance to an associate company	22,250	22,250
Current assets		
Inventories	241,460	218,701
Receivables	327,523	274,662
Cash and cash equivalents	224,581	193,330
	793,564	686,693
Less : Current liabilities		
Payables	315,688	254,989
Borrowings	9,193	9,193
Provision for taxation	3,853	3,119
	328,734	267,301
Net current assets	464,830	419,392
	1,234,308	1,180,719
Share capital & Reserves	1,002,675	974,736
Minority interest	88,943	86,472
Non current liabilities		
Borrowings	73,799	47,930
Other liabilities	68,891	71,581
	142,690	119,511
	1,234,308	1,180,719
Net tangible assets per share (RM)	2.81	2.73

*This Statement should be read in conjunction with the selected explanatory notes on Schedule E & F of this Report and the Company's Annual Report for the year ended 30 September 2002.*

---

**Schedule C : Condensed Consolidated Cash Flow Statement**

For the three months ended 31 December 2002

RM'000	First Quarter
Operating activities	
Operating profit	39,299
Add non-cash : Depreciation & others	19,645
Changes in working capital & provisions	(25,895)
Net cash flows from operating activities	33,049
Investing activities	
Interest income	1,064
Capital expenditure	(27,881)
Net cash flows from investing activities	(26,817)
Financing activities	
Interest expenses	(850)
Drawdown of bank borrowings	25,869
Net cash flows from financing activities	25,019
Net change in cash & cash equivalents	31,251
Cash & cash equivalents at beginning of year	193,330
Cash & cash equivalents at end of year	224,581

Note :  
( ) denotes cash outflow

---

*This Statement should be read in conjunction with the selected explanatory notes on Schedule E & F of this Report and the Company's Annual Report for the year ended 30 September 2002.*

---

**Schedule D : Condensed Consolidated Statement of Changes in Equity**

For the three months ended 31 December 2002

RM'000	Share Capital	Capital Reserve	Revenue Reserve	Total
<i>At 1 October 2002</i>	356,493	404,915	213,328	974,736
Net profit for the quarter	-	-	27,939	27,939
<i>At 31 December 2002</i>	356,493	404,915	241,267	1,002,675

---

*This Statement should be read in conjunction with the selected explanatory notes on Schedule E & F of this Report and the Company's Annual Report for the year ended 30 September 2002.*

## Schedule E : Selected Explanatory Notes

1. Accounting Policies and method of computation  
The quarterly financial statements have been prepared under the same accounting policies and methods of computation as compared to the most recent annual financial statements and comply with MASB 26 Interim Financial Reporting and paragraph 9.22 of Listing Requirements of the Kuala Lumpur Stock Exchange.
2. Auditors' report  
The auditors' report of the preceding annual financial statements of the Company and of the Group was not subjected to any qualification.
3. Comment on seasonality or cyclicity of operation  
The Group's performance is normally not affected by seasonal or cyclical events on a year to year basis. However on a quarter to quarter basis, the demand for some group products such as soft drinks may be skewed towards the major festivities, which normally occur at the end and the beginning of the calendar year.
4. Exceptional items  
There were no exceptional items in the current financial quarter.
5. Estimates  
There were no changes to the estimates that had been used in the preparation of the current financial statements.
6. Issuance or repayments of debt/equity securities  
There were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities in the current financial quarter.
7. Dividends  
Please refer to Schedule F item 12.
8. Segmental results  
The Group's operating businesses are organised according to the nature of activities, namely soft drinks, dairy products, glass packaging and others. Inter-segment transactions and pricing arrangements where applicable are determined on a commercial basis. The results by segments for the financial year are as follows:

RM'000	1 <sup>st</sup> Quarter Revenue		1 <sup>st</sup> Quarter Operating profit	
	2002	2001	2002	2001
Soft drinks	233,403	197,592	24,049	18,662
Dairy products	108,368	134,186	7,545	5,101
Glass packaging	69,900	64,940	7,480	7,777
Others	338	309	225	257
	<u>412,009</u>	<u>397,027</u>	<u>39,299</u>	<u>31,797</u>

---

**Schedule E : Selected Explanatory Notes (cont'd)**

9. Valuation of property, plant and equipment  
There were no changes in the valuation on property, plant and equipment since the last annual financial statements.
10. Subsequent events  
There were no material events subsequent to the end of the quarter that has not been reflected in the financial statements.
11. Changes in the composition of the Group  
There were no changes in the composition of the Group in the current financial quarter.
12. Contingent liabilities  
There were no contingent liabilities of a material nature since the last annual balance sheet date.
13. Contingent assets  
There were no contingent assets of a material nature since the last annual balance sheet date.
14. Capital commitments  
The outstanding capital commitments at the end of the current quarter are as follows:-

RM'000	<u>31/12/2002</u>
Property, plant and equipment	
Approved and contracted for	21,817
Approved and not contracted for	68,764
	<u>90,581</u>
Investments : Approved and contracted for	33,600
	<u>124,181</u>

---

## Schedule F : Additional Disclosures in Compliance with the KLSE's Listing Requirements

1. Operations review  
Group revenue for the quarter showed an increase of 3.8% over the same quarter last year. Group PBT was up 26.1% from higher revenue and lower cost of major materials.
  
2. Comment on material change in profit before taxation vs preceding quarter  
Group PBT for the quarter of RM39.5 million was 53.7% higher than the preceding quarter due to the exceptional losses of RM9.3 million incurred in the previous quarter. Excluding these exceptional losses PBT was higher by 12.9% on higher revenue of 14.9% partly driven by year-end festivities.
  
3. Prospects  
Recent global events and uncertainties are expected to have an impact on the domestic economy in the coming year that could affect the growth prospects of the Group. However, the ongoing rationalisation efforts, focus by management to improve productivity, the effect of lower cost of some key materials such as milk powder and new revenue stream from overseas investment are expected to contribute positively to the Group's performance.  
  
Barring any other unforeseen circumstances, the directors are cautiously optimistic of the prospects for this financial year.
  
4. Profit forecast variance (final quarter)  
This is not applicable.
  
5. Tax expense  
The details of the tax expense are as follows:-

	Current Quarter
RM'000	
Current	6,903
Deferred tax	2,200
	<u>9,103</u>

The Group's effective tax rate in the current quarter is lower than statutory rate due to brought forward losses and the utilisation of reinvestment allowances.

6. Sale of unquoted investments and properties  
There were no sales of unquoted investments or properties in the current financial quarter.

---

**Schedule F : Additional Disclosures in Compliance with the KLSE's Listing Requirements (cont'd)**

7. Purchase and sale of quoted securities

There were no quoted securities acquired or disposed of in the current financial quarter.

8. Status of corporate proposal

There were no outstanding corporate proposals or new announcements made in the current financial quarter.

9. Group borrowings and debt securities

The details of the Group's borrowings as at 31 December 2002 are as follows:-

RM'000	<u>Currency</u>	<u>Current</u>	<u>Non-Current</u>
Unsecured Term Loan	USD	9,193	29,111
Secured Term Loan	Renminbi	-	44,688
		<u>9,193</u>	<u>73,799</u>

10. Off balance sheet – financial instruments

There were no material financial instruments that are "off balance sheet" in nature that have been entered into, as at the date of this report.

11. Pending material litigation

There is no pending litigation of a material nature since the last balance sheet date.

12. Dividend

No dividend has been declared in this financial quarter.

At the recent Annual General Meeting held on 23 January 2003, the shareholders approved a final tax-exempt dividend payment of 7 sen per share (2001: 5 sen) amounting to RM25 million in respect of the financial year ended 30 September 2002. This was paid on 24 February 2003.

13. Basis of calculation of earning per share (EPS)

The EPS for the financial quarter was calculated based on the net profit divided by 356 million ordinary shares. There were no changes in the number of ordinary shares during the quarter.