

Laporan Tahunan
Annual Report **2004**



**SARAWAK ENTERPRISE
CORPORATION BERHAD**

Company No.007199-D

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KANDUNGAN

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GROUP CORPORATE STRUCTURE

as at 27 April 2005

STRUKTUR KORPORAT KUMPULAN

pada 27 April 2005



SARAWAK ENTERPRISE CORPORATION BERHAD (007199-D)



CORPORATE INFORMATION

MAKLUMAT KORPORAT

DIRECTORS

PARA PENGARAH

Dato' Mohamad Taha Bin Ariffin
Chairman, Independent Non-Executive Director
Pengerusi, Pengarah Bebas Bukan Eksekutif

Datuk Wan Ali Tuanku Yubi
Chief Executive Officer, Non-Independent Executive Director
Ketua Pegawai Eksekutif, Pengarah Eksekutif Bukan Bebas

Dato' Haji Idris Bin Haji Buang
Senior Independent Non-Executive Director
Pengarah Kanan Bebas Bukan Eksekutif

Datuk Fong Joo Chung
Non-Independent Non-Executive Director
Pengarah Bukan Bebas dan Bukan Eksekutif

Datu Wilson Baya Dandot
Non-Independent Non-Executive Director
Pengarah Bukan Bebas dan Bukan Eksekutif

Dato' Chew Kong Seng
Non-Independent Executive Director
Pengarah Eksekutif Bukan Bebas

AUDIT COMMITTEE

JAWATANKUASA AUDIT

Dato' Haji Idris Bin Haji Buang, Chairman
Dato' Mohamad Taha Bin Ariffin
Dato' Chew Kong Seng

NOMINATION COMMITTEE

JAWATANKUASA PENCALONAN

Dato' Mohamad Taha Bin Ariffin, Chairman
Dato' Haji Idris Bin Haji Buang
Datu Wilson Baya Dandot

REMUNERATION COMMITTEE

JAWATANKUASA GANJARAN

Dato' Mohamad Taha Bin Ariffin, Chairman
Dato' Haji Idris Bin Haji Buang
Datuk Wan Ali Tuanku Yubi

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

PENGARAH KANAN BEBAS BUKAN EKSEKUTIF

Dato' Haji Idris Bin Haji Buang

COMPANY SECRETARY

SETIAUSAHA SYARIKAT

Lee Ying Fong
MAICSA No. 7002564

Registered Office / Head Office

Pejabat Berdaftar / Ibu Pejabat
1st Floor, Wisma Naim
Lot 2679, Jalan Rock
93200 Kuching
Tel: 6082-244 000
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E-mail: info@secb.com.my

Kuala Lumpur Office

Pejabat Kuala Lumpur
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Kompleks Antarabangsa
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50250 Kuala Lumpur
Tel: 603-2145 5888
Fax: 603-2148 8080

Share Registrars

Pendaftar Saham
Symphony Share Registrars Sdn. Bhd.
Level 26, Menara Multi-Purpose
Capital Square
No.8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Tel: 603-2721 2222
Fax: 603-2721 2530/603-2721 2531

Bursa Malaysia Stock Number

Nombor Stok Bursa Malaysia
Sarawak 2356

International Securities Identification Number (ISIN)

Nombor Identiti Sekuriti Antarabangsa
MYL235600003

Auditors

Juruaudit
Ernst & Young

Principal Financial Institutions

Institusi Kewangan Utama
Alliance Bank Malaysia Berhad
Amanah Short Deposits Berhad
AmMerchant Bank Berhad
EON Bank Berhad
RHB Bank Berhad
RHB Delta Finance Berhad



BOARD OF DIRECTORS LEMBAGA PENGARAH



Datuk Wan Ali Tuanku Yubi
Chief Executive Officer,
Non-Independent Executive Director
Ketua Pegawai Eksekutif,
Pengarah Eksekutif Bukan Bebas



Dato' Mohamad Taha Bin Ariffin
Chairman,
Independent Non-Executive Director
Pengerusi,
Pengarah Bebas Bukan Eksekutif



Dato' Haji Idris Bin Haji Buang
Senior Independent
Non-Executive Director
Pengarah Kanan Bebas
Bukan Eksekutif

Datuk Fong Joo Chung
Non-Independent
Non-Executive Director
Pengarah Bukan Bebas dan
Bukan Eksekutif

Datu Wilson Baya Dandot
Non-Independent
Non-Executive Director
Pengarah Bukan Bebas dan
Bukan Eksekutif

Dato' Chew Kong Seng
Non-Independent
Executive Director
Pengarah Eksekutif
Bukan Bebas

DIRECTORS' PROFILE

PROFIL PARA PENGARAH



Dato' Mohamad Taha Bin Ariffin

Chairman, Independent Non-Executive Director
Pengerusi, Pengarah Bebas Bukan Eksekutif

DATO' MOHAMAD TAHA BIN ARIFFIN, a Malaysian aged 61, is the former Deputy State Secretary of Sarawak, a post which he held since 1992 after 19 years of service to the State. A lawyer by training, he obtained his Bachelor of Laws (LLB) from the University of Leeds in the United Kingdom and was called to the English Bar in 1973. He has attended the Programme for Management Development (PMD) from the renowned Harvard Business School in the United States of America. He is a Director of Utama Banking Group Berhad, the Chairman of several companies, which include Sarawak Enterprise Corporation Berhad, CMS Trust Management Berhad, CMS Dresdner Asset Management Sdn Bhd and Hock Seng Lee Berhad and sits on the Boards of several private companies in Malaysia. He is also the Deputy Chairman of Yayasan Budaya Melayu Sarawak and Secretary-General of RISEAP (Regional Dakwah Institute of South East Asia and the Pacific) and was a member of Majlis Perundingan Ekonomi Negara Kedua (MAPEN II) and a Vice President of the Malaysia Branch of the Royal Asiatic Society. He was appointed a Senator in November 2002 and resigned on 10 March 2004.

Dato' Taha joined the Board of Sarawak Enterprise Corporation Berhad on 24 June 2000 and was appointed Chairman of the Board on 1 August 2000. He is an Independent Non-Executive Director of the Company and has attended all the nine Board Meetings held in the year 2004. Currently, he is also a member of the Audit Committee and Chairman of the Remuneration Committee and Nomination Committee.



Datuk Wan Ali Tuanku Yubi

Chief Executive Officer, Non-Independent Executive Director
Ketua Pegawai Eksekutif, Pengarah Eksekutif Bukan Bebas

DATUK WAN ALI TUANKU YUBI, a Malaysian aged 55, joined the Board of Sarawak Enterprise Corporation Berhad on 24 May 1999. He was Chairman of the Company from 12 October 1999 to 31 July 2000 and was subsequently appointed as Chief Executive Officer on 1 November 2000. He is a Non-Independent Executive Director and has attended all the nine Board Meetings held in the year 2004. Currently, he is also a member of the Remuneration Committee.

He holds a Bachelor of Economics degree (1973) and Diploma in Education (1974) from University of Malaya, Diploma in Commonwealth & Overseas Education (1981) and Master of Education (1983) from University of Birmingham.

He started his career as an education officer at the Department of Education, Sarawak in March, 1974 and was subsequently appointed Senior Education Officer. In 1984, he was transferred with approval of the Federal and State Governments to a promotional position as Principal Assistant Secretary (Contracts) at the State Financial Secretary's Office, Sarawak. In 1987 he served for a year as Resident, Limbang Division in Sarawak. Datuk Wan Ali was subsequently posted as Permanent Secretary, Ministry of Land Development in 1988 where he held the position for four and a half years. After his stint in the said Ministry, he moved on to serve as the General Manager of the Land Custody and Development Authority in 1992. Datuk Wan Ali was transferred back to the State Civil Service as the Deputy State Financial Secretary, Sarawak in 1994. He served as the State Financial Secretary of Sarawak from January 1995 to October 2000.

At present, Datuk Wan Ali also sits on the Boards of Cahya Mata Sarawak Berhad, Rashid Hussain Berhad and several private limited companies in Malaysia.

DIRECTORS' PROFILE

PROFIL PARA PENGARAH



Dato' Haji Idris Bin Haji Buang

Senior Independent Non-Executive Director
Pengarah Kanan Bebas Bukan Eksekutif

DATO' HAJI IDRIS BIN HAJI BUANG, a Malaysian aged 51, joined the Board of Sarawak Enterprise Corporation Berhad on 24 June 2000. He is an Independent Non-Executive Director of the Company and has attended seven out of the nine Board Meetings held in the year 2004. Currently, he is Chairman of the Audit Committee and also a member of the Remuneration Committee and the Nomination Committee.

Dato' Haji Idris holds a Bachelor of Laws Degree with Honours from University Buckingham, England and a degree of utter Barrister from the Lincoln's Inn, London. He is currently the proprietor of Idris-Buang & Associates (since 1985), a legal firm located in Kuching, Sarawak. He has been an advisory board member of Dewan Bandaraya Kuching Utara since 1992. He is currently the Chief Political Secretary to YAB Chief Minister of Sarawak, a position he has been holding since 9 August 2000.

He also sits on the Boards of Hock Seng Lee Berhad, Amanah Saham Sarawak Berhad and several private limited companies.



Datuk Fong Joo Chung
 Non-Independent Non-Executive Director
 Pengarah Bukan Bebas dan Bukan Eksekutif

DATUK FONG JOO CHUNG, a Malaysian aged 55, joined the Board of Sarawak Enterprise Corporation Berhad on 31 January 1996. He is a Non-Independent Non-Executive Director of the Company and has attended seven out of the nine Board Meetings held in the year 2004.

He holds a Bachelor of Laws Degree with Honours from University of Bristol, England and is a Barrister-at-Law (Lincoln's Inn). He was the Honorary Secretary and Committee Member (1973-1994) and was the President (1983-1987) of the Advocates' Association of Sarawak, member of the High Court Rules Committee (1982-1988), Chairman of Kuching Rating Appeals Tribunal (1986-1992), member of the Council for Kuching City South (1981-1992) and Chairman of Inquiry Committee (1991-1992). He was in private law practice from December 1971 till July 1992. He is currently the State Attorney-General of Sarawak, a position he holds since August 1992.

He also sits on the Boards of Encorp Berhad, Bintulu Port Holdings Berhad and several private limited companies wherein the State Government of Sarawak has interests. He is a subscriber shareholder and first director of Syarikat SESCo Berhad, nominated as a successor company for Sarawak Electricity Supply Corporation. Syarikat SESCo Berhad has not commenced business.

DIRECTORS' PROFILE

PROFIL PARA PENGARAH



Datu Wilson Baya Dandot

Non-Independent Non-Executive Director
Pengarah Bukan Bebas dan Bukan Eksekutif

DATU WILSON BAYA DANDOT, a Malaysian aged 53, joined the Board of Sarawak Enterprise Corporation Berhad on 31 January 1996. He is a Non-Independent Non-Executive Director of the Company and has attended eight out of the nine Board Meetings held in the year 2004. Currently, he is also a member of the Nomination Committee.

He holds a Bachelor of Economics degree from the University of Western Australia and a Masters degree in Development Economics from University of Sussex and has attended a Senior Executive Fellows Programme at JFK School of Government, Harvard University. He is currently the Deputy State Secretary Sarawak. He was formerly the Director, State Planning Unit, Sarawak (1995-2000), Deputy Director/Principal Assistant Director, State Planning Unit of Sarawak (1990-1994), Project Director for Kalaka-Saribas Integrated Agricultural Development Project, Ministry of Agriculture (1986-1989), Principal Assistant Secretary (1983-1985), SPU Economist for International Pepper Community Jakarta, Indonesia (1977-1983) and Assistant Secretary, State Planning Unit of Sarawak (1973-1977).

Datu Wilson also sits on the Boards of various private limited companies.



Dato' Chew Kong Seng
Non-Independent Executive Director
Pegarah Eksekutif Bukan Bebas

DATO' CHEW KONG SENG, a Malaysian aged 67, was appointed as Chief Executive Officer of Sarawak Enterprise Corporation Berhad on 1 May 1999 and joined the Board on 24 June 2000. He resigned as Chief Executive Officer on 31 October 2000 and was subsequently appointed Executive Director of the Company on 1 November 2000. He is a Non-Independent Executive Director and has attended all the nine Board Meetings held in the year 2004. Currently, he is also a member of the Audit Committee.

Dato' Chew is a Fellow of the Institute of Chartered Accountants in England and Wales as well as a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He worked in the United Kingdom from 1964 until 1970 and returned to Malaysia to join Messrs Turquand, Young & Co. (now known as Ernst & Young). He held various senior positions in Messrs Ernst & Young and was Managing Partner from 1990 to 1996. His long work experience in the accounting profession covers a wide variety of industries including banking and financial institutions, timber, manufacturing, trading and foreign investment.

Currently, he sits on the Boards of Great Wall Plastic Industries Berhad, Petronas Gas Berhad, Petronas Dagangan Berhad, Industrial Concrete Products Berhad, AEON Co. (M) Bhd (formerly known as Jaya Jusco Stores Bhd), GuocoLand (Malaysia) Berhad (formerly known as Hong Leong Properties Berhad), PBA Holdings Bhd, Encorp Berhad and several private limited companies in Malaysia.

None of the Directors hold any shares in the Company or its subsidiaries or has any family relationship with any Director and/or substantial shareholder of the Company. None of the Directors has any conflict of interest with the Company or has had any convictions for offences within the past ten years.

CHAIRMAN'S STATEMENT PERUTUSAN PENGERUSI

On behalf of the Board of Directors of Sarawak Enterprise Corporation Berhad ("SECB" or the "Company"), I am pleased to present to you the Annual Report and Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2004.

Bagi pihak Lembaga Pengarah Sarawak Enterprise Corporation Berhad ("SECB" atau "Syarikat"), saya dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan Beraudit Syarikat dan Kumpulan bagi tahun kewangan berakhir 31 Disember 2004.



Dato' Mohamad Taha Bin Ariffin
Chairman/Pengerusi

CORPORATE RESTRUCTURING AND RATIONALISATION EXERCISE

As announced to the public on various occasions in 2004, the Company is currently in the final stages of the Restructuring and Rationalisation ("R & R") exercise covering, inter alia, the following:

- i) Proposed acquisition of a further 51.6% equity interest in Sarawak Electricity Supply Corporation ("SESCo") from the State Financial Secretary Sarawak ("SFS") for a purchase consideration of RM1,032 million;
- ii) Proposed disposal of certain non-core assets of SECB and SESCO to SFS and / or its nominated corporations for a disposal consideration of RM555 million; and
- iii) Proposed unconditional Mandatory General Offer ("MGO") for the remaining 3.4% equity interest in SESCO for a purchase consideration of approximately RM68 million.

With SESCO becoming a wholly-owned subsidiary of SECB, the Company will be able to streamline its operations and focus on utility and energy as the core business. This will enable SECB to reposition itself as a major utility and energy player in Sarawak, in view of SESCO's unique position pursuant to the licence (valid for a period of fifty years) granted by the Yang Di-Pertua Negeri Sarawak for the generation, transmission, distribution and supply of electricity for the whole of the State of Sarawak.

The R & R exercise will result in all the utility assets being consolidated under SECB. Henceforth, SESCO will become the major driver of SECB's earnings. This would further enhance shareholders' value by way of efficiency improvement and increased competitiveness. Going forward, the restructured Group would be in a better position to participate in the State's economic and infrastructure development and share the benefits of improved performance with consumers in general.

In addition, SECB also proposed to undertake a Capital Restructuring to set off the impairment value of approximately RM208 million arising from the difference between the carrying value of the identified non-core assets and the final disposal consideration and to write off the goodwill of approximately RM946 million arising from the intended 100% ownership in SESCO on a one-off basis against the Company's Share Premium Reserves.

The details of the R & R exercise and the Capital Restructuring were circulated to the shareholders on 21 March 2005 and all the resolutions tabled were passed by the shareholders at the Extraordinary General Meeting held on 14 April 2005. The Company had also on 25 April 2005 obtained the confirmation of the High Court of Sabah and Sarawak to effect the Capital Restructuring. It is expected that the overall financial performance of the Group will improve significantly.

PELAKSANAAN PENSTRUKTURAN SEMULA DAN RASIONALISASI KORPORAT

Seperti yang telah diumumkan kepada awam melalui beberapa pengumuman yang dibuat dalam tahun 2004, Syarikat pada masa ini berada pada peringkat akhir pelaksanaan Penstrukturan semula dan Rasionalisasi ("R & R"), yang meliputi antara lainnya perkara berikut:

- i) Cadangan pemerolehan tambahan sebanyak 51.6% kepentingan ekuiti didalam Sarawak Electricity Supply Corporation ("SESCo") daripada Setiausaha Kewangan Negeri Sarawak ("SFS") bagi balasan pembelian sebanyak RM 1,032 juta;
- ii) Cadangan pelupusan aset-aset bukan-teras SECB dan SESCO yang dikenalpasti kepada SFS dan/atau syarikat-syarikat yang dilantikannya bagi jumlah balasan sebanyak RM 555 juta; dan
- iii) Cadangan tawaran am mandatori ("MGO") tanpa syarat bagi baki kepentingan ekuiti sebanyak 3.4% dalam SESCO bagi jumlah balasan dalam anggaran sebanyak RM 68 juta.

Dengan SESCO menjadi anak syarikat milik sepenuh SECB, ianya akan membolehkan Syarikat untuk memperkemaskini operasinya dan fokus kepada utiliti dan tenaga sebagai perniagaan teras. Ini akan membolehkan SECB untuk mengukuhkan kedudukannya sebagai agensi utama dalam sektor utiliti dan tenaga di Sarawak memandangkan kedudukan unik SESCO mempunyai lesen (sah bagi tempoh lima puluh tahun) yang diberikan oleh Yang Di-Pertua Negeri Sarawak bagi penjanaan, penghantaran, pengedaran dan pembekalan tenaga elektrik bagi seluruh Negeri Sarawak.

Pelaksanaan R & R akan membolehkan semua aset-aset utiliti disatukan di bawah SECB. Justeru itu, SESCO akan menjadi penggerak utama bagi pendapatan SECB. Selanjutnya ia akan dapat memberi kesan nilaitambah kepada para pemegang saham menerusi peningkatan dalam keberkesanan dan persaingan. Seterusnya, penstrukturan semula Kumpulan akan mengukuhkan lagi kedudukannya untuk turut serta dalam pembangunan ekonomi dan infrastruktur negeri Sarawak dan berkongsi manfaat dengan para pengguna secara umum menerusi prestasi yang lebih baik.

SECB juga bercadang untuk mengendalikan Penstrukturan Semula Kapital bagi tolakan penyusutan nilai lebih kurang sebanyak RM 208 juta akibat perbezaan antara nilai bawaan bagi aset-aset bukan-teras yang telah dikenal pasti dengan balasan pelupusan dan juga bagi hapus kira muhibah lebih kurang sebanyak RM 946 juta berbangkit daripada hasrat untuk pemilikan 100% SESCO daripada Rizab Premium Syer Syarikat secara "one-off basis".

Butiran tentang pelaksanaan R & R dan Penstrukturan Semula Kapital telah diedarkan kepada para pemegang saham pada 21 Mac 2005 dan semua resolusi yang dikemukakan telah diluluskan oleh para pemegang saham dalam Mesyuarat Agung Luar Biasa yang diadakan pada 14 April 2005. Syarikat juga telah mendapat pengesahan daripada Mahkamah Tinggi Sabah dan Sarawak untuk melaksanakan Penstrukturan Semula Kapital. Prestasi kewangan Kumpulan secara keseluruhannya dijangka akan meningkat dengan lebih baik.

CHAIRMAN'S STATEMENT

PERUTUSAN PENGKERUSI

FINANCIAL PERFORMANCE

The Group registered revenue of RM221 million for financial year 2004. In spite of making provisions for diminution in value of RM49 million in certain quoted investments, the Group recorded a net profit of RM38 million for the financial year 2004. The provisions were made to reflect the market value of its quoted investments as at 31 December 2004. The Power Generation and Utilities Segment was the main contributor to the satisfactory performance in 2004.

REVIEW OF OPERATIONS

Investments

The income from Investments Segment was mainly derived from dividends and interest income. The Investments Segment recorded revenue of RM23 million for year 2004. The Group continued to explore investment opportunities that would complement its core activities.

Power Generation and Utilities

The Power Generation Segment continued to register satisfactory performance. For the financial year 2004, the Group recorded revenue of RM167 million and profit before tax of RM31 million from the power generation segment.

SESCo, being a 45%-owned associate of the Group, contributed RM108 million to the profit before tax of the Group. This represents 86% of the consolidated profit before tax before taking into account the provision for diminution in value of certain quoted investments.

In 2004, SESCO completed planting up and commissioning of additional 2 x 55 MW coal-fired steam-turbine generating units in Kuching, Sarawak with the first unit commissioned in May and the second, in July 2004. This additional generation capacity is to meet the system demand growth and at the same time to further enhance the security of electricity supply, particularly to the Kuching area.

Manufacturing

The steel fabrication plant had a difficult year in 2004, due mainly to the escalating steel prices and a significant slow down in the development of electric infrastructure projects in Sarawak. This segment recorded revenue of RM24 million and profit before tax of RM1 million in 2004.

In early 2004, the steel fabrication subsidiary, Sarwaja Timur Sdn Bhd, commenced commercial operation of its tower testing station which is the only one of its kind in South East Asia.

Property Development

The property development subsidiary, Jayalah Cemerlang Realty Sdn Bhd ("JCR") registered revenue of RM7 million and profit before tax of RM1 million in 2004. This income was mainly derived from the Menara Pehin Setia Raja Project which was completed in 2003. No development project was undertaken during year 2004.

PRESTASI KEWANGAN

Kumpulan mencatatkan pendapatan sebanyak RM 221 juta bagi tahun kewangan 2004. Walaupun, setelah membuat peruntukan untuk penyusutan nilai pelaburan sebanyak RM 49 juta dalam pelaburan-pelaburan tersenarai yang tertentu, Kumpulan mencatatkan keuntungan bersih sebanyak RM 38 juta bagi tahun kewangan 2004. Peruntukan tersebut dibuat untuk mencerminkan nilai pasaran bagi pelaburan-pelaburan tersenarai seperti pada 31 Disember 2004. Segmen Penajaan Tenaga dan Utiliti merupakan penyumbang utama kepada prestasi yang memuaskan pada tahun 2004.

ULASAN OPERASI

Pelaburan

Pendapatan utama daripada Segmen Pelaburan adalah daripada dividen dan faedah pendapatan. Segmen Pelaburan mencatatkan pendapatan sebanyak RM 23 juta bagi tahun 2004. Kumpulan sentiasa berusaha untuk mencari peluang-peluang pelaburan baru yang berkaitan untuk membantu aktiviti-aktiviti utama.

Penajaan Tenaga dan Utiliti

Segmen penajaan tenaga berterusan mencatatkan prestasi yang memuaskan. Bagi tahun kewangan 2004, Kumpulan mencatatkan pendapatan sebanyak RM 167 juta dan keuntungan sebelum cukai sebanyak RM 31 juta.

SESCo, sebagai sebuah syarikat bersekutu SECB sebanyak 45% telah menyumbang sebanyak RM 108 juta kepada keuntungan sebelum cukai bagi Kumpulan. Ini merupakan 86% daripada keuntungan sebelum cukai disatukan dan sebelum mengambil kira peruntukan untuk penyusutan nilai dalam pelaburan-pelaburan tersenarai tertentu.

Dalam tahun 2004, SESCO telah menyiapkan dan melengkapkan unit-unit tambahan turbin penjana elektrik yang menggunakan batu arang berkuasa 2 x 55 MW di Kuching, Sarawak dengan unit pertama memulakan operasi pada bulan Mei 2004, manakala unit kedua pada bulan Julai 2004. Peningkatan kapasiti janakuasa ini adalah untuk menampung peningkatan permintaan sistem dan pada masa yang sama untuk membantu meningkatkan keselamatan bekalan elektrik, khususnya di kawasan Bandaraya Kuching.

Pengilangan dan Pembuatan

Tahun 2004 merupakan tahun yang sukar dan mencabar bagi segmen pengilangan dan pembuatan. Ini adalah akibat daripada kenaikan harga besi dan keluli dan pertumbuhan yang agak lembap dalam pembangunan projek infrastruktur elektrik di Sarawak. Segmen ini mencatatkan pendapatan sebanyak RM 24 juta dan keuntungan sebelum cukai sebanyak RM 1 juta pada tahun 2004.

Pada awal tahun 2004, syarikat subsidiari pengilangan keluli, Sarwaja Timur Sdn Bhd telah memulakan operasi komersial stesen ujian menara yang merupakan satu-satunya stesen seumpamanya di Asia Tenggara.

Pembangunan Hartanah

Syarikat subsidiari pembangunan hartanah, Jayalah Cemerlang Realty Sdn Bhd ("JCR") mencatatkan pendapatan sebanyak RM 7 juta dan keuntungan sebelum cukai sebanyak RM 1 juta pada tahun 2004. Kebanyakan daripada pendapatan ini diperolehi daripada Projek Menara Pehin Setia Raja yang telah siap dibina pada tahun 2003. Sepanjang tahun 2004, JCR tiada mengendalikan apa-apa projek pembangunan yang baru.

JCR also owns a 30-storey office complex known as Menara Sarawak Enterprise ("MSE") located in the central business district of Johor Bahru. MSE had an occupancy rate of 47% by end 2004. Continuing efforts, including ongoing promotion through mass media, have been made to secure more tenants.

Pursuant to the R & R exercise, JCR will be disposed off to the State Financial Secretary, Sarawak in line with the primary objective of streamlining SECB's operations to focus on utility and energy business. Therefore, the contribution from the property development segment is expected to be reduced significantly in future. However, the Group has decided, for the time being, to retain the ownership of Menara Sarawak Enterprise.

DIVIDEND

The Board is pleased to recommend a first and final dividend of 1.5 sen per share less income tax (28%) for the financial year ended 31 December 2004 for approval of the shareholders at the forthcoming Annual General Meeting.

The total dividend payment as proposed by the Board, subject to the approval of the shareholders, will amount to RM12.6 million.

FUTURE DIRECTION

Global GDP is forecast to be 4.3% in 2005 (2004 : 5.0%) whilst the Malaysian economy is expected to register a GDP growth of 5% to 6% for 2005 (2004 : 7.1%). SECB, being a public listed company since 1967 has enjoyed the continuous support of the Sarawak State Government. It has established a solid foundation for growth over the years. With the completion of the R & R exercise, the Group will focus mainly on its core business of power generation and utility and to a lesser extent, related commercial activities supporting its core business. The Group is confident of significant improvements in its future earnings.

APPRECIATION

On behalf of the Board of Directors, I wish to express our appreciation to the Management and Staff of the Group for their hard work, dedication and commitment over the years. I also wish to express our warmest thanks to our valued shareholders for their continuous support to manage the Group. Finally, I would also like to thank all our customers, business associates, bankers and other parties for their co-operation and continued support.

JCR juga mempunyai sebuah kompleks pejabat 30-tingkat dikenali sebagai Menara Sarawak Enterprise ("MSE") yang terletak di pusat daerah perniagaan di Johor Bahru. Sehingga akhir tahun 2004, kadar penyewaan MSE ialah 47%. Usaha-usaha berterusan termasuk promosi melalui media massa telah dibuat untuk memperolehi lebih ramai penyewa.

Setelah pelaksanaan R & R, JCR akan dipindah milik kepada Setiausaha Kewangan Negeri Sarawak selaras dengan objektif utamanya, iaitu untuk memperkemaskini operasi SECB dan memberi fokus kepada perniagaan utiliti dan tenaga. Oleh itu, sumbangan daripada segmen pembangunan hartanah dijangka akan berkurangan dengan ketara pada masa akan datang. Walau bagaimanapun, Kumpulan telah mengambil keputusan untuk mengekalkan pemilikan Menara Sarawak Enterprise buat masa ini.

DIVIDEN

Lembaga Pengarah dengan sukacitanya mencadangkan pembayaran dividen pertama dan muktamad sebanyak 1.5 sen setiap satu saham dan ditolak cukai pendapatan 28% untuk tahun kewangan berakhir 31 Disember 2004, tertakluk kepada kelulusan para pemegang saham dalam Mesyuarat Agung Tahunan yang akan datang.


Jumlah bayaran dividen yang dicadangkan oleh pihak Lembaga Pengarah berjumlah RM 12.6 juta adalah tertakluk kepada kelulusan daripada para pemegang saham.

HALA TUJU MASA DEPAN

Kadar KDNK dunia diramal mencatat 4.3% pada tahun 2005 (2004 : 5.0%) manakala ekonomi Malaysia dijangka mencatat peningkatan KDNK sebanyak 5% sehingga 6% bagi tahun 2005 (2004 : 7.1%). SECB, sebagai sebuah syarikat yang tersenarai sejak tahun 1967 telah menikmati sokongan berterusan daripada Kerajaan Negeri Sarawak dan ianya telah membina asas yang kukuh untuk maju selama ini. Dengan lengkapnya pelaksanaan R & R, Kumpulan akan memfokus kepada perniagaan terasnya, iaitu penjanaan tenaga dan utiliti dan aktiviti-aktiviti komersial berkaitan untuk menyokong aktiviti terasnya. Kumpulan berkeyakinan akan dapat memperbaiki dan meningkatkan pendapatan pada masa depan.

PENGHARGAAN

Bagi pihak Lembaga Pengarah, saya ingin merakamkan penghargaan kami kepada pihak pengurusan dan semua kakitangan Kumpulan SECB atas usaha gigih, dedikasi dan komitmen mereka selama ini. Saya juga ingin mengucapkan ribuan terima kasih kepada para pemegang saham atas sokongan padu yang berterusan bagi menjayakan pengurusan dan penstrukturan semula Kumpulan. Akhir sekali, ucapan terima kasih saya turut ditujukan kepada semua pelanggan, rakan-rakan perniagaan, pihak bank dan pihak-pihak lain yang berkaitan atas kerjasama serta sokongan padu yang berterusan anda.



Dato' Mohamad Taha Bin Ariffin
Chairman/Pengerusi
27 April 2005

GROUP FIVE-YEAR FINANCIAL STATISTICS, 2000-2004

STATISTIK KEWANGAN KUMPULAN LIMA TAHUN, 2000-2004

PERFORMANCE / PENCAPAIAN	2004 RM'000	2003 RM'000	2002 RM'000	2001 RM'000	2000 RM'000
Revenue / Nilai dagangan	220,800	265,060	201,052	201,200	171,980
Profit before taxation / Keuntungan sebelum cukai	75,610	101,999	37,644	121,229	118,568
Taxation / Cukai	(32,634)	(23,624)	(25,172)	(21,680)	(21,775)
Profit after taxation / Keuntungan selepas cukai	42,976	78,375	12,472	99,549	96,793
Minority interest / Kepentingan minoriti	(5,044)	(10,061)	(4,300)	(3,901)	(2,567)
Net profit for the year / Keuntungan bersih bagi tahun	37,932	68,314	8,172	95,648	94,226
Net dividends / Dividend bersih	12,639	12,639	12,639	25,278	25,278
ASSETS EMPLOYED / ASET DIPERGUNAKAN					
Property, plant and equipment / Aset Tetap	488,446	511,211	534,741	555,253	595,950
Investments and goodwill / Pelaburan dan Ihsan	456,342	591,418	656,318	709,948	711,148
Long term receivable / Boleh diterima jangka panjang	40,595	108,106	41,399	20,784	-
Bank and cash balances / Wang tunai dan baki di bank	160,167	117,193	139,841	212,657	224,590
Other net current assets / (Liabilities) / Aset / (Liabiliti) semasa bersih lain	68,331	90,634	101,964	72,574	58,621
Associated companies / Syarikat sekutu	1,709,406	1,730,053	1,660,490	1,759,520	1,695,464
Total / Jumlah	2,923,287	3,148,615	3,134,753	3,330,736	3,285,773
FINANCED BY / PERMODALAN					
Shareholders' fund / Dana pemegang saham	2,662,010	2,844,789	2,789,114	2,960,851	2,865,049
Minority interests / Kepentingan minoriti	90,004	84,960	75,099	70,400	66,499
Long term liabilities / Liabiliti jangka panjang	148,184	201,549	251,949	289,383	352,575
Deferred taxation / Cukai tertunda	23,089	17,317	18,591	10,102	1,650
Total / Jumlah	2,923,287	3,148,615	3,134,753	3,330,736	3,285,773
SELECTED RATIOS / NISBAH KEWANGAN (%)					
Net tangible assets per share / Aset ketara bersih sesaham (RM)	2.27	2.42	2.37	2.52	2.43
Net earnings per share / Pendapatan bersih sesaham (Sen)	3.24	5.84	0.70	8.17	8.10
Gross dividend per share / Dividen kasar sesaham (Sen)	1.5	1.5	1.5	3.0	3.0

GROUP FINANCIAL HIGHLIGHTS

MAKLUMAT PENTING KEWANGAN KUMPULAN

