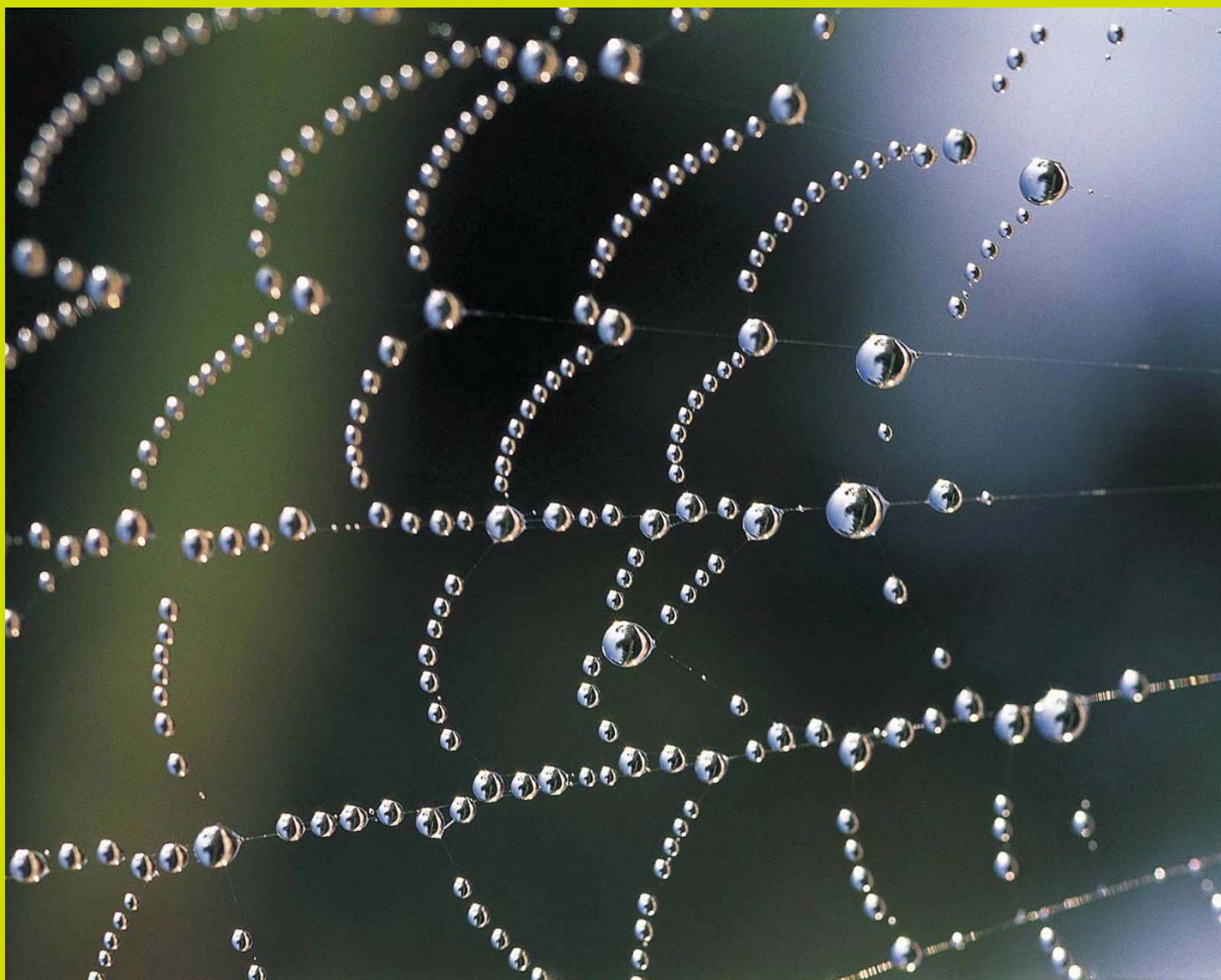


Illustrative Annual Report

2004 edition



About PricewaterhouseCoopers

PricewaterhouseCoopers (www.pwc.com) provides industry-focused assurance, tax and advisory services for public and private clients. More than 120,000 people in 139 countries connect their thinking, experience and solutions to build public trust and enhance value for clients and their stakeholders. “PricewaterhouseCoopers” refers to the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

With more than 1,500 staff members, PricewaterhouseCoopers is a leading professional services firm in Singapore. We count among our clients, many blue-chip multinationals, as well as top-tier local companies. We audit the largest number of top 50 companies listed on the Singapore Exchange (SGX) in terms of market capitalisation, and we have a proven track record in auditing statutory boards and government-linked companies.

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Foreword

Many Singapore companies would have found the previous financial year ended 2003 a challenging one, for it was the first year in which companies had to comply with the legal requirements to present statutory financial statements in accordance with the Singapore Financial Reporting Standards (FRS). With these changes adequately handled and embraced, can those charged with overseeing the financial reporting and disclosure process rest and take things easier in the coming reporting period? Needless to say, no, for the future continues to bring new developments and further changes.

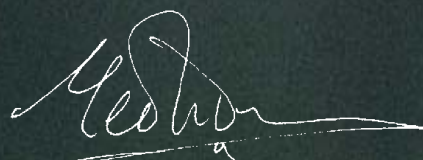
Among the challenges ahead are the new and revised FRSs issued by our local Council of Corporate Disclosure and Governance (CCDG). These continue to be released in tandem with International Accounting Standards, which are likely to evolve further as they converge with the United States Generally Accepted Accounting Principles. The majority of the FRSs issued in 2004 will only come into effect for the financial year beginning 1 January 2005. However, they may have an impact on the selection of, or cause changes in, your company's significant accounting policies that could have a material effect, either on the company's 2004 financial statements, or as comparatives in the company's 2005 financial statements. We encourage all corporates to plan and manage the impact of these changes, and to this end, we have set out on pages 23 to 36 a summary of the key changes that are effective from 1 January 2005.

We trust that you will find this 2004 Illustrative Annual Report publication a useful reference point when you are preparing this year's annual report and/or statutory financial statements. This publication was first released in November 2003, and the 2004 edition contains updated best practice corporate disclosures in compliance with the Singapore Companies Act, Singapore FRS and their interpretations, and the Singapore Exchange Securities Trading Listing Manual.

This guide is one of the many PricewaterhouseCoopers publications produced to help our clients understand and meet the ever increasing corporate reporting and disclosure requirements. We encourage you to consult your PricewaterhouseCoopers audit partner and manager if you have any questions or comments regarding the corporate disclosure requirements applicable for this financial year.



Gautam Banerjee
Executive Chairman



Yeoh Oon Jin
Assurance Leader

September 2004.



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Abbreviations used

References are made in this publication to the legislation, accounting pronouncement, guideline or listing rule that requires a particular disclosure or accounting treatment. The abbreviations used to identify the source of authority are as follows :

CA	Singapore Companies Act
CCG	Code of Corporate Governance Guidance Notes
FRS	Singapore Financial Reporting Standards, issued by the Council on Corporate Disclosure and Governance (CCDG)
IAS	International Accounting Standards, which forms part of the International Financial Reporting Standards
IFRS	International Financial Reporting Standards, issued by the International Accounting Standards Board (IASB)
INT FRS	Interpretations of Singapore Financial Reporting Standards
SGX	Singapore Exchange Securities Trading Listing Manual Requirements
SSA	Singapore Standards on Auditing

Publication Guide

Scope

This publication, Illustrative Annual Report 2004, provides a sample annual report of a fictitious group of companies. PwC Holdings Ltd is a company incorporated in Singapore and its shares are listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The names of people and entities included in this publication are fictitious. Any resemblance to a person or entity is purely coincidental.

Effective date

These financial statements include the disclosures required by the Singapore Companies Act, SGX-ST's Listing Manual Requirements and Singapore Financial Reporting Standards and Interpretations that are applicable at the date of this publication.

Illustrative in nature

The sample disclosures in this illustrative annual report should not be considered to be the only acceptable form of presentation. The form and content of each reporting entity's annual report are the responsibility of the entity's directors and other forms of presentation which are equally acceptable may be preferred and adopted, provided they include the specific disclosures prescribed in the Singapore Companies Act, SGX-ST's Listing Manual Requirements and Singapore Financial Reporting Standards.

The illustrative financial statements contained in this annual report is not a substitute for reading the legislation or standards themselves, or for professional judgement as to fairness of presentation. They do not cover all possible disclosures required by the Singapore Companies Act, SGX-ST's Listing Manual Requirements and Singapore Financial Reporting Standards. Depending on the circumstances, further specific information may be required in order to ensure fair presentation and compliance with laws, accounting standards and stock exchange regulations in Singapore.

Similarly, the corporate governance disclosures illustrated in this annual report are not meant to be templates for all reporting entities. The board of directors for each reporting entity should formulate the corporate strategies and control measures tailored to the entity's particular circumstances and corporate governance processes. It therefore follows that corporate governance disclosures in annual report would necessarily differ from one reporting entity to the other.

Guidance notes

Direct references to the source of disclosure requirements are included in the reference column on each page of the illustrative financial statements. Guidance notes are provided where additional matters may need to be considered in relation to a particular disclosure. These notes are inserted within the relevant section or note.

Seek professional advice

The information contained herein is intended to be a general guide and should not be used or relied upon as a substitute for specific professional advice.

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