



NWP HOLDINGS BERHAD

(495476-M)



2002 Annual Report

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CORPORATE information

BOARD OF DIRECTORS

Encik Majid bin Mat Lazim

Executive Chairman

Mr Chang Ah Ngau

Managing Director

Mr Wong See Ming

Executive Director

Encik Mohd. Zahiri bin Dato' Haji Maulud

Independent Non-Executive Director

Mr Lee Khim Sin

Independent Non-Executive Director

AUDIT COMMITTEE

Mr Lee Khim Sin

Chairman (Independent Non-Executive Director)

Encik Mohd. Zahiri bin Dato' Haji Maulud

Member (Independent Non-Executive Director)

Mr Chang Ah Ngau

Member (Managing Director)

COMPANY SECRETARY

Mohd Zakie Bin Soad

(LS 0008268)

REGISTERED OFFICE

Unit 1119, 11th Floor
Block A, Damansara Intan
No. 1, Jalan SS 20/27
47400 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-7118 2892/3
Fax: 03-7118 7799

PLACE OF BUSINESS

No. 63C, Jalan SS 21/60
Damansara Utama
47400 Petaling Jaya

56 Km, Jalan Kimanis
Beaufort Highway, PO Box 362
89608 Papar, Sabah

REGISTRARS

Signet Share Registration Services Sdn Bhd
11th Floor, Tower Block
Kompleks Antarabangsa
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 03-21454337
Fax: 03-21421353

BANKERS

HSBC Bank Malaysia Berhad

56, Jalan Gaya
88000 Kota Kinabalu
Sabah

Affin Bank Berhad

20 & 22, Jalan 21/12,
Seapark, 46300
Petaling Jaya, Selangor

Malayan Banking Berhad

A73, Jalan Ahmad Shah
28000 Temerloh
Pahang

Public Bank Berhad

P.O. Box 162
Lot 8023, Jalan Besar
89600 Papar

AUDITORS

Yeap Cheng Chuan & Co.
Suite 609, Block C
Phileo Damansara 1
9, Jalan 16/11
46350 Petaling Jaya
Selangor Darul Ehsan

SOLICITORS

Lee, Perara & Tan
55, Jalan Thambapillai
Brickfields
50470 Kuala Lumpur

STOCK EXCHANGE LISTING

Kuala Lumpur Stock Exchange
Main Board

NOTICE OF annual general meeting

NOTICE IS HEREBY GIVEN that the Third Annual General Meeting of the Company will be held at Tiara Delima, Hotel Singgahsana, Persiaran Barat, Off Jalan Sultan, 46760 Petaling Jaya, Selangor Darul Ehsan on Saturday, 22nd February 2003 at 11.00 a.m for the following purpose:-

AGENDA

1. To receive and adopt the Audited Financial Statement of the Company for the year ended 31 August 2002 together with the Reports of the Directors and Auditors thereon. _____● **Resolution 1**

2. To re-elect the following Director retiring in accordance with Article 77 of the Company's Articles of Association:-

Mr. Chang Ah Ngau _____● **Resolution 2**

3. To re-appoint Messrs. Yeap Cheng Chuan & Co. as the Company's Auditor and to authorise the Directors to fix their remuneration. _____● **Resolution 3**

4. **AS SPECIAL BUSINESS**
To consider and if thought fit, to pass the following Ordinary Resolution:-

Ordinary Resolution
Authority to issue shares pursuant to Section 132D of the Companies Act, 1965

"THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of the relevant authorities, the Directors be and are hereby authorised to allot and to issue shares in the Company at any time until the conclusion of the next Annual General Meeting or until the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percentum (10%) of the total issued capital of the Company for the time being" _____● **Resolution 4**

5. To transact any other ordinary business of the Company for which due notice shall have been given.

By Order of the Board,

MOHD ZAKIE BIN SOAD

Secretary
LS 0008268

Selangor Darul Ehsan
30th January, 2003

NOTICE OF annual general meeting

Notes:

1. *A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. 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.*
2. *A member shall be entitled to appoint more than one (1) proxy to attend and vote at the meeting provided that the provisions of Section 149(1)(c) of the Companies Act, 1965 are complied with.*
3. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, it must be either under its seal or under the hand of an officer or attorney duly authorised. .*
4. *The instrument appointing the proxy must be deposited at the Registered Office of the Company at Unit 1119, 11th Floor, Block A, Damansara Intan, No.1, Jalan SS 20/27, 47400 Petaling Jaya, Selangor Darul Ehsan not less than 48hours before the time for holding the Meeting or any adjournment thereof.*
5. *Explanatory Note for the Special Business:-*

The Ordinary Resolution proposed if passed, will give the Directors of the Company authority to issue shares in the Company up to an amount not exceeding 10% of the total issued capital of the Company for the time being for such purposes as the Directors consider would be in the best interests of the Company. This authority, unless revoked or varied by the shareholders of the Company in General Meeting will expire at the Next Annual General Meeting of the Company.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to paragraph 8.28(2) of the Listing Requirements of KLSE

1. Place, date and time of the Annual General Meeting

Place : Tiara Delima, Hotel Singgahsana, Persiaran Barat, Off Jalan Sultan, 46760 Petaling Jaya, Selangor Darul Ehsan

Date : 22 February 2003

Time : 11.00 a.m

2. Name of individual standing for re-election

Mr. Chang Ah Ngau

3. Attendance at Board Meetings

During the financial year ended 31 August 2002, there were five Board Meetings held. The details of attendance of each director are as follows:

Name	No. of meetings attended
Encik Majid Bin Mat Lazim	4
Mr. Chang Ah Ngau	4
Mr. Wong See Ming	5
Encik Mohd Zahiri Bin Dato' Haji Maulud	5
Mr. Lee Khim Sin	5

4. Place, date and time of Board Meetings held during the financial year ended 31 August 2002

Meeting	Date	Time	Venue
4/2001	23/10/2001	11.00 a.m	No.63C, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan
5/2001	27/12/2001	11.00 a.m	No.63C, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan
1/2002	18/2/2002	5.00 p.m	No.63C, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan
2/2002	23/4/2002	10.30 a.m	No.63C, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan
3/2002	18/7/2002	1.30 p.m	No.63C, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan

5. Further details of individual who is standing for re-election as Director

Name	: Chang Ah Ngau
Age	: 50
Nationality	: Malaysian
Position in Company	: Managing Director
Working Experience	: 21 years
Other directorships of public companies	: None
Family relationship with any director and/or major shareholder of Company	: Director and shareholder of Sepang Heights Sdn. Bhd. and Cashflow Budget Sdn. Bhd., a major shareholder of the both Company. No family relationship with any director
Any conflict of interest that he has with the Company	: None
List of convictions for offences within the past 10 years other than traffic offences, if any	: None

CHAIRMAN'S statement

Dear Shareholders

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Financial Statement of NWP Holdings Berhad for the financial year ended 31 August 2002.

FINANCIAL HIGHLIGHTS

The year under review saw many negative factors impacting on the timber industry significantly. The World Trade Center incident pushed the weak US economy into recession that dampened the timber industry causing prices and volume to decline. In addition, competition from Indonesian producers further exacerbated the situation of reducing sales volume. The global market is also quite cautious in light of the likely outbreak of war between the United States of America and Iraq.

Amidst the adverse market conditions, the 2002 financial year was another fruitful year for the Group. The Group achieved a profit before tax of RM 9.9 million against revenue of RM 58.4 million compared to the previous financial year's results of a profit before tax of RM 11.3 million on revenue of RM 54.7 million. The lower profit was mainly due to increase in operating costs from its new acquisition of equipment and venture into sawmilling.

CORPORATE EXERCISE

In appreciation of the shareholders' past and continuous support for the Group, the Board resolved to reward the shareholders with a bonus issue with the issuance of 20,000,000.00 new ordinary shares of RM 1.00 each to be credited as fully paid-up, on the basis of one (1) new ordinary share for every three (3) existing shares held which was completed in June 2002. This exercise would enable our shareholders to enjoy greater participation in the Company's equity in terms of the number of shares held and also to increase the capital base of the Group to a level which better reflects the Group's current scale of operation.

OPERATIONAL OVERVIEW

Despite the poor market situations, our moulded timber product remains profitable and continues to contribute to the Group's revenue. With the Group's strong background and sound track record in the marketing of timber mouldings and related products, we are still continuously upgrading our competitive edge and marketing strategies. In an effort to further extend our product range to capture the different needs of the market, the Group has also expanded its export markets and is focusing on the European market to further reduce its dependence on the North American market.

DIVIDEND

The Board does not recommend the payment of dividend for the year ended 31 August 2002.

PROSPECTS

The Group looks forward to the 2003 financial year with optimism and hope to maintain its performance and growth despite the worldwide economic slowdown led by the US economy.

The Group is expected to continue its efforts in implementing appropriate marketing strategies to diversify its markets and also cost reduction measures from time to time. In addition, the Group will continue to focus on its core activities and monitor the performance of the various divisions to ensure realisation of business goals and objectives.

The performance of the Group will depend largely on improvements of world demand, timber prices, log supply and the success of promoting moulded timber products in new markets.

APPRECIATION

On behalf of the Board of Directors, I wish to express our sincere thanks and appreciation to the Management and staff for their hard work and dedication towards bringing the Group to continuous growth and performance through a challenging year.

Lastly, I would like to thank our valued customers, bankers, business partners, relevant government authorities and shareholders for their continued strong support and confidence in the Group.

MAJID BIN MAT LAZIM

Chairman

AUDIT committee report

The Board of Directors of NWP Holdings Berhad is pleased to present the report of the Audit Committee of the Company for the financial year ended 31 August 2002.

MEMBERS

The Committee presently comprises the directors listed below.

Name	Position
Mr. Lee Khim Sin - appointed on 24 July 2000	Chairman (<i>Independent Non-Executive Director</i>)
Encik Mohd. Zahiri Bin Dato' Haji Maulud - appointed on 24 July 2000	Member (<i>Independent Non-Executive Director</i>)
Mr. Chang Ah Ngau - appointed on 24 July 2000	Member (<i>Managing Director</i>)

TERMS OF REFERENCE

(1) COMPOSITION

The Audit Committee shall be appointed by the Board of Directors from amongst its members and shall comprise at least three Directors. The majority of the members of the Audit Committee shall be Independent Non-Executive Directors.

At least one member of the Audit Committee shall be a member of the Malaysian Institute of Accountants or a person approved under Section 15.10(1)(c)(ii) of the KLSE Listing Requirements. No alternate Director shall be appointed as a member of the Audit Committee. The Chairman of the Audit Committee shall be elected from amongst the members and he shall be an Independent non-executive Director. If a member of the Audit Committee resigns or for any reason ceases to be a member which results in the number of members being less than the required number of three, the Board shall within two (2) months of that event, appoint such number of new members as may be required to make up the minimum three (3) members.

The Board shall review the term of office and performance of the Committee and each of its members at least once every three (3) years.

(2) DUTIES AND RESPONSIBILITIES

The Audit Committee shall assist the Board of Directors in fulfilling its fiduciary responsibilities as to corporate accounting and reporting practices of the Company and its subsidiaries and the sufficiency relating thereto. The Audit Committee will endeavour to adopt various practices aimed at maintaining appropriate standards of responsibility, integrity and accountability to the Company's shareholders thereby strengthening the confidence of the public in the Group's reported results.

The specific duties of the Audit Committee are as follows:-

- (a) To review the accounting policies adopted, any changes in accounting principles or practices and the level of prudence applied in areas requiring judgement;
- (b) To review the external audit report on the financial statements;

-
- (c) To review with the external auditors, the overall scope of the external audit and discuss the results of their examination and their evaluation of the internal control system;
 - (d) To discuss problems and reservations arising from the interim and final external audits, and any matter the external auditors may wish to discuss (in the absence of management, where necessary);
 - (e) To review the external auditors' management letter and management's response thereto;
 - (f) To review the quarterly announcements to the KLSE and year end annual financial statements before submission to the Board, focusing on:
 - going concern assumption
 - compliance with accounting standards and regulatory requirements
 - any changes in accounting policies and practices
 - significant issues arising from the audit
 - major judgemental areas
 - (g) To review the financial statements with management and the external auditors prior to them being approved by the full Board;
 - (h) To review interim financial information and press releases of financial content;
 - (i) To review any significant transactions which are not a normal part of the Company's business;
 - (j) To review any significant related party transactions that may arise within the Company or Group;
 - (k) To recommend to the Board of Directors the appointment or termination of the external auditors and the audit fee thereof;
 - (l) Such other responsibilities as may be agreed to between the Audit Committee and the Board of Directors.

(3) AUTHORITY

The Committee shall, in accordance with the procedure determined by the Board and at the cost of the Company:

- (a) To investigate any activity within its terms of reference and shall have unrestricted access to the external auditors and to all employees of the Group;
- (b) To have full and unrestricted access to information pertaining to the Company and the Group;
- (c) To have direct communications channels with the external auditors; and
- (d) To obtain external legal or other independent professional advice as necessary

Notwithstanding anything to the contrary therein, the Committee does not have executive powers and shall report to the Board of Directors on all matters recommended by the Committee pertaining to the Company and the Group.

(4) MEETINGS

The Audit Committee meets at least five (5) times a year although additional meetings may be convened as and when deemed necessary. Written notice of the meeting together with the agenda shall be given to the members of the Committee and external auditor where applicable at least seven days prior to the meeting. The quorum for a meeting of the Committee shall be two (2) provided always that the majority of members present must be independent directors and any decision shall be by a simple majority.

AUDIT committee report

Other Board members and employees may attend any particulars meeting only at the Committee's invitation.

Minutes of each meeting, signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting, shall be deemed a correct recording of the proceedings thereat without any further proof of the fact stated thereof. The minutes shall be kept by the Secretary. Copies of the minutes shall be distributed to all members of the Audit Committee and the Board of Directors for information.

ATTENDANCE OF MEETINGS

During the financial year under review, five (5) audit committee meetings were held and the details of the attendance of each member of committee are tabulated below:

Date :

23 October 2001
27 December 2001
18 February 2002
23 April 2002
18 July 2002

Audit Committee Members	No. of Meetings Attended
Mr. Lee Khim Sin	5 out of 5 meetings
Encik Mohd Zahiri Bin Dato' Haji Maulud	5 out of 5 meetings
Mr. Chang Ah Ngau	4 out of 5 meetings

ACTIVITIES

The summary of the main activities carried out by the audit committee during the financial year under review in the discharge of its functions and duties:

- Review of the quarterly and annual reports of the Company and the Group and thereafter submit them to the Board for considerations and approval;
- Review of the related party transactions entered into by the Company and the Group and the disclosure of such Transactions in the annual report of the Company;
- Review the reports of Management on its risk management;
- Met with external auditors to discuss and consider the nature and scope of the audit, and significant changes and developments on accounting practices and standard issued by the MASB and IASB.

INTERNAL AUDIT FUNCTION

The Company and the Group does not have its own in-house internal audit function. However, the Executive Directors and the responsible executives tightly control the operations of the Group and pursuing various ways of implementing such functions to be in place.

STATEMENT ON corporate governance

THE CODE

The Board of Directors of NWP Holdings Berhad is pleased to report that throughout the financial year under review, it had generally practiced good corporate governance in directing and managing the business and affairs of NWP Holdings Berhad and its subsidiary companies to enhance the business prosperity and support the continued growth of the Group as a long-term commitment to its shareholders and investors, consistent with the Malaysian Code on Corporate Governance.

The application of the Principles of Corporate governance and extent of compliance with Best Practices of the Code are set out in this statement.

BOARD BALANCE

The Board currently has five members, comprising 2 Independent Non-Executive Directors and 3 Executive Directors. The Company is in compliance with the KLSE Listing Requirements which require at least two directors of the total number of director, whichever is higher, to be independent directors. Although all the Directors have equal responsibility for the Company's operations, the role of the independent non-executive Directors is particularly important in ensuring that the strategies proposed by the Management team are discussed and examined fully to ensure that strategies are in the long-term interests of the Company.

The profile of the members of the Board are set out on pages 16 to 17 of this Annual Report. The composition of the Board reflects the broad range of experience, skills and knowledge necessary for the effective stewardship of the Group.

All Directors have attended the Mandatory Accreditation Training Programme prescribed by KLSE.

BOARD DUTIES AND RESPONSIBILITIES

The Board of Directors of NWP Holdings Berhad takes full responsibility for the performance of the Group. The Board guides the Company on its short and long term goals, providing advice and directions on management and business development issues while providing balance to the management of the Company.

The Board is responsible for the following:

- Reviewing and adopting a strategic plan for the Group
- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed
- Identify principal risk and ensure the implementation of appropriate risk management system
- 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 Company.
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems for compliance with applicable laws, regulations, rules, directives and guidelines.

BOARD MEETING AND SUPPLY OF INFORMATION

The Board meets on a quarterly basis, with additional meetings convened as and when necessary. During the financial year ended 31 August 2002, five (5) board meetings were held. Details of attendance by Directors are set out in the Notice of AGM.

Prior to each Board meeting, all Directors are provided with an agenda and a set of Board papers. The Board report includes, among others, the following;

- (a) quarterly management report;
- (b) board papers for issues requiring Board deliberations and approvals; and

STATEMENT ON corporate governance

(c) minutes of meetings of all the committees of the Board

All directors have access to the advice and services of the Company Secretary. The Directors also have access to any other information within the Group and may obtain independent professional advice, at the Company's expense in the furtherance of their duties.

RE-ELECTION OF DIRECTORS

The appointment of Directors is the responsibility of the Board. In accordance with the Company's Articles of Association, all Directors who are appointed by the Board are subject to election by shareholders at the AGM subsequent to their appointment and one-third of the remaining Directors, including the Managing Director, are required to submit themselves for re-election by rotation at each AGM.

The Article of Association of the Company also provides for all Directors who wish to be re-elected to submit themselves for re-election at least once every three years. Directors over seventy years of age who wish to be reappointed are required to submit themselves for re-appointment annually in accordance with Section 129 (6) of the Companies Act 1965.

DIRECTORS' REMUNERATION

The Company has adopted the objective as recommended by the Code in determining the remuneration of Directors so as to ensure that it attracts and retains the Directors needed to run the Company successfully. Directors' fees are endorsed by the Board for approval by shareholders of the Company at AGM.

For the year under review, the aggregate remuneration of directors paid is categorised into the following components:-

	Directors' Fees (RM)	Directors' Salaries & Allowances (RM)	Total (RM)
<i>Executive Directors</i>			
Majid Bin Mat Lazim	-	41,123.55	41,123.55
Wong See Ming	-	91,200.00	91,200.00
Chang Ah Ngau	-	61,996.22	61,996.22
	-	121,544.82	121,544.82
<i>Non-Executive Directors</i>			
Lee Khim Sin	24,000.00	-	24,000.00
Mohd Zahiri Bin Dato' Haji Maulud	18,000.00	-	18,000.00
	42,000.00	-	42,000.00
TOTAL	42,000.00	121,544.82	163,544.82

THE BOARD COMMITTEES

a) The following committees are established to assist the Board in the discharge of its duties:-

Committee	Chaired by
i) Audit Committee	Independent Non-Executive Director
ii) Nomination Committee	Independent Non-Executive Director
iii) Remuneration Committee	Independent Non-Executive Director

The terms of reference of the Audit Committee, composition of its membership and other pertinent information about the Audit Committee and its activities are highlighted in the Audit Committee Report in pages 8 to 10 of the Annual Report.

(b) Nomination Committee

The formation of the Nomination Committee was formalized on 26 July 2001.

Members of the Nomination Committee are:

Name	Designation
Lee Khim Sin	Chairman
Mohd Zahiri Bin Dato' Haji Maulud	Independent Non-Executive Director

The Nomination Committee recommends to the Board suitable candidates for appointment as Directors to the Board. It also reviews the Board's structure, size composition and recommends to the Board the required mix of skills and experience the Board requires in order to function completely and efficiently.

(c) Remuneration Committee

The formation of the Remuneration Committee was formalized on 26 July 2001.

Members of the Remuneration Committee are:

Name	Designation
Lee Khim Sin	Chairman
Mohd Zahiri Bin Dato' Haji Maulud	Independent Non-Executive Director
Wong See Ming	Executive Director

The Remuneration Committee is responsible for recommending to the Board the remuneration framework for Executive Directors of the Group and assists the Board in ensuring that the remuneration of the Executive Directors reflects the responsibility, experience and commitment of the directors concerned. The Executive Director on the committee abstains from deliberations in respect of his own remuneration.

SHAREHOLDERS

The Board is aware of the importance of the timely and accurate disclosure of material information to the shareholders and investors of the Group. In addition to various announcements made during the year, the timely release of the quarterly financial results provides shareholders with an up to date overview of the Company's performance and operations. Copies of the full announcement are supplied to shareholders, investors and members of the public upon request.

The principal forum for dialogue with shareholders is the AGM. There is an open question and answer session in which shareholders may raise questions regarding the proposed resolutions at the meeting as well as on matters relating to the Group's businesses and affairs. Shareholders who are unable to attend are allowed to appoint proxies to attend and vote on their behalf. The Chairman and the Board members are in attendance to provide explanations to shareholders' queries.

Extraordinary General Meetings are held as and when shareholders' approvals are required on specific matters and shareholders are notified of such meetings in accordance with the KLSE Listing Requirements.

ACCOUNTABILITY AND AUDIT

(a) Financial Reporting

The Board aims to present a balanced and understandable assessment of the Group's position and prospect through the annual financial statements and quarterly announcements to shareholders. The Board is also responsible for ensuring that the accounting records of the Group are properly kept. The Board discusses and reviews the recommendations proposed by the Audit Committee prior to adoption of the financial statements of the Group and of the Company.

STATEMENT ON corporate governance

(b) Internal Control

The Directors acknowledge their overall responsibility for the Group's system of internal control over both the financial and the non-financial aspects of the Group's activities. The Group is continuously looking into the adequacy and integrity of its system of internal controls.

The Internal Control Statement of the Group is set out in page 15 of the Annual Report.

RELATIONSHIP WITH AUDITORS

The Company has established transparent and appropriate relationships with the Company's auditors through the Audit Committee. The external auditors, Messrs Yeap Cheng Chuan & Co. has continued to report to the members of the Company their findings which are included as part of the Company's financial reports with respect to each year's audit on the statutory financial statements. From time to time, the auditors highlight to the Audit Committee and the Board of Directors on matters that requires the Board's attention.

SANCTIONS AND/OR PENALTIES IMPOSED ON THE COMPANY AND ITS SUBSIDIARY, DIRECTORS OR MANAGEMENT BY THE RELEVANT REGULATORY BODIES

There were no material penalties imposed by regulatory bodies on the Company and its subsidiary.

NON AUDIT FEES PAID TO EXTERNAL AUDITORS FOR THE FINANCIAL YEAR

There were no non audit fees paid to external auditors.

PROFIT ESTIMATES, FORECASTS OR PROJECTIONS

The Company did not release any profit estimates, forecasts or projections during the financial year.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company or its subsidiaries, involving Directors and major shareholders interest during the financial year.

UTILISATION OF PROCEEDS

During the year under review, there were no corporate proposals to raise funds by the Company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The following statement, which should be read in conjunction with the Report of the Auditors set out in page 22, is made with a view of enabling shareholders to distinguish the respective responsibilities of the Directors and the auditors in relation to the financial statement.

The Directors are satisfied that for the financial year ended 31 August 2002, the financial statements presented give a true and fair view of the state of affairs of the Group and of the Company and of the results and cash flows of the Group and of the Company. In preparing the financial statements, the Group has applied, on a consistent basis, the applicable approved accounting standards in Malaysia and provisions of the Companies Act, 1965, subject to any explanations and material departures, if any, disclosed in the notes to the financial statements.

The Directors have been responsible for taking reasonable steps to ensure that the Company and its subsidiaries cause to be kept such accounting and other records, that will sufficiently explain the transactions of the Company and its subsidiary.

COMPLIANCE WITH THE CODE

The Group has complied with the Code throughout the financial year ended 31st August 2002

RELATED PARTY TRANSACTIONS

Transactions made during the financial year ended 31st August, 2002 between the Company and its subsidiary, NWP Industries Sdn Bhd is dividend of RM 20,200,000 received from its subsidiary.

STATEMENT ON internal control

BOARD RESPONSIBILITY

The Board of Directors of NWP Holdings Berhad acknowledges its responsibility for the Group's system of internal controls and to review its effectiveness. The Board recognises the importance of ensuring that a sound system of internal control is in place to safeguard the shareholders' investments and the Group's assets.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives. In pursuing these objectives, internal controls can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT

There is no formal risk management framework being developed during the financial year. To overcome this problem, responsible executives play an important role in monitoring major business risks and appraising their financial implications. Proposed actions to be taken to resolve any unacceptable residual risks will then be highlighted to the Audit Committee and Board of Directors for approval.

The Board has expressed its intention to establish a formalized ongoing process of internal control system to ensure the achievement of its business objectives is not affected.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The management structure of the Group is defined, with clear lines of responsibility and delegation of authority. A process of hierarchical reporting has been established which provides for a documented and auditable trail of accountability.

Management accounts and reports are prepared monthly for effective monitoring and decision-making and also are discussed at the management meeting on a quarterly basis.

Effective reporting systems which expose significant variances against budget and plan are in place to monitor performance. Key variances are followed up by the management and reported to the Board on a quarterly basis.

Senior Management and Heads of Departments have many years of accumulated experience within the Group exercise a hands-on approach on the operational and financial affairs of the Company and Group

The Board undertakes on-going reviews of the key commercial and financial risks facing the Group's businesses together with more general risks such as those relating to compliance with laws and regulations.

CONCLUSION

No consequential material weaknesses were identified during the year under review and to the date of approval of annual report and financial statements. The management continues to take measures to strengthen the controls environment.

PROFILE OF board of directors

MAJID BIN MAT LAZIM

Malaysian, aged 40, is the Executive Chairman of the Company, appointed to the Board of Directors on 19 July 2000.

He holds a Certificate of Wood Machining and Timber Moulding from Majlis Amanah Rakyat.

He has more than 19 years experience in the timber moulded and related business activities. He also specialises in machinery maintenance and quality control and is very experienced in checking and grading timber products.

Encik Majid is a director and shareholder of Sepang Heights Sdn Bhd, a major shareholder of the Company. He has no family relationship with any director of the Company; no conflict of interest with the Company and has no convictions for offences within the past ten years.

He does not sit in any Board Committee and has attended four out of five Board Meetings held in the financial year ended 31 August 2002.

CHANG AH NGAU

Malaysian, aged 50, is the Managing Director of the Company, appointed to the Board of Directors on 19 July 2000.

He has more than 20 years experience in the timber moulding and related business activities. He is very conversant with timber grading, kiln-drying and all aspects of profile moulding operations. As a businessman, he has been involved in construction, plantation and investment sectors.

Mr Chang is a director and shareholder of Sepang Heights Sdn Bhd and Cashflow Budget Sdn Bhd, both major shareholders of the Company. He has no family relationship with any director of the Company; no conflict of interest with the Company and has no convictions for offences within the past ten years.

He is a member of the Audit Committee of the Company and has attended four out of five Board and Audit Committee Meetings held in the financial year ended 31 August 2002.

WONG SEE MING

Malaysian, aged 35, is an Executive Director of the Company, appointed to the Board of Directors on 29 January 2001.

He obtained a Bachelor of Arts (Professional Accounting and Management Information System) Degree from the Eastern Washington University, United States of America.

He has more than 10 years experience in the timber moulding and related business activities. As a businessman, he is also involved in properties construction, manufacturing, plantation and investment sectors. He currently sits on the Board of Bright Packaging Industry Berhad, a company listed on the Second Board of the Kuala Lumpur Stock Exchange, as a Non-Independent and Non-Executive Director.

Mr Wong See Ming holds 400,000 ordinary shares in the Company and is a shareholder of Sepang Heights Sdn Bhd, a major shareholder of the Company. He has no family relationship with any director of the Company; no conflict of interest with the Company and has no convictions for offences within the past ten years.

He is a member of the Remuneration Committee. He has attended all the Board Meetings of the Company since his appointment, held in the financial year ended 31 August 2002.

MOHD ZAHIRI BIN DATO' HAJI MAULUD

Malaysian, aged 43, is an Independent Non-Executive Director, appointed to the Board of Director on 19 July 2000.

He has a Degree in Business Administration from Mara Institute of Technology.

He has a total of 23 years experience in industries involved in timber products, retail, food, trading and manufacturing. He was a Director cum General Manager of Dewina Berhad, a company listed on the Second Board of the Kuala Lumpur Stock Exchange between 1992 to 1993 and is currently the Managing Director of Plus Eleven Sdn Bhd (a processed food manufacturer company) and a Director of Khemah Technology Sdn Bhd (a trading company). He also sits on the Board of Bright Packaging Industry Berhad, a company listed on the Second Board of the Kuala Lumpur Stock Exchange, as an Independent Non-Executive Director.

He has no family relationship with any director and major shareholder of the Company; no conflict of interest with the Company and has no convictions for offences within the past ten years.

He is a member of the Audit, Nominating and Remuneration Committees of the Company and has attended all the Board and Audit Committee Meetings of the Company held in the financial year ended 31 August 2002.

LEE KHIM SIN

Malaysian, aged 61, is an Independent Non-Executive Director of the Company, appointed to the Board of Directors on 19 July 2000.

He is a Chartered Accountant by profession. He graduated with a Bachelor of Arts Degree from Nanyang University, Singapore in 1962 and then qualified as Chartered Accountants in England in 1969. He is a Fellow of the Institute of Chartered Accountants in England and Wales and of the Malaysian Association of Certified Public Accountants and a member of the Malaysian Institute of Accountants. He is the Managing Partner of Messrs Hii & Lee, a firm of Chartered Accountants. Having been in the profession for more than 30 years, he has been closely involved in advising clients varying from small to multinational enterprises in the fields of corporate planning, management, mergers and acquisitions, investments and divestments of companies and businesses. He also sits on the Board of Unico Holdings Bhd.

He has no family relationship with any director and major shareholder of the Company; no conflict of interest with the Company and has no convictions for offences within the past ten years.

He is the Chairman of the Audit committee and a member of the Nominating and Remuneration Committees of the Company and has attended all the Board and Audit Committee Meetings held in the financial year ended 31 August 2002.

DIRECTORS' report for the year ended 31st August, 2002

The directors have pleasure in submitting their report and the audited financial statements of the group and of the company for the year ended 31st August, 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company is investment holding. The principal activities of the subsidiary company are manufacturing and selling of timber products. There have been no significant changes in the nature of these activities during the year.

RESULTS

	GROUP RM	COMPANY RM
Net profit for the year	10,181,843	20,108,319
Unappropriated profit brought forward	<u>21,215,781</u>	<u>4,175</u>
Profit available for appropriation	31,397,624	20,112,494
Bonus issue	<u>(20,000,000)</u>	<u>(20,000,000)</u>
Unappropriated profit carried forward	<u>11,397,624</u>	<u>112,494</u>

DIVIDENDS

No dividends have been paid or declared by the directors in respect of the financial year ended 31st August, 2002 on the ordinary shares of the company.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the year other than as disclosed in the statements of changes in equity.

BAD AND DOUBTFUL DEBTS

Before the income statements and balance sheets of the group and of the company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts is required.

At the date of this report, the directors are not aware of any circumstances that would require any amount to be written off as bad debts or provided for as doubtful debts in the financial statements of the group and of the company.

CURRENT ASSETS

Before the income statements and balance sheets of the group and of the company were made out, the directors took reasonable steps to ascertain whether any current assets, other than debts, were unlikely to realise in the ordinary course of business their value as shown in the accounting records of the group and of the company and to the extent so ascertained were written down to an amount that they might be expected to realise.

At the date of this report, the directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the group and of the company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the group and of the company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (i) any charge on the assets of the company or its subsidiary company that has arisen since the end of the financial year and secures the liabilities of any other person, or
- (ii) any contingent liability in respect of the company or its subsidiary company that has arisen since the end of the financial year.

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

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the group and of the company that would render any amounts stated in the respective financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the group and of the company for the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the group and of the company for the current financial year.

DIRECTORS' report for the year ended 31st August, 2002

ISSUE OF SHARES

During the financial year, the company increased its issued and paid-up share capital via a bonus issue of 20,000,000 new ordinary shares of RM1/- each on the basis of one new ordinary shares for every three existing shares held by way of capitalisation of retained profits.

All new shares issued rank pari passu in all respects with the existing issued shares of the company.

OPTIONS

No option has been granted during the financial year to take up unissued shares of the company.

DIRECTORS

The directors in office since the date of the last report are :-

MAJID BIN MAT LAZIM
CHANG AH NGAU
MOHD ZAHIRI BIN DATO' HAJI MAULUD
LEE KHIM SIN
WONG SEE MING

In accordance with the Articles of Association, Chang Ah Ngau retires from the Board at the Annual General Meeting and being eligible, offers himself for re-election.

DIRECTORS' INTERESTS

The directors who held office at the end of the financial year had, according to the Register of Directors' Shareholdings, interests in the shares of the company and its related corporations are as follows :-

Shareholdings in the name of the Director	Number of Ordinary RM1/- Share			Balance 31.08.2002
	Balance 01.09.2001	Bonus issue /Bought	Sold	
WONG SEE MING	300,000	100,000	-	400,000
MOHD ZAHIRI BIN DATO' HAJI MAULUD	10,000	-	10,000	-

Shareholdings in which the Director is deemed to have an interest	Number of Ordinary RM1/- Share			Balance 31.08.2002
	Balance 01.09.2001	Bonus issue /Bought	Sold	
CHANG AH NGAU*	38,249,999	12,750,000	286,000	50,713,999
MAJID BIN MAT LAZIM	33,149,999	11,050,000	286,000	43,913,999
WONG SEE MING	33,149,999	11,050,000	286,000	43,913,999

* Held through Sepang Heights Sdn. Bhd. and Cash Flow Budget Sdn. Bhd. which own 54.89% and 8.50% of equity interest respectively in the company.

DIRECTORS' INTERESTS (Cont'd)

SEPANG HEIGHTS SDN. BHD. (Holding Company)	Number of Ordinary RM1/- Share			Balance 31.08.2002
	Balance 01.09.2001	Bought	Sold	
MAJID BIN MAT LAZIM	400,000	-	-	400,000
CHANG AH NGAU	50,000	-	-	50,000
WONG SEE MING	50,000	-	-	50,000

DIRECTORS' BENEFITS

Since the end of previous financial year, no director of the company has received or become entitled to receive any benefit (other than the fees and emoluments as shown in the financial statements) 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.

Neither during nor at the end of the financial year, was the company a party to any arrangement whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

HOLDING COMPANY

The directors regard Sepang Heights Sdn. Bhd., a company incorporated in Malaysia, as the holding company.

AUDITORS

The auditors, Messrs Yeap Cheng Chuan & Co., Chartered Accountants, have indicated their willingness to continue in office.

Signed On behalf of the Board of Directors
in accordance with their resolution dated 23rd December, 2002

CHANG AH NGAU
Managing Director

WONG SEE MING
Executive Director

Petaling Jaya,
23rd December, 2002

REPORT OF THE AUDITORS TO THE MEMBERS OF

NWP Holdings Berhad (Incorporated in Malaysia)

FINANCIAL STATEMENT - 31st August, 2002

We have audited the accompanying balance sheets of **NWP HOLDINGS BERHAD**, as at 31st August, 2002 and the related income and cash flow statements for the year then ended as set out on pages 23 to 41. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing of the accounting principles used and significant estimates made by directors, as well as evaluating the overall financial statements presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements are properly drawn up in accordance with the provision of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of :-
 - (i) the state of affairs of the group and of the company as at 31st August, 2002 and of the results and the cash flows of the group and of the company for the year ended on that date, and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements.

and

- (b) the accounting and other records and the registers required by the Act to be kept by the company and its subsidiary company have been properly kept in accordance with the provisions of the Act.

We are satisfied that the financial statements of the subsidiary company that have been consolidated with the company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for these purposes.

The auditors' report on the financial statements of the subsidiary company was not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Companies Act, 1965.

YEAP CHENG CHUAN & CO.

No. AF 0116

Chartered Accountants

YEAP CHENG CHUAN

No. 566/4/04 (J/PH)

Chartered Accountant

Petaling Jaya,
23rd December, 2002

CONSOLIDATED balance sheet 31st August, 2002

	Note	2002 RM	2001 RM
PROPERTY, PLANT & EQUIPMENT	4	39,047,822	32,255,074
CURRENT ASSETS			
Inventories	6	19,785,906	13,005,536
Trade receivables	7	16,143,998	6,564,802
Other receivables & deposits		4,261,199	278,732
Cash & bank balances		19,318,703	36,603,273
		59,509,806	56,452,343
Less :			
CURRENT LIABILITIES			
Trade payables		165,768	834,566
Other payables & accruals		898,750	302,402
Bank borrowings	8	1,933,000	1,824,000
Hire purchase creditors	10	11,678	11,678
Taxation		129,934	486,439
		3,139,130	3,459,085
Net current assets		56,370,676	52,993,258
		95,418,498	85,248,332
Represented by :-			
SHARE CAPITAL	9	80,000,000	60,000,000
SHARE PREMIUM		4,018,960	4,018,960
UNAPPROPRIATED PROFIT		11,397,624	21,215,781
		95,416,584	85,234,741
HIRE PURCHASE CREDITORS	10	1,914	13,591
		95,418,498	85,248,332

The above consolidated balance sheet is to be read in conjunction with the notes to financial statements on pages 31 - 41.

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CONSOLIDATED statement of changes in equity for the year ended 31st August, 2002

	Note	Share Capital RM	Share Premium RM	Unappropriated Profit RM	Total RM
Balance at 1st September, 2000		51,000,000	-	16,348,334	67,348,334
Public issue		9,000,000	-	-	9,000,000
Issuance of shares at premium		-	5,400,000	-	5,400,000
Listing expenses written off		-	(1,381,040)	-	(1,381,040)
Net profit for the year		-	-	10,867,447	10,867,447
Dividend	16	-	-	(6,000,000)	(6,000,000)
Balance at 31st August, 2001		60,000,000	4,018,960	21,215,781	85,234,741
Bonus issue		20,000,000	-	(20,000,000)	-
Net profit for the year		-	-	10,181,843	10,181,843
Balance at 31st August, 2002		80,000,000	4,018,960	11,397,624	95,416,584

The above consolidated statement of changes in equity is to be read in conjunction with the notes to financial statements on pages 31 - 41.

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CONSOLIDATED income statement for the year ended 31st August, 2002

	Note	2002 RM	2001 RM
Revenue	11	58,447,752	54,654,836
Cost of sales		(47,427,828)	(42,041,278)
Gross profit		11,019,924	12,613,558
Other operating income		776,952	56,477
Administrative expenses		(1,305,386)	(1,146,457)
Other operating expenses		(259,787)	(102,379)
Finance cost	12	(368,832)	(155,641)
Profit before taxation	13	9,862,871	11,265,558
Taxation	14	318,972	(398,111)
Profit for the year		10,181,843	10,867,447
Basic earnings per share	15	RM0.13	RM0.14
Fully diluted earnings per share		-	-

The above consolidated income statement is to be read in conjunction with the notes to financial statements on pages 31- 41.

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CONSOLIDATED cash flow statement for the year ended 31st August, 2002

	2002 RM	2001 RM
CASH FLOWS FROM OPERATING ACTIVITIES :-		
Profit before taxation	9,862,871	11,265,558
Adjustments for :-		
Allowance for doubtful debts	58,710	-
Depreciation	3,050,779	1,746,814
Interest expense	296,160	91,390
Interest income	(741,863)	(74,909)
(Gain) / loss on disposal of plant and equipment	(14,747)	3,413
Operating profit before working capital changes	12,511,910	13,032,266
(Increase)/ Decrease in inventories	(6,780,370)	2,786,619
Increase in receivables	(13,620,373)	(1,382,680)
Increase / (Decrease) in payables	36,550	(1,185,520)
Cash (absorbed) / generated by operations	(7,852,283)	13,250,685
Interest paid	(293,798)	(91,390)
Taxes paid	(37,533)	(96,196)
Net cash (used) / generated from operating activities	(8,183,614)	13,063,099
CASH FLOWS FROM INVESTING ACTIVITIES :-		
Purchase of property, plant and equipment	(10,402,430)	(13,848,430)
Interest received	741,863	74,909
Proceeds from disposal of plant and equipment	573,650	9,634
Net cash used in investing activities	(9,086,917)	(13,763,887)
CASH FLOWS FROM FINANCING ACTIVITIES :-		
Issue of shares	-	14,400,000
Payment of listing expenses	-	(943,139)
Interest paid	(2,362)	-
Dividend paid	-	(6,000,000)
Repayment of hire purchase creditors	(11,677)	(30,315)
Net cash (used) / provided by financing activities	(14,039)	7,426,546
Net (decrease)/increase in cash and cash equivalents	(17,284,570)	6,725,758
Cash and cash equivalents brought forward	36,603,273	29,877,515
Cash and cash equivalents carried forward	19,318,703	36,603,273
Represented by :-		
Cash & bank balances	19,318,703	36,603,273

The above consolidated cash flow statement is to be read in conjunction with the notes to financial statements on pages 31 - 41.

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BALANCE sheet 31st August, 2002

	Note	2002 RM	2001 RM
SUBSIDIARY COMPANY	5	91,733,342	71,625,347
CURRENT ASSETS			
Deposit & prepayment		4,900	1,900
Cash & bank balances		4,395	9,362
		9,295	11,262
Less :			
CURRENT LIABILITIES			
Other payables & accrued liabilities		11,183	13,474
Net current liabilities		(1,888)	(2,212)
		91,731,454	71,623,135
Represented by :-			
SHARE CAPITAL	9	80,000,000	60,000,000
SHARE PREMIUM		11,618,960	11,618,960
UNAPPROPRIATED PROFIT		112,494	4,175
		91,731,454	71,623,135

The above balance sheet is to be read in conjunction with the notes on the financial statements on pages 31 - 41.

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STATEMENT of changes in equity for the year ended 31st August, 2002

	Note	Share Capital RM	Share Premium RM	Unappropriated Profit RM	Total RM
Balance at 1st September, 2000		51,000,000	7,600,000	43,785	58,643,785
Public issue		9,000,000	-	-	9,000,000
Issuance of shares at premium		-	5,400,000	-	5,400,000
Listing expenses written off		-	(1,381,040)	-	(1,381,040)
Net profit for the year		-	-	5,960,390	5,960,390
Dividends	16	-	-	(6,000,000)	(6,000,000)
Balance at 31st August, 2001		60,000,000	11,618,960	4,175	71,623,135
Bonus issue		20,000,000	-	(20,000,000)	-
Net profit for the year		-	-	20,108,319	20,108,319
Balance at 31st August, 2002		80,000,000	11,618,960	112,494	91,731,454

The above statement of changes in equity is to be read in conjunction with the notes to financial statements on pages 31 - 41.

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INCOME statement for the year ended 31st August, 2002

	Note	2002 RM	2001 RM
Revenue	11	20,200,000	6,015,019
Administration expenses		(67,801)	(38,291)
Other operating expenses		(19,629)	(16,094)
Finance cost	12	(55)	(244)
Profit before taxation	13	20,112,515	5,960,390
Taxation	14	(4,196)	-
Profit for the year		20,108,319	5,960,390
Basic earnings per share	15	RM0.25	RM0.07
Fully diluted earnings per share		-	-

The above income statement is to be read in conjunction with the notes to financial statements on pages 31 - 41.

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CASH FLOW statement for the year ended 31st August, 2002

	2002 RM	2001 RM
CASH FLOWS FROM OPERATING ACTIVITIES :-		
Net profit for the year	20,112,515	5,960,390
Adjustments for :-		
Interest income	-	(15,019)
Dividend income	(20,200,000)	(6,000,000)
Operating loss before working capital changes	(87,485)	(54,629)
Changes in receivables	(3,000)	(1,900)
Changes in payables	(2,291)	9,150
Cash absorbed by operation	(92,776)	(47,379)
Interest received	-	15,019
Taxes paid	(4,196)	-
Net cash used by operating activities	(96,972)	(32,360)
CASH FLOWS FROM INVESTING ACTIVITIES :-		
Dividend received	20,200,000	6,000,000
CASH FLOWS FROM FINANCING ACTIVITIES :-		
Advances to subsidiary company	(20,107,995)	(13,459,250)
Dividend paid	-	(6,000,000)
Issue of shares	-	14,400,000
Payment of listing expenses	-	(943,139)
Net cash used by financing activities	(20,107,995)	(6,002,389)
Net decrease in cash and cash equivalents	(4,967)	(34,749)
Cash and cash equivalents brought forward	9,362	44,111
Cash and cash equivalents carried forward	4,395	9,362
Represented by :-		
Cash and bank balances	4,395	9,362

The above cash flow statement is to be read in conjunction with the notes to financial statements on pages 31 - 41.

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NOTES TO financial statements 31st August, 2002

1. PRINCIPAL ACTIVITIES

The principal activity of the company is investment holding. The principal activities of the subsidiary company are manufacturing and selling of timber products. There have been no significant changes in the nature of these activities during the year.

The address of the principal place of business of the Company is :-

63C, Jalan SS 21/60,
Damansara Utama,
47400 Petaling Jaya.
Selangor Darul Ehsan.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the company have been prepared in accordance with applicable approved accounting standards issued by the Malaysian Accounting Standards Board and the provisions of the Companies Act, 1965.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) General

All accounting policies are consistent with those applied in the previous year.

(b) Accounting Convention

The financial statements have been prepared under the historical cost convention unless otherwise indicated in the accounting policies set out below.

(c) Subsidiary Company

A subsidiary company is a company in which the Company, directly or indirectly, controls more than half the voting power or issued share capital or controls the composition of the board of directors.

The company's interests in subsidiary companies are stated at cost or valuation, and are written down when the Directors consider that there is a permanent impairment in value of such investments. Permanent impairment in value of such investments is recognised as an expense in the income statement of the financial year in which the impairment is identified, unless the investments are carried at revalued amount.

Increase arising from valuation is credited to equity as a revaluation surplus; any subsequent decrease is first offset against an increase on earlier valuation in respect of the same investment and is thereafter charged to the income statement. Upon disposal of the revalued investments, the amount in revaluation reserve relating to those investments are transferred directly to retained profits.

On disposal, the difference between the net disposal proceeds and the carrying amount of the subsidiary company disposed of is taken to the income statement.

(d) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary company made up to the end of the financial year. All inter-company transactions are eliminated on consolidation and the consolidated financial statements reflect external transactions only. The subsidiary company is consolidated on the merger method of accounting.

NOTES TO financial statements 31st August, 2002

3. SIGNIFICANT ACCOUNTING POLICIES (*Cont'd*)

Under the merger method of accounting, the results of subsidiary companies are accounted for on a full year basis irrespective of the date of merger. The difference between the nominal value of the shares issued as consideration for the merger and the nominal value of the share capital of the subsidiary companies acquired are taken to capital reserves.

The financial statements of the subsidiary company is prepared for the same reporting period as the company. In the preparation of the consolidated financial statements, the financial statements of the subsidiary company is adjusted for the effects of any dissimilar accounting policies.

(e) *Property, Plant and Equipment*

(i) *Measurement Basis*

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and any impairment losses.

Revaluations are made at least once every five years by an independent valuer on an open market basis. Any increase arising from valuation is credited to equity as a revaluation reserve. Any decrease in value is first offset against an increase on the earlier valuation in respect of the same property and is thereafter charged to the income statement. Upon the disposal of the revalued assets, the amounts in revaluation reserve relating to those assets are transferred directly to retained profits.

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. Impairment is measured by comparing the carrying values of the assets with their recoverable amount. An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. An impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

Any subsequent increase in the recoverable amount of an asset is treated as reversal of previous impairment loss and is recognised to the extent if the carrying amount of the assets that would have been determined had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

(ii) *Depreciation*

Leasehold land and buildings are amortised on a straight line basis over its remaining lease periods.

All other property, plant and equipment are depreciated on a straight line basis over their estimated useful lives with full depreciation in the month of acquisition and no depreciation in the month of disposal. The principal annual rates used are as follows :-

	%
Factory building and staff quarters	2
Plant & machinery	10
Motor vehicles, office equipment and others	10 - 20

Gain and loss on disposal of property, plant and equipment is determined by references to its carrying amount and is taken to the income statement in the financial year in which it was disposed.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on first-in, first-out method.

Cost of finished goods and work-in-progress consist of cost of raw materials, direct expenditure and production overheads where appropriate. In arriving at net realisable value, due allowance is made for all obsolete and slow-moving stock items.

(g) Receivables

Receivables are recognised and carried at original invoiced amount less an allowance for any uncollectible amounts. Known bad debts are written off and allowance is made for any receivables considered to be doubtful of collection.

(h) Payables

Payables are recognised and carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether billed or unbilled.

(i) Lease and Hire Purchase Commitments

Assets acquired under finance leases and hire purchase which in substance transfer all the risks and benefits of ownership of the assets to the company have been capitalised under property, plant and equipment and the corresponding liabilities are taken up as lease creditors. These assets are depreciated on the same basis as that of the company's other assets. The finance charges are allocated to the income statement so as to give a constant periodic rate of charge on the remaining lease liability.

Leases which do not meet such criteria are classified as operating leases and the related rentals are charged to the income statement as incurred.

(j) Income Recognition

- (i) Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer.
- (ii) Revenue from services rendered is recognised upon performance of services.
- (iii) Interest income is recognised on a time proportion basis.
- (iv) Dividends are recognised when the right to receive payment is established.

(k) Foreign Currencies

Transactions in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the transaction dates. All exchange differences are taken to the income statement. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the foreign exchange rate ruling at that date.

The principal closing rate used in translation of foreign currency amount was as follows :-

	2002 RM	2001 RM
1 US Dollar	3.80	3.80

NOTES TO financial statements 31st August, 2002

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(l) Taxation

The tax expense in the income statement represents taxation at current tax rates based on results for the financial year adjusted for items which are non-assessable or non-deductible, net of any under/over provision of taxation in previous years and deferred taxation.

Deferred taxation is provided on the liability method for taxation deferred in respect of all material timing differences except where it is thought reasonably probable that the tax effects of such deferrals will continue in the foreseeable future. Deferred tax benefits are only recognised when there is a reasonable expectation of realisation in the near future.

(m) Cash and Cash Equivalents

Cash comprises cash in hand, at bank and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts.

(n) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed (for example, under an insurance contract), the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

4. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows :-

GROUP

	At valuation		At cost		Total RM
	Leasehold land & buildings RM	Factory building & staff quarters RM	Plant & machinery RM	Motor vehicles, office equipment, and others RM	
<u>Cost/ Valuation</u>					
At 1.9.2001	14,335,512	126,633	26,088,320	2,386,677	42,937,142
Additions	-	3,108,000	7,243,881	50,549	10,402,430
Disposals	-	-	(563,600)	-	(563,600)
At 31.8.2002	14,335,512	3,234,633	32,768,601	2,437,226	52,775,972

4. PROPERTY, PLANT AND EQUIPMENT (*Cont'd*)

	At valuation	At cost			Total RM
	Leasehold land & buildings RM	Factory building & staff quarters RM	Plant & machinery RM	Motor vehicles, office equipment, and others RM	
Accumulated depreciation					
At 1.9.2001	1,836,913	211	7,617,572	1,227,372	10,682,068
Charge for the year	242,423	64,693	2,564,778	178,885	3,050,779
Disposals	-	-	(4,697)	-	(4,697)
At 31.8.2002	2,079,336	64,904	10,177,653	1,406,257	13,728,150
Net book value at 31.8.2002	12,256,176	3,169,729	22,590,948	1,030,969	39,047,822
Net book value at 31.8.2001	12,498,599	126,422	18,470,748	1,159,305	32,255,074
Depreciation charged for the year ended 31.8.2001	267,868	211	1,392,899	85,836	1,746,814

(a) The net book value of assets stated at valuation had they been stated at cost less accumulated depreciation would have been RM12,021,333 (2001 : RM9,163,042).

(b) Included in the property, plant and equipment are plant & machinery acquired under hire purchase arrangement with net book value of RM38,233 (2001 : RM50,633).

5. SUBSIDIARY COMPANY

	2002 RM	2001 RM
Unquoted shares, at cost	53,640,714	53,640,714
Amount due by subsidiary	38,092,628	17,984,633
	<u>91,733,342</u>	<u>71,625,347</u>

NOTES TO financial statements 31st August, 2002

5. SUBSIDIARY COMPANY (Cont'd)

The subsidiary company as at 31st August, 2002 is :-

Name of Company	Country of Incorporation	Principal Activities	Effective Equity Interest	
			2002	2001
NWP Industries Sdn. Bhd.	Malaysia	Manufacturing and selling of timber products	100%	100%

The amount due by subsidiary company is unsecured, interest free and has no fixed terms of repayment.

6. INVENTORIES

	Group	
	2002 RM	2001 RM
At cost		
Raw materials	16,417,493	12,228,467
Work-in-progress	39,992	146,963
Finished goods	3,328,421	630,106
	<u>19,785,906</u>	<u>13,005,536</u>

7. TRADE RECEIVABLES

	Group	
	2002 RM	2001 RM
Gross receivables	16,202,708	6,564,802
Allowance for doubtful debts	(58,710)	-
	<u>16,143,998</u>	<u>6,564,802</u>

8. BANK BORROWINGS

	Group	
	2002 RM	2001 RM
Bankers' acceptances	1,479,000	388,000
Bills payable	454,000	1,436,000
	<u>1,933,000</u>	<u>1,824,000</u>

8. BANK BORROWINGS (Cont'd)

The bank borrowings are secured by :-

- (a) Legal charges over the leasehold land and buildings of the company;
- (b) Registered debentures over all the fixed and floating assets of the company;
- (c) Corporate guarantee by the ultimate holding company; and
- (d) Jointly and severally guaranteed by two directors of the company.

The company has bank overdraft facility bearing interest ranging from 1.5% to 2.0% (2001: 1.5% to 2.0%) above the base lending rates of the reference banks and is secured in the manner as above.

As at 31st August, 2002, the company has no overdraft balances.

9. SHARE CAPITAL

	2002 RM	2001 RM
Authorised Ordinary shares of RM1/- each	100,000,000	100,000,000
Issued and fully paid up Ordinary shares of RM1/- each :-		
- Balance as at 1st September	60,000,000	51,000,000
- Bonus issue	20,000,000	-
- Public issue	-	9,000,000
- Balance as at 31st August	80,000,000	60,000,000

On 6th June, 2002 the Company made a bonus issue of 20,000,000 new ordinary shares of RM1/- each on the basis of one new ordinary share for every three existing ordinary shares held by way of capitalisation of retained profits.

All new shares issued rank pari passu in all respects with the existing issued shares of the company.

10. HIRE PURCHASE CREDITOR

	2002 RM	2001 RM
Total future installments payable	16,348	30,388
Unexpired interest	(2,756)	(5,119)
Total future principal payable	13,592	25,269

NOTES TO financial statements 31st August, 2002

10. HIRE PURCHASE CREDITOR (*Cont'd*)

	2002 RM	2001 RM
Future installments payable		
- not later than one year	14,040	14,040
- later one year and not later than five years	2,308	16,348
	<u>16,348</u>	<u>30,388</u>
Future principal payable		
- not later than one year <i>(included under current liabilities)</i>	11,678	11,678
- later one year and not later than five years	1,914	13,591
	<u>13,592</u>	<u>25,269</u>

11. REVENUE

Revenue of the company represents dividend income received from subsidiary company. Revenue of the group represents the invoiced value of sales less returns and discounts allowed. Revenue of the group excludes intergroup transaction.

12. FINANCE COST

	Group	
	2002 RM	2001 RM
Finance cost consist of :-		
Bank charges & commission	72,645	64,251
Interest on hire purchase	2,362	7,789
Interest on bank overdraft	251,483	83,601
Bank interest	42,342	-
	<u>368,832</u>	<u>155,641</u>

	Company	
	2002 RM	2001 RM
Finance cost consist of :-		
Bank charges & commission	55	244
	<u>55</u>	<u>244</u>

13. PROFIT BEFORE TAXATION

	Group	
	2002 RM	2001 RM
Profit before taxation is stated :-		
After charging :-		
Auditors' remuneration		
- current year provision	15,000	15,000
- overprovision in prior year	(3,000)	-
Directors' remuneration :-		
- Directors' fee	42,000	42,000
- Directors' allowance	72,775	48,160
- Directors' salaries	108,489	48,065
- Other emoluments	14,285	6,615
Depreciation	3,050,779	1,746,814
Rental	31,800	30,550
Staff costs	474,795	496,652
Loss on disposal of property, plant and equipment	-	3,413
	<hr/>	<hr/>
And crediting :-		
Fixed deposit interest received	101,534	59,890
Interest received	640,329	15,019
Gain on foreign exchange - realised	20,343	-
Gain on disposal of plant and equipment	14,747	-
	<hr/>	<hr/>

	Company	
	2002 RM	2001 RM
Profit before taxation is stated :-		
After charging :-		
Auditors' remuneration	2,000	2,000
	<hr/>	<hr/>
And crediting :-		
Dividend received (Gross)	20,200,000	6,000,000
Interest received	-	15,019
	<hr/>	<hr/>

14. TAXATION

	Group	
	2002 RM	2001 RM
Taxation based on the profit :-		
- Current year provision	(28,500)	(398,111)
- Overprovision in prior year	347,472	-
	<hr/>	<hr/>
	318,972	(398,111)
	<hr/>	<hr/>

NOTES TO financial statements 31st August, 2002

14. TAXATION (Cont'd)

	Company	
	2002	2001
	RM	RM
Taxation based on the profit :-		
- Underprovision in prior year	(4,196)	-

The timing differences of which deferred tax assets have not been recognised in the financial statements as at 31st August, 2002 were as follows :-

	Group	
	2002	2001
	RM	RM
Unutilised tax incentives	14,213,000	8,001,000
Unabsorbed capital allowances	5,419,000	8,362,000
	19,632,000	16,363,000

15. EARNINGS PER SHARE

The earnings per share has been calculated based on the profit after taxation of RM10,181,843 (2001 : RM10,867,447) for the group and RM20,108,319 (2001 : RM5,960,390) for the company on the weighted average number of 80,000,000 (2001 : 80,000,000) ordinary shares of RM1/- each in issue during the year.

The earnings per share of the group and of the company for the year ended 31st August, 2001 had been restated as comparative based on the weighted average number of 80,000,000 ordinary shares of RM1/- each.

16. DIVIDENDS

	2002	2001
	RM	RM
Interim tax exempt dividend of RM Nil (2001 : RM0.10) per ordinary share of RM1/- each	-	6,000,000

17. HOLDING COMPANY

The holding company is Sepang Heights Sdn. Bhd., a company incorporated in Malaysia which holds 54.89% equity of the company.

18 SEGMENT REPORTING

The group is principally engaged in the manufacturing and selling of timber products within Malaysia. The other segments of activities are not significant and as such no segmental analysis is reported.

19. RELATED PARTY TRANSACTION

	<u>Company</u>	
	<u>2002</u>	<u>2001</u>
	RM	RM
Tax exempt dividend received from subsidiary company	20,200,000	6,000,000

20. NUMBER OF EMPLOYEES AND REGISTERED OFFICE

The number of employees in the group and in the company (excluding directors) as at 31st August, 2002 were 272 (2001 :304) and 4 (2001 : 4) respectively. The registered office of the company is located at Unit 1119, 11th Floor, Block A, Damansara Intan, No. 1, Jalan SS 20/27, 47400 Petaling Jaya, Selangor Darul Ehsan.

21. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The company's financial statements were authorised for issue on 23rd December, 2002 by the Board of Directors.

STATEMENT by directors

We, **CHANG AH NGAU** and **WONG SEE MING**, being two of the Directors of **NWP HOLDINGS BERHAD**, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 23 to 41 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to exhibit a true and fair view of the state of affairs of the Group and of the Company as at 31st August, 2002 and of the results and cash flows of the Group and of the Company for the year then ended.

Signed at Petaling Jaya this 23 day of December, 2002

Signed on behalf of the Board of Director in accordance with their resolution dated 23rd December, 2002

CHANG AH NGAU
Managing Director

WONG SEE MING
Executive Director

STATUTORY declaration

I, **WONG SEE MING**, being the Director primarily responsible for the financial management of **NWP HOLDINGS BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief the financial statements set out on pages 23 to 41 are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed **WONG SEE MING**
at Kuala Lumpur this 23 day of December, 2002

WONG SEE MING

Before me,

KAN MANG FONG (PPN)
Commissioner for Oaths
Kuala Lumpur

LIST OF properties As At 31st December, 2002

Location	Description/ Existing Use	Tenure/ Expiry Date	Land Area/ Built-up Area (sq ft)	Net Book Value RM'000	Age of Building (Years)
Country Lease 025339566, Kampung Lanas, Mukim of Kimanis, Papar District, Sabah	Consist of main office, tool and saw-doctoring rooms, machinery sheds, kiln drying bays, boiler building, stacking sheds, labourline, canteen and a timber workshop.	99 years lease expiring on 31 December 2064	435,600	7,250,560	9
Country Lease 025348298, Kampung Lanas, Mukim of Kimanis, Papar District, Sabah	Consist of machinery sheds, generator set room, kiln drying bays, staff quarters and with gross floor area of 99,880 square feet. The building is adjoining the property mentioned above.	99 years lease expiring on 31 December 2096	288,803	5,248,038	6

ANALYSIS OF shareholdings As At 31st December, 2002

SHARE CAPITAL

Authorised Share Capital	:	RM 100,000,000
Issued and Fully Paid Up Capital	:	RM 80,000,000
Class of Shares	:	Ordinary Shares of RM 1.00 each
Voting Rights	:	One vote per shareholder on a show of hands One vote per share on a poll

SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shares	Percentage	No. of Shareholders	Percentage
1 - 499	1,696	0.00	11	1.26
500 - 5,000	1,181,636	1.48	828	94.63
5,001 - 10,000	79,999	0.10	12	1.37
10,001 - 100,000	121,002	0.15	6	0.69
100,001 - 1,000,000	1,041,334	1.30	4	0.46
Above 1,000,000	77,574,333	96.97	14	1.60
TOTAL	80,000,000	100.00	875	100.00

LIST OF 30 largest shareholders As At 31st December, 2002

No.	Name of Shareholders	No. of Shares	Percentage
1	Sepang Heights Sdn Bhd	43,913,999	54.89
2	Cashflow Budget Sdn Bhd	6,800,000	8.50
3	Tibow Sawmill Sdn Bhd	3,934,867	4.92
4	Fibre Optic World Sdn Bhd	3,790,799	4.74
5	Chan Wai Peng	3,612,000	4.51
6	Tegas Erti Sdn Bhd	3,400,000	4.25
7	Vector Thunder Sdn Bhd	2,340,000	2.93
8	Ding Ming Tiong	1,941,334	2.43
9	Wong Oi Sang	1,601,333	2.00
10	Hoh Kim Ling	1,334,667	1.67
11	Pang Kwee Yin	1,333,334	1.67
12	Heliodoro Canalija Dayanan	1,236,000	1.55
13	Lim Keng Loong	1,201,333	1.50
14	Wong Yoon Moi	1,134,667	1.42
15	Wong Siew Fong	400,000	0.50
16	Wong See Ming	400,000	0.50
17	Wong Say Hong	134,667	0.17
18	Teh Beng Geok	106,667	0.13
19	Kenanga Nominees (Tempatan) Sdn Bhd Pledged securities account for Chan Whye Lan @ Chin Pok Lah	28,000	0.04
20	Citicorp Nominees (Tempatan) Sdn Bhd Pledged securities account for Chua Lin Chai	26,667	0.03
21	Wong Siew Phin	26,667	0.03
22	Chang Chee Ching	13,335	0.02
23	Wong Siew Yoong	13,333	0.02
24	Lee Wan Loy	13,000	0.02
25	Rafais (M) Sdn Bhd	10,000	0.01
26	Wong Lee Kong	10,000	0.01
27	Niew Lay Cha	8,000	0.01
28	Liew Siew Kian	8,000	0.01
29	Chai Yoon Heng	6,667	0.01
30	Getiah Binti Pokni	5,334	0.01

LIST OF substantial shareholders As At 31st December, 2002

Name of Substantial Shareholders	No. of Shares	%
Chang Ah Ngau	50,713,999 (Indirect) *	63.39
Majid Bin Mat Lazim	43,913,999 (Indirect) **	54.89
Wong See Ming	43,913,999 (Indirect) **	54.89
Sepang Heights Sdn Bhd	43,913,999	54.89
Cashflow Budget Sdn Bhd	6,800,000	8.50

Note:-

* Deemed interest by virtue of his equity interest in Sepang Heights Sdn Bhd and Cashflow Budget Sdn Bhd.

** Deemed Interest by virtue of his equity interest in Sepang Heights Sdn Bhd.

STATEMENT OF DIRECTORS' interest in shares At At 31st December, 2002

Name	NWP Holdings Berhad	
	Direct Interest No. of ordinary shares of RM 1.00 each	Indirect Interest
Chang Ah Ngau	-	50,713,999 *
Majid Bin Mat Lazim	-	43,913,999 **
Wong See Ming	400,000	43,913,999**
Mohd. Zahiri Bin Dato' Haji Maulud	-	-
Lee Khim Sin	-	-

Note:-

* Deemed interest by virtue of his equity interest in Sepang Heights Sdn Bhd and Cashflow Budget Sdn Bhd.

** Deemed Interest by virtue of his equity interest in Sepang Heights Sdn Bhd.



PROXY FORM

I/We _____ NRIC No. _____

of _____

being a Member/Members of **NWP Holdings Berhad** hereby appoint _____

_____ NRIC No. _____

of _____

or failing him/her _____ NRIC No. _____

of _____

as my/our proxy to vote for me/us and on my/our behalf at the Third Annual General Meeting of the Company to be held at Tiara Delima, Hotel Singgahsana, Persiaran Barat, Off Jalan Sultan 46760 Petaling Jaya, Selangor Darul Ehsan on Saturday, 22nd February 2003 at 11.00 a.m. and at any adjournment thereof, as indicated below: -

NO.	RESOLUTIONS	FOR	AGAINST
1.	To receive and adopt the Audited Financial Statements of the Company for the year ended 31st August 2002 and the Reports of the Directors and Auditors thereon.		
2.	To re-elect Mr. Chang Ah Ngau as a Director.		
3.	To re-appoint Messrs. Yeap Cheng Chuan & Co as the Company's Auditors and to authorize the Directors to fix their remuneration.		
As Special Business:			
4.	<i>Ordinary Resolution</i> Authority for the Directors to issue shares pursuant to Section 132D of the Companies Act, 1965		

Please indicate with a cross (X) how you wish your votes to be casted in respect of each Resolution. In the absence of specific directions, your proxy will vote or abstain as he thinks fit.

Signed this _____ day of _____ 2003

NUMBER OF SHARES HELD

Signature(s) / Common Seal of Shareholder(s)

Notes:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. 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.
2. A member shall be entitled to appoint more than one(1) proxy to attend and vote at the meeting provided that the provision of Section 149(1)(c) of the Companies Act, 1965 are complied with.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, it must be either under its seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing the proxy must be deposited at the Registered Office of the Company at Unit 1119, 11th Floor, Block A, Damansara Intan, No. 1, Jalan SS 20/27, 47400 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the Meeting or any adjournment thereof.

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STAMP

To: The Company Secretary
NWP HOLDINGS BERHAD (495476-M)
Unit 1119, 11th Floor, Block A
Damansara Intan
No. 1, Jalan SS 20/27
47400 Petaling Jaya
Selangor Darul Ehsan

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