

NV MULTI CORPORATION BERHAD

Company No: 204888 D

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2002

Notes

1. *Accounting Policies*

The quarterly financial statements have been prepared using the same accounting policies and methods of computation as adopted in the preparation of the Group's audited accounts for the financial year ended 31 December 2001.

2. *Exceptional Item*

There was a loss of RM0.3 million on the disposal of 5% investment in a subsidiary company as disclosed in Note 7(a) below.

3. *Extraordinary Item*

There was no extraordinary item for the current financial period ended 30 June 2002.

4. *Taxation*

The taxation charges of the Group for the current financial period ended 30 June 2002 were as follows:-

	Current Quarter	Current Year To Date
	RM'000	RM'000
Malaysian taxation	2,309	3,928
Under or over provision of taxation in respect of prior years	-	-
Provision for deferred taxation	-	-
Total	2,309	3,928

5. *Sale of Investments and / or Properties*

There were no sales of investments or properties for the current financial period ended 30 June 2002 except as disclosed in Note 7 (a) and (d) below.

6. *Quoted Securities*

There was no purchase or disposal of quoted securities for the current financial period ended 30 June 2002.

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7. *Changes in the Composition of the Group*

- (a) As announced on 11 April 2002, the Company has completed the transfer of 250,000 ordinary shares of RM1.00 each equivalent to 5% equity interest in NV Care Sdn Bhd (“NVC”) to Credence Image Sdn Bhd in accordance to the Conditional Sales and Purchase Agreement entered on 28 October 1998. After the transfer, NVC becomes a 51% owned subsidiary company of the Company.
- (b) As announced on 8 May 2002, the Company has on 2 May 2002, acquired the entire issued and paid-up share capital of RM2.00 in Quality Purpose Sdn Bhd, a company incorporated in Malaysia, at a purchase consideration of RM2.00.
- (c) As announced on 21 May 2002, a wholly-owned subsidiary, Nirvana Memorial Park Sdn Bhd (“NIR”) (formerly known as Nir-Warna Sdn Bhd), has on 20 May 2002 entered into an Agreement with Virtue Corporation Sdn Bhd, a company incorporated in Malaysia, for the appointment of NIR as Corporate Manager to manage, develop, market and finance the cemetery development over a portion of the land held under Grant 20046 for Lot 33572, Mukim Ulu Kinta, District of Kinta, Perak measuring approximately 100 acres owned by Popular Growth Sdn Bhd, a company incorporated in Malaysia.
- (d) As announced on 23 May 2002, a wholly-owned subsidiary, Nirvana Memorial Park (Klang) Sdn Bhd (“NIRKG”) (formerly known as Nirvana Landscape Sdn Bhd and formerly known as Nir-Warna Landscape Sdn Bhd), has on the same date disposed of its 40% equity interest or equivalent to 40 ordinary shares of RM1.00 each in Public Acres Sdn Bhd for a total consideration of RM113,000 at a gain of RM275. Upon completion of the said disposal, Public Acres Sdn Bhd ceased to be an associated company of NIRKG.
- (e) As announced on 3 July 2002, a wholly-owned subsidiary company, Nirvana Memorial Park (Penang) Sdn Bhd, has on 1 July 2002 entered into a Conditional Joint Venture Agreement with Kebun Ngohoch (PW) Sdn Bhd, a company incorporated in Malaysia, to jointly develop parcels of land held under Mukim 3 & 4, District of Seberang Perai Selatan, State of Penang, measuring approximately 262 acres into a non-Muslim cemetery.
- (f) As announced on 19 July 2002, the Company has on 17 July 20002 entered into a memorandum of Understanding with PT. Daya Kencanasia, a company incorporated in Jakarta, Indonesia, with the intention to jointly develop 50 hectares of land situated at Karawang Barat, Jakarta, Indonesia, into a memorial park.

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- (g) As announced on 16 August 2002, the wholly-owned subsidiary company, NIRKG, as on 15 August 2002 entered into a Joint Venture Agreement with the Hokkien Association, Kelang (“the Association”), to jointly develop the land held under H.S.(D) 24191 for P.T. No. 3283, Mukim Kapar, Daerah Klang, Selangor measuring approximately 68.30 acres into a non-Muslim oriental cemetery with the intention to market burials plots and cinerary urn niches to members of the Association and their immediate family and the general public.

8. *Status of Corporate Proposals*

There was no corporate proposal announced or pending completion as at the date of this announcement.

9. *Issuance and Repayment of Debt and Equity Securities, Share Buy-backs, Share cancellations, Shares held as Treasury Shares and Resale of Treasury*

As at 25 February 2002, the total number of shares bought back was 1,582,000 shares from the open market at an average price of RM4.56 per share and the shares are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

Other than as disclosed above, there were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period ended 30 June 2002.

10. *Group Borrowings as at 30 June 2002*

All borrowings are unsecured: -

	RM'000
Hire Purchase and Lease Creditors:-	
Payable within next 1 year	607
Payable after next 1 year	1,193
Total	1,800

11. *Other Long Term Liabilities*

This represents the provision of cost in providing funeral packages recognised as revenue but not performed.

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12. *Contingent Liabilities*

- a) There is a guarantee of RM1.0 million given for a joint venture partner in the event that development in the joint venture land is aborted.
- b) There is a guarantee of RM 23.2 million as at 30 June 2002 for end-financing facilities granted to purchasers of the Group.

The above contingent liabilities are not secured against any of the Group's assets.

- c) There are two legal suits amounting to RM616,590 and RM2,006,195 respectively, against two subsidiary companies, which the solicitors are of the view that the claims are unfounded and in any event completely inflated.

13. *Financial Instruments*

Other than as disclosed in Note 12 (b), there are no financial instruments with off balance sheet risk that the Company is aware of as at the date of this announcement.

14. *Pending Material Litigation*

Save as disclosed in Note 12 (c) above, there is no pending material litigation as at the date of this announcement.

15. *Segmental Reporting*

In respect of the current financial period ended 30 June 2002.

Analysis by Activity:

	Turnover	Profit before taxation	Total assets employed
	RM'000	RM'000	RM'000
Bereavement care	61,103	13,880	211,972
Housing development	1,284	36	4,224
	62,387	13,916	216,196
Associated companies	-	122	186
Total	62,387	14,038	216,382

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16. *Comparison with Preceding Quarter*

The Group registered a turnover of RM35.1 million and a pre-tax profit of RM8.3 million in current quarter as compared to RM27.3 million and RM5.8 million in the preceding quarter, an increase of RM7.8 million or 28.6% and RM2.5 million or 43.1% respectively. The improvement was mainly due to stronger demand for the Group's pre-need products and services in the current quarter as the Chinese celebrate Chinese New Year in the first quarter of each calendar year.

17. *Review of Performance*

The Group recorded a turnover of RM35.1 million for the current quarter ended 30 June 2002 as compared to RM38.9 million in the preceding year corresponding quarter ended 30 June 2001. The lower turnover of RM3.8 million or 9.8% as compared to the preceding year corresponding quarter was mainly due to the completion of housing projects in first quarter ended 31 March 2002. Housing development segment contributed RM2.2 million to the turnover in the preceding year corresponding quarter.

The Group recorded a pre-tax profit of RM8.3 million in the current quarter ended 30 June 2002 as compared to RM10.3 million in the preceding year corresponding quarter. The decrease in pre-tax profits was substantially due to the completion of housing project and aggressive advertising campaign for the period under review.

In the opinion of the Directors, there has not arisen any item, transaction or event of a material and unusual nature from the date of the current financial period ended 30 June 2002 to the date of this announcement which, is likely to substantially affect the results of the operations of the Group for the period ended 30 June 2002.

18. *Subsequent Events*

Other as disclosed in Note 7 (e), (f) and (g) above, there is no material event subsequent to the end of the current financial period.

19. *Seasonality or Cyclically Factors*

The Group's business operations are generally affected in the first quarter of the year as the Chinese celebrate Chinese New Year in the 1st quarter of each calendar year.

20. *Prospects*

Barring any unforeseen circumstances, the Group expects to achieve a satisfactory performance in next quarter.

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21. *Variance of Actual Profit from Forecast Profit and Shortfall in the Profit Guarantee*

This is not applicable to the Group.

22. *Dividend*

- a) The Company has on 31 July 2002 announced that an interim dividend of 10% less 28% income tax and a special dividend of 5% less 28% income tax in respect of the financial year ending 31 December 2002 to be paid on 3 September 2002 to Depositors whose names appear in the Record of Depositors on 19 August 2002.

(i)	Amount per share	:15 sen less 28% income tax
(ii)	Previous corresponding quarter	: Nil
(iii)	Entitlement date	: 19 August 2002
(iv)	Payment date	: 3 September 2002

- b) Total dividend for the financial year ending 31 December 2002: 15 sen per share less 28% income tax.

No dividend has been paid out for the previous corresponding period.