

PROSPECTUS



NPC Resources Berhad

(Incorporated in Malaysia under the Companies Act, 1965)

(502313-P)

ISSUE OF

3,000,000 NEW ORDINARY SHARES OF RM1.00 EACH TO MALAYSIAN PUBLIC, ELIGIBLE DIRECTORS AND EMPLOYEES OF NPC RESOURCES BERHAD AND ITS SUBSIDIARIES; AND

5,000,000 NEW ORDINARY SHARES OF RM1.00 EACH BY PRIVATE PLACEMENT TO IDENTIFIED INVESTORS AND

OFFER FOR SALE OF

20,600,000 ORDINARY SHARES OF RM1.00 EACH TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY; AND

4,000,000 ORDINARY SHARES OF RM1.00 EACH BY PRIVATE PLACEMENT TO IDENTIFIED INVESTORS

AT AN ISSUE/OFFER PRICE OF RM1.30

PER ORDINARY SHARE PAYABLE IN FULL ON APPLICATION, IN CONJUNCTION WITH ITS LISTING ON THE MAIN BOARD OF KUALA LUMPUR STOCK EXCHANGE

Adviser, Underwriter and Placement Agent

CIMB

Commerce International Merchant Bankers Berhad

Company Number 28473-M

THE ORDINARY SHARES ISSUED/OFFERED HEREBY INVOLVE A CERTAIN DEGREE OF RISK. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION 5 HEREIN

This Prospectus is dated 28 March 2002

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF NPC RESOURCES BERHAD (502313-P) ("NPC") AND THE OFFERORS AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING.

COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD (18417-M), THE ADVISER, UNDERWRITER AND PLACEMENT AGENT, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC ISSUE AND OFFER FOR SALE AND IS SATISFIED THAT THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST (FOR WHICH THE DIRECTORS OF NPC ARE FULLY RESPONSIBLE) PREPARED FOR INCLUSION IN THIS PROSPECTUS HAVE BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THIS PUBLIC ISSUE AND OFFER FOR SALE BUT THAT APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THIS PUBLIC ISSUE AND/OR THE OFFER FOR SALE, WHICH ARE THE SUBJECT OF THIS PROSPECTUS. THE SC SHALL NOT BE LIABLE FOR ANY MATERIAL NON-DISCLOSURE ON THE PART OF NPC AND ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS MADE OR OPINIONS OR REPORTS EXPRESSED IN THIS PROSPECTUS. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT.**

THE VALUATION OF THE PROPERTIES APPROVED OR ACCEPTED BY THE SC SHALL ONLY BE UTILISED FOR THE PURPOSE OF THE LISTING PROPOSAL SUBMITTED TO AND APPROVED BY THE SC, AND SHALL NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE SUBJECT ASSETS FOR ANY OTHER PURPOSES.

THE KUALA LUMPUR STOCK EXCHANGE ("KLSE") ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST OF THE MAIN BOARD OF KLSE IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF NPC OR OF ITS ORDINARY SHARES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC AND LODGED WITH THE REGISTRAR OF COMPANIES, MALAYSIA WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for NPC's entire enlarged issued and paid-up share capital on the Main Board of KLSE is set out below:-

Event	Date
OPENING OF APPLICATION FOR THE ISSUE SHARES AND OFFER SHARES	28 March 2002
CLOSING OF APPLICATION FOR THE ISSUE SHARES AND OFFER SHARES	8.00 p.m., 10 April 2002*
TENTATIVE BALLOTING DATE FOR APPLICATION FOR THE ISSUE SHARES	April 2002
TENTATIVE ALLOTMENT DATE OF THE ISSUE SHARES AND OFFER SHARES	April 2002
TENTATIVE LISTING DATE	May 2002

Note:-

- * *The application for the Public Issue will close at the time and date as stated above or such further date or dates as the Directors of NPC and the Offerors, in their absolute discretion, may mutually decide.*

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DEFINITIONS

In this Prospectus, unless otherwise stated, the following abbreviations shall have the following meanings:-

Acquisition of Berkat	- Acquisition of 680,000 ordinary shares of RM1.00 each in Berkat, representing 34.00% equity interest therein, for a purchase consideration of RM10,887,749, satisfied wholly by the issuance of 7,853,311 new NPC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of approximately RM1.39 per new NPC share
Acquisition of Natural	- Acquisition of 100,000 ordinary shares of RM1.00 each in Natural, representing the entire equity interest therein, for a purchase consideration of RM78,461,817, satisfied wholly by the issuance of 56,594,347 new NPC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of approximately RM1.39 per new NPC share
Acquisition of NKH	- Acquisition of 1,104,200 ordinary shares of RM1.00 each in NKH, representing approximately 19.82% equity interest therein, for a purchase consideration of RM7,343,405, satisfied wholly by the issuance of 5,296,783 new NPC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of approximately RM1.39 per new NPC share
Acquisition of Sebuda	- Acquisition of 749,999 ordinary shares of RM1.00 each in Sebuda, representing approximately 50.00% equity interest therein, for a purchase consideration of RM2,456,912, satisfied wholly by the issuance of 1,772,166 new NPC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of approximately RM1.39 per new NPC share
Acquisition of Seraya	- Acquisition of 5,000 ordinary shares of RM1.00 each in Seraya, representing approximately 50.00% equity interest therein, for a purchase consideration of RM670,101, satisfied wholly by the issuance of 483,342 new NPC ordinary shares of RM1.00 each, credited as fully paid-up, at an issue price of approximately RM1.39 per new NPC share
Acquisition of Soon Tai	- Acquisition of 1 ordinary share of RM1.00 each in Soon Tai, representing 0.1% equity interest therein, for a cash consideration of RM1.00
Acquisition of Summer Focus	- Acquisition of 2 ordinary shares of RM1.00 each in Summer Focus, representing 0.2% equity interest therein, for a cash consideration of RM2.00
Acquisitions	- Acquisition of Berkat, Acquisition of Natural, Acquisition of NKH, Acquisition of Sebuda, Acquisition of Seraya, Acquisition of Soon Tai and Acquisition of Summer Focus, collectively
ADA	- Authorised Depository Agent
ADA Code	- ADA (Broker) Code
Agrisa	- Agrisa Trading Sdn. Bhd. (102642-M), a wholly-owned subsidiary of Berkat
Arrangement	- Arrangement by two substantial shareholders of NPC, namely Loo Pang Kee and Wong Siew Ying, wherein they will transfer a total of 25,600,000 ordinary shares of RM1.00 each in NPC to JVSB, after the issuance of the Prospectus but prior to the Public Issue

DEFINITIONS (Cont'd)

ATM	- Automated Teller Machine
Ballerina	- Ballerina Sdn. Bhd. (64744-V), a wholly-owned subsidiary of Growth
Berkat	- Berkat Setia Sdn. Bhd. (52099-X), a 95.5%-owned subsidiary of Growth
Bintang	- Bintang Kinabalu Plantation Sdn. Bhd. (46607-H), a wholly-owned subsidiary of Growth
Bonus Indah	- Bonus Indah Sdn. Bhd. (145132-D), a wholly-owned subsidiary of Telupid
CDS	- Central Depository System
CIMB	- Commerce International Merchant Bankers Berhad (18417-M)
CPO	- Crude palm oil
Dat Soon	- Dat Soon Trading Sdn. Bhd. (20821-T), a wholly-owned subsidiary of NKH
Deltafort	- Deltafort Sdn. Bhd. (149106-H), a wholly-owned subsidiary of SROPP
Disposal of Non-Operational Assets	- Disposal of various non-operational assets by certain subsidiaries of NPC for a total cash consideration of approximately RM9.187 million
Emashijau	- Syarikat Emashijau Sdn. Bhd. (27464-K), a wholly-owned subsidiary of Natural
Electronic Share Application	- Application for the Issue Shares through a Participating Financial Institution's ATM
EPS	- Earnings per share
FFB	- Fresh fruit bunches
FIC	- Foreign Investment Committee
Growth	- Growth Enterprise Sdn. Bhd. (52423-M), a wholly-owned subsidiary of Natural
Intan Ramai	- Intan Ramai Sdn. Bhd. (129660-D), a wholly-owned subsidiary of Growth
Issue Shares	- 8,000,000 new ordinary shares of RM1.00 each in NPC to be issued at an issue price of RM1.30 per share pursuant to the Public Issue
Jejco	- Syarikat Jejco Sdn. Bhd. (48020-H), a wholly-owned subsidiary of Bintang
JVSB	- Jubilant Ventures Sdn. Bhd. (510830-V)
Kidat	- Kidat Sdn. Bhd. (61575-H), a wholly-owned subsidiary of Growth
KLSE	- Kuala Lumpur Stock Exchange (30632-P)
Listing	- Listing of and quotation for the entire issued and paid-up share capital of NPC on the Main Board of KLSE
MAICSA	- Malaysian Association of the Institute of Chartered Secretaries and Administrators

DEFINITIONS (Cont'd)

Mature Land	- Mature Land Sdn. Bhd. (184593-D), a wholly-owned subsidiary of SROPP
Miasa	- Miasa Plantation Sdn. Bhd. (67537-H), a wholly-owned subsidiary of Growth
MCD	- Malaysian Central Depository Sdn. Bhd. (165570-W), a subsidiary of KLSE
MIH	- Malaysian Issuing House Sdn. Bhd. (258345-X)
MITI	- Ministry of International Trade and Industry
MPOB	- Malaysian Palm Oil Board
Natural	- Natural Plantation Sdn. Bhd. (108141-W), a wholly-owned subsidiary of NPC
NKH	- Ngin Kong Holdings Sdn. Bhd. (379252-U), a wholly-owned subsidiary of Natural
NPC or Company	- NPC Resources Berhad (502313-P)
NPC Group or Group	- NPC and its subsidiaries
NTA	- Net tangible assets
Offer for Sale or Offer	- Offer for sale of the Offer Shares to Bumiputera investors approved by MITI and identified investors
Offer Shares	- 24,600,000 ordinary shares of RM1.00 each in NPC to be offered at an offer price of RM1.30 per share pursuant to the Offer for Sale
Offerors	- Shareholders of NPC making the Offer for Sale and the number of NPC ordinary shares to be offered as follows:-

Shareholders	No. of shares offered for sale
Loo Ngin Kong	965,596
Wong Siew Ying	7,935,280
Loo Pang Kee	8,446,742
P. Nagammai a/p Sithamparrappillai	3,294,486
Lim Chau Thye @ Lim Yoke Mooi	689,378
Loo Mun Kin	689,054
Loo Ban Teng	689,054
Loo Mun San	689,054
Loo Ban Hen	689,054
Loganathan a/l Ponnambalam	512,302
	24,600,000

Participating Financial Institution(s)	- Participating financial institutions for Electronic Share Application as listed in Section 21.4(ii)(o) of this Prospectus
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DEFINITIONS (Cont'd)

PE multiple	- Price earnings multiple
PK	- Palm kernel
Public Issue	- Issue of the Issue Shares to eligible Directors and employees of the NPC Group, the Malaysian public and identified investors
SC	- Securities Commission
Sebuda	- Sebuda Sdn. Bhd. (46723-T), a wholly-owned subsidiary of Growth
Seraya	- Seraya Plantation Sdn. Bhd. (028707-T), a wholly-owned subsidiary of Growth
Sinar Ramai	- Sinar Ramai Sdn. Bhd. (138934-X), a wholly-owned subsidiary of Growth
Sofrah	- Syarikat Sofrah Sdn. Bhd. (042405-V), a wholly-owned subsidiary of Growth
Soon Tai	- Soon Tai Enterprise Sdn. Bhd. (51365-A), a wholly-owned subsidiary of Growth
SROPP	- Sungai Ruku Oil Palm Plantation Sdn. Bhd. (129371-P), a wholly-owned subsidiary of NKH
Summer Focus	- Summer Focus Sdn. Bhd. (461446-W), a wholly-owned subsidiary of Natural
Telupid	- Telupid Kelapa Sawit Sdn. Bhd. (191430-U), a 70%-owned subsidiary of Growth
Transglobe	- Transglobe Enterprise Sdn. Bhd. (79012-T), a wholly-owned subsidiary of Growth
Wenow	- Wenow Enterprise Sdn. Bhd. (311476-H), a wholly-owned subsidiary of Natural
Zupakeja	- Ladang Zupakeja Sdn. Bhd. (39647-U), a 73.5%-owned subsidiary of SROPP
RM and sen	- Ringgit Malaysia and sen respectively
USD	- United States of America Dollar

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporation.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

TABLE OF CONTENTS

	PAGE
1. CORPORATE DIRECTORY	1
2. INTRODUCTION	4
3. INFORMATION SUMMARY	5
3.1 History and Business	5
3.2 Major Shareholders, Promoters, Directors and Key Management	8
3.3 Financial Highlights	10
3.4 Principal Statistics Relating to the Public Issue and Offer for Sale	12
3.5 Risk Factors	14
3.6 Future Prospects of the NPC Group	16
3.7 Utilisation of Proceeds	16
3.8 Material Litigation, Material Commitments and Contingent Liabilities	17
4. PARTICULARS OF THE PUBLIC ISSUE AND OFFER FOR SALE	18
4.1 Opening and Closing of Applications	18
4.2 Indicative Timetable	18
4.3 Share Capital	18
4.4 Details of the Public Issue and Offer for Sale	19
4.5 Details on Allocation to Eligible Directors and Employees	20
4.6 Purposes of the Public Issue and Offer for Sale	20
4.7 Pricing of the Issue/Offer Shares	21
4.8 Utilisation of Proceeds	21
4.9 Brokerage and Underwriting Commission	22
4.10 Salient Terms of the Underwriting Agreement	22
5. RISK FACTORS	25
5.1 No prior Market for NPC's Shares	25
5.2 Delay in or Abortion of the Listing	25
5.3 Control by Substantial Shareholders	25
5.4 Competition	25
5.5 Business Risks	26
5.6 Dependence on Key Personnel	26
5.7 Dependence on Foreign Workers	26
5.8 Dependence on a Small Number of Customers	26
5.9 Potential Conflict of Interest	27
5.10 Dependency on Particular Products, Markets and Geographical Location	27
5.11 Fluctuations in CPO and PK Prices	27
5.12 Dependence on External Supply of FFB	27
5.13 Termination of Development and Cultivation Agreements	28

TABLE OF CONTENTS (Cont'd)

	PAGE
5.14 Insurance Risk	28
5.15 Restrictive Covenants under Borrowing Facility Agreements	28
5.16 Political, Economic and Regulatory Considerations	28
5.17 Profit Estimate and Forecast	29
5.18 Future Prospects	29
6. INDUSTRY OVERVIEW	30
6.1 Overview of the Malaysian Economy	30
6.2 Overview of the Palm Oil Industry	30
7. FUTURE PLANS, STRATEGIES AND PROSPECTS	33
7.1 Future Plans and Strategies of the NPC Group	33
7.2 Future Prospects of the NPC Group	33
8. INFORMATION ON THE NPC GROUP	34
8.1 History	34
8.2 Share Capital	34
8.3 Restructuring and Listing Exercise	35
8.4 Business Overview	45
8.5 Subsidiaries and Associated Companies	60
8.6 Proforma Consolidated Income Statements	62
8.7 Landed Properties	63
8.8 Major Approvals, Licences and Permits	68
8.9 Working Capital, Material Commitments for Capital Expenditure, Borrowings and Contingent Liabilities	69
9. INFORMATION ON MAJOR SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT	70
9.1 Major Shareholders	70
9.2 Promoters	71
9.3 Directors	71
9.4 Key Management	74
9.5 Employees	77
9.6 Family Relationship	77
10. INFORMATION ON SUBSIDIARIES	78
10.1 Natural	78
10.2 Growth	80
10.3 Ballerina	82
10.4 Bintang	84
10.5 Intan Ramai	86

TABLE OF CONTENTS (Cont'd)

	PAGE
10.6 Miasa	88
10.7 Sinar Ramai	90
10.8 Soon Tai	92
10.9 Sofrah	94
10.10 Transglobe	96
10.11 Kidat	98
10.12 Telupid	100
10.13 Berkat	102
10.14 Seraya	104
10.15 Sebuda	105
10.16 Jejco	107
10.17 Agrisa	108
10.18 Bonus Indah	110
10.19 NKH	112
10.20 Dat Soon	114
10.21 SROPP	116
10.22 Deltafort	118
10.23 Mature Land	119
10.24 Emashijau	121
10.25 Wenow	122
10.26 Summer Focus	124
10.27 Zupakeja	125
11. OTHER INFORMATION ON THE NPC GROUP	127
11.1 Approvals and Conditions	127
11.2 Related Party Transactions	128
11.3 Conflict of Interest	128
12. CONSOLIDATED PROFIT ESTIMATE AND FORECAST TOGETHER WITH THE ASSUMPTIONS THEREON	129
12.1 Consolidated Profit Estimate and Forecast of NPC	129
12.2 Principal Bases and Assumptions	129
12.3 Sensitivity Analysis	132
12.4 Directors' Analysis	133
13. REPORTING ACCOUNTANT'S LETTER ON THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST	134
14. DIVIDEND FORECAST	135
15. PROFORMA CONSOLIDATED BALANCE SHEETS AND THE NOTES THEREON	136

TABLE OF CONTENTS (Cont'd)

	PAGE
16. REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA CONSOLIDATED BALANCE SHEETS	140
17. ACCOUNTANTS' REPORT	141
18. VALUATION CERTIFICATE	215
19. DIRECTORS' REPORT	220
20. ADDITIONAL INFORMATION	221
20.1 Share Capital	221
20.2 Articles of Association	221
20.3 Directors and Substantial Shareholders	228
20.4 General	232
20.5 Material Litigation	233
20.6 Material Contracts	233
20.7 Materials Agreements	238
20.8 Consents	240
20.9 Documents Available For Inspection	240
21. PROCEDURE FOR APPLICATION AND ACCEPTANCE	242
21.1 Opening and Closing of Applications	242
21.2 Methods of Applications	242
21.3 Applications Through Application Forms	242
21.4 Applications using Electronic Share Application	246
21.5 Applications and Acceptances	251
21.6 CDS Accounts	252
21.7 Notice of Allotment	253
21.8 Formalising CDS Accounts	253
21.9 List of ADAs	253
22. RESPONSIBILITY STATEMENT	263

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1. CORPORATE DIRECTORY

Directors

Name	Address	Occupation	Nationality
Loo Ngin Kong <i>(Executive Chairman)</i>	Detached House CL 075318697 Taman Tshun Ngen Mile 5, Jalan Labuk 90000 Sandakan Sabah	Company Director	Malaysian
Tengku Datuk Dr. Zainal Adlin bin Tengku Mahamood <i>(Non-Executive Deputy Chairman)</i>	38, Reservoir Garden Phase 2, Jalan Bundusan 88300 Kota Kinabalu Sabah	Company Director	Malaysian
Loo Pang Kee <i>(Managing Director)</i>	Detached House CL 075318697 Taman Tshun Ngen Mile 5, Jalan Labuk 90000 Sandakan Sabah	Company Director	Malaysian
Wong Siew Ying <i>(Executive Director)</i>	Detached House CL 075318697 Taman Tshun Ngen Mile 5, Jalan Labuk 90000 Sandakan Sabah	Company Director	Malaysian
Lim Ted Hing <i>(Independent Non-Executive Director)</i>	Lot 34 & 35 Taman Sentosa Mile 2.5, Jalan Labuk P.O. Box 81 90701 Sandakan Sabah	Chartered Accountant	Malaysian
Dr. Edmond Fernandez <i>(Independent Non-Executive Director)</i>	19, Lorong 2A Taman Grandview 90000 Sandakan Sabah	Doctor	Malaysian

Audit Committee

Name	Designation	Directorship
Lim Ted Hing	Chairman of the Committee	Independent Non-Executive Director
Dr. Edmond Fernandez	Member of the Committee	Independent Non-Executive Director
Loo Pang Kee	Member of the Committee	Managing Director

1. **CORPORATE DIRECTORY (Cont'd)**

- Company Secretary** : Dorothy Luk Wei Kam
(MAICSA 7000414)
Lot 2, Taman Foo Loong
Jalan Kolam
c/o P.O. Box 10192
88802 Kota Kinabalu
Sabah
- Registered/Head/Management Office** : Lot 8 & 9, T3
Taman Tshun Ngen
Mile 5, Jalan Labuk
90000 Sandakan
Sabah

Telephone no.: 089-274488
E-mail: nkhsb@tm.net.my
- Reporting Accountants** : Ernst & Young
Chartered Accountants
Suite 1-10-W1, 10th Floor
CPS Tower
Centre Point Sabah
No.1, Jalan Centre Point
88000 Kota Kinabalu
Sabah
- Solicitors for the Public Issue and Offer for Sale** : Lee, Perara & Tan
Advocates and Solicitors
55, Jalan Thambapillai
Off Jalan Tun Sambanthan
Brickfields
50470 Kuala Lumpur
- Solicitors for the Company** : Vincent Wong & Co.
Advocates & Solicitors
Suite 8.12, 8th Floor
Block A, Kompleks Karamunsing
88300 Kota Kinabalu
Sabah
- Valuers** : C.H. Williams, Talhar & Wong (Sabah) Sdn. Bhd.
Room 602, 6th Floor
Lai Piang Kee Building
Jalan Lima, W.D.T. 110
90009 Sandakan
Sabah

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1. **CORPORATE DIRECTORY (Cont'd)**

- Principal Bankers*** :
- RHB Bank Berhad
Sub Lot 1-6, Ground Floor
Wisma Khoo Siak Chiew
Leguh Tiga, Jalan Sim Sim
90000 Sandakan
Sabah
 - OCBC Bank (Malaysia) Berhad
21 & 23, Jalan Pantai
88000 Kota Kinabalu
Sabah
 - OCBC Bank (Malaysia) Berhad
8A, Jalan Dato' Haji Hassan
86000 Kluang
Johor Darul Takzim
- Issuing House*** :
- Malaysian Issuing House Sdn. Bhd.
27th Floor, Menara Multi-Purpose
Capital Square
8, Jalan Munshi Abdullah
50100 Kuala Lumpur
- Registrar*** :
- Signet Share Registration Services Sdn. Bhd.
11th Floor, Tower Block
Kompleks Antarabangsa
Jalan Sultan Ismail
50250 Kuala Lumpur
- Telephone no.: 03-21454337
- Adviser, Underwriter and Placement Agent*** :
- Commerce International Merchant Bankers Berhad
8th Floor, Bangunan CIMB
Jalan Semantan, Damansara Heights
50490 Kuala Lumpur
- Listing Sought*** :
- Main Board of KLSE

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2. INTRODUCTION

This Prospectus is dated 28 March 2002.

A copy of this Prospectus has been registered by the SC and lodged with the Registrar of Companies, Malaysia who takes no responsibility for its contents.

An application will be made to the KLSE within three (3) market days of the issuance of this Prospectus for admission to the Official List of the Main Board of KLSE and for permission to deal in and quotation for the entire issued and fully paid-up ordinary shares of the Company, including the Issue Shares and Offer Shares, which are the subject of this Prospectus. These ordinary shares will be admitted to the Official List of the Main Board of KLSE and official quotation will commence after receipt of confirmation from MCD that all CDS accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

Acceptance of applications will be conditional upon permission being granted by the KLSE to deal in and quotation for the entire issued and fully paid-up ordinary shares of the Company, including the Issue Shares and Offer Shares within six (6) weeks from the date of this Prospectus or such longer period as may be specified by the SC, provided the Company is notified by or on behalf of KLSE within the six (6) weeks or such longer period as may be specified by the SC. Accordingly, monies paid in respect of any application accepted will be returned without interest if the said permission from the KLSE is not granted.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, the KLSE has prescribed NPC as a CDS counter. In consequence thereof, the shares issued and offered through this Prospectus will be deposited directly with MCD and any dealings in these shares will be carried out in accordance with the aforesaid Acts and the Rules of MCD.

Pursuant to the SC's Policies and Guidelines on Issue/Offer of Securities, the Company needs to have at least 25% of the enlarged issued and paid-up share capital in the hands of public shareholders and a minimum number of 1,000 public shareholders (including not more than 250 employees) holding not less than 1,000 shares each upon completion of the Public Issue and Offer for Sale. The Company is expected to achieve this at the point of Listing. In the event that the above requirement is not met pursuant to the Public Issue and Offer for Sale, the Company may not be allowed to proceed with its Listing. In the event thereof, monies paid in respect of all applications will be returned without interest if the said permission is not granted.

An applicant should state his CDS account number in the space provided in the Application Form if the applicant presently has such an account. Where an applicant does not presently have a CDS account, the applicant should state in the Application Form his or her preferred ADA Code. Where an applicant already has a CDS account, he or she should not complete the preferred ADA Code. For application using the Electronic Share Application, an applicant must have a CDS account.

No person is authorised to give any information or to make any representation not contained herein in connection with the Public Issue and/or the Offer for Sale and if given or made, such information or representation must not be relied upon as having been authorised by NPC and/or CIMB. Neither the delivery of this Prospectus nor any Public Issue and/or Offer for Sale made in connection with this Prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the NPC Group since the date hereof.

The distribution of this Prospectus and the sale of the Issue Shares and/or Offer Shares are subject to Malaysian law and the Company takes no responsibility for the distribution of this Prospectus and/or sale of the Issue Shares and/or Offer Shares outside Malaysia. Persons who may be in possession of this Prospectus are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for the purpose of an offer to sell or invitation of an offer to buy any Issue Shares and/or Offer Shares in any jurisdiction in which such offer is not authorised or lawful or to any person to whom it is unlawful to make such offer.

If you are in doubt about this Prospectus, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser immediately.

3. INFORMATION SUMMARY

The following is only a summary of the salient information about the NPC Group, and of the Public Issue and Offer for Sale. Investors should read and understand the whole Prospectus prior to deciding whether to invest in the Issue/Offer Shares. The following information is derived from, and should be read in conjunction with, the full text of this Prospectus.

3.1 History and Business

NPC was incorporated in Malaysia under the Companies Act, 1965 on 28 December 1999 as a private limited company under the name of Synergy Series Sdn. Bhd.. On 4 May 2000, the Company changed its name to NPC Resources Sdn. Bhd.. It was subsequently converted to a public limited company on 23 May 2000 and adopted its present name.

NPC is principally an investment holding company while the principal activities of its subsidiaries, all of which were incorporated in Malaysia, are as follows:-

Subsidiaries	Principal activities
Natural	Operation of an oil palm plantation and investment holding
Subsidiaries of Natural	
Growth	Operation of oil palm plantations
NKH	Investment holding and the provision of management services
Emashijau	Provision of management services on purchasing of consumable stores
Wenow	Trading of FFB and provision of transportation services
Summer Focus	Plantation development contractor
Subsidiaries of NKH	
Dat Soon	Trading of FFB
SROPP	Operation of oil palm plantations and palm oil mill
Subsidiaries of Growth	
Ballerina	Operation of an oil palm plantation
Bintang	Operation of oil palm plantations
Intan Ramai	Operation of an oil palm plantation
Miasa	Operation of an oil palm plantation
Sinar Ramai	Operation of an oil palm plantation
Soon Tai	Operation of an oil palm plantation
Sofrah	Operation of an oil palm plantation
Transglobe	Operation of an oil palm plantation
Kidat	Provision of transportation services
Telupid	Operation of oil palm plantations
Berkat	Operation of palm oil mill and oil palm plantations
Seraya	Operation of an oil palm plantation
Sebuda	Operation of an oil palm plantation

3. INFORMATION SUMMARY (Cont'd)

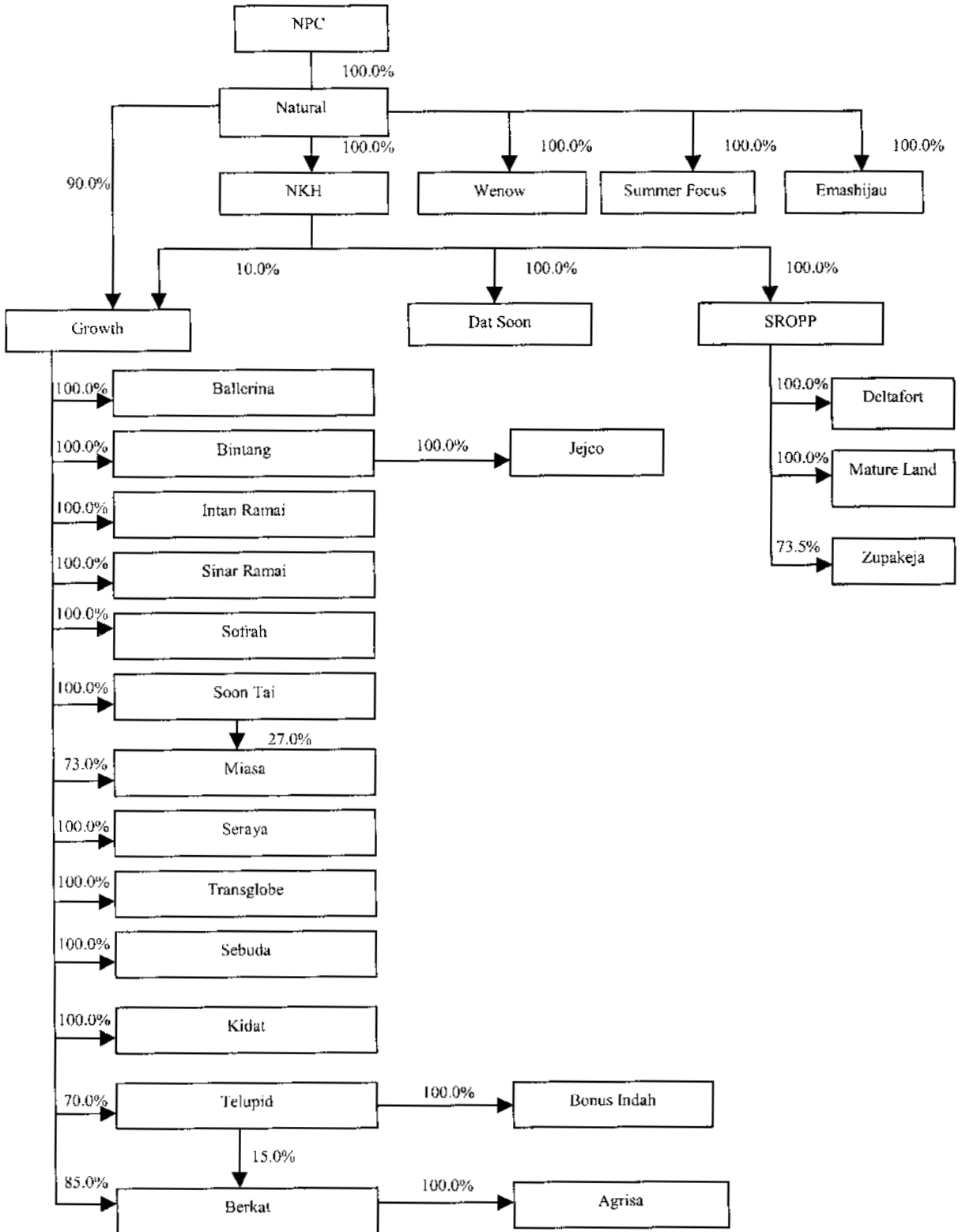
Subsidiaries	Principal activities
Subsidiaries of SROPP	
Deltafort	Subleasing of its leasehold land
Mature Land	Subleasing of its leasehold land
Zupakeja	Operation of an oil palm plantation
Subsidiary of Bintang	
Jejco	Operation of an oil palm plantation
Subsidiary of Berkat	
Agrisa	Operation of an oil palm plantation
Subsidiary of Telupid	
Bonus Indah	Operation of an oil palm plantation

As at the date hereof, NPC does not have any associated company. Further information on NPC and its subsidiaries are set out in Sections 8 and 10 of this Prospectus respectively.

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3. INFORMATION SUMMARY (Cont'd)

The current structure of the NPC Group is as follows:-



3. INFORMATION SUMMARY (Cont'd)

3.2 Major Shareholders, Promoters, Directors and Key Management

3.2.1 Major Shareholders

The major shareholders (holding 5% or more of the issued and paid-up share capital) of NPC and their respective shareholdings after the Public Issue and Offer are as follows:-

Shareholders	Designation	After the Public Issue and Offer			
		No. of ordinary shares of RM1.00 each held			
		Direct	%	Indirect	%
JVSB	-	25,600,000	32.00	-	-
Loo Pang Kee	Managing Director	6,295,657	7.87	25,600,000*	32.00
Wong Siew Ying	Executive Director	5,914,445	7.39	25,600,000*	32.00

Notes:-

The shareholdings disclosed above do not include any allocations of the Issue Shares reserved for eligible Directors and employees of the NPC Group pursuant to the Public Issue.

* Deemed interested through JVSB pursuant to the Arrangement.

3.2.2 Promoters

Loo Ngin Kong, Wong Siew Ying and Loo Pang Kee individually and collectively are the promoters of the Company, details of whom are as set out in Section 3.2.3 below.

3.2.3 Directors

The Directors of NPC and their shareholdings after the Public Issue and Offer are as follows:-

Directors	Designation	After the Public Issue and Offer			
		No. of ordinary shares of RM1.00 each held			
		Direct	%	Indirect	%
Loo Ngin Kong	Executive Chairman	719,694	0.90	-	-
Tengku Datuk Dr. Zainal Adlin bin Tengku Mahmood	Non-Executive Deputy Chairman	1	#	-	-
Loo Pang Kee	Managing Director	6,295,657	7.87	25,600,000*	32.00
Wong Siew Ying	Executive Director	5,914,445	7.39	25,600,000*	32.00
Lim Ted Hing	Independent Non-Executive Director	-	-	-	-
Dr. Edmond Fernandez	Independent Non-Executive Director	-	-	-	-

Notes:-

The shareholdings disclosed above do not include allocations of the Issue Shares reserved for eligible Directors of the NPC Group pursuant to the Public Issue.

Negligible.

* Deemed interested through JVSB pursuant to the Arrangement.

3. INFORMATION SUMMARY (Cont'd)

3.2.4 Key Management

The key management personnel of NPC and their shareholdings after the Public Issue and Offer are as follows:-

Names	Designation	----After the Public Issue and Offer ----			
		No. of ordinary shares of RM1.00 each held			
		Direct	%	Indirect	%
Lim Kee Fah @ Robert Lim+	Administration Manager	1	*	-	-
Tan Yun Su+	Group Accountant	1	*	-	-
Lok Kong @ Loh Tong Weng	Chief Engineer	1	*	-	-
Wong Yee Ling++	Mill Manager	-	-	-	-
Loh Yin Fah	Workshop Manager	-	-	-	-
David Thien Ming Soon+	Estate Manager	1	*	-	-
Chiang King Hong+	Senior Estate Manager	1	*	-	-
Imbau bin Taunangoi @ Imbau Kaangui	Division Manager	1	*	-	-

Notes:-

+ *Lim Kee Fah @ Robert Lim, Tan Yun Su, David Thien Ming Soon and Chiang King Hong have 2%, 10%, 4% and 2% equity interest respectively in Success Parade Sdn. Bhd. ("SPSB"). SPSB has signed a placement agreement on 26 February 2002 with CIMB to subscribe for 500,000 of the 4,000,000 Offer Shares in NPC to be privately placed*

(+) *Wong Yee Ling has signed a placement agreement on 18 February 2002 with CIMB to subscribe for 250,000 of the 4,000,000 Offer Shares in NPC to be privately placed*

* *Negligible*

The shareholdings disclosed above do not include allocations of the Issue Shares reserved for eligible employees of the NPC Group pursuant to the Public Issue and the private placement to identified investors.

Detailed information on the major shareholders, promoters, Directors and key management of NPC is set out in Section 9 of this Prospectus.

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3. INFORMATION SUMMARY (Cont'd)

3.3 Financial Highlights

3.3.1 Proforma Consolidated Income Statements

The following is a summary of the proforma consolidated income statements of the NPC Group for the past five (5) financial years ended 31 December 1996 to 2000 and the nine (9) months ended 30 September 2001, which have been prepared based on the audited financial statements of NPC and its subsidiaries for the relevant financial years/period are provided for illustrative purposes, on the assumption that the current structure of NPC Group had been in existence throughout the financial years and period under review and after making such adjustments considered necessary:-

	Financial year ended 31 December					9 months ended 30
	1996	1997	1998	1999	2000	September
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	80,001	102,485	161,132	95,237	81,426	54,577
Profit before finance cost, depreciation and taxation	13,133	16,475	21,381	20,199	16,381	11,471
Finance cost	(1,153)	(1,819)	(4,151)	(2,933)	(1,990)	(1,415)
Depreciation	(3,067)	(3,434)	(4,308)	(4,338)	(4,148)	(4,458)
Profit before taxation, exceptional item and minority interests	8,913	11,222	12,922	12,928	10,243	5,598
Exceptional item	-	-	-	(47)	(812)	-
Profit before taxation and minority interests	8,913	11,222	12,922	12,881	9,431	5,598
Taxation	(1,946)	(1,888)	563	365	(741)	(590)
Profit after taxation but before minority interests	6,967	9,334	13,485	13,246	8,690	5,008
Minority interests	(451)	(507)	(886)	(587)	(325)	(153)
Profit after taxation and minority interests	6,516	8,827	12,599	12,659	8,365	4,855
No. of ordinary shares assumed in issue ('000)*	72,000	72,000	72,000	72,000	72,000	72,000
Net EPS (RM)	0.09	0.12	0.17	0.18	0.12	0.09 [^]
Dividend rate						
- Gross (%)	-	-	-	5.37 [#]	2.85 [#]	2.92 [#]
- Tax exempt (%)	-	-	-	1.80 [#]	-	0.11 [#]

Notes:-

[^] Annualised

* The assumed issued and paid-up share capital of 72,000,000 ordinary shares of RM1.00 each is based on the issued and paid-up share capital of NPC after the Acquisitions but before the Public Issue.

[#] Based on the number of ordinary shares assumed in issue of 72,000,000.

Further details on the proforma consolidated income statements are set out in Section 8.6 of this Prospectus.

3. INFORMATION SUMMARY (Cont'd)

3.3.2 Proforma Consolidated Balance Sheets

The following is a summary of the proforma consolidated balance sheets of NPC as at 30 September 2001, prepared for illustrative purposes only, to show the effects of the Acquisitions, Public Issue and Disposal of Non-Operational Assets, on the assumption that these transactions were completed on 30 September 2001:-

	Audited as at 30.09.2001 RM'000	Proforma I RM'000	Proforma II RM'000	Proforma III RM'000
PROPERTY, PLANT AND EQUIPMENT	-	178,768	178,768	172,644
INVESTMENT	-	3,063	3,063	-
CURRENT ASSETS	1,164	21,585	23,185	26,785
CURRENT LIABILITIES	(1,175)	(40,618)	(39,118)	(33,531)
NET CURRENT LIABILITIES	(11)	(19,033)	(15,933)	(6,746)
LONG TERM LIABILITIES	-	(36,664)	(30,364)	(30,364)
	(11)	126,134	135,534	135,534
SHARE CAPITAL	*	72,000	80,000	80,000
SHARE PREMIUM	-	27,820	29,220	29,220
RESERVE ON CONSOLIDATION	-	12,440	12,440	12,440
ACCUMULATED LOSSES	(11)	(11)	(11)	(11)
	(11)	112,249	121,649	121,649
MINORITY INTERESTS	-	13,885	13,885	13,885
	(11)	126,134	135,534	135,534
(Net liabilities)/NTA per share (RM)	(215.69)	1.56	1.52	1.52

Notes:-

* *RMSI.*

(i) *Proforma I : After the Acquisitions.*

(ii) *Proforma II : After Proforma I and the Public Issue.*

(iii) *Proforma III : After Proforma II and the Disposal of Non-Operational Assets.*

Further details on the proforma consolidated balance sheets of NPC as at 30 September 2001 are set out in Section 15 of this Prospectus. The above summary should be read together with the notes and assumptions to the proforma consolidated balance sheets as set out in Section 15 of this Prospectus.

3. INFORMATION SUMMARY (Cont'd)

3.4 Principal Statistics Relating to the Public Issue and Offer for Sale

(i) Share Capital	RM
<i>Authorised</i>	
500,000,000 ordinary shares of RM1.00 each	500,000,000
<i>Issued and fully paid-up as at the date of this Prospectus</i>	
72,000,000 ordinary shares of RM1.00 each	72,000,000
<i>To be issued pursuant to the Public Issue</i>	
8,000,000 ordinary shares of RM1.00 each	8,000,000
	80,000,000
<i>To be offered pursuant to the Offer for Sale</i>	
24,600,000 ordinary shares of RM1.00 each	24,600,000
(ii) Classes of Shares and Rights	
<p>There is only one class of shares in NPC, being ordinary shares of RM1.00 each. The Issue Shares will rank pari passu in all respects with the existing issued and paid-up ordinary shares of RM1.00 each in NPC.</p> <p>Subject to any special rights attaching to any shares that may be issued by the Company in the future, the shareholders of ordinary shares in the Company shall be entitled to share in the whole of the profits paid out by the Company as dividends and other distributions and the whole of any surplus in the event of liquidation of the Company.</p> <p>At every general meeting of NPC, each shareholder shall be entitled to vote in person or by proxy or by attorney, and on a show of hands, every person present who is a shareholder or representative or proxy or attorney to a shareholder shall have one vote and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each ordinary share held. A proxy may but need not be a member of the Company.</p>	
(iii) Issue/Offer price of RM1.30 per ordinary share of RM1.00 each	
<p>The factors taken into consideration in the pricing of the Issue/Offer Shares are set out in Section 4.7 of this Prospectus.</p>	
(iv) Proforma Group NTA	RM
Proforma Group NTA as at 30 September 2001 (<i>after the Acquisitions, Public Issue and Disposal of Non-Operational Assets</i>)	121,649,000
Proforma Group NTA per share (<i>based on the enlarged share capital of 80,000,000 ordinary shares of RM1.00 each</i>)	1.52

3. INFORMATION SUMMARY (Cont'd)

(v) Consolidated Profit Estimate and Forecast

The consolidated profit estimate and forecast for the financial year ended 31 December 2001 and the financial year ending 31 December 2002 respectively are as follows:-

Financial year ended/ending 31 December	Estimate 2001 RM'000	Forecast 2002 RM'000
Consolidated profit before taxation and minority interests	11,011	14,860
Taxation	(1,877)	(3,097)
Consolidated profit after taxation but before minority interests	9,134	11,763
Minority interests	(328)	(345)
Consolidated profit after taxation and minority interests	8,806	11,418
Pre-acquisition profit	(8,806)	(1,100)
Consolidated profit after taxation attributable to shareholders	-	10,318
Net EPS (sen)	N/A	14.40 ⁽ⁱ⁾
Net PE multiple based on the Issue/Offer price of RM1.30 per share (times)	N/A	9.03

Notes:-

N/A Not applicable.

(i) Based on the weighted average number of shares in issue of 71,671,237 ordinary shares of RM1.00 each calculated on the assumption that the Public Issue is completed on 30 April 2002.

The principal bases and assumptions upon which the consolidated profit estimate and forecast of NPC have been made are set out in Section 12 of this Prospectus.

(vi) Dividend Forecast

The Directors of NPC do not intend to declare any dividends for the financial year ended 31 December 2001.

The dividend forecast for the financial year ending 31 December 2002 is as follows:-

Financial year ending 31 December	Forecast 2002
Gross dividend per share (sen)	5.00
Gross dividend yield based on the Issue/Offer price of RM1.30 per share (%)	3.85
Net dividend yield based on the Issue/Offer price of RM1.30 per share (%)	2.77
Net dividend cover (times)	3.58

Further information on the dividend estimate and forecast of NPC is set out in Section 14 of this Prospectus.

3. INFORMATION SUMMARY (Cont'd)

3.5 Risk Factors

An investment in shares listed/to be listed on KLSE involves a number of risks. Investors should rely on their own evaluations and carefully consider the investment considerations, together with other information contained in this Prospectus, before subscribing to any of the Issue/Offer Shares, which are the subject of this Prospectus.

The following are some of the main risk factors (which may not be exhaustive), as extracted from Section 5 of this Prospectus, which applicants for the Issue/Offer Shares should carefully consider, in addition to other information contained elsewhere in this Prospectus, before applying for the Issue/Offer Shares:-

(i) No prior market for NPC's shares

Prior to the Listing, there was no public market for NPC's shares. There can be no assurance that an active market for NPC's shares will develop upon the Listing or, if developed, that such market will be sustained.

(ii) Delay in or Abortion of the Listing

The occurrence of certain events may cause a delay in or the abortion of the Listing. Although the Directors will endeavour to secure the Listing, there can be no assurance that the aforementioned events will not cause a delay in or abortion of the Listing.

(iii) Control by substantial shareholders

Following the Public Issue and Offer for Sale, Wong Siew Ying and Loo Pang Kee will be able to control the outcome of certain matters as they will collectively own 47.26% (of which 32.0% is held through JWSB) of the Company's issued and paid-up share capital.

(iv) Competition

The Group faces competition from other CPO and PK producers in relation to the sales of CPO and PK produced. At the same time, CPO and PK oil also face competition from other vegetable oils such as soyabean and rapeseed oils.

(v) Business risks

The Group is not insulated from general business risks as well as certain risks inherent in the palm oil industry.

(vi) Dependence on key personnel

The Group believes that its continued success will depend, to a significant extent, upon the abilities and continued efforts of its existing Executive Directors and senior management. The loss of any of the Group's Executive Directors or key members of its senior management may affect the Group's performance.

(vii) Dependence on foreign workers

The Group's palm oil estates and mills employ a reasonably large number of foreign workers to sustain and facilitate some of its plantation and mills' operations. The risk of any change in immigration policies by the Government in respect of foreign workers may affect the Group's performance.

3. INFORMATION SUMMARY (Cont'd)

(viii) Dependence on a small number of customers

The Group's output, namely CPO and PK, are mainly sold to four (4) refineries located in Sabah whilst its single largest customer, Sandakan Edible Oils Sdn. Bhd., accounted for approximately 49% of total revenue for the financial period ended 30 September 2001.

(ix) Potential conflict of interest

Certain Directors and substantial shareholders of the NPC Group have interests in companies carrying out similar business activities as the NPC Group.

(x) Dependency on particular products, market and geographical location

The NPC Group is principally involved in the production of CPO and PK and hence the growth and viability of its business is highly correlated with and dependent on the growth and viability of these palm products. Further, the Group's market for its CPO and PK comprises only local refineries in Sabah.

(xi) Fluctuation in CPO and PK prices

Trade and exports of the country's crude and processed palm oil products are undertaken in USD, hence the prices of CPO and PK are highly susceptible to fluctuations of the USD.

(xii) Dependence on external supply of FFB

As at 30 September 2001, approximately 82% of the Group's FFB requirements are sourced from external plantations.

(xiii) Termination of development and cultivation agreements

Growth, a wholly-owned subsidiary of NPC, had entered into fifty (50) development and cultivation agreements with various small land owners which can be terminated at any time by giving three (3) months' notice in writing and payment of compensation as specified in the respective development and cultivation agreements.

(xiv) Insurance risk

At present, all of the Group's oil palm estates and palm oil mills are insured against unforeseen events such as fire and lightning, wind storm, riot, strikes and malicious damage. However, there can be no assurance that the insurance coverage would be adequate for the replacement cost of all assets of the NPC Group, including but not limited to, the oil palm estates and palm oil mills or any consequential costs arising therefrom.

(xv) Restrictive covenants under borrowing facility agreements

The covenants set out in the credit facility agreements entered into by the subsidiaries of NPC may limit the NPC Group's operating and financial flexibility.

(xvi) Political, economic and regulatory considerations

Like all other business entities, changes in political, economic and regulatory conditions in Malaysia and elsewhere could materially and adversely affect the financial and business prospects of the Group and the markets of their end products, in particular, CPO and PK.

3. INFORMATION SUMMARY (Cont'd)

(xvii) Profit estimate and forecast

This Prospectus contains certain estimate and forecast that are based on reasonable assumptions that are nevertheless subject to uncertainties and contingencies.

(xviii) Future prospects

Certain statements in this Prospectus are based on historical data which may not be reflective of future results, and others are forward-looking in nature which are subject to uncertainties and contingencies.

The above risk factors are elaborated in Section 5 of this Prospectus.

3.6 Future Prospects of the NPC Group

The future prospects of the NPC Group are expected to be reasonably good mainly due to the following factors:-

- (a) the expected continued growth in the demand for edible oils in line with the increase in worldwide population;
- (b) progressive maturity of the NPC Group's plantations;
- (c) the marketing strategies and promotions undertaken by the various Malaysian palm oil authorities to penetrate new markets and to improve market opportunities and trade of palm oil;
- (d) research and development activities undertaken by the various Malaysian palm oil authorities to further develop the palm oil industry; and
- (e) promotional activities undertaken by the Malaysia Palm Oil Promotion Council to enhance the marketability and image of Malaysian palm oil to the world.

Details of the Group's future prospects are set out in Section 7.2 of this Prospectus.

3.7 Utilisation of Proceeds

The total gross proceeds of RM10.400 million from the Public Issue will be utilised in the following manner:-

	RM'000
Repayment of bank borrowing	6,800
Working capital	1,600
Estimated listing expenses	2,000
	<u>10,400</u>

The estimated expenses and fees, including brokerage, placement fees and underwriting commission relating to the Issue Shares, incidental to the Listing amounting to approximately RM2.0 million will be borne by the Company.

The total gross proceeds from the Offer for Sale of RM31.980 million shall accrue entirely to the Offerors and no part of the proceeds of the Offer is receivable by NPC. All expenses, including brokerage and placement fees relating to the Offer Shares, shall be borne by the Offerors.

Details of the utilisation of proceeds are set out in Section 4.8 of this Prospectus.

3. INFORMATION SUMMARY (Cont'd)

3.8 Material Litigation, Material Commitments and Contingent Liabilities

(i) Material Litigation

NPC and its subsidiaries are not engaged in any litigation, either as plaintiff or defendant which has a material effect on the financial position of NPC or its subsidiaries, and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Company or its subsidiaries.

(ii) Material Commitments for Capital Expenditure

Save as disclosed below, there are no material commitments for capital expenditure contracted or known to be contracted by NPC or its subsidiaries, which may have a substantial impact on the financial position of the Group as at 12 March 2002 (being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus):-

	Amount RM'000
Approved and contracted for	145
Approved but not contracted for	-
	<u>145</u>

(iii) Contingent Liabilities

There are no material contingent liabilities incurred by NPC and its subsidiaries as at 12 March 2002 (being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus) other than those incurred in the ordinary course of business.

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