

18. VALUATION CERTIFICATE

This valuation certificate must be read in conjunction with Section 8.7 of this Prospectus.

(Prepared for inclusion in this Prospectus)

C H Williams Talhar & Wong



C H Williams Talhar & Wong (Sabah) Sdn Bhd (34874-P)

Jurukur Berkanun
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22 MAR 2002

**The Board of Directors
NPC Resources Berhad
Lot 8 & 9, T3
Taman Tshun Ngen
Mile 5, Jalan Labuk
90000 Sandakan
Sabah**

Dear Sirs

VALUATION OF LANDED PROPERTIES

This Certificate has been prepared for inclusion in the Prospectus of NPC Resources Berhad to be dated 28 March 2002 issued in connection with the public issue of 8,000,000 ordinary shares of RM1.00 each at an issue price of RM1.30 per new ordinary share and the offer for sale of 24,600,000 ordinary shares of RM1.00 each at an offer price of RM1.30 per ordinary share pursuant to the listing of and quotation for its entire issued and paid-up share capital on the Main Board of Kuala Lumpur Stock Exchange.

In accordance with your instruction, we have inspected the properties set out below between 08 December 1999 and 14 March 2000, and have assessed the market value of the said landed properties. The details of the aforesaid valuation are set out in our valuation reports dated 15 March 2000 and subsequent revision of valuation vide letter dated 19 October 2000, of which the references are set out below. The material date of valuation for the properties as set out below is 01 March 2000. The valuations were undertaken and the valuation reports were prepared based on the Guidelines on Asset Valuation for Submission to the Securities Commission (1995) issued by the Securities Commission and professional standards prescribed by the Board of Valuers, Appraisers & Estate Agents of Malaysia and other professional bodies, and with the necessary professional responsibility and due diligence.

The landed properties are held for owner occupation. The summary of the valuation is as follows:-

18. VALUATION CERTIFICATE (Cont'd)

C. H. Williams, Talhar & Wong**C. H. Williams, Talhar & Wong (Sabah) Sdn Bhd (34874-P)****VALUATION OF LANDED PROPERTIES (cont'd)**

Title no. (valuation report reference)	Registered owner	Description	Tenure	Market value (Revised) RM	Method(s) of valuation
CLs 085317406, 085321571 & 085321820, District of Labuk-Sugut, Sabah (WTWS/SC/08/269/ (a))	Growth Enterprise Sdn. Bhd. ("Growth")	183.05 hectares of estates planted with 1981 and 1991 oil palm with annual FFB yields of 23.76 and 26.67 metric tonne/hectare ("MT/Ha").	99 years lease expiring 31 December 2077 & 31 December 2086	4,072,215	Comparison & Investment
CL 085311271, District of Labuk- Sugut, Sabah (WTWS/SC/08/269/ (a))	Soon Tai Enterprise Sdn. Bhd.	38.03 hectares of estate planted with 1981 oil palm with annual FFB yield of 24.89 MT/Ha.	99 years lease expiring 31 December 2077	868,216	Comparison & Investment
CL 085311280, District of Labuk- Sugut, Sabah (WTWS/SC/08/269/ (a))	Syarikat Jejco Sdn. Bhd.	40.71 hectares of estate planted with 1983 oil palm with annual FFB yield of 23.69 MT/Ha.	99 years lease expiring 31 December 2077	825,467	Comparison & Investment
CL085311299, District of Labuk- Sugut, Sabah (WTWS/SC/08/269/ (a))	Bintang Kinabalu Plantation Sdn. Bhd. ("Bintang")	195.47 hectares of estate planted with 1990 oil palm with annual FFB yield of 30.81 MT/Ha.	99 years lease expiring 31 December 2078	6,104,622	Comparison & Investment
CLs 085311566, 085312376 & 085312385, District of Labuk-Sugut, Sabah (WTWS/SC/08/269/ (a))	Sungai Ruku Oil Palm Plantation Sdn. Bhd. ("SROPP")	224.94 hectares (of which 7.7 hectares are planted with durians) estates planted with 1987, 1989 and 1990 oil palm with annual FFB yield of 28.93 MT/Ha.	99 years lease expiring 31 December 2077 & 31 December 2080	5,540,690	Comparison & Investment
CLs 095311256 & 095310464, District of Kinabatangan, Sabah (WTWS/SC/09/238/ (a))	Ballerina Sdn. Bhd.	163.13 hectares of estates planted with 1983 and 1996 oil palm with annual FFB yield of 20.97 and 2.76 MT/Ha	99 years lease expiring 31 December 2077	3,486,268	Comparison & Investment
CL 095311078, District of Kinabatangan, Sabah (WTWS/SC/09/238/ (a))	Sebuda Sdn. Bhd.	316.00 hectares of estate planted with 1987 and 1990 oil palm with annual FFB yield of 21 MT/Ha.	99 years lease expiring 31 December 2078	5,625,776	Comparison & Investment
PL 096290363, District of Kinabatangan, Sabah (WTWS/SC/09/238/ (a))	Tekupid Kelapa Sawit Sdn. Bhd. ("Tekupid")	374.30 hectares of estate planted with 1992, 1994 and 1995 oil palm with annual FFB yield of 15.46 MT/Ha.	99 years lease expiring 31 December 2078	7,624,871	Comparison & Investment
CL 085312312, District of Labuk- Sugut, Sabah (WTWS/SC/08/142/ (c))	Tekupid	1005.65 hectares of estate planted with 1993 - 1996 oil palm with annual FFB of 9.02 Tonnes/Ha.	99 years lease expiring 31 December 2078	21,736,000	Comparison, Cost & Investment

18. VALUATION CERTIFICATE (Cont'd)

C. H. Williams, Talhar & Wong

C. H. Williams, Talhar & Wong (Sabah) Sdn Bhd (34874-P)

VALUATION OF LANDED PROPERTIES (cont'd)

Title no. (valuation report reference)	Registered owner	Description	Tenure	Market value (Revised) RM	Method(s) of valuation
CLs 085325079 & 085325355, District of Labuk-Sugut, Sabah (WTWS/SC/08/266/ (a))	Bonus Indah Sdn. Bhd.	999.60 hectares of estates planted with 1996 – 1998 oil palm. There has been no harvesting from the estates yet.	99 years lease expiring 31 December 2091	20,729,000	Comparison, Cost & Investment
CLs 085314398, 085314405 & 085325953, District of Labuk-Sugut, Sabah (WTWS/SC/08/268/ (a))	Berkat Setia Sdn. Bhd. ("Berkat")	432.50 hectares of estates land to be planted	99 years lease expiring 31 December 2083 & 31 December 2093	3,936,000	Comparison, Cost & Investment
CLs 085313088, 085313097, 085313104, 085313113, 085313122 & 085313131, District of Labuk-Sugut, Sabah (WTWS/SC/08/267/ (a))	Natural Plantation Sdn. Bhd.	102.19 hectares estates planted with 1990 oil palm with annual FFB yields of 23.16 MT/ha.	99 years lease expiring 31 December 2081 & 31 December 2079	2,302,000	Comparison & Investment
CL 085313551 and PL 086290459, District of Labuk- Sugut, Sabah (WTWS/SC/08/267/ (a))	Miasa Plantation Sdn. Bhd.	440.90 hectares estates planted with 1992 – 1994 oil palm with annual FFB yields of 11.90 Tonnes/ha.	99 years lease expiring 31 December 2079 & 31 December 2081	8,845,000	Comparison & Investment
CLs 085314058, 085314067, 085314076, 085314085, 085314094, 085314101, 085314110, 085314129 & 085314138, District of Labuk-Sugut, Sabah (WTWS/SC/08/267/ (a))	Seraya Plantation Sdn. Bhd.	181.79 hectares estates planted with 1996 and 1998 oil palm. There has been no harvesting from the estates as yet.	99 years lease expiring 31 December 2080	3,612,000	Comparison & Investment
CL 085320467, District of Labuk- Sugut, Sabah (WTWS/SC/08/267/ (a))	Transglobe Enterprise Sdn. Bhd.	302.80 hectares of estate planted with 1996 & 1997 oil palm. There has been no harvesting from the estates yet	99 years lease expiring 31 December 2082	6,140,000	Comparison & Investment
CL 085324116, District of Labuk- Sugut, Sabah (WTWS/SC/08/267/ (a))	Sinar Ramai Sdn. Bhd.	192.30 hectares of secondary jungle	99 years lease expiring 31 December 2086	1,346,000	Comparison & Investment

18. VALUATION CERTIFICATE (Cont'd)

C. H. Williams, Talhar & Wong**C. H. Williams, Talhar & Wong (Sabah) Sdn Bhd (34874-P)****VALUATION OF LANDED PROPERTIES (cont'd)**

Title no. (valuation report reference)	Registered owner	Description	Tenure	Market value (Revised) RM	Method(s) of valuation
CL 065324125, District of Labuk-Sugut, Sabah (WTWS/SC/08/267/ (a))	Intan Ramai Sdn. Bhd.	228.10 hectares of felled and secondary jungle	99 years lease expiring 31 December 2086	1,633,000	Comparison & Investment
CL 095317650, District of Kinabatangan and Sandakan, Sabah (WTWS/SC/09/237/ (a))	Deltafort Sdn. Bhd.	400.30 hectares of estate land sublease to Bintang for 91 years with effect from 1 January 1996 to 31 December 2087. 17.32 hectares planted with 1997 oil palm. There has been no harvesting from the estate yet	99 years lease expiring 31 December 2087	4,821,000 (comprise of the apportioned sub-lease interests amounting to RM3,425,000 and RM1,396,000 of Bintang and Deltafort respectively)	Comparison, Cost & Investment
CL 095324833, District of Kinabatangan and Sandakan, Sabah (WTWS/SC/09/237/ (a))	Mature Land Sdn. Bhd. ("Mature Land")	202.40 hectares of estate land sublease to Growth for 96 years with effect from 1 January 1997 to 31 December 2093. 194.08 hectares planted with 1997 and 1999 oil palm. There has been no harvesting from the estate yet	99 years lease expiring 31 December 2093	4,567,000 (comprise of the apportioned sub-lease interests amounting to RM3,882,000 and RM685,000 of Growth and Mature Land respectively)	Comparison, Cost & Investment
CL 075382133, District of Kinabatangan and Sandakan, Sabah (WTWS/SC/09/237/ (a))	Ladang Zupakeja Sdn. Bhd.	202.10 hectares of estate planted with 1997 oil palm. There has been no harvesting from the estate yet	99 years lease expiring 31 December 2079	4,522,000	Comparison, Cost & Investment
CL 095310348, District of Kinabatangan and Sandakan, Sabah (WTWS/SC/09/237/ (a))	SROPP	75.86 hectares of estate land. 40.06 hectares planted with 1996 oil palm and 35.39 hectares utilised for construction of palm oil mill. There has been no harvesting from the oil palms as yet	99 years lease expiring 31 December 2077	1,108,000	Comparison & Investment
CL 075201231, District of Sandakan, Sabah (WTWS/SC/07/5493/ (a))	SROPP	39.02 hectares of estate planted with 1986, 1987 & 1994 oil palm with annual FFB yield of 20.5 MT/Ha.	99 years lease expiring 31 December 2080	1,690,000	Comparison & Investment
CLs 075409737 and 075412672, District of Sandakan, Sabah (WTWS/SC/07/5493/ (a))	Syarikat Sofrah Sdn. Bhd.	215.14 hectares of estate land. 178.06 hectares planted with 1997 oil palm. There has been no harvesting from the estates yet	99 years lease expiring 31 December 2082 & 31 December 2079	4,381,000	Comparison & Investment

18. VALUATION CERTIFICATE (Cont'd)

C. H. Williams, Talhar & Wong

C. H. Williams, Talhar & Wong (Sabah) Sdn Bhd (34874-P)

VALUATION OF LANDED PROPERTIES (cont'd)

Title no. (valuation report reference)	Registered owner	Description	Tenure	Market value (Revised) RM	Method(s) of valuation
CL 115367201, District of Lahad Datu, Sabah (WTWS/LDT/SC/11/ 2275A)	Agrisa Trading Sdn. Bhd.	394.50 hectares of estate planted with 1998 oil palm. There has been no harvesting of the estate yet	99 years lease expiring 31 December 2085	5,400,000	Comparison & Investment
CLs 075318384 & 075318375, District of Sandakan, Sabah (WTWS/SC/07/5492/ (a))	Ballerina Sdn. Bhd.	2 adjoining double storey shophouses with a total built-up area of 782.13 square metres	999 years lease expiring 9 July 2887	912,000	Comparison
				<u>131,827,925</u>	

We certify that in our opinion the total market value for the existing use of the above properties using the valuation methods stated above amounts to RM131,827,925 (Ringgit Malaysia: One Hundred Thirty One Million Eight Hundred Twenty Seven Thousand Nine Hundred Twenty Five Only).

Yours faithfully
for and on behalf of
C.H. WILLIAMS, TALHAR & WONG (SABAH) SDN. BHD.



ROBIN CHUNG YORK BIN
BSc, MBA, DipProjMan,
MRICS, FISM
Registered Valuer V161

RCYB/ml

19. DIRECTORS' REPORT

(Prepared for inclusion in this Prospectus)



NPC Resources Berhad
(502313-P)

Location Address
Lot 8 & 9, Taman Tshun Ngen,
Mile 5, North Road, 90000 Sandakan,
Sabah, Malaysia

Correspondence Address
W.D.T. 514, 90009 Sandakan,
Sabah, Malaysia

Telephone : 6-089-274488
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Telex : MA 82004

Date: **25 MAR 2002**

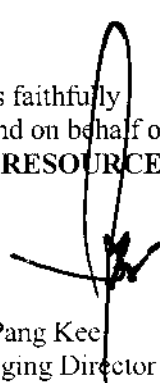
The Shareholders,
NPC Resources Berhad
Lot 8 & 9, T3
Taman Tshun Ngen
Mile 5, Jalan Labuk
90000 Sandakan
Sabah

Dear Sir/Madam

On behalf of the Directors of NPC Resources Berhad ("NPC"), I report after due inquiry that during the period from 30 September 2001 (being the date to which the last proforma audited financial statements of NPC and its subsidiaries ("Group") have been made up) to 22 March 2002 (being a date not earlier than fourteen (14) days before the issue of this Prospectus):-

- (a) the business of the Group has, in the opinion of the Directors, been satisfactorily maintained;
- (b) in the opinion of the Directors, no circumstances have arisen subsequent to the last proforma audited financial statements of NPC and its subsidiaries which have adversely affected the trading or the values of the assets of the Group;
- (c) the current assets of the Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) there are no contingent liabilities by reason of any guarantees or indemnities given by the Group; and
- (e) save as disclosed in this Prospectus, there have been no changes in the published reserves nor any unusual factors affecting the profits of the Group.

Yours faithfully
For and on behalf of the Board of Directors of
NPC RESOURCES BERHAD


Loo Pang Kee
Managing Director

20. ADDITIONAL INFORMATION

20.1 Share Capital

- (i) No shares will be allotted on the basis of this Prospectus later than twelve (12) months after the date of issue of this Prospectus.
- (ii) There are no founder, management or deferred shares. There is only one class of shares in the Company namely ordinary shares of RM1.00 each, all of which rank pari passu with one another.
- (iii) Save for the Public Issue and as disclosed in Sections 8.2 and 10.1.2 of this Prospectus, no shares and debentures of the Company and its subsidiaries have been issued or are proposed to be issued as fully or partly paid-up in cash or otherwise, within the two (2) preceding years from the date of this Prospectus.
- (iv) Save for the Issue Shares reserved for the eligible Directors and Employees of the NPC Group as disclosed in Section 4.4(iii) of this Prospectus, no person including Directors or employees of the NPC Group has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of the Company or its subsidiaries nor has any options to subscribe for securities been granted or exercised by any Directors or employees during the last financial year.
- (v) Other than the Issue Shares reserved for the eligible Directors and employees of the NPC Group as disclosed in Section 4.4(iii) of this Prospectus, there is currently no scheme involving the Directors and employees in the capital of the Company or its subsidiaries.
- (vi) As at the date of this Prospectus, the Group does not have any outstanding convertible debt securities.

20.2 Articles of Association

The provision in the Articles of Association of the Company, the Listing Requirements of KLSE, the Companies Act, 1965 ("Act") and the Rules of MCD ("Rules") in respect of the arrangements for transfer of securities and restrictions on their free transferability are as follows:-

20.2.1 Transfer of Securities and Transmission of Securities

The provisions in the Company's Articles of Association in respect of the arrangements for transfer of the securities and restrictions on their free transferability are as follows:-

(i) *Articles of Association of the Company*

Article 35

The transfer of any securities or class of securities of the Company which have been deposited with the Central Depository shall be by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding sections 103 and 104 of the Act but subject to section 107C (2) of the Act, and any exemption that may be made from compliance with section 107(C) (1) of the Act, the Company shall be precluded from registering and effecting any transfer of such deposited securities.

20. **ADDITIONAL INFORMATION (Cont'd)**

Article 36

Subject to the Central Depositories Act and the Rules, any Member may transfer all or any of his shares (except those in Deposited Securities which are for time being designated as securities in suspense) by instrument in writing in the form approved by the Rules. The instrument of transfer of any share shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members and/or the Record of Depositors as the case may be in respect thereof.

Article 37

There should be no restriction on the transfer of fully paid shares except where required by law and no share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

Article 45

Where (if applicable):-

- (a) The securities of the Company are listed on an approved market place; and
- (b) The Company is exempted from compliance with section 14 of the Central Depositories Act, 1991 or section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules in respect of such Securities.

the Company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the approved market place (hereinafter referred to as "the Foreign Register"), to the register of holders maintained by the registrar of the Company in Malaysia (hereinafter referred to as "the Malaysian Register") provided that there shall be no change in the ownership of such Securities.

Where the requirements under (a) and (b) are fulfilled, the Company shall not allow any transmission of securities from the Malaysian Register into the Foreign Register.

(ii) Companies Act, 1965

The provisions within the Companies Act, 1965 on the transferability of securities are as follows:

Section 103 – Instrument of Transfer

- (1) Notwithstanding anything in its articles a company shall not register a transfer of shares or debentures unless a proper instrument of transfer in the prescribed form has been delivered to the company, but this subsection shall not prejudice any power to register as a shareholder or debenture holder any person to whom the right to any shares in or debentures of the company has been transmitted by operation of law.

20. ADDITIONAL INFORMATION (Cont'd)

- (1A) Nothing in this section shall be construed as affecting the validity of any instrument which would be effective to transfer shares or debentures apart from this section; and any instrument purporting to be made in any form which was common or usual in use, or in any other form authorised or required for that purpose apart from this section before the commencement of this Act, shall be sufficient, whether or not it is completed in accordance with the prescribed form, if it complies with the requirements as to execution and contents which apply to a transfer.

Provided that a company shall be precluded from registering a transfer of shares or debentures, the title of which is evidenced by a certificate that is issued on or after the date of coming into operation of this subsection unless a proper instrument of transfer in the prescribed form has been delivered to the company.

Section 107C – Transfer of Securities is by way of book entry

- (1) On or after the coming into operation of this section, the transfer of any securities or class of securities of a company whose securities or any class of whose securities have been deposited with a central depository shall be by way of book entry by the central depository in accordance with the rules of the central depository and, notwithstanding Sections 103 and 104, such company shall be precluded from registering and effecting any transfer of securities.
- (2) Subsection (1) shall not apply to a transfer of securities to a central depository or its nominee company.

(iii) Rules of the MCD

The rules within MCD on the transferability of securities are as follows:-

Rule 8.01 (2) – Rejection of transfer

The Central Depository may, in its absolute discretion, reject a transfer request made by a depositor thereunder, where the reason for the said transfer does not fall within any of the approved reasons stipulated under Rule 8.03(1)(c).

Rule 8.05A – Transfer from the principal or nominee account

Transfers made by the authorised depository agent from the agent's principal or nominee account shall be subject to the Rules in this Chapter.

Rule 9.03(2) – Documents to lodge

It shall be the responsibility of the authorised depository agent, in processing the transfer between two securities accounts belonging to different depositors (hereinafter the transfer is referred to as "the inter-account transfer"), to check and ensure the completeness, accuracy and/or genuineness of the documents lodged as follows:-

- (a) the prescribed Form FTF010 (request for ordinary transfer of securities form) or Form FTF015 (request for express transfer of securities form) fully and properly completed in triplicate;

20. **ADDITIONAL INFORMATION (Cont'd)**

- (b) the Transferring Depositor has executed the Transferor portion on the said form duly witnessed by another person (other than the depositor's spouse);
- (c) the Transferring Depositor has stated his reason for the transfer and that the reason is or are amongst any of the approved reasons as stated herein below:-
 - (i) transmission and transfer of securities arising from the provisions of any written law or an order of court of competent jurisdiction;
 - (ii) rectification of errors;
 - (iii) pledge, charge or mortgage;
 - (iv) mandatory offer pursuant to the provisions of the Malaysian Code On Takeover and Mergers 1987;
 - (v) any other circumstances as deemed fit by the Central Depository after consultation with the Securities Commission;
- (d) documents to support the reason for the transfer; and
- (e) such other accompanying documents duly processed in such manner as the Central Depository may from time to time determine in its Procedures Manual.

(iv) ***Listing Requirements of KLSE***

The provisions of the Listing Requirements of KLSE on the transferability of securities are as follows:-

Paragraph 7.13 – Transfers of securities

The transfer of any securities or class of securities of the company, shall be by way of book entry by the Central Depository in accordance with the Rules of the Central Depository and, notwithstanding Sections 103 and 104 of the Companies Act, 1965, but subject to subsection 107C(2) of the Companies Act, 1965 and any exemption that may be made from compliance with subsection 107C(1) of the Companies Act, 1965, the company shall be precluded from registering and effecting any transfer of securities.

Paragraph 7.14 – Transmission of securities from Foreign Register

- (1) Where:-
 - (a) the securities of a company are listed on an Approved Market Place; and
 - (b) such company is exempted from compliance with Section 14 of the Securities Industry (Central Depositories) Act, 1991 or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules of the Central Depository in respect of such securities,

20. ADDITIONAL INFORMATION (Cont'd)

such company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the company in the jurisdiction of the Approved Market Place (hereinafter referred to as "the Foreign Register"), to the register of holders maintained by the registrar of the company in Malaysia (hereinafter referred to as "the Malaysian Register") provided that there shall be no change in the ownership of such securities.

- (2) For the avoidance of doubt, no company which fulfils the requirements of subparagraphs (1)(a) and (b) above shall allow any transmission of securities from the Malaysian Register into the Foreign Register.

20.2.2 Remuneration of Directors

The provisions of the Company's Articles of Association dealing with the remuneration of the Directors are as follows:

Article 102

The Directors shall be paid for their services such fixed sum (if any) as shall from time to time be determined by the Company in general meeting, and such remuneration shall be divided among the Directors in such proportion and manner as the Directors may determine or failing agreement, equally. Provided always that:-

- (a) Fees payable to Directors who hold no executive office in the Company shall be paid by a fixed sum, and not by a commission on or percentage of profits or turnover;
- (b) Salaries payable to Directors who hold an executive office in the Company may not include a commission on or percentage of turnover;
- (c) Fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and
- (d) An alternate Directors shall receive his remuneration from the Director appointing him and not from the Company, unless the Company be instructed in writing by the Director to pay any portion of his remuneration to such alternate Director.

Article 104

If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a Committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Company in general meeting and such remuneration may be either in addition to or in substitution for his or their share in the remuneration from time to time provided for the Directors.

20. ADDITIONAL INFORMATION (Cont'd)

20.2.3 Voting and Borrowing Powers of Directors

The provisions in the Company's Articles of Association ("Articles") dealing with voting powers of the Directors in relation to proposals, arrangements or contracts in which they are interested in and their borrowing powers exercisable by them and how such borrowing powers can be varied are as follows:-

Article 108

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company, or its subsidiaries, as they shall think fit.

Article 109

The Directors shall not borrow any money or mortgage or charge any of the Company or the subsidiaries' undertaking, property, or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

Article 110

- (a) The Directors may borrow or raise any such money as aforesaid upon or by the issue or sale of any bonds, debentures, debenture stock, or securities, and upon such terms as to time of repayment, rate of interest, price of issue or sale, payment of premium or bonus upon redemption or repayment or upon any other terms as they may think proper.
- (b) Any debenture or other security may be issued at a discount, premium or otherwise and (with the sanction of the Company in general meeting) with any special privilege as to allotment of shares, attending and voting at general meetings of the Company, appointment of Directors or otherwise.

Article 123

Subject to the Articles, any question arising at any meeting of Directors shall be decided by majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In the case of an equality of votes on a show of hands or on a poll, the chairman of the meeting shall have a second or casting vote, except where only two (2) Directors are competent to vote on the question at issue.

20.2.4 Changes in Share Capital and Variation of Class Rights

The provisions in the Articles of Association of the Company as to changes in share capital and variation of class rights, which are no less stringent than those required by law, are as follows:-

20. **ADDITIONAL INFORMATION (Cont'd)**

Article 6

Subject to the provisions of the Act and approval of members in general meeting, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and either at a premium or at par or (subject to the provisions of the Act) at a discount and at such times as the Directors think fit and with full power to give to any person the right to call for the allotment of any shares either at par or at a premium or at a discount for such time and for such consideration as the Directors may see fit PROVIDED ALWAYS THAT:-

- (a) no shares shall be issued at a discount except in compliance with the provisions of Section 59 of the Act;
- (b) no shares shall at any time be issued which shall result in the transfer of a controlling interest in the Company to any person, company or syndicate save with the prior approval of the Members of the Company in general meeting;
- (c) every issue of shares or options to employees and/or Directors of the Company shall be approved by the Members in general meeting and no Director shall participate in such issues of shares or option unless:-
 - (i) the Members of the Company in general meeting have approved the specified allotment to be made to such Director; and
 - (ii) the Director holds office in an executive capacity.

Article 7

Subject to the Act, the Company shall have the power to issue preference shares, with the sanction of an ordinary resolution, on the terms that they are, or at the option of the Company are liable, to be redeemed but:-

- (a) The total nominal value of the issued preference shares shall not exceed the total nominal value of the issued ordinary shares at any time; and
- (b) The Company shall not issued preference shares in priority above preference shares already issued, but may issue preference shares ranking equally therewith.

Article 8

Preference shareholders shall be entitled to the right to vote in each of the following circumstances:-

- (a) when the dividend or part of the dividend on the share is in arrears for more than six (6) months;
- (b) on a proposal to reduce the Company's share capital;
- (c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
- (d) on a proposal that affects rights attached to the share;
- (e) on a proposal to wind up the Company; and
- (f) during the winding-up of the Company.

20. ADDITIONAL INFORMATION (Cont'd)

Article 9

The holder of a preference share must be entitled to a return of capital in preference to holders of ordinary shares when the company is wound up. A holder of a preference share must be entitled to the same rights as a holder of an ordinary share in relation to receiving notices, reports and audited accounts, and attending meetings.

Article 15

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provision of section 65 of the Act and whether or not the Company is being wound up, be varied with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class and all the provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such meeting except the necessary quorum shall be two (2) persons at least holding or representing by proxy one third (1/3) of the issued shares of the class and that any holder of shares of that class present in person or by proxy may demand a poll.

Article 16

Provided however that in the event of the necessary majority for such a special resolution not having been obtained in the manner aforesaid, consent in writing may be secured by Members holding at least three fourth (3/4) of the issued shares of that class and such consent if obtained within two (2) months from the date of the separate general meeting shall have the force and validity of a special resolution duly carried at that meeting by a vote in person or by proxy. To every such special resolution the provisions of section 152 of the Act shall, with such adaptations as are necessary, apply.

Article 17

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respect *pari passu* therewith.

20.3 Directors and Substantial Shareholders

- (i) The names, addresses and occupations of the Directors are set out in Section 1 of this Prospectus.
- (ii) A Director is not required to hold any qualification share in the Company unless otherwise so fixed by the Company at general meeting.
- (iii) No Director or senior executive officer of the Group is or was involved in the following events (whether in or outside Malaysia):-
 - (a) a petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he is or was a partner or any corporation of which he is or was a director or key personnel;
 - (b) conviction in a criminal proceeding or is a named subject of a pending criminal proceeding; or

20. ADDITIONAL INFORMATION (Cont'd)

- (c) the subject of any order, judgement or ruling of any court of competent jurisdiction, tribunal or governmental body permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.
- (iv) The direct and indirect interests of the substantial shareholders of NPC immediately before and after the Public Issue and Offer for Sale are as follows:-

Shareholder	—Before the Public Issue and Offer for Sale—				—After the Public Issue and Offer for Sale—			
	No. of ordinary shares of RM1.00 each held		No. of ordinary shares of RM1.00 each held		No. of ordinary shares of RM1.00 each held		No. of ordinary shares of RM1.00 each held	
	Direct	%	Indirect	%	Direct	%	Indirect	%
JVSB	25,600,000	35.56	-	-	25,600,000	32.00	-	-
Loo Pang Koo	14,742,399	20.48	25,600,000*	35.56	6,295,657	7.87	25,600,000*	32.00
Wong Siew Ying	13,849,725	19.24	25,600,000*	35.56	5,914,445	7.39	25,600,000*	32.00
P. Naganimalap Sithampunappillai	5,749,984	7.99	-	-	2,455,498	3.07	-	-

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.

- (v) The direct and indirect interests of the Directors in the shares of NPC immediately before and after the Public Issue and Offer for Sale are as follows:-

Shareholder	—Before the Public Issue and Offer—				—After the Public Issue and Offer—			
	No. of ordinary shares of RM1.00 each held		No. of ordinary shares of RM1.00 each held		No. of ordinary shares of RM1.00 each held		No. of ordinary shares of RM1.00 each held	
	Direct	%	Indirect	%	Direct	%	Indirect	%
Loo Ngai Kong	1,685,290	2.34	-	-	719,694	0.90	-	-
Tengku Datuk Dr. Zainal Adlin bin Tengku Mahmood	1	#	-	-	1	#	-	-
Loo Pang Koo	14,742,399	20.48	25,600,000*	35.56	6,295,657	7.87	25,600,000*	32.00
Wong Siew Ying	13,849,725	19.24	25,600,000*	35.56	5,914,445	7.39	25,600,000*	32.00
Lim Ted I ling	-	-	-	-	-	-	-	-
Dr. Edmond Fernandez	-	-	-	-	-	-	-	-

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.

Insignificant.

* Deemed interested through JVSB pursuant to the Arrangement.

- (vi) There are no existing or proposed service contracts between NPC or its subsidiaries, and its Directors or key management.
- (vii) The aggregate remuneration and fees paid to the Directors for services rendered in all capacities to the Company and its subsidiaries in the last financial year ended 31 December 2000 was RM348,760. For the financial year ended 31 December 2001 and the financial year ending 31 December 2002, the estimated and forecast remuneration and fees payable to the Directors of the Company and its subsidiaries amount to RM400,000 and RM995,000 respectively.

20. ADDITIONAL INFORMATION (Cont'd)

- (viii) Save as disclosed in this Prospectus, none of the Directors are aware of any material information including trading factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of NPC Group.
- (ix) Save as disclosed below, none of the Directors have any interest in any contract or arrangement, which is significant in relation to the business of the Company and its subsidiaries taken as a whole subsisting at the date of this Prospectus:-

Director/Substantial shareholder**Nature of interest**

Loo Pang Kee/
Loo Ngin Kong

Loo Pang Kee is also the Director of Ladang Hassan & Loo Sdn. Bhd. ("LHL"), a company which is engaged in the operation of oil palm plantation in Sabah. In addition, Loo Ngin Kong is also a substantial shareholder of LHL. All FFB produced by LHL are sold to the NPC Group's palm oil mills at prevailing market prices.

Further details of the abovementioned Directors' interests are set out in Section 20.3(xi).

- (x) Save as disclosed in Sections 8.3 and 20.6(xx) of this Prospectus, none of the Directors or major shareholders have any interest, direct or indirect, in the promotion of or in any assets which have been, within the two (2) preceding years of the date of this Prospectus, acquired or disposed of by or leased to or proposed to be acquired, disposed of by or leased to the Company or its subsidiary.
- (xi) Save as disclosed below, none of the Directors or substantial shareholders of NPC have any interest, direct or indirect, in any business carrying on a similar trade as NPC or its subsidiaries and which is not quoted on a recognised stock exchange:-

Name of**Director/Substantial Shareholder of NPC****Name of company****Nature of business****Nature of interest**

Loo Ngin Kong

Ladang Hassan & Loo Sdn. Bhd. ("LHL")

Operation of oil palm plantation (80.94 hectares) located in the district of Labuk-Sugut, Sabah. All FFB produced are sold to the Group's palm oil mills at prevailing market prices. All transactions were and will continue to be conducted on terms the Directors believe are at arm's length and in the ordinary course of business.

Substantial shareholder (50% equity interest)

LHL was not included in the NPC Group because the Directors foresee complications involving the transfer of the estate land to LHL. Currently, LHL's estate is registered in the name of one of its shareholders, Datuk Ali Hassan bin Hj. Abdul Ghani (deceased).

Ngin Kong Realities Sdn. Bhd.

Operation of an oil palm plantation (16.18 hectares) located in the district of Kluang, Johor Darul Takzim. There are no business relationships with the NPC Group due to different geographical localities.

Director and substantial shareholder (41% equity interest)

The company was not included as part of the NPC Group due to the distance from the Group's palm oil mills and logistics reasons.

20. ADDITIONAL INFORMATION (Cont'd)

Name of Director/Substantial Shareholder of NPC	Name of company	Nature of business	Nature of interest
	Kinabalu Agricultural Sdn. Bhd. (formerly known as Kinabalu Gas and Petrochem Industries Sdn. Bhd.)	Operation of an oil palm plantation (594.20 hectares) located in the district of Beaufort, Sabah. The company was not included as part of the NPC Group due to the distance from the Group's palm oil mills and logistics reasons.	Director and substantial shareholder (70% equity interest)
Wong Siew Ying	Kinabalu Agricultural Sdn. Bhd. (formerly known as Kinabalu Gas and Petrochem Industries Sdn. Bhd.)	As disclosed above.	Director and a shareholder
Loo Pang Kee	LHL	As disclosed above.	Director
	Ngin Kong Realities Sdn. Bhd.	As disclosed above.	Director
Dr. Edmond Fernandez	Krisraman Sdn. Bhd.	Operation of an oil palm plantation (31 hectares) located in the district of Beluran, Sabah. None of the FFB produced is sold to the NPC Group's palm oil mills. The Board of Directors of NPC does not foresee any potential conflict of interest as Dr. Edmond Fernandez is an Independent Director of NPC and will not be involved in the management of the NPC Group.	Director and substantial shareholder (75% equity interest)

Apart from LHL, the Directors do not foresee any potential conflict of interest that may arise from the business activities of the other companies having similar business with the NPC Group. This is in view that the estates of these other companies are located either at Kluang, Johor Darul Takzim or Beaufort, Sabah, there being too far from the operations of the NPC Group. As regards LHL, to avoid any potential conflict of interest that may arise, Loo Ngin Kong has given a written undertaking to NPC that he is prepared to dispose his stake in the said company to Natural in the future in accordance with the guidelines relating to related parties transactions prevailing then and after having satisfied that such disposal has fully complied with all relevant statutory requirements pertaining to such disposal.

Notwithstanding the aforementioned, to safeguard the interest of the Group and to avoid a possible conflict of interest situation, the Company is required under the Listing Requirements of the KLSE to form an Audit Committee comprising of a majority of independent Directors, whose responsibilities would include reviewing all material transactions with related parties.

20. ADDITIONAL INFORMATION (Cont'd)

20.4 General

- (i) The nature of NPC's business is described in Section 8.4 of this Prospectus. Other than mentioned in Section 8.5 of this Prospectus, there is no corporation which is deemed to be related to NPC by virtue of Section 6 of the Companies Act, 1965.
- (ii) The estimated expenses and fees, including brokerage and underwriting commission relating to the Issue Shares, incidental to the Listing amounting to RM2,000,000 will be borne by the Company.
- (iii) Save as disclosed in Sections 4.9 and 20.4 (ii) of this Prospectus, no commissions, discounts, brokerages or other special terms were granted by the Company within the two (2) years immediately preceding the publication of this Prospectus in connection with the issue or sale of any capital of the Company or its subsidiaries.
- (iv) During the last financial year and the current financial year up to the date of this Prospectus, there were no:-
 - (a) public takeover offers by third parties in respect of the Company's shares; and
 - (b) public takeover offers by the Company in respect of other companies' shares.
- (v) The name and address of the Auditors and Reporting Accountants of the Company are set out in Section 1 of this Prospectus.
- (vi) No amount or benefit has been paid or given within the two (2) preceding years of the date hereof, nor is it intended to be so paid or given, to any promoter.
- (vii) Save as disclosed in this Prospectus, the financial performance, position and operations of NPC and its subsidiaries are not affected by any of the following:-
 - (a) known trends, demands, commitments, events or uncertainties that have had or that the NPC Group reasonably expects to have, a material favourable or unfavourable impact on the financial performance, position and operations of the Group;
 - (b) other material commitments for capital expenditure;
 - (c) unusual or infrequent events or transaction or any significant economic changes that have materially affected the financial performance, position and operations of the Group; and
 - (d) known events, circumstances, trends, uncertainties and commitments that are reasonably likely to make the historical financial statements not indicative of future financial performance and position.
- (viii) The Company and its subsidiaries have not established a place of business outside Malaysia.
- (ix) The manner in which copies of this Prospectus together with the Application Forms and envelopes may be obtained is set out in Section 21 of this Prospectus.
- (x) The date and time of the opening and closing of Applications of the Public Issue and Offer for Sale is set out in Section 4.1 of this Prospectus.
- (xi) The amount payable in full on application is RM1.30 per Issue/Offer Share.
- (xii) Save for the Public Issue, there is no intention on the part of the Directors of the Company to issue any part of the authorised but unissued share capital of the Company as at the date of this Prospectus.

20. ADDITIONAL INFORMATION (Cont'd)

20.5 Material Litigation

Neither NPC nor its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant which has a material effect on the financial position of NPC or its subsidiaries, and the Directors of the Company have no knowledge 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.

20.6 Material Contracts

Save as disclosed below, there are no contracts which are or may be material, not being contracts entered into in the ordinary course of business, which have been entered into by the Company and its subsidiaries during the two (2) years preceding the date of this Prospectus:-

- (i) A Conditional Sale and Purchase Agreement dated 12 June 2000 between NPC and the following:-
 - (a) P. Nagammal a/p Sithamparrappillai and Richard Koh Kin Lip for the acquisition of 34.00% of the equity interest in Berkat ("the 34.00% Shareholders of Berkat"), comprising 680,000 ordinary shares of RM1.00 each, for a purchase consideration of RM9,740,023 to be satisfied wholly by the issuance of 9,740,023 new ordinary shares of RM1.00 each in NPC, credited as fully paid-up, at an issue price of RM1.00 per new NPC share;
 - (b) Loo Ngin Kong, Wong Siew Ying and Loo Pang Kee for the acquisition of approximately 19.82% of the equity interest in NKH ("the 19.82% Shareholders of NKH"), comprising 1,104,200 ordinary shares of RM1.00 each, for a purchase consideration of RM6,876,000 to be satisfied wholly by the issuance of 6,876,000 new ordinary shares of RM1.00 each in NPC, credited as fully paid-up, at an issue price of RM1.00 per new NPC share;
 - (c) P. Nagammal a/p Sithamparrappillai and Loganathan a/l Ponnambalam for the acquisition of approximately 50.00% of the equity interest in Sebuda ("the 50.00% Shareholders of Sebuda"), comprising 749,999 ordinary shares of RM1.00 each, for a purchase consideration of RM2,282,000 to be satisfied wholly by the issuance of 2,282,000 new ordinary shares of RM1.00 each in NPC, credited as fully paid-up, at an issue price of RM1.00 per new NPC share;
 - (d) P. Nagammal a/p Sithamparrappillai for the acquisition of approximately 50.00% of the equity interest in Seraya ("the 50.00% Shareholder of Seraya"), comprising 5,000 ordinary shares of RM1.00 each, for a purchase consideration of RM629,926 to be satisfied wholly by the issuance of 629,926 new ordinary shares of RM1.00 each in NPC, credited as fully paid-up, at an issue price of RM1.00 per new NPC share; and
 - (e) all the shareholders of Natural for the acquisition of the entire equity interest therein ("the Shareholders of Natural"), comprising 100,000 ordinary shares of RM1.00 each, for a purchase consideration of RM74,741,000 to be satisfied wholly by the issuance of 74,741,000 new ordinary shares of RM1.00 each in NPC, credited as fully paid-up, at an issue price of RM1.00 per new NPC share;

20. ADDITIONAL INFORMATION (Cont'd)

- (ii) On 29 June 2001, NPC then entered into a Supplemental Conditional Sale and Purchase Agreement with the following:-
- (a) the 34.00% Shareholders of Berkat to revise the purchase consideration for the acquisition of 34.00% equity interest in Berkat as mentioned in Section 20.6(i)(a) above to RM10,298,750, to be satisfied wholly by the issuance of 6,654,568 new ordinary shares of RM1.00 each in NPC;
 - (b) the 19.82% Shareholders of NKH to revise the purchase consideration for the acquisition of 19.82% equity interest in NKH as mentioned in Section 20.6(i)(b) above to RM6,946,146, to be satisfied wholly by the issuance of 4,488,505 new ordinary shares of RM1.00 each in NPC;
 - (c) the 50.00% Shareholders of Sebuda to revise the purchase consideration for the acquisition of 50.00% equity interest in Sebuda as mentioned in Section 20.6(i)(c) above to RM2,324,000, to be satisfied wholly by the issuance of 1,501,769 new ordinary shares of RM1.00 each in NPC;
 - (d) the 50.00% Shareholder of Seraya to revise the purchase consideration for the acquisition of 50.00% equity interest in Seraya as mentioned in Section 20.6(i)(d) above to RM633,850, to be satisfied wholly by the issuance of 409,082 new ordinary shares of RM1.00 each in NPC; and
 - (e) the Shareholders of Natural to revise the purchase consideration for the acquisition of entire equity interest in Natural as mentioned in Section 20.6(i)(e) above to RM74,217,238, to be satisfied wholly by the issuance of 47,959,025 new ordinary shares of RM1.00 each in NPC;

Subsequently, on 28 January 2002, NPC entered into a Deed of Termination with the aforementioned parties to terminate both the Conditional Sale and Purchase Agreement and the Supplemental Conditional Sale and Purchase Agreement dated 12 June 2000 and 29 June 2001 respectively.

- (iii) On 29 January 2002, a new Conditional Sale and Purchase Agreement was entered between NPC and the following:-
- (a) the 34.00% Shareholders of Berkat to acquire the abovementioned equity interest for a purchase consideration of RM10,887,749, to be satisfied wholly by the issuance of 7,853,311 new ordinary shares of RM1.00 each in NPC;
 - (b) the 19.82% Shareholders of NKH to acquire the abovementioned equity interest for a purchase consideration of RM7,343,405, to be satisfied wholly by the issuance of 5,296,783 new ordinary shares of RM1.00 each in NPC;
 - (c) the 50.00% Shareholders of Sebuda to acquire the abovementioned equity interest for a purchase consideration of RM2,456,912, to be satisfied wholly by the issuance of 1,772,166 new ordinary shares of RM1.00 each in NPC;
 - (d) the 50.00% Shareholder of Seraya to acquire the abovementioned equity interest for a purchase consideration of RM670,101, to be satisfied wholly by the issuance of 483,342 new ordinary shares of RM1.00 each in NPC; and
 - (e) the Shareholders of Natural to acquire the abovementioned equity interest for a purchase consideration of RM78,461,817, to be satisfied wholly by the issuance of 56,594,347 new ordinary shares of RM1.00 each in NPC;

20. ADDITIONAL INFORMATION (Cont'd)

- (iv) A Conditional Sale and Purchase Agreement dated 12 June 2000 between NPC and Loo Pang Kee for the acquisition of 0.1% equity interest in Soon Tai, comprising 1 ordinary share of RM1.00 each, for a cash consideration of RM1.00 and a Letter of Consent and Acknowledgement dated 29 June 2001 between NPC and Loo Pang Kee to extend the conditional period to 30 June 2002. Subsequently, NPC and Loo Pang Kee had, on 28 January 2002 entered into a Deed of Termination to terminate both the Conditional Sale and Purchase Agreement and the Letter of Consent and Acknowledgement dated 12 June 2000 and 29 June 2001 respectively. On 29 January 2002, NPC and Loo Pang Kee entered into a new Conditional Sale and Purchase Agreement incorporating the same terms and conditions;
- (v) A Conditional Sale and Purchase Agreement dated 12 June 2000 between SROPP and Loo Ngin Kong for the acquisition of 61.0% equity interest in Zupakeja, comprising 4,880 ordinary shares of RM1.00 each, for a cash consideration of RM1,071,587 and a Supplementary Conditional Sale and Purchase Agreement dated 29 June 2001 between SROPP and Loo Ngin Kong for the acceptance of the revised cash consideration of RM707,112. Subsequently, SROPP and Loo Ngin Kong had, on 28 January 2002 entered into a Deed of Termination to terminate both the Conditional Sale and Purchase Agreement and the Supplementary Conditional Sale and Purchase Agreement dated 12 June 2000 and 29 June 2001 respectively. On 29 January 2002, SROPP and Loo Ngin Kong entered into a new Conditional Sale and Purchase Agreement incorporating the same terms and conditions;
- (vi) A Conditional Sale and Purchase Agreement dated 12 June 2000 between Natural and CMH Loo Sdn. Bhd. for the disposal by Natural of a bungalow bearing the address of Lot 14, Jalan Rentaka 2, Taman Sri Tebrau, Johor Bahru, Johor Darul Takzim for a cash consideration of RM700,936 and a Supplementary Conditional Sale and Purchase Agreement dated 8 October 2001 between Natural and CMH Loo Sdn. Bhd. for the revision of the completion date and the inclusion of terms on settlement of the purchase consideration;
- (vii) A Conditional Sale and Purchase Agreement dated 12 June 2000 between SROPP and Loo Ngin Kong for the disposal by SROPP of a leasehold land held under title No. CL 075337629 located at Mile 12, Jalan Labuk, Sandakan, Sabah together with a warehouse erected thereon for a cash consideration of RM347,978. Subsequently, a Supplementary Conditional Sale and Purchase Agreement dated 8 October 2001 and a Second Supplementary Conditional Sale and Purchase Agreement dated 2 December 2001 were entered into between SROPP and Loo Ngin Kong for the revision of the completion date and the inclusion of terms on settlement of the purchase consideration;
- (viii) A Conditional Sale and Purchase Agreement dated 12 June 2000 between Growth and Loo Ngin Kong for the disposal by Growth of a bungalow bearing the address of Lot PTD 57062, Taman Bukit Tiram, 8, Jalan Resam 8, Mukim of Tebrau, Johor Bahru, Johor Darul Takzim for a cash consideration of RM640,592 and a Supplementary Conditional Sale and Purchase Agreement dated 8 October 2001 between Growth and Loo Ngin Kong for the revision of the completion date and the inclusion of terms on settlement of the purchase consideration;
- (ix) A Conditional Sale and Purchase Agreement dated 12 June 2000 between Growth and Pedoman Pasifik Sdn. Bhd. for the disposal by Growth of a leasehold land held under title No. CL 015079848 located at Likas, Kota Kinabalu, Sabah for a cash consideration of RM1,612,934 and a Supplementary Conditional Sale and Purchase Agreement dated 8 October 2001 between Growth and Pedoman Pasifik Sdn. Bhd. for the revision of the completion date and the inclusion of terms on settlement of the purchase consideration;

20. ADDITIONAL INFORMATION (Cont'd)

- (x) A Conditional Sale and Purchase Agreement dated 12 June 2000 between Berkat and Everise Victory Sdn. Bhd. for the disposal by Berkat of Sin Siah Radio Sdn. Bhd., a wholly-owned subsidiary of Berkat, which holds a piece of land held under Mukim Geran 8, Lot No. 2880, Mukim Plentong, Johor Darul Takzim for a cash consideration of RM3,062,976 and a Supplementary Conditional Sale and Purchase Agreement dated 8 October 2001 between Berkat and Everise Victory Sdn. Bhd. for the revision of the completion date and the inclusion of terms on settlement of the purchase consideration;
- (xi) A Conditional Sale and Purchase Agreement dated 12 June 2000 between SROPP and Summer Aspects Sdn. Bhd. for the disposal by SROPP of a leasehold land held under title No. CL 077503890 located at Jalan Buli Sim Sim, Sandakan, Sabah for a cash consideration of RM215,743. A Deed of Termination was entered into on 5 October 2001 between SROPP and Summer Aspects Sdn. Bhd. for the termination of the Conditional Sale and Purchase Agreement dated 12 June 2000 and a new Conditional Sale and Purchase Agreement dated 8 October 2001 was entered into between SROPP and Loo Ngin Kong for the disposal by SROPP of the same property at the same cash consideration;
- (xii) A Conditional Sale and Purchase Agreement dated 12 June 2000 between SROPP and Evergreen Stars Sdn. Bhd. for the disposal by SROPP of an office lot bearing the address of Lot 10, Block A, 2nd Floor, Bandar Kim Fung, Mile 4, Jalan Labuk, Sandakan, Sabah for a cash consideration of RM68,346. A Deed of Termination was entered into on 5 October 2001 between SROPP and Evergreen Stars Sdn. Bhd. for the termination of the Conditional Sale and Purchase Agreement dated 12 June 2000 and a new Conditional Sale and Purchase Agreement dated 8 October 2001 was entered into between SROPP and Wong Siew Ying for the disposal by SROPP of the same property at the same cash consideration;
- (xiii) A Conditional Sale and Purchase Agreement dated 12 June 2000 between SROPP and Century Series Sdn. Bhd. for the disposal by SROPP of an apartment bearing the address of Lot A2-8, Block A, 8th Floor, Wangsa Putri Condominium, Skudai, Johor Bahru, Johor Darul Takzim for a cash consideration of RM180,991. A Deed of Termination dated 5 October 2001 was entered into between SROPP and Century Series Sdn. Bhd. for the termination of the Conditional Sale and Purchase Agreement dated 12 June 2000 and a new Conditional Sale and Purchase Agreement dated 8 October 2001 was entered into between SROPP and Wong Siew Ying for the disposal by SROPP of the same property at the same cash consideration;
- (xiv) A Conditional Sale and Purchase Agreement dated 12 June 2000 between Growth and Evergreen Summit Sdn. Bhd. for the disposal by Growth of a leasehold land held under title No. CL 085385643 located at Mile 11, Jalan Labuk, Sandakan, Sabah for a cash consideration of RM21,073. A Deed of Termination dated 5 October 2001 was entered into between Growth and Evergreen Summit Sdn. Bhd. for the termination of the Conditional Sale and Purchase Agreement dated 12 June 2000 and a new Conditional Sale and Purchase Agreement dated 8 October 2001 was entered into between Growth and Loo Ngin Kong for the disposal by Growth of the same property at the same cash consideration;
- (xv) A Conditional Sale and Purchase Agreement dated 12 June 2000 between Growth and Evergreen Yield Sdn. Bhd. for the disposal by Growth of a bungalow located at TL077528146/55, Mile 1½, Jalan Labuk, Sandakan, Sabah for a cash consideration of RM153,327. A Deed of Termination dated 5 October 2001 was entered into between Growth and Evergreen Yield Sdn. Bhd. for the termination of the Conditional Sale and Purchase Agreement dated 12 June 2000 and a new Conditional Sale and Purchase Agreement dated 8 October 2001 was entered into between Growth and Loo Pang Kee for the disposal by Growth of the same property at the same cash consideration;

20. ADDITIONAL INFORMATION (Cont'd)

- (xvi) A Conditional Sale and Purchase Agreement dated 12 June 2000 between Soon Tai and Evergreen Stars Sdn. Bhd. for the disposal by Soon Tai of an office lot located at Lot 11, Block A, 2nd Floor, Bandar Kim Fung, Mile 4, Jalan Labuk, Sandakan, Sabah for a cash consideration of RM66,336. A Deed of Termination dated 5 October 2001 was entered into between Soon Tai and Evergreen Stars Sdn. Bhd. for the termination of the Conditional Sale and Purchase Agreement dated 12 June 2000 and a new Conditional Sale and Purchase Agreement dated 8 October 2001 was entered into between Soon Tai and Wong Siew Ying for the disposal by Soon Tai of the same property at the same cash consideration;
- (xvii) A Conditional Sale and Purchase Agreement dated 12 June 2000 between Bintang and Vintage Orchard Sdn. Bhd. for the disposal by Bintang of a bungalow located at CL 075318697, Taman Tshun Ngen, Mile 5, Jalan Labuk, 90000 Sandakan, Sabah for a cash consideration of RM2,008,483. A Deed of Termination dated 5 October 2001 was entered into between Bintang and Vintage Orchard Sdn. Bhd. for the termination of the Conditional Sale and Purchase Agreement dated 12 June 2000. Subsequently, a new Conditional Sale and Purchase Agreement dated 8 October 2001 and a Supplementary Conditional Sale and Purchase Agreement dated 10 October 2001 were entered into between Bintang and Loo Pang Kee for the disposal by Bintang of the same property at the same cash consideration;
- (xviii) A Conditional Sale and Purchase Agreement dated 12 June 2000 between Ballerina and Evergreen Summit Sdn. Bhd. for the disposal by Ballerina of an apartment bearing the address Lot 2/4/5, 4th Floor, Api-Api Centre, Kota Kinabalu, Sabah for a cash consideration of RM107,128. A Deed of Termination dated 5 October 2001 entered into between Ballerina and Evergreen Summit Sdn. Bhd. for the termination of the Conditional Sale and Purchase Agreement dated 12 June 2000 and a new Conditional Sale and Purchase Agreement dated 8 October 2001 was entered into between Ballerina and Loo Ngin Kong for the disposal by Ballerina of the same property at the same cash consideration;
- (xix) A Conditional Sale and Purchase Agreement dated 29 January 2002 between NPC and Loo Ngin Kong and Loganathan a/l Ponnambalam for the acquisition of 0.2% equity interest in Summer Focus, comprising 2 ordinary shares of RM1.00 each, for a cash consideration of RM2.00;
- (xx) A Sub-Sale Agreement dated 17 September 1999 between Growth and Loo Ngin Kong for the disposal by Growth of a piece of land held under title No. CL 085321562 located at Mile 46, Labuk Road, Luang Manis, District of Labuk-Sugut, Sabah for a cash consideration of RM3,000. A Supplementary Sub-Sale Agreement was entered into on 31 December 2001 between Growth and Loo Ngin Kong for the inclusion of six (6) units of single storey estate shop buildings, a culvert factory and two (2) labour quarters erected thereon with the remaining portion of approximately 13 acres which have been fully planted with oil palm crops on the abovesaid land for a revised purchase consideration of RM134,580 and the terms on settlement of the purchase consideration; and
- (xxi) An Underwriting Agreement dated 28 February 2002 between NPC and CIMB for the underwriting of the Issue Shares at a price of RM1.30 per Issue Share for an underwriting commission of two point five per centum (2.50%) of the underwritten value.

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20. ADDITIONAL INFORMATION (Cont'd)

20.7 Material Agreements

Save as disclosed below, there are no other subsisting material agreements which have been entered into by the Company and its subsidiaries:-

(a) The banking facilities of NPC Group are as follows:-

Subsidiary	Financier	Type of facility	Facility amount RM'000	Collateral
Natural	RHB Bank Berhad	Term Loan	10,000	Third Party First and Second Legal Charge on oil palm estates known as CL 085312312, CL 085313551 and PL 086290459, District of Labuk-Sugut, Sabah
	Public Bank Berhad	Term Loan	500	First and Second Legal Charge on oil palm estates known as CL 085313088, CL 085313097, CL 085313104, CL 085313113, CL 085313122, & CL 085313131, District of Labuk-Sugut, Sabah
		Overdraft	500	
Growth	OUB Bank (M) Berhad	Term Loan	550	First Legal Charge on property house known as H.S.(D) 13972, Lot MLO 8320, District of Johor Bahru, Johor
	Arab-Malaysian Finance Berhad	Term Loan	1,200	First Legal Charge on property known as CL 015079848, District of Kota Kinabalu, Sabah
		RHB Bank Berhad	Term Loan	320
Intan Ramai	Alliance Bank Berhad	Term Loan	1,000	First Legal Charge on felled and secondary jungle known as CL 085324125, District of Labuk-Sugut, Sabah
Sinar Ramai	Alliance Bank Berhad	Term Loan	800	First Legal Charge on secondary jungle known as CL 085324116, District of Labuk-Sugut, Sabah
Sofrah	OCBC Bank (M) Berhad	Term Loan	1,000	First Legal Charge on oil palm estate known as CL 075409737, District of Sandakan, Sabah
Transglobe	Bumiputera-Commerce Bank Berhad	Term Loan	1,500	First Legal Charge on oil palm estate known as CL 085320467, District of Labuk-Sugut, Sabah
Telupid	HSBC Bank (M) Berhad	Term Loan	2,000	First Legal Charge on oil palm estate known as PL 096290363, District of Kinabatangan, Sabah
Berkat	OCBC Bank (M) Berhad	Term Loan	6,000	First, Fourth and Fifth Legal Charge on mill land and oil palm estates known as CL 085317415, CL 085325953, CL 085314405 and CL 085314398, District of Labuk-Sugut, Sabah
		Term Loan	2,500	Second and Third Legal Charge on mill land and oil palm estates known as CL 085317415, CL 085325953, CL 085314405 and CL 085314398, District of Labuk-Sugut, Sabah

20. ADDITIONAL INFORMATION (Cont'd)

Subsidiary	Financier	Type of facility	Facility amount RM'000	Collateral
	RHB Bank Berhad	Overdraft	1,500	Third Party First Legal Charge on oil palm estates known as CL 085317406 and CL 085311271, District of Labuk-Sugut, Sabah
Sebuda	OCBC Bank (M) Berhad	Overdraft	1,900	First Legal Charge on oil palm estate known as CL 095311078, District of Kinabatangan, Sabah
Agrisa	RHB Bank Berhad	Term Loan Overdraft	1,400 500	First and Second Legal Charge on oil palm estate known as CL 115367201, District of Lahad Datu, Sabah
Bonus Indah	OCBC Bank (M) Berhad	Term Loan	7,000	First and Second Legal Charge on oil palm estates known as CL 085325079 and CL 085325355, District of Labuk-Sugut, Sabah
SROPP	RHB Bank Berhad	Term Loan	1,000	Third Party First Legal Charge on oil palm estate known as CL 095317650, District of Kinabatangan, Sabah
		Term Loan	10,500	First and Second Legal Charge on oil palm estate and mill known as CL 095310348, District of Kinabatangan, Sabah
		Overdraft	3,000	
		Term Loan	800	First Legal Charge on oil palm estate known as CL 075201231, District of Sandakan, Sabah
		Overdraft	400	First and Second Legal Charge on oil palm estates known as CL 085311566, CL 085312376 and CL 085312385, District of Labuk-Sugut, Sabah
		Overdraft	3,000	Third Party First Legal Charge on oil palm estate known as CL 085311299, District of Labuk-Sugut, Sabah
Deltafort	RHB Bank Berhad	Overdraft	300	Second Legal Charge on oil palm estate known as CL 095317650, District of Kinabatangan, Sabah
Mature Land	Bumiputera-Commerce Bank Berhad	Term Loan	1,000	First Legal Charge on oil palm estate known as CL 095324833, District of Kinabatangan, Sabah
Seraya	MMB Credit Corporation Sdn. Bhd.	Term Loan	2,000	First Legal Charge on oil palm estates known as CL 085314058, CL 085314067, CL 085314076, CL 085314085, CL 085314094, CL 085314101, CL 085314110, CL 085314129 and CL 085314138, District of Labuk-Sugut, Sabah

- (b) The NPC Group has insured its oil palm estates and palm oil mills with a total insurance coverage of approximately RM53.663 million, which comprise of fire policies and crop insurance coverage of RM27.003 million and RM26.660 million respectively.

20. ADDITIONAL INFORMATION (Cont'd)

- (c) The Group had executed supply agreements with two (2) of its major customers, namely Sandakan Edible Oils Sdn. Bhd. ("SEO") and Kwantas Oil Sdn. Bhd. ("Kwantas"), for the supply of CPO and PK, as follows:-
- (i) A long-term contract dated 1 January 1996 between Berkat and SEO for the sale of PK for the period commencing from the date of the Agreement to 31 December 1998 and which is automatically renewed unless either party gives 6 months notice of termination;
 - (ii) A long-term contract dated 1 January 1996 between Berkat and SEO for the sale of CPO for the period commencing from the date of the Agreement to 31 December 1998 and which is automatically renewed unless either party gives 6 months notice of termination;
 - (iii) A long-term contract dated 1 October 1997 between SROPP and Kwantas for the sale of PK commencing from the date of the Agreement to 30 September 1998 and which is automatically renewed on a yearly basis unless either party gives 3 months notice of termination; and
 - (iv) A long-term contract dated 1 October 1997 between SROPP and Kwantas for the sale of CPO commencing from the date of the Agreement to 30 September 1998 and which is automatically renewed on a yearly basis unless either party gives 3 months notice of termination.

20.8 Consents

- (i) The written consents of the Principal Bankers, Solicitors for the Company, Solicitors for the Public Issue and Offer for Sale, Registrars, MIH, and Adviser, Underwriter and Placement Agent to the inclusion in this Prospectus of their names in the manner and form in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of the Reporting Accountants to the inclusion in this Prospectus of its name, Accountants' Report and letters relating to the consolidated profit estimate and forecast for the financial year ended 31 December 2001 and the financial year ending 31 December 2002 respectively and proforma consolidated balance sheets as at 30 September 2001 in the manner and form in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (iii) The written consent of the Valuers to the inclusion of its name and the Valuation Certificate in the manner and form in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

20.9 Documents Available for Inspection

Copies of the following documents may be inspected at the registered office of NPC at the registered office of NPC during office hours for a period of twelve (12) months from the date of this Prospectus:-

- (i) Memorandum and Articles of Association of NPC;
- (ii) The audited financial statements of NPC for the period from 28 December 1999 to 31 December 2000 and nine (9) months ended 30 September 2001;
- (iii) The audited financial statements of Natural, Growth, Ballerina, Bintang, Intan Ramai, Sinar Ramai, Sofrah, Transglobe, Telupid, Berkat, Seraya, Sebuda, SROPP, Deltafort, Mature Land, Wenow and Zupakeja, for the five (5) financial years ended 31 December 1996 to 2000 and nine (9) months ended 30 September 2001;

20. ADDITIONAL INFORMATION (Cont'd)

- (iv) The audited financial statements of Miasa for the financial years ended 30 June 1996 and 1997, six (6) months ended 31 December 1997, three (3) financial years ended 31 December 1998 to 2000 and nine (9) months ended 30 September 2001;
- (v) The audited financial statements of Soon Tai for the fifteen (15) months ended 31 December 1996, the four (4) financial years ended 31 December 1997 to 2000 and nine (9) months ended 30 September 2001;
- (vi) The audited financial statements of Kidat for the financial years ended 31 July 1996 and 1997, seventeen (17) months ended 31 December 1998, two (2) financial years ended 31 December 1999 and 2000 and nine (9) months ended 30 September 2001;
- (vii) The audited financial statements of Jejco for the financial years ended 30 September 1996 and 1997, fifteen (15) months ended 31 December 1998, the two (2) financial years ended 31 December 1999 and 2000 and nine (9) months ended 30 September 2001;
- (viii) The audited financial statements of Agrisa for the financial year ended 30 June 1996, six (6) months ended 31 December 1996, the four (4) financial years ended 31 December 1997 to 2000 and nine (9) months ended 30 September 2001;
- (ix) The audited financial statements of Bonus Indah for the financial year ended 29 February 1996, the financial year ended 28 February 1997, ten (10) months ended 31 December 1997, the three (3) financial years ended 31 December 1998 to 2000 and nine (9) months ended 30 September 2001;
- (x) The audited financial statements of NKH for the period from 9 March 1996 to 31 December 1996, the four (4) financial years ended 31 December 1997 to 2000 and nine (9) months ended 30 September 2001;
- (xi) The audited financial statements of Dat Soon for the fourteen (14) months ended 31 December 1996, the four (4) financial years ended 31 December 1997 to 2000 and nine (9) months ended 30 September 2001;
- (xii) The audited financial statements of Emashijau for the three (3) financial years ended 31 May 1996 to 1998, seven (7) months ended 31 December 1998, the two (2) financial years ended 31 December 1999 and 2000 and nine (9) months ended 30 September 2001;
- (xiii) The audited financial statements of Summer Focus for the period from 24 April 1998 to 31 December 1998, the two (2) financial years ended 31 December 1999 and 2000 and nine (9) months ended 30 September 2001;
- (xiv) The Reporting Accountants' letters relating to the consolidated profit estimate and forecast for the financial year ended 31 December 2001 and the financial year ending 31 December 2002 respectively and Proforma Consolidated Balance Sheets as at 30 September 2001 as included in Sections 13 and 16 respectively of this Prospectus;
- (xv) The Accountants' Report and Directors' Report as included in Sections 17 and 19 respectively of this Prospectus;
- (xvi) The Valuation Certificate as included in Section 18 of this Prospectus together with the Valuation Reports as referred to therein;
- (xvii) The material contracts and material agreements referred to in Sections 20.6 and 20.7 respectively of this Prospectus; and
- (xviii) The letters of consent referred to in Section 20.8 of this Prospectus.