



**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2003**

NOTES TO THE INTERIM FINANCIAL REPORT

PART A: REQUIREMENTS OF MASB STANDARD 26-INTERIM FINANCIAL REPORTING

1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with MASB 26, Interim Financial Reporting and Paragraph 9.22 of Kuala Lumpur Stock Exchange's Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 30 April 2002.

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the annual financial statements for the year ended 30 April 2002 except for the adoption of new applicable Approved Accounting Standards set out below:

(a) Prospective application

- MASB 21- Business Combination
- MASB 23- Impairment of Assets

(b) Retrospective application

Comparative figures have been adjusted or extended to conform with changes in presentation due to requirements of the following new MASB Standards that have been applied retrospectively:

- MASB 19- Events After Balance Sheet Date
- MASB 20- Provisions, Contingent Liabilities and Contingent Assets.
- MASB 22- Segment Reporting

There are no changes in accounting policy that affect net profit for the period or shareholders' equity as a result of adoption of these standards in the interim financial report except as set out below:

Dividends

In previous year, dividends were accrued as a liability when proposed by Directors. The Group has now changed this accounting policy to recognise dividends in shareholders' equity in the period in which the obligation to pay is established in accordance with MASB 19.

Therefore, final dividends are now accrued as a liability after approval by shareholders at the Annual General Meeting.



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As disclosed in the interim financial report for the financial period ended 31 January 2003, this change in accounting policy has been accounted for retrospectively.

The new accounting policy has the effect of increasing the retained profits for the financial year ended 30 April 2002 by RM8.1 million as shown below:

	As previously stated RM'000	Effect of changes in policy RM'000	As restated RM'000
At 30 April 2002			
- retained profits	45,807	8,109	53,916
- proposed dividends	8,109	(8,109)	-

2. Audit qualification

The audit report of the Group in respect of the financial statements for the year ended 30 April 2002 was not subject to any audit qualification.

3. Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors during the financial period under review.

4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial period.

5. Changes in estimates

There were no material changes in estimates of amount reported in prior interim period or financial year that have a material effect in the current financial period.

6. Debt and equity securities

Other than as mentioned in Note 20, there were no issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period.



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7. Dividends paid

	9 Months Period Ended 31 January 2003 RM'000	9 Months Period Ended 31 January 2002 RM'000
Final tax exempt dividend approved by shareholders, in respect of the year ended 30 April 2001, paid on 15 November 2001	-	10,000
Final dividend approved by shareholders, in respect of the year ended 30 April 2001, paid on 15 November 2001	-	1,968
Interim dividend declared, in respect of the year ended 30 April 2002, paid on 30 August 2002	-	3,891
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	-	15,859

8. Segment information

Segment information is presented in respect of the Group's business segment.

	9 Months Period Ended 31 January 2003	
	Revenue RM'000	Segment results RM'000
Manufacturing	118,448	28,192
Trading	136,194	2,207
Amalgamated	<hr/>	<hr/>
	254,642	30,399
Inter-segment elimination	(113,724)	142
Consolidated revenue/operating profit	<hr/>	<hr/>
	140,918	30,541
Interest expense		(536)
Interest income		5
Consolidated revenue/profit before taxation	<hr/>	<hr/>
	140,918	30,010



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The directors are of the opinion that all inter-segment transfers have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. Those transfers are eliminated on consolidation.

9. Valuation of property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the recent annual financial statements for the year ended 30 April 2002. The carrying value is based on a valuation carried out in September 2001 by independent qualified valuers less depreciation.

During the financial period, the acquisition of property, plant and equipment amounted to RM13.6 million. There was no disposal of property, plant and equipment during the financial period.

10. Material events subsequent to the balance sheet date

Other than as mentioned in Note 20, there were no material events subsequent to the end of the current financial period that have not been reflected in the interim financial statements as at the date of this report.

11. Changes in the composition of the Group

There were no material changes in the composition of the Group during the financial period ended 31 January 2003.

12. Changes in contingent liabilities

The contingent liabilities of the Company are as follows:

	As at 31.01.2003 RM'000	As at 30.4.2002 RM'000
Corporate guarantees given to banks for credit facilities granted to a subsidiary	<u>20,119</u>	<u>16,321</u>



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PART B: ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF KLSE LISTING REQUIREMENTS

13. Review of performance of the Company and its principal subsidiaries

For the nine months period ended 31 January 2003, the Group recorded a revenue of RM140.9million and a pre tax profit of RM30million, as compared to a revenue of RM138.3million and a pre-tax profit of RM30million for the nine months period ended 31 January 2002.

Pre-tax profit remain consistent even though revenue has increased mainly due to increase in advertising costs as a result of additional marketing activities undertaken by the Group.

14. Variation of results against preceding quarter

The Group reported a lower profit before taxation of RM9.5 million for the current quarter compared to RM10.1 million for the immediate preceding quarter. The decrease is mainly due to the reason stated in note 13.

15. Current year prospect

Baring unforeseen circumstances, with the continued strong demand for the Group's products, the Board of Directors is optimistic that for the financial year ending 30 April 2003, the Group will be able to surpass its performance in terms of revenue and profitability compared to financial year 2002.

16. Variance of actual profit from profit forecast

Not applicable.



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17. Taxation

	Current Quarter 3 months period ended 31 January 2003 RM'000	Period-to-date 9 months period ended 31 January 2003 RM'000
Income tax		
Current year	2,387	7,536
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	2,387	7,536
Deferred tax	36	108
	<hr/>	<hr/>
	2,423	7,644

The Group's effective tax rate for the current quarter and financial year to date is lower than the statutory tax rate principally due to the availability of tax incentives to a subsidiary under the Income Tax Act, 1967.

18. Unquoted investments and/or properties

There were no disposals of unquoted investments or properties for the current financial quarter and financial year to date.

19. Quoted security

There were no purchases or disposal of quoted securities for the current financial quarter and financial year-to-date.

20. Status on corporate proposals

In conjunction with the listing of the Company on the Main Board of the Kuala Lumpur Stock Exchange, the Company undertook the following:

- (a) Share split of existing paid-up share capital of the Company comprising 3,891,299 ordinary shares of RM1.00 each to 38,912,990 ordinary shares of RM0.10 each in the Company (NTHB shares) by way of a sub-division of the existing ordinary shares of RM1.00 each, on 18 February 2003;
- (b) Bonus issue of 585,087,010 new ordinary shares of RM0.10 each in the Company credited as fully paid up on the basis of approximately 150,358 new NTHB shares for every 10,000 existing NTHB shares held, on 18 February 2003;



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Following this, the total share capital of the Company is RM62,400,000 comprising 624,000,000 ordinary shares of RM0.10 each.

On 17 March 2003, the Company issued a prospectus on the offer for sale of 242,980,000 ordinary shares of RM0.10 each at an offer price of RM0.50 per share, payable in full on application, comprising:

- (i) 187,200,000 ordinary shares of RM0.10 each reserved for bumiputera investors approved by the Ministry Of International Trade And Industry;
- (ii) 19,780,000 ordinary shares of RM0.10 each available for application by eligible employees of NTPM Holdings Berhad and its subsidiaries;
- (iii) 20,000,000 ordinary shares of RM0.10 each available for application by the Malaysian Public.
- (iv) 16,000,000 ordinary shares of RM0.10 each by way of private placement.

21. Group borrowings, secured

	31 January 2003
	RM'000
Current	
Bankers' acceptance	9,854
Export credit refinancing	6,562
Hire purchase payables	22
Term loans	2,265
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	18,703
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Non-current	
Hire purchase payables	3
Long term loan	381
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	384
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The above borrowings are denominated in Ringgit Malaysia.

22. Off balance sheet financial instruments

Forward foreign exchange contracts are entered by the Group in currencies other than their functional currency to manage exposure to fluctuations in foreign currency exchange rates on



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specific transactions. In general, the Group's policy is to hedge all excess amount of receivables against payables.

As at 16 April 2003, the Group's open forward contracts entered into as hedges of anticipated future transactions are as follows:

Foreign Currency	Contract	Outstanding		Fair	Maturity Date
	Amount	Contract Amount	Contract Amount	Value	
	FC '000	FC '000	RM'000	RM'000	
Singapore Dollar	1,850	1,850	4,026	3,904	9 May to 27 June 2003

Exchange gains and losses arising on contracts entered into as hedges of anticipated future transactions are deferred until the date of such transaction, at which time they are included in the measurement of such transactions. All other exchange gains and losses relating to hedge instruments are recognised in the income statement in the same period as the exchange differences on the underlying hedged items. Gains and losses on contracts that are no longer designated as hedges are included in the income statement.

Forward foreign exchange contracts are used to cover confirmed foreign currency receipts and payments of the Group. The maturity period for each contract depends on the terms of receipts or payments agreed with our trade customers and suppliers. The purpose of hedging is to preserve the values of trade receivables and payables against market risk.

The Group does not foresee any significant credit and market risks associated with the above forward foreign exchange contracts as these contracts are entered into with credit worthy financial institutions.

Besides a small fee, there are no other cash requirements for the above forward foreign exchange contracts.

23. Material litigation

There was no pending material litigation as at the date of this quarterly report.



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24. Dividend

	9 Months Period Ended 31 January 2003		9 Months Period Ended 31 January 2002	
	Amount of dividend net of 28% tax, where applicable RM'000		Amount of dividend net of 28% tax, where applicable RM'000	
	Gross dividend per share sen		Gross dividend per share sen	
Final tax exempt dividend approved by shareholders in respect of the year ended 30 April 2002, payable on 26 February 2003	208.38	8,109	-	-
Final tax exempt dividend approved by shareholders, in respect of the year ended 30 April 2001, paid on 15 November 2001	-	-	256.98	10,000
Final dividend approved by shareholders, in respect of the year ended 30 April 2001, paid on 15 November 2001	-	-	70.24	1,968
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	208.38	8,109	327.22	11,968
Interim tax exempt dividend declared, in respect of year ended 30 April 2002, paid on 30 August 2002	-	-	100.00	3,891
	<hr/>	<hr/>	<hr/>	<hr/>

On 26 February 2003, the Company declared an interim tax-exempt dividend amounting to RM6,000,000 for the financial year ending 30 April 2003. This dividend was paid to the shareholders who were registered as members of the Company as at 11 February 2003, on 26 February 2003.



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25. Earnings per share

	3 months period ended 31 January		Period to date 9 months period ended 31 January	
	2003	2002	2003	2002
Net profit attributable to shareholders (RM'000)	7,077	7,821	22,319	21,329
Number of ordinary shares of RM1.00 each in issue ('000)	3,891	3,891	3,891	3,891
Basic earnings per share (sen)	181.9	201.0	573.6	548.2
Enlarged number of ordinary shares of RM0.10 each assumed in issue ('000)	624,000	624,000	624,000	624,000
Proforma basic earnings per share (sen)	1.1	1.3	3.6	3.4