



**NV MULTI
CORPORATION BERHAD**
(204888-D)

Concept Rationale



The stability and versatility of bamboo are qualities that match the character of the NV Multi Group as a company that has grown from strength to strength over the years. Displaying the same flexibility and resilience of bamboo, the company has forged ahead to do what it does best - providing satisfaction by offering the ultimate in products, choices, caring service, professionalism and in ensuring total peace of mind.

In the process, building value for shareholders and customers.

To us it is an important tradition, one that we call 'The Tradition of Caring'.

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STRENGTH IN UNITY

2

Corporate **INFORMATION**

BOARD OF DIRECTORS

Jen (B) Tan Sri Yaacob bin Mat Zain (Chairman)

Dato' Dr Kong Hon Kong (Managing Director)

Yap Kim Swee (Executive Director)

Lee Ah Kong (Executive Director)

Chua Chong Kee (Executive Director)

Khairol Nizam bin Hamran (Director)

Mohamed Taib bin Mahmood (Director)

AUDIT COMMITTEE

Jen (B) Tan Sri Yaacob bin Mat Zain (Chairman)

Khairol Nizam bin Hamran

Mohamed Taib bin Mahmood

Yap Kim Swee (MIA1508)

CORPORATE INFORMATION

COMPANY SECRETARY

Chen Huey Jiuan (MAICSA 7005590)

REGISTERED OFFICE & BUSINESS ADDRESS

Penthouse, Menara AA
247 Jalan Tun Razak
50400 Kuala Lumpur
Tel : 03-21446699
Fax : 03-21480077

WEBSITE

www.nvmc.com.my

EMAIL ADDRESS

nvmulti@nvmc.com.my

LISTING

Kuala Lumpur Stock Exchange
Main Board

SHARE REGISTRAR

PFA Registration Services Sdn Bhd
Level 13, Uptown 1
No. 1, Jalan SS21/58
Damansara Uptown
47400 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-77254888
Fax : 03-77222311

AUDITORS

HALS & Associates
Public Accountants
Suite 1602, 16th Floor
Wisma Lim Foo Yong
86, Jalan Raja Chulan
50200 Kuala Lumpur

PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad
EON Bank Berhad
RHB Bank Berhad
Southern Bank Berhad
The Development Bank of Singapore Ltd

JEN (B) TAN SRI YAACOB BIN MAT ZAIN

Chairman

(Independent Non-Executive Director)

Aged 68, Malaysian – Yg Bhg Jen. (B) Tan Sri Yaacob bin Mat Zain was re-appointed as Chairman of NV Multi on 28 April 2000. He was previously Chairman of NV Multi during the period from 20 June 1995 to 1 May 1998. He is also the Chairman of Audit, Remuneration and Nomination Committee of the Company.

He obtained his education at the Australian Army General Command and Staff College, the Naval Post Graduate School in Monterey, United States of America, the Royal College of Defence Studies in United Kingdom and Advance Management Programme in Harvard Business School.

He has accumulated 40 years of service in Angkatan Tentera Malaysia before retiring in 1993 as a Panglima Angkatan Tentera Malaysia.

His directorship in other public companies are as follows:-

- chairman and director of Affin Merchant Bank Berhad.
- chairman and director of Jata Jaya Berhad.
- chairman and director of Syarikat Permodalan Kebangsaan Berhad.
- chairman and director of SPK Sentosa Bhd.
- chairman of Mah Sing Group Berhad.
- board member of Rating Agency Malaysia Bhd.

DATO' DR KONG HON KONG

Managing Director

(Non-Independent Executive Director)

Aged 49, Malaysian – Yg Bhg Dato' Dr Kong Hon Kong was appointed as Director of NV Multi on 15 May 1995 and he was designated as Managing Director on 1 June 2000. He is the founder of the Group. He was conferred a Doctorate of Philosophy (Honoris Causa) in Business Administration from the University of Honolulu on 21 September 1999. He is also a member of the Remuneration and Executive Committee of the Company.

He is the driving force behind the Group's development, growth and expansion. His business acumen, foresight and determination has made the Group the leader in the bereavement care industry in Malaysia.

His other activities in advancing communal interests are as follows:-

- Honorary Advisor of The Federation of Chinese Association Malaysia.
- Honorary Advisor of Young Entrepreneurs' Association of Malaysia.
- Honorary Advisor of The Dramatic Art Society.
- Honorary Advisor of Malaysia Xiamen University Faculty of Chinese Medical College.
- Honorary Advisor of Pertubuhan Confucius Chung De.
- Honorary Advisor of MCA, Lipis Division.
- Honorary President of Young Malaysian Movement.
- Honorary President of Seri Setia Old Folks Home, Sungei Way, Selangor Darul Ehsan.
- Honorary Chairman of The Federation of Chinese Association Malaysia-Nirvana Scholarship Fund Malaysia.
- Advisor of Sin Chew Foundation.
- Advisor of Persekutuan Xiang Qi Malaysia.
- Deputy President of the Federation of Table Tennis Associations of Malaysia.
- A Director of Chinese Maternity Association.

He also holds directorships in several private companies.

His direct and indirect shareholding are set out on page 68.

YAP KIM SWEE

Executive Director

(Non-Independent Executive Director)

Aged 55, Malaysian – Mr. Yap Kim Swee was appointed to the Board of Directors of NV Multi as Executive Director on 2 January 2003. He is also a member of the Audit and Executive Committee of the Company.

He is a qualified accountant and a member of the Malaysia Institute of Accountants, a fellow member of the Association of Chartered Certified Accountant, United Kingdom and a member of the Malaysia Institute of Certified Public Accountants. He has more than 30 years experience in public practice and was a partner in an international accounting firm.

LEE AH KONG

Executive Director

(Non-Independent Executive Director)

Aged 56, Malaysian – Mr. Lee Ah Kong was appointed to the Board of Directors of NV Multi as Executive Director on 18 June 2001. He is also a member of the Executive Committee of the Company.

He qualified as a barrister from Lincoln's Inn, London in 1968 and practiced as an advocate and solicitor from 1969 to 1997 with vast experience in litigation and conveyance.

From 1985 to 1994, he was a director of Nirvana Memorial Park Sdn Bhd which is subsidiary of the Company. Prior to his appointment, he was the Group Legal Advisor of the Company since 1996.

He also holds directorships in several private companies. His direct and indirect shareholding are set out on page 68.

CHUA CHONG KEE

Executive Director

(Non-Independent Executive Director)

Aged 46, Malaysian – Mr. Chua Chong Kee, was appointed to the Board of Director of NV Multi as Executive Director on 7 April 1995.

He is a graduate from Universiti Sains Malaysia with an Honours Degree in Bachelor of Science (Computer) in 1986.

He has vast experience in Information Technology, having worked with few organizations including Dinners Club (M) Sdn Bhd prior to joining NV Multi. Currently, he is a director for few private companies involve in investment holding and property development.

**KHAIROL NIZAM BIN
HAMRAN**

Director

(Independent Non-Executive Director)

Aged 29, Malaysian – Encik Khairol Nizam bin Hamran was appointed to the Board of Directors of NV Multi as Director on 28 April 2000. He is also the member of the Audit, Remuneration and Nomination Committee.

He graduated from Universiti Institute Teknologi Mara in 1995 with a Diploma in Town and Regional Planning.

He is currently the project executive of Centreline Consult, which is involve in project planning, development and property management since 1995.

**MOHAMED TAIB BIN
MAHMOOD**

Director

(Independent Non-Executive Director)

Aged 57, Malaysian – Encik Mohamed Taib bin Mahmood was appointed to the Board of Directors of NV Multi as Director on 3 April 2003. He is also a member of the Audit Committee.

He obtained his education in Masscom Advance Course, Designing and Staging from Westham College of London in 1972.

He also holds a directorship in a private company.

From 1977 to 2001, he was a director of a public company and few private companies which include Ayer Molek Berhad, Amtec Solution Sdn Bhd, Federal Development Organization Sdn Bhd, and SMAS group of companies. Prior to that, he was the Head of Design & Staging in the Ministry of Information Broadcasting for 5 years.

Notes:

1. Save as disclosed above, none of the Directors have:
 - a. any family relationship with any Directors and/or Substantial Shareholders of the Company; and
 - b. any conflict of interest with the Company.
2. None of the Directors have any conviction for offences within the past 10 years.



CULTIVATED FOR RESILIENCE

The Board recognizes the importance of good corporate governance and supports the principles and best practices promulgated in the Malaysia Code on Corporate Governance (“the Code”) to enhance business prosperity and maximize shareholders’ value. The Board has already taken appropriate steps to comply with the principles and best practices in Corporate Governance as set out in Parts 1 and 2 of the Code and continuously enhancing the Group’s best practices in line with the best practices of the Code.

The Board is pleased to outline how the Group has applied the principles laid down in the Code.

BAORD OF DIRECTORS

The Board

The Board has the overall responsibility for the direction and control of the Group. They concentrate mainly on strategy, financial performance, business issues and the investment decision of the Group.

The Board meets on a scheduled basis at least four (4) times a year at quarterly intervals with additional meetings convened when necessary. During the financial year ended 31 December 2002, five (5) Board meetings were held and all Directors attended all the meeting. Details of attendance for the Board meetings held during the financial year under review are as follows:-

Director	Attendance
Jen (B) Tan Sri Yaacob bin Mat Zain	5/5
Dato’ Dr Kong Hon Kong	5/5
Hong Hock Ming (Resigned on 30.12.2002)	5/5
Lee Ah Kong	5/5
Chua Chong Kee	5/5
Khairol Nizam bin Hamran	5/5

The Board has established various active sub-committees all of which have terms of reference to govern their responsibilities and to report and make recommendation to the Board. These sub-committees, namely Audit Committee, Executive Committee, Nomination Committee, Remuneration Committee, Risk Management Committee and Tender Committee, are established to assist the Board in managing the Group’s businesses.

Board balance

The Board currently has seven (7) members, comprising of four (4) Executive Directors. Out of seven (7) Directors, three (3) are Independent Non-Executive Directors, which is in excess of the one-third requirement for Independent Directors to be on the Board. The Board’s composition represents mix knowledge, skills, qualification and expertise to effectively lead and control the Company. A brief profile of each Director is presented on pages 4 to 6 of this Annual Report.

The Board has since the last report, reviewed its size and was of the view that the larger Board will enhance its effectiveness. The Board was enlarged to seven (7) members with the appointment of Encik Mohamed Taib bin Mahmood as an Independent Non-Executive Director.

The roles of each Board member and Chief Executive Officer are distinct and separated with responsibilities clearly drawn out to ensure a balance of power and authority.

All the Non-Executive Directors are independent from Management and free from any business or other relationship that could materially interfere with the exercise of their independent judgment.

Yg Bhg Jen (B) Tan Sri Yaacob bin Mat Zain has been appointed by the Board as the senior Independent Non-Executive Director of the Board to whom any concerns may be conveyed.

Supply of information

All Directors are provided with an agenda and a set of a Board papers prior to Board meetings. This is to ensure sufficient time given to the Directors to obtain further explanations, where necessary, before the meetings.

In addition to the Board papers, the Board is notified of any corporate announcements released to the public through the Kuala Lumpur Stock Exchange and is also kept informed of the requirements and updates issued by the various regulatory authorities.

In the furtherance of their duties, Directors have access to all information within the Group and to the advice and services of the officers of the Company, Company Secretary and can call on or procure all necessary external professional advice at the Company's expense, if necessary, according to the procedure set prior to obtaining the said advice.

Appointment to the Board

The Board in ensuring independence in the appointment of Directors to the Board had established the Nomination Committee which is primarily responsible for assessing the suitability of proposed board members and making recommendations for appointment to the Board.

The Nomination Committee comprising exclusively of Independent Non-Executive Directors, namely Yg Bhg Jen (B) Tan Sri Yaacob bin Mat Zain and Encik Khairol Nizam bin Hamran.

The Committee met once during the financial year with full attendance.

Directors' Training

All the Directors, except for Encik Mohamed Taib bin Mahmood who was just appointed to the Board on 3 April 2003, have attended the mandatory accreditation programme organized by the Research Institute of Investment Analysts Malaysia, an affiliate of the Kuala Lumpur Stock Exchange. Directors are encouraged to attend continuous education programmes and seminars to keep abreast with developments in the market place.

In addition, seminars and conferences organized by the Securities Commission, Kuala Lumpur Stock Exchange, relevant Regulatory Authorities, and professional bodies on areas concerning Directors' responsibilities and corporate governance issues are notified to the Board, for their participation at such seminars and conferences.

Re-Election of Directors

In accordance with the Company's Articles of Association, one-third of the Directors shall retire from office at every annual general meeting and be eligible for re-election. The Articles provide that all Directors (including Managing Director) shall retire from office once at least in each three (3) years but shall be eligible for re-election.

DIRECTORS' REMUNERATION

The objective adopted by the Remuneration Committee is to attract and retain the Directors required to lead and control the Group effectively. Generally, the remuneration of each Director reflects the level of responsibility and commitment that goes with the Board's membership. In the case of Executive Directors, the component parts of the remuneration are structured so as to link rewards to the individual and the Group performance. For Non-Executive Director, the level of remuneration is reflective of their experience and level of responsibilities.

The Remuneration Committee shall recommend to the Board the framework of the Executive Directors' remuneration and the remuneration package for each Executive Director. Nevertheless, the determination of remuneration packages for Directors (Executive and Non-Executive Directors) is a matter of the Board as a whole.

The Remuneration Committee comprising Yg Bhg Jen (B) Tan Sri Yaacob bin Mat Zain, Yg Bhg Dato' Dr Kong Hon Kong and Encik Khairol Nizam bin Hamran.

The Committee met once during the financial year 2002 with full attendance.

DIRECTORS' REMUNERATION (CONT'D)

The aggregate remuneration of Directors for the financial year ended 31 December 2002 categorized into appropriate components are as follows:-

	Directors' Fees	Salaries	Bonuses	Benefits-in kind	Other emoluments/ allowances
	RM	RM	RM	RM	RM
Executive Directors	-	915,948	88,329	61,086	36,000
Non-Executive Directors	48,000	-	-	-	-
Total	48,000	915,948	88,329	61,086	36,000

The number of Directors of the Company whose total remuneration fall within the following bands for the financial year ended 31 December 2002 are as follows:-

Range of Remuneration	Executive Directors	Non-Executive Directors	Total
50,000 and below		2	2
50,001 – 100,000	1		1
200,001 – 250,000	1		1
250,001 – 350,000	1		1
450,001 – 550,000	1		1
Total	4	2	6

RELATIONSHIP WITH SHAREHOLDERS AND INVESTORS

The Board recognizes the importance of accountability to its shareholders and investors through proper communication with its shareholders. The annual report, quarterly results, press releases, newsletters and any announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance.

The Company's Annual General Meeting provides an opportunity for shareholders to raise any questions to the Directors both formally and informally pertaining to the Group's activities. Notice of annual general meeting together with the Group's annual report is sent to the shareholder on a timely basis.

Each item of special business included in the notice of the meeting will be accompanied by an explanatory statement on the effects of a proposed resolution.

Investor Relations activities such as meetings with fund managers and analysts and interviews by the press are attended by the Managing Director and/or key management personnel to explain the Group's strategy, performance and major developments.

The Company's website, www.nvmc.com.my, continue to allow shareholders and investors access for information.

ACCOUNTABILITY AND AUDIT

Audit Committee

Please refer to the Audit Committee Report on pages 13 to 14 of this Annual Report.

Financial Reporting

Directors' Responsibilities statement in respect of the audited financial statements pursuant to paragraph 15.27 (a) of the Listing Requirements of the Kuala Lumpur Stock Exchange

The Directors are responsible for ensuring that the annual financial statements of the Group are drawn up in accordance with the requirements of the applicable approved accounting standards in Malaysia, and the provision of the Companies Act, 1965.

The Directors are to ensure the annual financial statements of the Group give a true and fair view of the state of affairs of the Group at 31 December 2002 and of the results of its operations and cash flows for the year ended on that date.

In preparing the financial statements, the Directors have:-

- applied the appropriate and relevant accounting policies on a consistent basis;
- made judgments and estimates that are reasonable and prudent;
- ensured that proper accounting and other records are kept so as to enable the preparation of the financial statements with reasonable accuracy; and
- prepared financial statements on a going concern basis.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

Relationship with external Auditors

Through the Audit Committee, the Group has established transparent and appropriate relationship with the Group's auditors, both internal and external.

Internal Control

The statement on Internal Control furnished on page 12 of this Annual Report provides an overview of the state of controls within the Group.

Introduction

The Malaysia Code on Corporate Governance requires listed companies to maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets. The Kuala Lumpur Stock Exchange's (KLSE) Listing Requirements require directors of listed companies to include a statement in their annual reports on the state of their internal controls. The KLSE's statement on Internal Control: Guidance for Director of Public Listed Companies (Guidance) provides guidance for compliance with these requirements. Set out below is the Board's Internal Control Statement, which has been prepared in accordance with the Guidance.

Responsibility

The Board through its Audit Committee is ultimately responsible for the Group's system of internal controls and for reviewing its effectiveness. Such a system is designed to reduce rather than to eliminate as far as possible the risk of failure to achieve business objectives and provide only a reasonable but not an absolute assurance against risk. The system of internal controls covers risk management, financial operational and compliance controls. On-going reviews are carried out to ensure the effectiveness, adequacy and integrity of the system of internal controls in safeguarding the Group's assets and therefore shareholders' investment in the Group

Risk Management framework

In a move towards a more integrated approach to risk management, during the financial year, the Board has established a Risk Management Committee with the assistance of external consultant. The Risk Management Committee is made up of cross-functional senior managers and managers from various departments. The Risk Management Committee met regularly to review matters inclusive of responses on the significant risks identified, output from monitoring processes and changes made to the internal control systems.

Other key elements

Apart from the above, the other key elements of the Group's internal control system are described below:-

- The Group has an organizational structure with formally defined lines of responsibility and delegation of authority to ensure proper identification of accountabilities and segregation of duties.

- Clearly defined delegation of responsibilities to committees of the Board and to the Management of the operating units. The Group's Limit of Authority provides a sound framework of authority and accountability within the organization and to facilitate quality and timely corporate and daily operation decision making at the appropriate level in the organization's hierarchy. These limit are subject to regular review and improvement.
- Documented internal policies and procedures for the Group are set out in the Quality Management System, which are subjected to regular review and improvement.
- Documented Standard Financial Operating policies and procedures for the Group;
- Detailed budgeting process established requiring all business operating units to prepare budget annually which are reviewed, discussed and approved both at the business operating units and by the Executive Committee.
- Reviewed monthly management results, which are measured against budgets and the previous year's result to gauge performance. Any variances are corrected and acted on timely basis.
- Regular Management meetings and business operating units meetings are conducted to review financial performance, business development and deliberate on management and corporate issues.
- Regular Risk Management Meetings to monitor and to manage the Group's significant risks.
- Regular visits by the Management, head of sections/sales personnel to branch depots.
- Risk-based audits according to the approved Management Assurance Plan are conducted during the year under review.

The system of internal control will continue to be reviewed, added on or updated in line with changing operating environment. The Board seeks regular assurance on the continuity and effectiveness of internal control system through independent appraisal by the internal and external auditors. During the financial year, the Board is of the opinion that there were no material losses incurred as a result of weaknesses in internal control.

CHAIRMAN OF AUDIT COMMITTEE:

JEN (B) TAN SRI YAACOB BIN MAT ZAIN (Chairman and Independent Non-Executive Director)

MEMBERS:

KHAIROL NIZAM BIN HAMRAN (Independent Non-Executive Director)

MOHAMED TAIB BIN MAHMOOD (Independent Non-Executive Director) (appointed on 3 April 2003)

YAP KIM SWEE (Executive Director) (MIA 1508) (appointed on 2 January 2003)

COMPOSITION

The Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not fewer than three members of whom a majority shall be Non-Executive Directors. The majority of the Committee members shall be Independent Directors.

The Committee members shall have at least one member of the Audit Committee who:-

- is a member of the Malaysian Institute of Accountants; or
- if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years' working experience and he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967 or he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967.

The Committee members shall appoint a Chairman from among themselves who is not an Executive Director or employee of the Company or any related corporation.

QUORUM

The quorum for any meeting shall consist of two members and all of whom shall be Independent Directors.

MEETINGS

Meetings shall be held not less than four (4) times a year. Any one of the Audit Committee members may call a meeting or upon request by the external auditors whenever he deems it necessary.

The Executive Directors, the head of finance, the head of internal audit, and a representative of the external auditors may be invited to attend meetings by the Audit Committee.

The Secretary of the Committee shall circulate the minutes of meetings of the Audit Committee to all members of the Committee.

The records of attendance in respect of the Audit Committee meetings for the financial year under review are as follows:-

Name of member	Attendance
Jen (B) Tan Sri Yaacob bin Mat Zain (Chairman)	5/5
Hong Hock Ming (Resigned on 30 December 2002)	5/5
Khairol Nizam bin Hamran	5/5

AUTHORITY

The Committee is authorised by the Board to investigate any activity within its Terms of Reference and to seek any information it requires from any employees and all employees are directed to co-operate with any request made by the Committee.

The Committee is also authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise where appropriate.

RESPONSIBILITIES AND DUTIES

The duties of the Committee shall be:-

- To consider and to review the appointment of the external auditor, audit fees and any question of their resignation or dismissal;
 - To discuss with the external auditor before the audit commences with regards to the nature and scope and general extent of the external auditors' audit examination;
 - To review the quarterly reports and annual financial statements before submission to the Board, to consider on matters such as:-
 - any changes in accounting policies and practices of major judgmental areas
 - significant adjustments resulting from the audit
 - the going concern assumption
 - compliance with accounting standards
 - compliance with the Kuala Lumpur Stock Exchange and legal requirements
 - any related party transactions that may arise
 - To discuss issues and reservations arising from the interim and final audits to keep under review the effectiveness of internal control systems, and in particular review the external auditor's management letter and management's response;
 - To review the internal audit programme, consider the major findings of internal audit investigations and management's response, and ensure co-ordination between the internal and external auditors;
 - To review the assistance given by the Company's officers to the external auditor; and
 - To carry out such other functions as may be agreed to by the Audit Committee and the Board of Directors.
4. Reviewed the risk assessment report carried out by the external consultant.
 5. Reviewed the proposal on risk management policies and procedures and made recommendation to the Board to formalize the enterprise risk management framework of the Group.
 6. Reviewed and approved the Management Assurance Plan for the Internal Audit Department to carry out risk-based audit.
 7. Revised certain terms of reference of the Committee.

INTERNAL AUDIT FUNCTION

The Audit Committee is supported by the Internal Audit Department in discharging its duties and responsibilities. The duties of the Group's Internal Audit Department is performed with impartiality, proficiency and due professional care. The scope of Internal Audit covers the audits of all business units and operations, including subsidiaries.

Its principal responsibility is to undertake regular and systematic reviews of the system of internal control in order to provide reasonable assurance that such system performs satisfactorily and effectively in the Group and reports to the Committee. The Internal Audit Department reviews and highlights major weaknesses in control procedures and makes recommendations for improvements.

During the financial year, the Internal Audit Department has carried out the following:-

SUMMARY OF ACTIVITIES

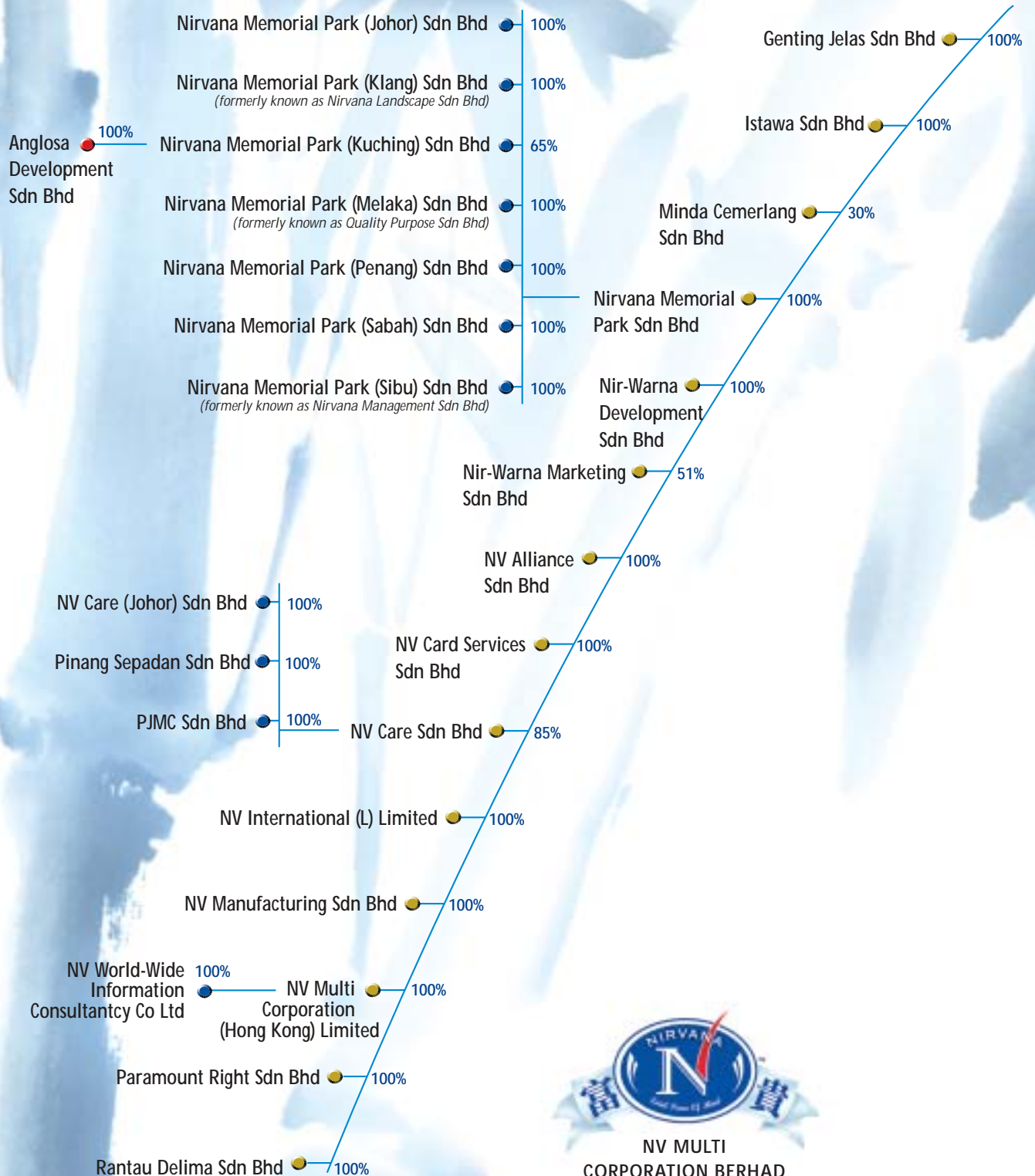
During the year, the following were the activities of the Committee:-

1. Reviewed the unaudited quarterly financial results of the Group and recommend to the Board for approval and adoption prior to announcement to the Kuala Lumpur Stock Exchange.
2. Reviewed the annual audited financial statements for the financial year ended 31 December 2001 for the Group prior to the submission to the Board for their consideration and approval.
3. Made recommendation to the Board on the engagement of external consultant to assist in establishing risk management and internal control system.
4. Reviewed of operational compliance of defined systems of internal control, review activities with management and ensure the principal objectives are aligned to overall Group's objectives.
5. Adopted a risk-based approach, focusing its work mainly on key processes and principal risk areas of each of operation units.
6. Reviewed and ensured the Group's ongoing compliance with statutory requirements, Group's policies, procedures and guidelines.
7. Issued audit reports of findings, incorporating audit recommendations to Management and those responsible for operations for necessary action.
8. Monitored the implementation of corrective action plans to ensure full compliance within the required timeframe.
9. Conducted annual Internal Quality Audits within the Group.

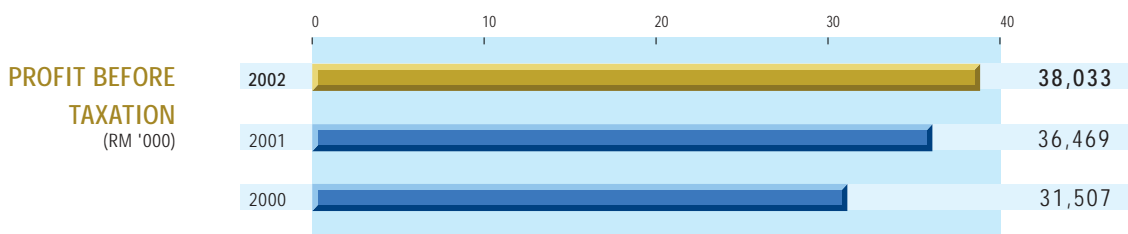
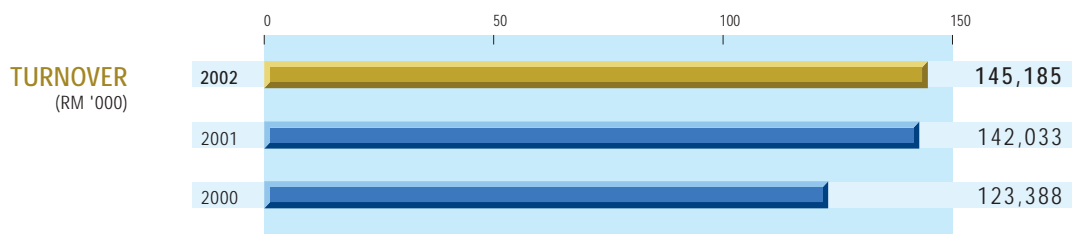


ACCELERATING EXPANSION

Corporate STRUCTURE

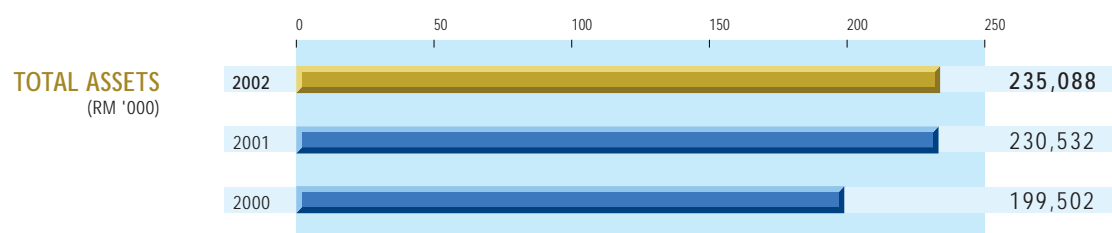
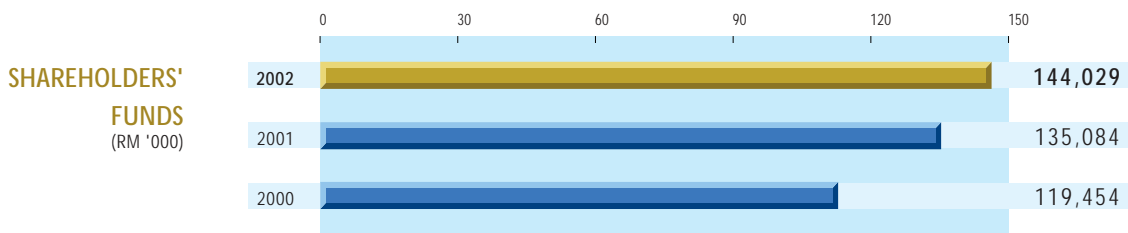
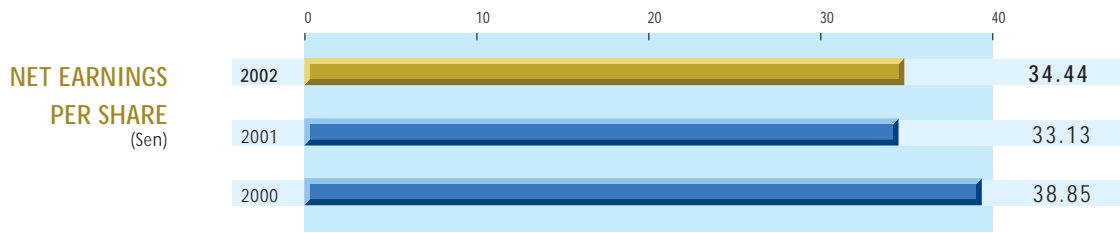


NV MULTI CORPORATION BERHAD
(204888-D)



3 Years Group

FINANCIAL HIGHLIGHTS

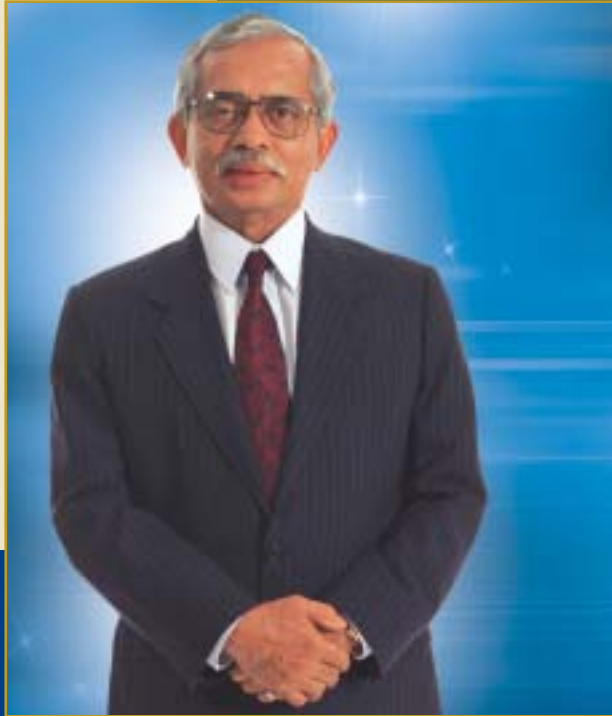




ADAPTING TO CHANGE

18

Chairman's STATEMENT



DEAR SHAREHOLDERS

On behalf of the Board of Directors of NV Multi Corporation Berhad, it is my pleasure to present to you the Annual Report of NV Multi Corporation Berhad for the financial year ended 31 December 2002.

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Jen (B) Tan Sri Yaacob bin Mat Zain
CHAIRMAN

Financial Performance

Despite the recent global economy downturn, the Group's financial results were satisfactory for the year under review. Revenue for the year was RM145.2 million, 2.2% higher than that recorded in previous year, while pre-tax profits increased 4.1% to RM38.0 million from RM36.5 million. Net profit was RM25.9 million as compared to RM25.6 million in the previous year. The improved overall performance has contributed to a 4.0% increase in earnings per share from 33.13 sen to 34.44 sen this year.

Dividend

The financial result has enabled the Board to pay a total dividend of 15% during the year. An interim dividend of 10% less income tax and a special dividend of 5% less income tax were paid on 3 September 2002.

Prospect

We will continue to focus on growing our market share and the long-term profitability of the Group. To strengthen our competitive position further, sales and marketing initiatives have been developed to drive revenue for 2003. To complement this, we will also focus our attention towards enhancing efficiency as much as refining our business model to remain competitive.





Prospect (cont'd)

The expected completion of one of the largest bereavement care center in Asia by the end of the year located along Jalan Sg Besi in Kuala Lumpur will play a strategic role in the Group provision of funeral services given the growing demand for well equipped, decorated and comfortable funeral and assembly halls. It also addresses the demand especially with the increasing number of people living in high-rise buildings.

Besides, we are in the process of opening of another 5 memorial parks and 10 more bereavement care sales and service centers, this is expected to be completed within the next 2 years. Upon completion, these would give us a total 9 memorial parks and 14 bereavement care sales and service centers, located at all major Chinese populous cities in Malaysia.

Economic outlook remains uncertain after US-led war against Iraq. The outbreak of Severe Acute Respiratory Syndrome (SARS) since March 2002 has exerted further negative impact to the economy. With these adverse developments in mind, the year 2003 is likely to pose new challenges to the Group. We will continue to monitor these trends and the uncertain conditions arising



from global development and subsequent impact on Malaysia's own economic conditions. Nevertheless, given the firm foundation that we have created for the Group, I am confident that the Group is well positioned to meet the challenges ahead.

Appreciation

On Behalf of your Board members, I would like to express my appreciation to the management and staff for their unwavering support, commitment and dedication in their work. To our customers, agents, shareholders, business partners, financial institutions, regulatory authorities and suppliers, I would also like to sincerely thank you for your valuable contributions and support.

Jen (B) Tan Sri Yaacob bin Mat Zain
CHAIRMAN



CONSISTENT

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GROWTH

Operation **REVIEW** of the year 2002



Dato' Dr Kong Hon Kong
MANAGING DIRECTOR

The year under review was filled with enormous challenges and tribulations in the wake of a slowdown in the global economy. Notwithstanding this uncertain external and internal environment, I am pleased to report that the financial results of NV Multi for the year ended 31 December 2002 was satisfactory.

The Group's bereavement care operation recorded a revenue of RM143.9 million for the financial year under review, while profit before tax was RM37.9 million as compared to RM134.1 million and RM35.3 million in the previous year, an improvement of 7.3% and 7.4% respectively. These results were due to our relentless marketing efforts, cost rationalization and improved trading margin.

On the other hand, the Group final phase of housing development, Taman Sri Putra Phase III was successfully completed and handed over in September 2002. Revenue for the division was RM1.3 million as compared to RM7.9 million in previous year. Since the launch of Phase 1 in 1997, the Group has in total delivered 355 units of double storey link house, 167 units of low medium cost walk up apartment, 78 units of low cost walk up apartment and 18 units of double storey shophouse .

The Group has devoted a lot of efforts and resources in developing strategy for growth. During the year, we continue to drive business through geographical expansion and product innovation. On 20 May 2002, NV Multi through its subsidiary, Nirvana Memorial Park Sdn Bhd entered into an agreement with Virtue Corporation Sdn Bhd as the appointed Corporate Manager to manage, develop, market and finance the cemetery development over a portion of land measuring approximately 100 acres in Ulu Kinta, District of Kinta, Perak.

Operation Review (cont'd)

To accomplish its goal to be present in all major cities in Malaysia in respect of cemetery development, the Group on 1 July 2002, through its subsidiary, Nirvana Memorial Park (Penang) Sdn Bhd entered into a Joint Venture Agreement with Kebun Ngohoch (PW) Sdn Bhd to develop the parcels of land in the District of Seberang Perai Selatan, Penang.

On 15 August 2002, Nirvana Memorial Park (Klang) Sdn Bhd, another subsidiary of NV Multi entered into a Joint Venture Agreement with the Hokkien Association, Kelang to jointly develop the land in Mukim Kapar, Daerah Klang, Selangor measuring approximately 68.3 acres.

This year, the Group through its expansion program entered into a joint venture agreement on 7 April 2003 to develop the land in the District of Tanjong Minyak, Melaka Tengah measuring approximately 30.57 acres with Nilai Garuda Sdn Bhd into a memorial park. On the same day, it entered into another joint venture agreement with Bangsa Wangsa Sdn Bhd to develop land in the District of Pasai-Siong L.D. Sibul measuring approximately 46.1 acres into a memorial park. Together with joint venture agreements signed in year 2001, the Group would have an additional 5 memorial parks located at all Chinese populous cities, making it a total of 10 memorial parks in whole Malaysia.

Besides opening new memorial parks, we believe that our strength would augur well with our strategy to develop bereavement care sales and service centers at all major cities in Malaysia. These centers will serve as the first point of contact with customers and bring us to be nearer to our customer to extend our services compared to our current practice of operating mainly from Kuala Lumpur, Kulai, Penang Island and Kuching offices.

The much-awaited completion of one of the largest memorial center in Asia by the end of the year located at Jalan Sg Besi in Kuala Lumpur will play a strategic role in the Group provision of funeral services. We believe there would be growing demand for well equipped, decorated and comfortable funeral and assembly halls. It also addresses the demand especially with the increasing number of people living in apartments.

On 10 June 2002, Nirvana Memorial Park (Sabah) Sdn Bhd entered into a Sale and Purchase Agreement to acquire a piece of land measuring 7.49 acres in the District of Kota Kinabalu, Sabah with the intention to develop the said land into a bereavement care service center, complete with funeral parlour, crematorium and columbarium.

On 6 January 2003, through its subsidiary, NV Care Sdn Bhd entered into an agreement with Lock San Thin Chinese Cemetery Committee as the appointed Corporate Manager to develop and reconstruct a funeral parlour on a piece of land measuring 2.5 acres in the District of Pulai, Johor Bahru into a modern bereavement care service center, complete with crematorium, columbarium and memorial halls.

As a result of the agreements signed above, the Group would add another 10 new bereavement care service centers located at Sg. Besi, Alor Star, Seberang Prai, Ipoh, Kuantan, Mentakab, Malacca, Johor Baru, Sibul and Kota Kinabalu within the next 2 years. Upon completion, these would give us a total of 14 bereavement care sales and service centers, located at all major Chinese populous cities in Malaysia.

Our expansion plans also covers regional growth, as we are confident that our good track record supported with sound management philosophy will bring us to greater heights. On 26 October 2002, the Group through its subsidiary, NV Multi Corporation (Hong Kong) Limited entered into a Conditional Joint Venture Agreement with PT Alam Hijau Lestari to jointly venture into bereavement care business and jointly develop an approximately 30 hectares of land situated at Desa Margakaya, Kecamatan Telukjambe, Kabupaten Karawang, Jakarta.

Being the leader in the bereavement care industry, we continue to develop and upgrade our professionalism, which we believe is the core driver of our success. Amongst customer care and better service that was launched during the year was the "Free Will" writing, a professional service provided by BHLB Trustee.

The Group has and continues to focus in strengthening its market position through innovative marketing strategy and product improvement and development. Our product development team has carried out research on the magnetic effects of 5-Element and incorporated them into our Funeral Service Packages. The positive magnetic energy of the 5 elements mainly Wood, Metal, Fire, Water and Earth is believed to bring luck and prosperity to the deceased and the family members. This product was subsequently launched in January 2003.

We have also in March 2003 launched the "Peace Garden" in our existing memorial park in Semenyih, Kajang. This concept provides customers a choice of contemporary designs of artistic tomb complete with landscaped surroundings. The calming seas of green create an atmosphere of peacefulness for the resting of the departed love ones. Apart from the standard tomb designs, customers have the choice to opt for monument-like tomb design to cherish remembrance and honour those who rest in peace.



Another innovative product, the investment-linked life insurance plan referred as "Golden Peace Plan" was launched on 29 April 2003. The Group entered into a Memorandum of Understanding with Great Eastern Life Assurance (Malaysia) Berhad ("GE"), with the objective of soliciting and distributing the complete bereavement care packages together with GE's investment linked life insurance plan through GE's agency force and distribution channels. This is the first bereavement care insurance plan in Malaysia that offers life insurance protection, investment returns and pre-planning bereavement care.

SHARE BUY-BACK

Pursuant to the mandate by the shareholders on 28 November 2001 and 28 June 2002, the Company purchased a total of 1,582,000 of its own shares during the financial year ended 31 December 2002, at an average price of RM4.59 per share.

All shares so purchased during the financial year were retained as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965. None of the treasury shares were resold or cancelled as at 30 April 2003.

The Board of Directors have recommended to the shareholders to approve the renewal of the share buy-back program, the details of which have been included in the Circular to Shareholders which is despatched together with this Annual Report.

CORPORATE CULTURE

The Management will remain proactive in inculcating care, respect and trust in its corporate culture, and sustaining customer loyalty by further improving its customer-oriented initiatives. Introducing good customer service philosophy, enhancing our relationship management that focus on satisfied customers as well as suppliers and staff is one of the Group's continuous effort, let alone its involvement in various social responsibility to the community. This was reflected in various appreciation words that were forwarded by satisfied customers to our team of dedicated staff.

DEVELOPING FUTURE LEADERS

The development of staff and the building of high performance culture remained a key priority of the Group. Our people are constantly updated and equipped with knowledge and skills to face this new era of challenges. Acknowledging this as the core to business success, we have conducted continuous training programs, team building and customer care workshops for all level of staff. Our goal is to attract, retain and develop people of world class standard.

DEVELOPMENT AND PROSPECTS

Our strategic planning include but not exhausted to developing marketing strategies and new product development that will prepared us for the new dynamics of marketing bereavement care products and services, primarily moving away from the traditional buying pattern of "As-Need" to "Pre-Planning" a bereavement.

The Group's ability to package its product for an increasingly affluent population, and having had a first-mover advantage in tapping this "niche" and growing industry, has enabled NV Multi to capture a significant share of the bereavement care market.

We are encouraged by our success, and we are determined to continue devoting our resources to maintain and strengthen our leadership in the bereavement care industry in Malaysia.

A WORD OF APPRECIATION

On behalf of the Board, I would like to extend our sincere appreciation and thanks to our shareholders, valued customers, bankers, business associate and relevant authorities for your continued confidence and support. I would also like to extend our heartfelt thanks to the management and staff for their dedication and commitment that has contributed to the success of the Group.



FOUNDATION OF SUCCESS

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Directors' REPORT

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and the Company for the financial year ended 31 December 2002.

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investment holding and provision of management services. The principal activities of the subsidiary and associated companies are set out in Notes 5 and 6.

There have been no significant changes in these activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit before taxation	38,033	548
Taxation	(12,064)	(221)
Profit after taxation	25,969	327
Minority interest	(2,378)	-
Net profit attributable to shareholders	<u>23,591</u>	<u>327</u>

DIVIDENDS

The dividends paid by the Company were as follows:-

	RM'000
In respect of the financial year ended 31 December 2001:-	
A special dividend of RM0.10 gross per share less income tax of 28%, paid on 14 January 2002	<u>5,040</u>
In respect of the financial year ended 31 December 2002:-	
A first interim dividend of RM0.10 gross per share less income tax of 28%, paid on 3 September 2002.	<u>4,926</u>
A special dividend of RM0.05 gross per share less income tax of 28%, paid on 3 September 2002	<u>2,463</u>

The Directors do not recommend any payment of final dividend in respect of the financial year ended 31 December 2002.

RESERVES AND PROVISIONS

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

OTHER STATUTORY INFORMATION

Before the Income Statements and Balance Sheets of the Group and the Company were made out, the Directors took reasonable steps:

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts have been written off and adequate allowance made for doubtful debts; and
- (ii) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors of the Company are not aware of any circumstances:-

- (i) which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or
- (ii) which would render the value attributed to the current assets in the financial statements of the Group and the Company misleading; or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

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

- (i) any charge on the assets of the Group or the Company that has arisen since the end of the financial year and which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group or the Company that has arisen since the end of the financial year.

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

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and the Company, that would render any amount stated in the financial statements misleading.

In the opinion of the Directors:-

- (i) the results of the operations of the Group and of the Company for the financial year ended 31 December 2002 have not been substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or Company for the financial year in which this report is made.

DIRECTORS

The Directors who have held office since the date of the last report are:-

Jen (B) Tan Sri Yaacob bin Mat Zain	
Dato' Dr Kong Hon Kong	
Hong Hock Ming	(Resigned on: 30.12.2002)
Lee Ah Kong	
Chua Chong Kee	
Khairul Nizam bin Hamran	
Yap Kim Swee	(Appointed on: 2.1.2003)
Mohamed Taib bin Mahmood	(Appointed on: 3.4.2003)

Pursuant to Article 78 of the Company's Articles of Association, Khairul Nizam bin Hamran retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-election.

Pursuant to Article 85 of the Company's Articles of Association, Yap Kim Swee and Mohamed Taib bin Mahmood retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-election.

Pursuant to Article 115 of the Company's Articles of Association, Dato' Dr Kong Hon Kong retires at the forthcoming Annual General Meeting and being eligible, offers himself for re-election.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than Directors' remuneration disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the particulars of Directors' interest in office at the end of the financial year in shares in the Company are as follows:-

NUMBER OF ORDINARY SHARES OF RM1.00 EACH

	As at 1.1.02	Bought	Sold	As at 31.12.02
Dato' Dr Kong Hon Kong				
- Direct	504,480	-	-	504,480
- Indirect	14,714,107	-	-	14,714,107
Lee Ah Kong	10,001	-	-	10,001

Interest in subsidiary companies:-

By virtue of his interest in the shares of the Company, Dato' Dr Kong Hon Kong is deemed to have interest in the shares of all the subsidiary companies to the extent that the Company has an interest.

None of the other Directors in office at the end of the financial year held any interest in shares in the Company and its related corporations during the financial year.

SIGNIFICANT EVENTS

- (a) During the financial year, business activities of its subsidiary companies, Nir-Warna Development Sdn Bhd, Nirvana Management Sdn Bhd and Nirvana Memorial Park (Klang) Sdn Bhd (formerly known as Nirvana Landscape Sdn Bhd) have been transferred to Nirvana Memorial Park Sdn Bhd, while PJMC Sdn Bhd and NV Care (Johor) Sdn Bhd have been transferred to NV Care Sdn Bhd, following a group restructuring scheme to streamline its operations.
- (b) During the financial year, the Company bought back 1,582,000 of its shares at an average price of RM4.59 per share from the open market, with internally generated funds. The Company has on 28 June 2002 obtained the approval from its shareholders at the 11th Annual General Meeting the authority to continue with purchase of own shares. As at 31 December 2002, these shares were held as treasury shares in accordance with Section 67A of the Companies Act, 1965.
- (c) On 11 April 2002, the Company completed the transfer of 250,000 ordinary shares of RM1 each representing 5% equity interest in NV Care Sdn Bhd to Credence Image Sdn Bhd in accordance to a Conditional Sale and Purchase Agreement entered on 28 October 1998.
- (d) On 20 May 2002, a wholly-owned subsidiary, Nirvana Memorial Park Sdn Bhd entered into an agreement with Virtue Corporation Sdn Bhd, a company incorporated in Malaysia, for the appointment as a Corporate Manager to manage, develop, market and finance the cemetery development over a portion of land held under Grant 20046 for Lot 33572, Mukim Ulu Kinta, District of Kinta, Perak measuring approximately 100 acres owned by Popular Growth Sdn Bhd, a company incorporated in Malaysia.
- (e) On 23 May 2002, a wholly-owned subsidiary, Nirvana Memorial Park (Klang) Sdn Bhd (formerly known as Nirvana Landscape Sdn Bhd), disposed of its 40% equity interest in Public Acres Sdn Bhd for a cash consideration of RM113,000. Upon completion of the disposal, Public Acres Sdn Bhd ceased to be an associated company.
- (f) On 10 June 2002, a wholly-owned subsidiary, Nirvana Memorial Park (Sabah) Sdn Bhd, entered into a Sale and Purchase Agreement with Yap Choo Kiat @ Lee Kim Huat, Lee Hock Eyang, Ong Shaw Hua, Wee Kien Sen and Siew Chee Huat to purchase a piece of land comprised in CL 015386339 Kampung Nunton, District of Kota Kinabalu, Sabah measuring approximately 7.49 acres for a cash consideration of RM1,800,000 with the intention to erect a funeral service centre comprising a funeral parlour, crematorium and columbarium.
- (g) On 1 July 2002, a wholly-owned subsidiary, Nirvana Memorial Park (Penang) Sdn Bhd, entered into a Joint Venture Agreement with Kebun Ngohoch (PW) Sdn Bhd to jointly develop the parcels of land held under Mukim 3 & 4, District of Seberang Perai Selatan, State of Penang measuring approximately 262 acres into a non-Muslim cemetery consisting of burial plots and columbarium as well as other physical features and landscape with the intention to market such burial plots and cinerary urn niches to the general public.
- (h) On 15 August 2002, a wholly-owned subsidiary, Nirvana Memorial Park (Klang) Sdn Bhd (formerly known as Nirvana Landscape Sdn Bhd), entered into a Joint Venture Agreement with the Hokkien Association, Kelang to jointly develop the land held under H.S. (D) 24191 for P.T. No. 3283, Mukim Kapar, Daerah Klang, Selangor measuring approximately 68.30 acres into a non-Muslim oriental cemetery complete with columbarium as well as other physical features and landscape with the intention to market such burial plots and cinerary urn niches to members of the Association and their immediate family and the general public.
- (i) On 3 September 2002, a wholly-owned subsidiary, NV Multi Corporation (Hong Kong) Limited, obtained the approval to incorporate a wholly-owned subsidiary in The People's Republic of China namely, NV World-Wide Information Consultancy Co Ltd. with its registered capital of HK\$1,100,000 and has been granted a business licence for 20 years on 26 September 2002.

SIGNIFICANT EVENTS (Cont'd)

- (j) On 26 October 2002, a wholly-owned subsidiary, NV Multi Corporation (Hong Kong) Limited, entered into a Conditional Joint Venture Agreement with PT Alam Hijau Lestari to jointly venture into bereavement care business and jointly develop the parcels of land situated at Desa Margakaya, Kecamatan Telukjambe, Kabupaten Karawang, Jakarta, Indonesia measuring approximately 30 hectares into a private memorial park.
- (k) On 26 December 2002, a wholly-owned subsidiary, Paramount Right Sdn Bhd, terminated the conditional Sales and Purchase Agreement entered with Pembinaan Wen Shen Sdn Bhd on 13th December 2001 for the acquisition of the entire issued capital in Castor Pacific Sdn Bhd consisting of 10 shares of RM1 each for a consideration of RM1,400,000.

AUDITORS

The auditors, Messrs HALS & Associates have expressed their willingness to continue in office.

Signed in accordance with a resolution of the Directors:

DATO' DR KONG HON KONG
Director

YAP KIM SWEE
Director

KUALA LUMPUR
Date: 25 APRIL 2003

Balance SHEETS

as at 31 December 2002

	Note	Group		Company	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
PROPERTY, PLANT AND EQUIPMENT	4	27,566	28,161	7	44
SUBSIDIARY COMPANIES	5	-	-	51,431	52,249
ASSOCIATED COMPANIES	6	145	254	92	92
GOODWILL ARISING ON CONSOLIDATION	7	337	423	-	-
TRADE RECEIVABLES	8	36,491	10,803	-	-
CURRENT ASSETS					
Property development expenditure	9	-	1,987	-	-
Inventory and development expenditure	10	105,429	97,807	-	-
Trade and other receivables	8	58,291	41,308	1,824	2,313
Amount due from subsidiary companies	11	-	-	53,332	44,604
Amount due from associate company	12	27	120	-	120
Short term investments	13	813	43,396	-	26,500
Cash and bank balances	14	5,989	6,273	67	190
		170,549	190,891	55,223	73,727
CURRENT LIABILITIES					
Trade and other payables	15	50,571	49,145	179	257
Short term borrowings	16	767	-	-	-
Hire purchase and lease creditors	17	869	605	-	-
Amount due to subsidiary companies	11	-	-	33	-
Amount due to associate company	12	-	329	-	-
Dividends payable		-	5,040	-	5,040
Provision for taxation		4,772	9,831	-	-
		56,979	64,950	212	5,297
NET CURRENT ASSETS		113,570	125,941	55,011	68,430
		178,109	165,582	106,541	120,815
FINANCED BY:					
SHARE CAPITAL	18	70,000	70,000	70,000	70,000
RESERVES	19	74,029	65,084	36,541	50,815
SHAREHOLDERS' EQUITY		144,029	135,084	106,541	120,815
MINORITY INTEREST		11,570	9,204	-	-
LONG TERM AND DEFERRED LIABILITIES					
Hire purchase and lease creditors	17	858	1,190	-	-
Deferred taxation	20	1,032	863	-	-
Other long term liabilities	21	20,620	19,241	-	-
		178,109	165,582	106,541	120,815

The annexed notes form an integral part of these financial statements

Income STATEMENTS

for the year ended 31 December 2002

	Note	Group		Company	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
REVENUE	22	145,185	142,033	694	35,655
OPERATING PROFIT					
	22	38,808	37,252	598	35,758
EXCEPTIONAL ITEM	23	(306)	(280)	-	-
FINANCE COST		(548)	(602)	(50)	(53)
SHARE OF PROFITS OF ASSOCIATED COMPANIES		79	99	-	-
PROFIT BEFORE TAXATION	24	38,033	36,469	548	35,705
TAXATION	25	(12,064)	(10,906)	(221)	(10,022)
PROFIT AFTER TAXATION		25,969	25,563	327	25,683
MINORITY SHAREHOLDERS' INTERESTS		(2,378)	(2,373)	-	-
PROFIT ATTRIBUTABLE TO SHAREHOLDERS		23,591	23,190	327	25,683
EARNINGS PER SHARE (SEN)	26	34.44	33.13		
DIVIDENDS PER SHARE (RM)	27	0.15	0.15	0.15	0.15

Statements OF CHANGES IN EQUITY

for the year ended 31 December 2002

Group	Note	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	Treasury Shares RM'000	Total RM'000
At 1 January 2001		70,000	21,603	10,601	17,250	-	119,454
Profit for the year		-	-	-	23,190	-	23,190
Dividends	27	-	-	-	(7,560)	-	(7,560)
At 31 December 2001		70,000	21,603	10,601	32,880	-	135,084
Profit for the year		-	-	-	23,591	-	23,591
Dividends	27	-	-	-	(7,389)	-	(7,389)
Repurchase of shares		-	-	-	-	(7,257)	(7,257)
At 31 December 2002		70,000	21,603	10,601	49,082	(7,257)	144,029

Company	Note	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	Treasury Shares RM'000	Total RM'000
At 1 January 2001		70,000	21,603	10,558	486	-	102,647
Transfer on disposals of investment in a subsidiary company		-	-	45	-	-	45
Profit for the year		-	-	-	25,683	-	25,683
Dividends	27	-	-	-	(7,560)	-	(7,560)
At 31 December 2001		70,000	21,603	10,603	18,609	-	120,815
Transfer on disposals of interest in a subsidiary company		-	-	45	-	-	45
Profit for the year		-	-	-	327	-	327
Transfer of revaluation of investment in subsidiary company		-	-	(613)	613	-	-
Dividends	27	-	-	-	(7,389)	-	(7,389)
Repurchase of shares		-	-	-	-	(7,257)	(7,257)
At 31 December 2002		70,000	21,603	10,035	12,160	(7,257)	106,541

The annexed notes form an integral part of these financial statements

Cash FLOW STATEMENTS

for the year ended 31 December 2002

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
CASH FLOW FROM OPERATING ACTIVITIES				
Operating profit before taxation	38,033	36,469	548	35,705
Adjustments for :				
Share of profits of associated companies	(79)	(99)	-	-
Gain on disposal of property, plant and equipment	(68)	(52)	-	-
Depreciation	3,207	2,748	37	66
Amortisation of goodwill	107	109	-	-
Interest expenses	293	342	-	2
Interest income	(379)	(586)	(281)	(419)
Allowance for diminution in value of quoted investments	-	89	-	-
Loss on disposal of interest in a subsidiary company	306	280	-	-
Dividends receivable	-	-	-	(35,506)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	41,420	39,300	304	(152)
Decrease in property development expenditure	1,987	10,799	-	-
Increase in inventories and development expenditure	(7,622)	(15,194)	-	-
(Increase)/Decrease in trade and other receivables	(38,981)	(6,046)	338	77
Increase/(Decrease) in trade and other payables	(584)	23,412	(78)	(1,309)
CASH (USED IN)/GENERATED FROM OPERATIONS	(3,780)	52,271	564	(1,384)
Interest income	379	586	281	419
Interest paid	(293)	(342)	-	(2)
Tax paid	(17,236)	(6,673)	(70)	(32)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	(20,930)	45,842	775	(999)

	Note	Group		Company	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
CASH FLOW FROM INVESTING ACTIVITIES					
Investment in subsidiary companies		-	-	-	(99)
Proceeds from disposal of property, plant and equipment		73	1,082	-	-
Proceeds from disposal of subsidiary companies		250	1,000	250	250
Proceeds from disposal of associated company		113	-	-	-
Proceeds from disposal of unquoted investment		-	5,003	-	5,000
Proceeds from transfer of property, plant and equipment to subsidiary companies		-	-	-	1,925
Purchase of property, plant and equipment		(2,037)	(12,646)	-	(216)
Acquisition of a subsidiary company net of cash and cash equivalents	A	-	-	-	-
Fixed deposit pledged to licensed banks		(35)	84	-	-
Purchase of other investments		-	-	-	-
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES		(1,636)	(5,477)	250	6,860
CASH FLOW FROM FINANCING ACTIVITIES					
Treasury shares		(7,257)	-	(7,257)	-
Repayment of hire purchase and lease creditors		(649)	(1,573)	-	-
Amount due from subsidiary companies		-	-	(14,639)	(17,742)
Amount due from associated companies		93	329	120	-
Amount due to subsidiary companies		-	-	33	-
Amount due to associated companies		(329)	-	-	-
Dividends paid to shareholders		(12,429)	(8,050)	(12,429)	(8,050)
Dividends paid to minority interest		(589)	-	-	-
Draw down of short term borrowing		767	-	-	-
Dividends received from subsidiary companies		-	-	6,524	26,042
Dividends received from associated company		56	-	-	-
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES		(20,337)	(9,294)	(27,648)	250
Net (decrease)/increase in cash and cash equivalents		(42,903)	31,071	(26,623)	6,111
Cash and cash equivalents at beginning of the year		49,509	18,438	26,690	20,579
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	28	6,606	49,509	67	26,690

The annexed notes form an integral part of these financial statements

A. SUMMARY OF EFFECT OF ACQUISITION OF A SUBSIDIARY COMPANY

Group

	2002	2001
	RM'000	RM'000
Goodwill arising on consolidation	-	2
Cash and bank balances	2	1
Debtors	-	140
Other creditors	-	(142)
Total purchase consideration in cash	<u>2</u>	<u>1</u>
Less : Cash and cash equivalents of a subsidiary company acquired	<u>(2)</u>	<u>(1)</u>
Acquisition of a subsidiary company net of cash and cash equivalents	<u>-</u>	<u>-</u>

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements unless otherwise indicated.

1. GENERAL

The financial statements of the Group and the Company are expressed in Ringgit Malaysia.

The Company was incorporated in Malaysia as a public company limited by shares quoted on the Main Board of Kuala Lumpur Stock Exchange. The registered office of the Company is located at Penthouse, Menara AA, No. 247, Jalan Tun Razak, 50400 Kuala Lumpur.

2. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements of the Group and the Company were authorised for issue by the Directors on 25 April 2003.

3. ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention modified by the revaluation of investments in certain subsidiary and associated companies (unless otherwise indicated in the accounting policies below) and comply with the provision of the Companies Act, 1965 and applicable approved accounting standard in Malaysia.

The new applicable Approved Accounting Standards adopted in these financial statements since the previous financial year and their impact to the financial statements are as follows:-

- (i) MASB 20, Provision, Contingent Liabilities and Contingent Assets which is applied retrospectively. The adoption does not have any impact on the financial statements.
- (ii) MASB 21, Business Combination. This adoption does not have any impact on the financial statements.
- (iii) MASB 22, Segmental Reporting. The adoption does not have any impact on the financial statements as explained in Note 29.
- (iv) MASB 23, Impairment of Assets which is applied prospectively. This adoption does not have any impact on the financial statements; and
- (v) MASB 24, Financial instruments; Disclosure and Presentation which has been adopted prospectively. The adoption resulted in new disclosure format as set out in Note 30 to the financial statements.

(b) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies made up to the end of the financial year (refer to Note 5). The financial statements of the subsidiary companies acquired or disposed during the year are included in the consolidated financial statements from the date of their acquisitions or disposals. Inter-company transactions are eliminated on consolidation and the consolidated financial statements reflect external transactions only. The Group adopts the acquisition method for consolidation.

The difference between the purchase consideration and the fair value of the net assets of subsidiary companies at the date of acquisition is included in the consolidated balance sheet as goodwill arising on consolidation. Goodwill arising on consolidation is amortised over a period ranging from 1 - 10 years. Goodwill on consolidation is reviewed at each Balance Sheet date and will be written down for impairment where it is considered necessary.

3. ACCOUNTING POLICIES (cont'd)

(b) Basis of Consolidation (cont'd)

Minority interest is measured at the minorities' shares of the post acquisition fair value of the identifiable assets and liabilities of the acquiree. Separate disclosure is made of minority interest.

The financial statements of the holding and its subsidiaries are all drawn up to the same reporting date.

(c) Subsidiary and Associated Companies

Subsidiaries are those companies in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date the control ceases.

The Group treats those companies as associated companies in which a long term equity interest of between 20 to 50 percent is held and where it exercises significant influence over the financial and operating policies.

Investments in associated companies are accounted for in the consolidated financial statements by the equity method of accounting based on audited financial statements of the associated companies. Unrealised gains on transactions between the Group and the associated companies are eliminated to the extent of the Group's interest in the associated companies; unrealised losses are eliminated unless cost cannot be recovered.

The Group's share of post acquisition profits less losses of associated companies is included in the consolidated income statements and the Group's interest in associated companies is stated at cost plus the Group's share of post-acquisition retained profits and reserves. Premium or reserve on acquisition of associated companies is maintained in the financial statements.

(d) Foreign currency translations

(i) Foreign currency transactions

Transactions in foreign currencies during the year are converted into Ringgit Malaysia at rates of exchange approximately those ruling at the transaction dates. Foreign currency monetary assets and liabilities at the balance sheet date are translated into Ringgit Malaysia at rates of exchange approximately those ruling at that date. Foreign exchange differences arising on translation are dealt with in the income statement.

(ii) Financial statements of foreign operations

The Group's foreign operations are not considered to be an integral part of the Company's operations. Accordingly, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into Ringgit Malaysia at exchange rates ruling at balance sheet date. Foreign exchange differences arising on translation are taken to reserve.

The closing rates used in translation are as follows:-

	2002 RM	2001 RM
1 US Dollar	3.80	3.80
1 Hong Kong Dollar	0.49	0.49

3. ACCOUNTING POLICIES (cont'd)

(e) Property, plant and equipment

(i) Owned assets

Property, plant and equipment are initially stated at cost less depreciation and impairment losses.

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. The impairment loss is charged to income statement unless it reverses a previous revaluation in which case it will be charged to equity. Any subsequent increase in recoverable amount is reduced by the amount that would have been recognised as depreciation had the write-down or write-off not occurred. Such subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a revalued asset, in which case it is taken to equity.

(ii) Plant and equipment Acquired Under Finance Lease and Hire Purchase Arrangements

The cost of the plant and equipment acquired under finance lease and hire purchase arrangements which in substance transfer the risk and benefits of ownership of the assets to the Group are capitalised.

The plant and equipment are recorded at the lower of the minimum lease and hire purchase payments or the fair value of the lease and hire purchase assets at the beginning of the respective lease and hire purchase terms less accumulated depreciation. Plant and equipment acquired under such arrangement are depreciated over the useful lives of equivalent owned assets. The depreciation policy on these assets are similar to that of the Group's plant and equipment depreciation policy.

Outstanding obligation due under the finance lease and hire purchase arrangements after deducting finance expenses are included as liabilities in the financial statement. Finance charges of finance lease and hire purchase are allocated to income statement so as to give a constant periodic rate of interest on the outstanding liability at the end of the financial year.

Leases which do not meet such criteria are classified as operating leases and the related rentals are charged to income statement on a straight line basis over the lease term.

(iii) Depreciation

Building in progress is stated at cost and depreciation will commence when the assets are completed and in use.

Other property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost of plant and equipment on a straight line basis over the lease period or the estimated useful lives of the assets concerned, which are as follows:-

Long leasehold buildings	80 years
Short leasehold land	49 years
Condominium	1%
Furniture and fittings	5 to 10 years
Office equipment, computer systems & equipment	2 to 10 years
Motor vehicles	5 to 10 years
Plant and machinery	5 to 10 years
Office renovation	5 to 10 years

3. ACCOUNTING POLICIES (cont'd)

(f) Investments

Investment in subsidiary companies and associated companies are stated at revalued amount less impairment losses.

Where an indication of impairment exists, the carrying amount of the investments are assessed and written down immediately to their recoverable amount.

(g) Sinking Fund

A sinking fund is established for the purpose of defraying the future cost of pre-need funeral packages of the Group. The amount to be set aside out of collections to meet these future costs are determined by an independent Actuarial Consultant on a quarterly basis. Actuarial gains and losses are recognized in the income statement.

The monies in the fund are managed by a trustee. The amount to be paid to the trustee is included under sinking fund reserve in the accounts.

(h) Property Development Expenditure

Property development expenditure consists of cost of land under development, development expenditure incurred to date including a proportion of estimated profits attributable to development work performed to date, less progress billings.

(i) Valuation of Inventory and Development Expenditure

(i) Inventory are stated at lower of cost and net realisable value. In general, cost is determined on a first-in first-out basis and includes all costs in bringing the inventory to their present location and condition. Net realisable value is the price at which the inventory can be realised in the normal course of business after allowing for the cost of realisation and where appropriate, the cost of conversion from their existing state to a finished condition.

(ii) Land stocks held for interment purposes are stated at the lower of cost and net realisable value. Land costs consist of cost of the land plus incidental expenses incurred in bringing the land to the present condition.

(iii) Development expenditure is stated at cost and consists of all direct development costs incurred.

(j) Capitalisation of Borrowing Costs

Interest incurred on external borrowings related to property and land held for development are included in cost. The inclusion of borrowing costs ceases when the assets are ready for their intended use or sale.

(k) Trade and Other Receivables

Receivables are carried at anticipated realisable value. Known bad debts are written off and specific provision were made for any debt considered to be doubtful of collection.

(l) Payable and Provisions

Payables and provisions are stated at cost which is the consideration to be paid in the future for product and services received.

Provisions are recognised when the Group has a present legal and constructive obligation as a result of a past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation.

Provision for cost of pre-need funeral packages sold are made in full based on actuarial estimates provided by an independent Actuarial Consultant.

3. ACCOUNTING POLICIES (cont'd)**(m) Shares Bought Back**

Shares bought back held as treasury shares are accounted for on the cost method and presented as a deduction from equity. Should such shares be cancelled, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves as appropriate.

When the treasury shares are distributed as share dividends, the cost of the treasury shares is applied as reduction of the share premium account or the distributable retained profits or both.

(n) Income Recognition

(i) Contract revenue on construction are recognised on the percentage of completion method by reference to physical progress on each contract and after making appropriate provision for uncertainties and estimated losses to complete.

Contract costs include all direct materials and labour costs and those incidental costs related to contract performance. This method is only used at a point where contract revenues and contract costs can be reliably estimated and the costs can be clearly compared with prior estimates. Otherwise revenue is recognised only to the extent of cost incurred that is probable to be recoverable and contract costs are recognised as an expense in the year in which they are incurred.

(ii) Revenue from development properties sold is recognised on the percentage of completion method in the proportion which total costs incurred to date bear to the total estimated costs of the development.

(iii) Sales of burial, urn compartments and funeral packages are recognised on accrual basis, provided the contract was signed with the customer, a significant deposit of the invoice value is received, and the product are ready for delivery to the buyer.

(iv) Revenue from landscaping and maintenance is recognised on accrual basis.

(o) Taxation and Deferred Taxation

Provision for taxation is made based on the amount of tax estimated to be payable on revenue adjusted for tax purposes. Provision is made by the liability method for the effects of taxation deferred by capital allowances and other timing differences, except where there is reasonable evidence that the effects of such timing differences are not material and are not expected to reverse in the foreseeable future. Deferred tax benefits are only recognised where there is reasonable expectation of realisation in the near future.

(p) Cash and Cash Equivalents

Cash and cash equivalents consist of cash and bank balances, deposits with licensed financial institutions, bank overdraft and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statements, cash and cash equivalents are presented net of bank overdrafts, if any.

(q) Financial Instruments

(i) Financial instruments carried on the balance sheet include cash and bank balances, investments, receivables and payable. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

(ii) Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, gains and losses relating to a financial instruments classified as liability are reported as expense or income. Distribution to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Group and Company has a legally enforceable right to set off the recognised amount and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4. PROPERTY, PLANT AND EQUIPMENT

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

Group 2002

At cost	At 1	Additions	Disposals/	At 31
	January		Written off	December
	RM'000	RM'000	RM'000	RM'000
Long leasehold building	979	-	-	979
Short leasehold land	1,525	-	-	1,525
Building in progress	10,929	465	-	11,394
Condominium	322	-	-	322
Furniture & fittings	1,874	380	-	2,254
Office equipment, computer systems & equipment	5,438	829	(13)	6,254
Motor vehicles	11,816	725	(191)	12,350
Plant and machinery	476	48	(6)	518
Office renovation	2,872	164	-	3,036
Cabin	10	7	-	17
Total	36,241	2,618	(210)	38,649

Accumulated Depreciation

	At 1	Charge for	Disposals/	Net Book	
	January			the year	At 31
	RM'000	RM'000	Written off	December	December
	RM'000	RM'000	RM'000	RM'000	RM'000
Long leasehold building	50	12	-	62	917
Short leasehold land	125	31	-	156	1,369
Building in progress	-	-	-	-	11,394
Condominium	27	3	-	30	292
Furniture & fittings	558	261	-	819	1,435
Office equipment, computer systems & equipment	2,228	893	(8)	3,113	3,141
Motor vehicles	4,114	1,542	(191)	5,465	6,885
Plant and machinery	271	67	(5)	333	185
Office renovation	706	396	-	1,102	1,934
Cabin	1	2	-	3	14
Total	8,080	3,207	(204)	11,083	27,566

4. PROPERTY, PLANT AND EQUIPMENT (cont'd)
Group 2001

At cost	At 1 January RM'000	Additions RM'000	Disposals/ Written off RM'000	At 31 December RM'000
Long leasehold building	979	-	-	979
Short leasehold land	1,525	-	-	1,525
Building in progress	4,517	6,412	-	10,929
Condominium	322	-	-	322
Furniture & fittings	1,335	539	-	1,874
Office equipment, computer systems & equipment	3,792	1,690	(44)	5,438
Motor vehicles	9,043	3,969	(1,196)	11,816
Plant and machinery	439	37	-	476
Office renovation	2,429	443	-	2,872
Cabin	-	10	-	10
Total	24,381	13,100	(1,240)	36,241

Accumulated Depreciation

	At 1 January RM'000	Charge for the year RM'000	Disposals/ Written off RM'000	At 31 December RM'000	Net Book Value at 31 December RM'000
Long leasehold building	38	12	-	50	929
Short leasehold land	94	31	-	125	1,400
Building in progress	-	-	-	-	10,929
Condominium	24	3	-	27	295
Furniture & fittings	338	220	-	558	1,316
Office equipment, computer systems & equipment	1,474	759	(5)	2,228	3,210
Motor vehicles	3,014	1,306	(206)	4,114	7,702
Plant and machinery	202	69	-	271	205
Office renovation	359	347	-	706	2,166
Cabin	-	1	-	1	9
Total	5,543	2,748	(211)	8,080	28,161

4. PROPERTY, PLANT AND EQUIPMENT (cont'd)
Company 2002

At cost

	At 1 January RM'000	Additions RM'000	At 31 December RM'000
Office equipment, computer systems & equipment	140	-	140
Motor vehicles	5	-	5
Total	145	-	145

Accumulated Depreciation

	At 1 January RM'000	Charge for the year RM'000	At 31 December RM'000	Net Book Value at 31 December RM'000
Office equipment, computer systems & equipment	100	35	135	5
Motor vehicles	1	2	3	2
Total	101	37	138	7

Company 2001

At cost	At 1 January RM'000	Additions RM'000	Transfer RM'000	At 31 December RM'000
Office renovation	1,049	-	(1,049)	-
Furniture & fittings	368	40	(408)	-
Office equipment, computer systems & equipment	514	176	(550)	140
Motor vehicles	5	-	-	5
Total	1,936	216	(2,007)	145

Accumulated Depreciation

	At 1 January RM'000	Charge for the year RM'000	Transfer RM'000	At 31 December RM'000	Net Book Value at 31 December RM'000
Office renovation	35	-	(35)	-	-
Furniture & fittings	12	-	(12)	-	-
Office equipment, computer systems & equipment	70	65	(35)	100	40
Motor vehicles	-	1	-	1	4
Total	117	66	(82)	101	44

4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Group

- (i) The net book value of the leasehold building charged to a financial institution for credit facilities granted to a subsidiary company was RMNil (2001: RM928,368). This was discharged in 2001.
- (ii) The net book value of plant and equipment acquired under hire purchase and finance arrangements amounted to RM2,316,606 (2001: RM2,464,509) and RM48,700 (2001: RM89,108) respectively.

5. SUBSIDIARY COMPANIES

	Company	
	2002 RM'000	2001 RM'000
Unquoted shares	4,975	5,180
Net surplus arising on revaluation of investments	47,069	47,069
Less : Dividends paid by a subsidiary company out of retained profits at valuation dated 19 June 2000	(613)	-
	<u>51,431</u>	<u>52,249</u>

The investment in subsidiary companies was revalued by the Directors on 19 June 2000 based on the audited net tangible asset values as at 31 December 1999 in conjunction with the listing thereof on the Main Board of the Kuala Lumpur Stock Exchange. The revaluation surplus of RM47,069,019 was credited to revaluation reserve.

Details of subsidiary companies, incorporated in Malaysia, unless otherwise stated, are as follows:-

Subsidiaries of the Company:

Name	Principal Activities	<--Effective Interest-->	
		2002 %	2001 %
Genting Jelas Sdn Bhd	Property development	100	100
Istawa Sdn Bhd	Dormant	100	100
Nirvana Memorial Park Sdn Bhd	Development of rest park, construction and sales of tombs	100	100
Nir-Warna Development Sdn Bhd	Earthworks, construction and sales of tombs	100	100
Nir-Warna Marketing Sdn Bhd	Sales of health food products	51	51
NV Alliance Sdn Bhd	Sales of burial plots, urn compartments and pre-need funeral packages	100	100
NV Card Services Sdn Bhd	Dormant	100	100
NV Care Sdn Bhd	Sales of funeral packages	51	56

Notes to the Financial Statements (cont'd)

5. SUBSIDIARY COMPANIES (cont'd)

Subsidiaries of the Company: (cont'd)

Name	Principal Activities	<--Effective Interest-->	
		2002 %	2001 %
NV Manufacturing Sdn Bhd (formerly known as Ideal Version Sdn Bhd)	Dormant	100	100
Rantau Delima Sdn Bhd	Property development	100	100
Paramount Right Sdn Bhd	Dormant	100	100
Quality Purpose Sdn Bhd	Dormant	100	-

Details of subsidiary company, incorporated in Labuan are as follows:-

NV International (L) Limited	Dormant	100	100
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Details of subsidiary company, incorporated in Hong Kong are as follows:-

NV Multi Corporation (Hong Kong) Limited	Dormant	100	100
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Subsidiaries of Nirvana Memorial Park Sdn Bhd

Name	Principal Activities	<--Effective Interest-->	
		2002 %	2001 %
Nirvana Memorial Park (Johor) Sdn Bhd	Development of rest park, construction and sales of tombs	100	100
Nirvana Memorial Park (Kuching) Sdn Bhd	Development of rest park, construction and sales of tombs	65	65
Nirvana Memorial Park (Penang) Sdn Bhd	Dormant	100	100
Nirvana Memorial Park (Sabah) Sdn Bhd	Development of rest park, construction and sales of tombs	100	100
Nirvana Memorial Park (Klang) Sdn Bhd (formerly known as Nirvana Landscape Sdn Bhd)	Landscaping and nursery	100	100
Nirvana Management Sdn Bhd	Maintenance of rest park	100	100

5. SUBSIDIARY COMPANIES (cont'd)

Subsidiary of Nirvana Memorial Park (Kuching) Sdn Bhd

Name	Principal Activities	<--Effective Interest-->	
		2002	2001
		%	%
Anglosa Development Sdn Bhd	Dormant	100	100

Subsidiaries of NV Care Sdn Bhd:

Name	Principal Activities	<--Effective Interest-->	
		2002	2001
		%	%
NV Care (Johor) Sdn Bhd	Sales of funeral packages	100	100
Pinang Sepadan Sdn Bhd	Dormant	100	100
PJMC Sdn Bhd	Undertaker and supplier of funeral merchandise	100	100

All the subsidiary companies except NV International (L) Limited and NV Multi Corporation (Hong Kong) Pte Ltd are audited by HALS & Associates.

The financial statements of a newly incorporated company in The People's Republic of China, NV World-Wide Information Consulting Ltd., a wholly-owned subsidiary of NV Multi Corporation (Hong Kong) Limited was not consolidated in the Group's financial statements as the controlling interest was temporary.

6. ASSOCIATED COMPANIES

	Group		Company	
	2002	2001	2002	2001
	RM'000	RM'000	RM'000	RM'000
Unquoted shares	30	30	30	30
Surplus arising on revaluation of investments	-	-	62	62
Unquoted shares at valuation	30	30	92	92
Share of post acquisition reserve	115	224	-	-
	145	254	92	92

The investment in associated companies was revalued by the Directors on 19 June 2000 based on the audited net tangible asset values as at 31 December 1999 in conjunction with the listing thereof on the Main Board of the Kuala Lumpur Stock Exchange. The revaluation surplus of RM105,313 was credited to revaluation reserve.

6. ASSOCIATED COMPANIES (cont'd)

The Group's investment in the associated companies are analysed as follows:-

	Group	
	2002 RM'000	2001 RM'000
Share of net tangible assets	145	265
Reserves on acquisition	-	(11)
	<u>145</u>	<u>254</u>

Details of associated companies, incorporated in Malaysia are as follows:-

Name	Principal Activities	<--Effective Interest-->	
		2002 %	2001 %
Associated company of the company			
Minda Cemerlang Sdn Bhd	Trading and processing of granite and marble	30	30
Associated company of Nirvana Memorial Park (Klang) Sdn Bhd (formerly known as Nirvana Landscape Sdn Bhd)			
Public Acres Sdn Bhd	Nursery and supply of turf	-	40

The above associated companies are not audited by HALS & Associates.

On 23 May 2002, Nirvana Memorial Park (Klang) Sdn Bhd (formerly known as Nirvana Landscape Sdn Bhd) disposed of its 40% equity interest in Public Acres Sdn Bhd for a consideration of RM113,000.

7. GOODWILL ARISING ON CONSOLIDATION

	Group	
	2002 RM'000	2001 RM'000
At Cost		
At 1 January	635	667
Amount arising on acquisition of a subsidiary company	-	2
Disposal of interest in a subsidiary company	(28)	(32)
Goodwill written off	-	(2)
At 31 December	<u>607</u>	<u>635</u>
Amortisation		
At 1 January	212	150
Amortisation during the year less portion attributable to minority interest of RM48,941 (2001: RM44,826)	58	62
	<u>270</u>	<u>212</u>
Carrying value at 31 December	<u>337</u>	<u>423</u>

8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Trade receivables due within next 12 months	50,308	32,613	-	-
Less: Allowances for doubtful debts	(29)	(170)	-	-
	<u>50,279</u>	<u>32,443</u>	<u>-</u>	<u>-</u>
Other receivables, deposits and prepayment	6,048	7,622	538	1,070
Stakeholders' fund	417	-	-	-
Tax recoverable	1,547	1,243	1,286	1,243
	<u>58,291</u>	<u>41,308</u>	<u>1,824</u>	<u>2,313</u>
Trade receivables fall due:-				
within next 12 months	50,279	32,443	-	-
after 12 months	36,491	10,803	-	-
	<u>86,770</u>	<u>43,246</u>	<u>-</u>	<u>-</u>

The tax recoverable for the Group and the Company is subject to the approval from the tax authorities.

The Group's normal trade credit ranges from 1 to 36 months. Other credit terms are assessed and approved on a case to case basis.

The Group has no significant concentration of credit risk that may arise from exposure to a single debtor or to groups of debtors.

9. PROPERTY DEVELOPMENT EXPENDITURE

	Group	
	2002 RM'000	2001 RM'000
Freehold land - at cost	-	4,498
Development expenditure - at cost	5,246	33,026
	<u>5,246</u>	<u>37,524</u>
Proportion of estimated profit on properties sold	1,595	8,527
	<u>6,841</u>	<u>46,051</u>
Less: Progress billings	(6,841)	(44,064)
	<u>-</u>	<u>1,987</u>

10. INVENTORY AND DEVELOPMENT EXPENDITURE

	Group	
	2002 RM'000	2001 RM'000
Inventory, at cost:-		
Plants and trees	98	211
Raw materials	678	591
Work in progress	6,074	5,160
Finished product	563	566
Land held for development	36,583	40,283
	<u>43,996</u>	<u>46,811</u>
Development expenditure	61,433	50,996
	<u>105,429</u>	<u>97,807</u>

Certain land held for development with carrying value of RM19,187,196 were pledged as securities for banking facilities granted to a subsidiary company in 2001, which were discharged in the same year.

11. AMOUNT DUE FROM/(TO) SUBSIDIARY COMPANIES

	Company	
	2002 RM'000	2001 RM'000
Amount due from subsidiary companies	53,332	39,193
Dividend receivable from subsidiary companies	-	5,411
	<u>53,332</u>	<u>44,604</u>
Amount due to subsidiary companies	(33)	-
	<u>53,299</u>	<u>44,604</u>

The amounts due from/(to) subsidiary companies represent non trade advances and are unsecured, interest free with no fixed terms of repayment.

12. AMOUNT DUE FROM/(TO) ASSOCIATED COMPANIES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Amount due from an associated company	27	120	-	120
Amount due to an associated company	-	(329)	-	-
	<u>27</u>	<u>(209)</u>	<u>-</u>	<u>120</u>

The amount due from/(to) associated companies represent non trade advances and is unsecured, interest free with no fixed terms of repayment.

13. SHORT TERM INVESTMENTS

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Short term deposits with licensed banks	813	24,796	-	13,500
Short term deposits with licensed financial institution	-	18,600	-	13,000
	<u>813</u>	<u>43,396</u>	<u>-</u>	<u>26,500</u>

Group

Short term deposits amounting to RM195,604 (2001: RM160,604) have been pledged as security for banking facilities granted to subsidiary companies.

The interest rates earned during the financial year ranges from 0.435% p.a. to 4.25% p.a. and maturities of deposits as at 31 December 2002 ranges from 31 days to 219 days.

14. CASH AND BANK BALANCES

Included in the Group bank balances is an amount of RM859,162 (2001: RM494,972) maintained pursuant to the requirement of the Housing Developers (Housing Development Account) Regulations, 1991.

15. TRADE AND OTHER PAYABLES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Trade payables	14,247	24,187	-	-
Other payables and accruals	11,132	12,563	58	221
Incentives payable to agents	16,141	10,681	-	-
Sinking fund reserve	8,292	1,029	-	-
Amount due to Directors	202	685	121	36
Progress billing	557	-	-	-
	<u>50,571</u>	<u>49,145</u>	<u>179</u>	<u>257</u>

The normal trade credit terms granted to the Group range from 1 to 18 months.

The amount of RM8,292,000 in the sinking fund reserve is subsequently paid to a fund in the following year.

The amount due to Directors is unsecured, interest free with no fixed terms of repayment.

16. SHORT TERM BORROWINGS

	Group	
	2002 RM'000	2001 RM'000
Revolving credit	767	-
	<u>767</u>	<u>-</u>

The revolving credit granted to a subsidiary company was guaranteed by the Company. The revolving credit bears interest of 3.00% - 3.375% (2001: Nil).

17. HIRE PURCHASE AND LEASE CREDITORS

	Group	
	2002 RM'000	2001 RM'000
Repayable within next 12 months		
- Hire purchase creditors	856	599
- Lease creditors	13	6
	<u>869</u>	<u>605</u>
Repayable after 12 months		
- Hire purchase creditors	858	1,190
- Lease creditors	-	-
	<u>858</u>	<u>1,190</u>

18. SHARE CAPITAL

	Group/Company	
	2002 RM'000	2001 RM'000
a) Authorised:		
Ordinary shares of RM1 each	100,000	100,000
b) Issued and fully paid:		
Ordinary shares of RM1 each	70,000	70,000

During the financial year, the Company bought back 1,582,000 shares of RM1 each amounting to approximately RM7,257,407, at an average price of RM4.59 per share, from the open market with internally generated funds. These shares are being held as treasury shares. Accordingly, the number of outstanding shares in issue and fully paid-up as at 31 December 2002 is 68,418,000 shares. No further shares were repurchased subsequent to the financial year end.

19. RESERVES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Non-Distributable:				
Share premium	21,603	21,603	21,603	21,603
Revaluation Reserve	10,601	10,601	10,035	10,603
Treasury Shares (Note 18)	(7,257)	-	(7,257)	-
	<u>24,947</u>	<u>32,204</u>	<u>24,381</u>	<u>32,206</u>
Distributable:				
Retained profits	49,082	32,880	12,160	18,609
	<u>74,029</u>	<u>65,084</u>	<u>36,541</u>	<u>50,815</u>

20. DEFERRED TAXATION

	Group	
	2002 RM'000	2001 RM'000
At 1 January	863	322
Transferred from income statements (Note 25)	169	541
At 31 December	<u>1,032</u>	<u>863</u>

The deferred tax liability is in respect of the timing differences between depreciation and corresponding capital allowances on property, plant and equipment.

21. OTHER LONG TERM LIABILITIES

This represents the cost of providing funeral packages yet to be exercised, reduced by a sinking fund valued by independent actuaries.

	Group	
	2002 RM'000	2001 RM'000
At 1 January	19,241	4,929
Charged to income statements	12,028	17,699
	<u>31,269</u>	<u>22,628</u>
Less: Sinking fund	<u>(10,649)</u>	<u>(3,387)</u>
At 31 December	<u>20,620</u>	<u>19,241</u>

22. OPERATING PROFIT

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Revenue:				
Dividend income from subsidiary companies	-	-	694	35,505
Management fees	-	-	-	150
Bereavement care	143,901	134,148	-	-
Housing development	1,284	7,885	-	-
	<u>145,185</u>	<u>142,033</u>	<u>694</u>	<u>35,655</u>
Cost of sales	<u>(42,319)</u>	<u>(52,717)</u>	-	-
Gross profit	102,866	89,316	694	35,655
Other operating income	1,891	1,704	281	422
SELLING AND DISTRIBUTION EXPENSES	(29,691)	(26,450)	-	-
ADMINISTRATIVE EXPENSES				
- amortisation of goodwill	(107)	(109)	-	-
- depreciation	(3,207)	(2,748)	(37)	(66)
- staff cost	(15,783)	(14,068)	(134)	(48)
- other expenses	(17,161)	(10,393)	(206)	(205)
	<u>(36,258)</u>	<u>(27,318)</u>	<u>(377)</u>	<u>(319)</u>
Operating profit	<u>38,808</u>	<u>37,252</u>	<u>598</u>	<u>35,758</u>

Notes to the Financial Statements (cont'd)

23. EXCEPTIONAL ITEM

	Group	
	2002	2001
	RM'000	RM'000
Loss on disposal of interest in a subsidiary company	306	280

24. PROFIT BEFORE TAXATION

	Group		Company	
	2002	2001	2002	2001
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging:-				
Audit fees	83	84	13	5
Bad debts written off	9	21	-	-
Directors' fee	53	668	48	48
Directors' emoluments	1,383	1,152	76	-
Hire purchase interest	176	276	-	-
Lease interest	-	26	-	-
Loss on disposal of property, plant and equipment	4	5	-	-
Rental of premises	1,674	1,541	-	-
Overdraft interest	70	40	-	2
Other interest	47	-	-	-
Allowance for diminution in value of quoted investment	-	89	-	-
Preliminary expenses written off				
And crediting:-	11	-	-	-
Gain on disposals of property, plant and equipment	72	57	-	-
Foreign exchange gains	-	27	-	-
Interest income	379	586	281	419
Rental income	94	30	-	-

The estimated monetary value of benefits provided to Directors of the Company during the financial year amounted to RM67,986 (2001 : RM74,802).

25. TAXATION

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Provision for the year	11,917	10,443	221	10,022
Over provision in prior years	(42)	(108)	-	-
Transferred to deferred taxation (Note 20)	169	541	-	-
Share of taxation of associated companies	20	30	-	-
	<u>12,064</u>	<u>10,906</u>	<u>221</u>	<u>10,022</u>

Group

The effective tax rate of the Group for the current financial year is higher than the statutory tax rate due principally to certain expenses are not deductible for tax purposes.

Subject to the approval from the tax authorities, the Group has unabsorbed capital allowances of approximately RM554,200 (2001: RM527,000) for utilisation against future taxable income and available tax exempt income for the the payment of future tax exempt dividends of approximately RM2,495,800 (2001: RM2,495,800).

Company

Subject to the approval from the tax authorities, the Company has unabsorbed capital allowances of approximately RM495,000 (2001: RM468,000) for utilisation against future taxable income.

26. EARNINGS PER SHARE

Net earnings per share is calculated by dividing the Group's profits after taxation and minority interest of RM23,591,079 (2001: RM23,189,950) by the weighted average number of ordinary shares during the financial year of 68,501,838 (2001: 70,000,000).

27. DIVIDENDS

	Group/Company	
	2002 RM'000	2001 RM'000
First interim dividend of RM0.10 gross per share less income tax of 28% (2001: RM0.05 per share)	4,926	2,520
Special dividend of RM 0.05 gross per share less income tax of 28% (2001: RM0.10 per share)	2,463	5,040
	<u>7,389</u>	<u>7,560</u>

28. CASH AND CASH EQUIVALENTS

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Cash and bank balances	5,989	6,273	67	190
Short term deposits with licensed banks	617	24,636	-	13,500
Short term deposits with licensed financial institution	-	18,600	-	13,000
	<u>6,606</u>	<u>49,509</u>	<u>67</u>	<u>26,690</u>

29. SEGMENTAL REPORTING

Segment analysis has not been prepared as the Group is primarily engaged in the bereavement care business in Malaysia.

30. FINANCIAL INSTRUMENTS

The Group is exposed to financial risks arising from its business activities and manages this through established risk management processes, proper monitoring and reporting to the management.

(i) Interest Rate Risk

The Group does not have a significant borrowings exposed to interest rate fluctuation. As the Group's operating cash flows are substantially independent of changes in market interest rates, the Group does not use derivative financial instrument to hedge its risk.

(ii) Foreign Exchange Risk

The Group does not have a significant investment in foreign operations and transactional activities that expose the Group to unnecessary foreign exchange risks.

(iii) Credit Risk

The Group has no significant concentrations of credit risk. Credit risks are controlled by the application of credit approvals, limits and monitoring procedures. Trade receivables are monitored on an ongoing basis through Group management reporting procedures.

The Group and the Company has no significant concentration of credit risk with any single counterparty. In respect of investment in cash and deposits, the policy is to transact with financial institutions that are assessed for acceptable creditworthiness. The maximum exposure to credit risks are represented by the carrying amount of each financial assets.

(iv) Market Risk

In connection with the Group's prearranged funeral operations, the cost of providing funeral packages in the future are deposited with the Trustee independent of the Group's finances, as presented in note 21. The risk is minimized through stringent cost control by the group, regular valuation by an independent Actuarial Consultant, and prudent investment policy by the Trustee.

(v) Liquidity Risk

It is the Group's policy to maintain flexibility in funding by keeping committed credit line available to ensure its ability to service obligation in the future by way of ongoing monitoring and forecasting of cash requirements.

30. FINANCIAL INSTRUMENTS (cont'd)

(vi) Fair Value of Financial Instruments

The carrying amounts of the financial instruments are stated approximately at fair values, unless otherwise indicated in the respective notes to the financial statements.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:-

(a) Cash and Bank Balances and Short Term Investments

The carrying amount of cash and bank balances and short term investments approximates fair value due to the relatively short term maturity of these instruments.

(b) Trade and Other Receivables and Payables

The historical cost carrying amount of receivables and payables subject to normal trade credit terms approximate fair value. The carrying amounts of other receivables and payables are reasonable estimates of fair value because of their short maturity.

(c) Provisions

The carrying amount of provisions approximate at their fair value.

31. CONTINGENT LIABILITIES

	Group		Company	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Damages claimed by third parties as a result of earthworks carried out and pending court decision*	2,623	2,623	-	-
Corporate guarantee for end-financing facilities granted to purchasers, for which no loss is expected	<u>15,869</u>	<u>39,930</u>	<u>15,869</u>	<u>39,930</u>

* The Directors are of the opinion that the above claim is without merit.

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

32. COMMITMENT

Authorised capital commitments:-

	Group	
	2002 RM'000	2001 RM'000
Contracted		
- construction in progress	13,161	13,547
- purchase of property, plant and equipment	1,780	-
- construction of a funeral complex	2,500	-
Not contracted		
- development expenditure	-	2,699
	<u>17,441</u>	<u>16,246</u>
Investments in new ventures	<u>5,840</u>	<u>1,260</u>

33. EMPLOYEES

The number of employees at the end of the financial year is:-

	Group		Company	
	2002 No.	2001 No.	2002 No.	2001 No.
Employees	<u>291</u>	<u>305</u>	<u>-</u>	<u>55</u>

34. DISPOSAL OF A SUBSIDIARY COMPANY

On 11 April 2002, NV Care Sdn Bhd, a subsidiary company, has completed the transfer of 250,000 ordinary shares of RM1 each representing 5% equity interest in NV Care Sdn Bhd to Credence Image Sdn Bhd in accordance with a Conditional Sale and Purchase Agreement entered on 28 October 1998. Upon completion of the transaction, NV Care becomes a 51% owned subsidiary of the Company.

The effect of the disposal on the financial position of the consolidated financial statements for the current year to the date of disposal is as follow:-

	2002 At date of disposal RM'000	2001 RM'000
Plant and equipment	18,275	18,187
Goodwill	535	556
Inventories	579	557
Receivables, deposit and prepayments	50,207	35,815
Cash and bank balances	488	2,773
Payables and provision	(58,950)	(47,285)
Minority interest	(5,456)	(4,666)
Share of net assets and goodwill disposed	<u>5,678</u>	<u>5,937</u>
Less: Group's share of results had the Group not disposed off the interest	<u>(6,235)</u>	
Reduction in Group's net assets	(557)	
Net proceeds from disposal	<u>250</u>	
Loss on disposal	<u>(307)</u>	

34. DISPOSAL OF A SUBSIDIARY COMPANY (cont'd)

The effect of the disposal on the results of the Group for the current period to date of disposal was as follows:

	3 months ended 31 March 2002 RM'000	2001 RM'000
Revenue	7,230	34,737
Operating costs	(6,486)	(29,104)
Profit from operations	744	5,633
Finance cost	(13)	(180)
Profit before taxation	731	5,453
Taxation	(200)	(1,557)
Profit attributable to shareholders	531	3,896

35. RELATED PARTY DISCLOSURES**Significant related party transactions**

Transactions with associated companies:-

	2002 RM'000	2001 RM'000
Minda Cemerlang Sdn Bhd:-		
Purchase of granite	2,315	2,334
Rental income	30	30
Public Acres Sdn Bhd:-		
Purchase of turfs	-	796

The transactions have been entered into the normal course of business and have been established under negotiated terms.

Related party balances

The related party balances as at the balance sheet date are disclosed in the financial statements.

37. SUBSEQUENT EVENTS

- (i) On 6 January 2003, NV Care Sdn Bhd, a subsidiary company entered into an agreement with Lock San Thin Chinese Cemetery Committee as Corporate Manager to develop and reconstruct a funeral parlour on land held under Lot 2966, Mukim Pulai, Daerah Johor Bahru into a modern funeral complex comprising memorial halls, columbarium and crematorium with the intention to market such cremation services, memorial hall rental and cinerary niches to members of the Association and the general public.
- (ii) On 30 January 2003, the Company acquired 34% equity interest in NV Care Sdn Bhd for a consideration of RM6.5 million. NV Care Sdn Bhd now becomes a 85% owned subsidiary of the Company.
- (iii) On 2 April 2003, following an internal structuring, Quality Purpose Sdn Bhd become the subsidiary of Nirvana Memorial Park Sdn Bhd.
- (iv) On 7 April 2003, Nirvana Management Sdn Bhd, a wholly-owned subsidiary company, entered into a Joint Venture Agreement with Bangsa Wangsa Sdn Bhd to jointly develop the land held under Lots 1130, 1132 and 1605, Pasai-Siong L.D. Sibu measuring 46.10 acres into a non-Muslim cemetery.

On the same date, another wholly-owned subsidiary company, Quality Purpose Sdn Bhd, entered into a Joint Venture Agreement with Nilai Garuda Sdn Bhd to jointly develop the land held under Lots 425, 427, 428, 429 and 663, Mukim Tanjong Minyak, Melaka Tengah measuring 30.57 acres into a non-Muslim cemetery.

Both companies are intent to market cremation services, funeral parlour rental, burial plots and cinerary urn niches to the general public.

Statement **BY DIRECTORS**

We, DATO' DR KONG HON KONG and YAP KIM SWEE, being two of the Directors of NV MULTI CORPORATION BERHAD, do hereby state that in our opinion, the financial statements set out on pages 31 to 61 are drawn up in accordance with applicable approved Accounting Standards so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2002 and of the results of their operations and of the cash flows of the Group and Company for the year ended on that date.

On behalf of the Board

DATO' DR KONG HON KONG
Director

YAP KIM SWEE
Director

KUALA LUMPUR
Date: 25 APRIL 2003

Statutory **DECLARATION**

I, YAP KIM SWEE, being the Director primarily responsible for the accounting records and financial management of NV MULTI CORPORATION BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 31 to 61 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in Wilayah Persekutuan on 25 April 2003

YAP KIM SWEE
Director

Before me:-

HAJI BAHARUDIN BIN ABU BAKAR (W331)
Commissioner for Oaths

Auditors' REPORT TO THE MEMBERS OF NV MULTI CORPORATION BERHAD

We have audited the financial statements set out on pages 31 to 61. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion:

- (a) the financial statements are properly drawn up in accordance with applicable approved Accounting Standards and the provisions of the Companies Act, 1965, as amended so as to give a true and fair view of :-
 - (i) the state of affairs of the Group and the Company as at 31 December 2002 and of the results of their operations and of the cash flows of the Group and Company for the year ended on that date, and
 - (ii) the matters required by Section 169 of the Act to be dealt with in the financial statements.
- (b) the accounting and other records and the registers required by the Act to be kept by the Group and the Company have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements of subsidiary companies, which have been included in the consolidated financial statements.

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

The auditors' report on the financial statements of subsidiary companies were not subject to any material qualification and did not include any comments made under Section 174 (3) of the Act.

HALS & ASSOCIATES
A.F. 0755
CHARTERED ACCOUNTANTS (M)

Subramaniam Sankar
BII 925/02/04 (J/PH)
Partner

KUALA LUMPUR
Date: 25 APRIL 2003

List of PROPERTIES as at 31 December 2002

Registered owner	Description	Location	Existing use	Tenure	Approximate age of building years	Gross Land area	Built-up area	Net book value as at 31 December 2002 (RM)
Anglosa Development Sdn Bhd	Commercial Land	Lot 657 Block 226 Kuching North Land District 4 1/2 Mile, Penrissen Road Kuching	Vacant	99-year leasehold expiring on 31.12.2038	NA	1.00 acre	NA	1,022,783
Nirvana Memorial Park Sdn Bhd	4 storey office building	Country Lease 215337465 District of Penampang, Sabah bearing address:- Lot 16, Taman Victory, 4th Mile, Jalan Penampang, Kota Kinabalu, Sabah	Office	99-year leasehold expiring on 01 01.2081	19	1,500 sq. ft.	8,947 sq. ft.	916,147
	Apartment	10B-20-2 (19G) Putra Court Apartment, Jalan Ipoh Kecil, Kuala Lumpur	Vacant	Freehold	8	NA	1,635 sq. ft.	291,620
	Cemetery Land	Lots 1261, 1263-1266, 1357-1359, 1362, 1365-1367, 1684-1686, PT1169-1171 Mukim of Ulu Semenyih, District of Ulu Langat, Selangor Darul Ehsan	Burial plots and urn compartments	Freehold	NA	119.75 acres	NA	3,220,221
	Cemetery Land	Lots 896, 1170 & 1298 Mukim of Ulu Semenyih, District of Ulu Langat, Selangor Darul Ehsan	Vacant	Freehold	NA	53.94 acres	NA	5,196,221
	Agriculture Land	Lots 588, 868, 1171 & 1439 Mukim of Ulu Semenyih, District of Ulu Langat, Selangor Darul Ehsan	Vacant	Freehold	NA	169.39 acres	NA	14,617,836

NA - Not Applicable

Registered owner	Description	Location	Existing use	Tenure	Approximate age of building years	Gross Land area	Built-up area	Net book value as at 31 December 2002 (RM)
Nirvana Memorial Park (Johor) Sdn Bhd	Cemetery Land	EMR 281 Lot 772, EMR 227 Lot 768, GM 83 Lot 769 & EMR 279 Lot 770, Mukim of Senai Kulai District of Johor Bahru Johor	Burial plots and urn compartments	Freehold	NA	31.25 acres	NA acres	3,214,657
Nirvana Memorial Park (Kuching) Sdn Bhd	Cemetery Land	Land Bau, Occupation Ticket No. 1856 of 1928 Senggi Poak Land District Sarawak	Burial plots	99 years leasehold expiring on 2027	NA	17.50 acres	NA	858,606
	Cemetery Land	Land Bau, Occupation Ticket Lot 431, Block 9, Senggi Poak Land District Sarawak	Burial plots	99 years leasehold expiring on 31.12.2040	NA	32.46 acres	NA	1,411,486
	Agriculture Land	113 & 114 Block 9 Senggi Poak Land District Sarawak	Vacant	99 years leasehold expiring on 31.12.2040	NA	4.46 acres	NA	331,928
	Agriculture Land	Bau Occupation Ticket 3213 Ta Poh Shak, Bau, Kuching	Vacant	99 years leasehold expiring on 31.12.2036	NA	6.00 acres	NA	489,600
Nirvana Memorial Park (Sabah) Sdn Bhd	Cemetery Land	Country Lease No. 139535 Mukim of Talipok District of Tuaran Kota Kinabalu, Sabah	Burial plots	99 years leasehold expiring on 24.1.2025	NA	44.41 acres	NA	3,984,866
Pinang Sepadan Sdn Bhd	Industrial Land	HS(D) No. 32717 PT No. 487 Mukim of Petaling, District of Wilayah Persekutuan	Bereavement care centre	66 years leasehold expiring on 26.08.2046	NA	35,470 sq. ft.	NA	1,369,390

The analysis below is based on the issue and paid-up share capital of the Company of RM68,418,000 comprising of 68,418,000 ordinary shares of RM1.00 each and after deduction of 1,582,000 treasury shares retained by the Company as per Record of Depositors.

ANALYSIS OF SHAREHOLDINGS AS AT 30 APRIL 2003

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
less than 100 shares	34	2.21	35	0.00
100 - 1,000 shares	983	63.87	983,000	1.44
1,001 - 10,000 shares	425	27.62	1,534,013	2.24
10,001 - 100,000 shares	65	4.22	1,930,002	2.82
100,001 to less than 5% of issued shares	27	1.75	30,872,985	45.12
5% and above of issued shares	5	0.33	33,097,965	48.38
	1,539	100.00	68,418,000	100.00
Treasury shares	-	-	1,582,000	-
TOTAL	1,539	100.00	70,000,000	100.00

TOP THIRTY SHAREHOLDERS AS AT 30 APRIL 2003

Name of Shareholders	No. of Shares Held	%
1. AllianceGroup Nominees (Tempatan) Sdn Bhd <i>- Pledged Securities Account for Mayang Teratai Sdn Bhd</i>	8,987,357	13.14
2. AllianceGroup Nominees (Tempatan) Sdn Bhd <i>- Pledged Securities Account for Anugaris Sdn Bhd</i>	7,654,150	11.19
3. Mayang Teratai Sdn Bhd	7,008,192	10.24
4. Ilusi Satria Sdn Bhd	5,648,266	8.26
5. Southern Nominees (Tempatan) Sdn Bhd <i>- Pledged Securities Account for Mayang Teratai Sdn Bhd</i>	3,800,000	5.55
6. EB Nominees (Tempatan) Sendirian Berhad <i>- Pledged Securities Account for Mayang Teratai Sdn Bhd (CSC)</i>	3,334,000	4.87
7. EB Nominees (Tempatan) Sendirian Berhad <i>- Pledged Securities Account for Anugaris Sdn Bhd (CSC)</i>	3,100,000	4.53
8. Mono Parade Sdn Bhd	3,034,274	4.43
9. Malaysia Nonimees (Tempatan) Sendirian Berhad <i>- Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)</i>	3,000,000	4.38

Name of Shareholders	No. of Shares Held	%
10. Universal Trustee (Malaysia) Berhad - BHLB Pacific Emerging Companies Growth Fund	2,708,000	3.96
11. Universal Trustee (Malaysia) Berhad - BHLB Pacific High Growth Fund	2,419,000	3.54
12. Southern Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Anugaris Sdn Bhd	2,400,000	3.51
13. Universal Trustee (Malaysia) Berhad - BHLB Pacific Savings Fund	1,630,000	2.38
14. Anugaris Sdn Bhd	1,559,957	2.28
15. Amanah Raya Berhad - BHLB Pacific Double Growth Fund	1,120,000	1.64
16. Anjur Deras Sdn Bhd	884,274	1.29
17. Universal Trustee (Malaysia) Berhad - BHLB Pacific HGF Sequel Fund	810,000	1.18
18. BAM Nominees (Tempatan) Sdn Bhd - Pertubuhan Keselamatan Sosial (2010)	571,000	0.83
19. Hong Hock Ming	510,000	0.75
20. Malaysia Nominees (Tempatan) Sendirian Berhad - Great Eastern Life Assurance (Malaysia) Berhad (PAR 2)	500,000	0.73
21. AllianceGroup Nominees (Tempatan) Sdn Bhd - Pheim Asset Management Sdn Bhd for Employees Provident Fund (029)	500,000	0.73
22. AllianceGroup Nominees (Tempatan) Sdn Bhd - Pheim Asset Management Sdn Bhd for Employees Provident Fund	500,000	0.73
23. HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd for Accumulative Growth (3639)	321,000	0.47
24. Amanah Raya Berhad - Amtotal Return	306,000	0.45
25. Dato' Dr Kong Hon Kong	301,480	0.44
26. Manjit Singh A/L Harban Singh	252,000	0.37
27. Mayban Securities Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Tan Poh Hwa (Rem 101-Margin)	241,000	0.35
28. Tan Kean Huat	213,000	0.31
29. Southern Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Dato' Dr Kong Hon Kong	200,000	0.29
30. Leong Kam Chee	200,000	0.29
TOTAL	63,712,950	93.11

SUBSTANTIAL SHAREHOLDERS (5% AND ABOVE) AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 30 APRIL 2003

Name of Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	(%)	No. of Shares	(%)
Mayang Teratai Sdn Bhd	23,129,549	33.81	-	-
Dato' Dr. Leong Hoy Kum	-	-	23,129,549*	33.81
Anugaris Sdn Bhd	14,714,107	21.51	-	-
Dato' Dr Kong Hon Kong	501,480	0.73	14,714,107#	21.51
Datin Lau Ah Lan	-	-	14,714,107#	21.51
Ilusi Satria Sdn Bhd	5,648,266	8.26	-	-
Colonel (Navy) (Rtd) Dato' Hj Jallaludin Bin Idris	-	-	5,648,266**	8.26
Syed Ahmad Bin Syed Salim	-	-	5,648,266**	8.26
Great Eastern Life Assurance (Malaysia) Berhad	3,500,000	5.12	-	-
GEL Capital (Malaysia) Berhad	-	-	3,500,000@	5.12
The Great Eastern Life Assurance Co Ltd	-	-	3,500,000@	5.12
Great Eastern Holdings Limited	-	-	3,500,000@	5.12
Oversea-Chinese Banking Corporation Limited	-	-	3,500,000@	5.12

* Deemed interest by virtue of his substantial shareholdings in Mayang Teratai Sdn Bhd

Deemed interest by virtue of his/her substantial shareholdings in Anugaris Sdn Bhd

** Deemed interest by virtue of his substantial shareholdings in Ilusi Satria Sdn Bhd

@ Deemed interest by virtue of its shares held by other corporation under Section 6A(4) of the Companies Act, 1965.

DIRECTORS' SHAREHOLDINGS AS PER REGISTER OF DIRECTORS' SHAREHOLDINGS AS AT 30 APRIL 2003

Name of Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Jen (B) Tan Sri Yaacob bin Mat Zain	-	-	-	-
Dato' Dr Kong Hon Kong	501,480	0.73	14,714,107*	21.51
Yap Kim Swee	-	-	-	-
Lee Ah Kong	10,000	0.01	-	-
Chua Chong Kee	-	-	-	-
Khairol Nizam bin Hamran	-	-	-	-
Mohamed Taib bin Mahmood	-	-	-	-

* Deemed interest through Anugaris Sdn Bhd

NOTICE IS HEREBY GIVEN that the Twelfth Annual General Meeting of the Company will be held at 11th Floor, Menara AA, 247 Jalan Tun Razak, 50400 Kuala Lumpur on Thursday, 26 June 2003 at 11.00 a.m. to transact the following businesses:-

AGENDA

As Ordinary Business

- | | | |
|----|---|------------------------------|
| 1. | To receive and adopt the Audited Financial Statements for the year ended 31 December 2002 and the Reports of the Directors and Auditors thereon. | Resolution 1 |
| 2. | To approve the payment of Directors' fees for the year ended 31 December 2002. | Resolution 2 |
| 3. | To re-elect as Director, Encik Khairol Nizam bin Hamran, who shall retire by rotation pursuant to Article 78 of the Company's Articles of Association. | Resolution 3 |
| 4. | To re-elect the following Directors, who shall retire pursuant to Article 85 of the Company's Articles of Association:-
a. Mr. Yap Kim Swee.
b. Encik Mohamed Taib bin Mahmood. | Resolution 4
Resolution 5 |
| 5. | To re-elect as Managing Director, Yg Bhg Dato' Dr Kong Hon Kong, who shall retire pursuant to Article 115 of the Company's Articles of Association. | Resolution 6 |
| 6. | To re-appoint Messrs. HALS & Associates as Auditors of the Company and to authorise Directors to fix their remuneration. | Resolution 7 |

As Special Business

To consider and if thought fit, pass the following resolutions as Ordinary Resolutions:-

7. **Authority to Directors to issue shares pursuant to Section 132D, Companies Act, 1965**

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors, may, in their absolute discretion, deem fit, provided that the aggregate numbers of shares to be issued does not exceed 10% of the total issued and paid up share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, subject always to the approval of the relevant government and/or regulatory authorities."

Resolution 8

8. **Proposed Renewal of Shareholders' Mandate for Share Buy-Back**

"THAT subject to the Company's compliance with all applicable rules, regulations, orders and guidelines made pursuant to the Companies Act, 1965, the provisions of the Company's Memorandum and Articles of Association and the requirements of the Kuala Lumpur Stock Exchange ("KLSE") and the approvals of all relevant authorities, the Company be and is hereby authorised to the fullest extent permitted by law, to buy back and/or hold such amount of ordinary shares of RM1.00 each in the Company as may be determined by the Directors of the Company from time to time through the KLSE upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company ("the Proposed Share Buy-Back) provided that:-

- a. The maximum number of shares which may be purchased and/or held by the Company at any point of time pursuant to the Proposed Share Buy-Back shall not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being quoted on the KLSE provided always that in the event that the Company ceases to hold all or any part of such shares as a result of, amongst others, cancellation of shares, sales of shares on the market of the KLSE or distribution of treasury shares to shareholders as dividend in respect of shares bought back under the previous shareholders' mandate for share buy back which was obtained at the Annual General Meeting held on 28 June 2002, the Company shall be entitled to further purchase and/or hold such additional number of shares as shall (in aggregate with the shares then still held by the Company) not exceed ten per centum (10%) of the total issued and paid up share capital of the Company for the time being quoted on the KLSE;
- b. The maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back shall not exceed the sum of retained profits and the share premium account of the Company based on its latest audited financial statements of RM12,160,000 and RM21,603,000 respectively as at 31 December 2002; and
- c. The shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with in all or any of the following manner (as selected by the Company):
 - i. the shares so purchased may be cancelled; and/or
 - ii. the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of the KLSE and/or subsequently cancelled; and/ or
 - iii. part of the shares so purchased may be retained as treasury shares with the remainder being cancelled.

8. **Proposed Renewal of Shareholders' Mandate for Share Buy-Back (cont'd)**

AND THAT such authority shall commence upon passing of this ordinary resolution, until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting after the date on which the authority conferred by the resolution is required by law to be held unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting, whichever is earlier, but so as not to prejudice the completion of a purchase made before such expiry date, and in any event, in accordance with the provision of the Act, the rules and regulations made pursuant thereto and the guidelines issued by the KLSE and/or any other relevant authority.

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect to the Proposed Share Buy-Back with full powers to amend and/or assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities."

Resolution 9

By Order of the Board

Chen Huey Jiuan
Secretary

Kuala Lumpur
31 May 2003

Notes-

1. A member of the Company who is entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies; and in the case of corporation, a duly authorised representative to attend and vote in his stead.
2. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy shall be deposited at the Registered Office of the Company at Penthouse, Menara AA, 247 Jalan Tun Razak, 50400 Kuala Lumpur, not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.
5. **Explanatory notes on Special Business:-**
 - 5.1 The Proposed Resolution 8, if passed, will give the Directors of the Company, the authority to issue and allot ordinary shares from the unissued capital of the Company up to an amount not exceeding 10% of the Company's total issued and paid up share capital for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in a General Meeting, expire at the next Annual General Meeting of the Company.
 - 5.2 The Proposed Resolution 9, if passed, will empower the Directors to exercise the power of the Company to purchase its own shares by utilising its financial resources not immediately required. The Proposed Share Buy-Back may have a positive impact on the market price of the Company's shares. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

Further information on the Proposed Share Buy-Back are set out in the Circular to Shareholders of the Company which is despatched together with the Company's 2002 Annual Report.

Statement ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

STATEMENT ACCOMPANYING Notice of ANNUAL GENERAL MEETING

PURSUANT TO PARAGRAPH 8.28 (2) OF THE LISTING
REQUIREMENTS OF THE KUALA LUMPUR STOCK EXCHANGE

1. Directors who are standing for Re-election at the forthcoming Twelfth Annual General Meeting of the Company

Name	Retire pursuant to the Company's Articles of Association
Khairol Nizam bin Hamran	Article 78
Yap Kim Swee	Article 85
Mohamed Taib bin Mahmood	Article 85
Dato' Dr Kong Hon Kong	Article 115

2. Details of Directors who are standing for re-election.

Details of Directors who are standing for re-election are set out in the Directors' Profile appearing on pages 4 to 6 of this Annual Report.

3. Details of attendance of Directors at Board Meetings

Details of attendance of Directors at Board meetings held during the financial year ended 31 December 2002 are set out in Corporate Governance appearing on page 8 of this Annual Report.

4. Details of place, date and time of the forthcoming Twelfth Annual General Meeting

Place	:	Level 11, Menara AA 247 Jalan Tun Razak 50400 Kuala Lumpur
Date	:	Thursday, 26 June 2003
Time	:	11.00 a.m.

HEAD OFFICE

Penthouse, Menara AA
247 Jalan Tun Razak
50400 Kuala Lumpur
Tel No. : 03-21446699
Fax No. : 03-21480077
Website : www.nvmc.com.my

BRANCH OFFICES

Petaling Jaya Office
Jalan 229 Section 51A
Petaling Jaya
46100 Selangor
Tel No. : 03-78760744
Fax No. : 03-78749313

Johor Office

2nd Floor, Wisma K.K.Kam
99, Jalan Kemunting
(Off Jalan Kebun Teh)
80250 Johor Bahru, Johor
Tel No. : 07-3339322
Fax No. : 07-3319322

Kuching Office

No. 6, Jalan Petanak
93100 Kuching
Sarawak
Tel No. : 082-242668
Fax No. : 082-412488

Sabah Office

Lot 16, Taman Victory
4th Mile, Jalan Penampang
88300 Kota Kinabalu, Sabah
Tel No. : 088-728971/72
Fax No. : 088-729179

Penang Office

Ground, 1st & 2nd Floor
Wisma BDC, 43, Rangoon Road
10400 Penang
Tel No. : 04-2276699
Fax No. : 04-2299887

SITE OFFICES

Kajang Site Office
Batu 6, Jalan Kachau
Semenyih
43500 Selangor Darul Ehsan
Tel No. : 03-87230598/99
Fax No. : 03-87236589

Johor Site Office

Lots 766 & 767
Jalan Kota Tinggi (5km)
81900 Kulai
Johor
Tel No. : 07-6621188/99
Fax No. : 07-6621000

Kuching Site Office

Bau O.T. 3776 & 1856
Jalan Bau-Kuching
Senggi-Poak Land District, Bau, Sarawak
Tel No. : 082-699580
Fax No. : 082-699581

Sabah Site Office

Mile 15th
Jalan Bukit Giling
Off Jalan Tuaran Lama
Tuaran District, Sabah
Mobile : 019-8619081

BEREAVEMENT CARE SERVICE CENTERS

Butterworth Office
103 & 109 Jalan Gan Chai Leng
Chai Leng Park
13700 Prai, Penang

Melaka Office

3 Jalan Masjid
75200 Melaka

Sibu Office

No. 48, Lane 1
Lanang Road
96000 Sibu, Sarawak

Form of PROXY



I/We (Name in full and NRIC No./Company No.) _____

of (address) _____

being a member of the abovenamed Company hereby appoint (Name in full and NRIC No.) _____

of (address) _____

or failing whom, (Name in full and NRIC No.) _____

of (address) _____

or failing whom, the Chairman of the meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the **Twelfth Annual General Meeting** of the Company to be held at the 11th Floor, Menara AA, 247 Jalan Tun Razak, 50400 Kuala Lumpur on Thursday **26 June 2003** at 11.00 a.m. or at any adjournment thereof, in the manner as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1.	Receive and adopt the Audited Financial Statements for the year ended 31 December 2002 and the Reports of the Directors and Auditors thereon.		
2.	Approval of payment of Directors' fees for the year ended 31 December 2002.		
3.	Re-election of Encik Khairul Nizam bin Hamran, as Director who retires by rotation pursuant to Article 78 of the Company's Articles of Association.		
4.	Re-election of Mr. Yap Kim Swee, as Director who retires pursuant to Article 85 of the Company's Articles of Association.		
5.	Re-election of Encik Mohamed Taib bin Mahmood, as Director who retires pursuant to Article 85 of the Company's Articles of Association.		
6.	Re-election of Yg Bhg Dato' Dr Kong Hon Kong, as Managing Director who retires pursuant to Article 115 of the Company's Articles of Association.		
7.	Re-appointment of Messrs. HALS & Associates as Auditors and to authorise Directors to fix their remuneration.		
Special Business			
8.	Authority to Directors to issue shares pursuant to Section 132D of the Companies Act, 1965.		
9.	Proposed renewal of Shareholders' Mandate for Share Buy-Back.		

(Please indicate with an "X" in the appropriate space how you wish your vote to be cast. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.)

Signature of Shareholder(s)/Common Seal

No. of Shares held	
---------------------------	--

Signed this _____ day of _____, 2003

NOTES:-

1. A member of the Company who is entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies; and in case of corporation, a duly authorised representative to attend and vote in his stead.
2. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy shall be deposited at the Registered Office of the Company at Penthouse, Menara AA, 247 Jalan Tun Razak, 50400 Kuala Lumpur, not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

fold



The Company Secretary

NV MULTI CORPORATION BERHAD (204888-D)
Penthouse, Menara AA
247 Jalan Tun Razak
50400 Kuala Lumpur

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