

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF DVM TECHNOLOGY BERHAD (609953-K) ("DVM") AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRIES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING.

PUBLIC MERCHANT BANK BERHAD (14328-V) ("PMBB"), BEING THE ADVISER, SPONSOR, MANAGING UNDERWRITER, UNDERWRITER AND PLACEMENT AGENT, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC ISSUE.

THE SECURITIES COMMISSION ("SC") AND THE KUALA LUMPUR STOCK EXCHANGE ("KLSE") HAVE ON 21 JULY 2003 AND 22 JULY 2003 RESPECTIVELY, APPROVED THE ISSUE, OFFER OR INVITATION IN RESPECT OF THE PUBLIC ISSUE AND THAT THE APPROVALS SHALL NOT BE TAKEN TO INDICATE THAT THE SC AND THE KLSE RECOMMEND THE PUBLIC ISSUE.

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**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

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A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE FORM OF APPLICATION, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

#### CHARACTERISTICS OF THE MESDAQ MARKET OF KLSE -

INVESTORS SHOULD BE AWARE THAT MESDAQ IS A DISTINCT MARKET FROM THE MAIN AND SECOND BOARDS IN MANY RESPECTS. IN PARTICULAR, COMPANIES LISTED ON MESDAQ ARE SUBJECT TO DIFFERENT QUANTITATIVE AND QUALITATIVE REQUIREMENTS, WHICH HAVE BEEN PRIMARILY DESIGNED TO ACCOMMODATE HIGH-GROWTH AND/OR TECHNOLOGY COMPANIES. COMPANIES THAT ARE LISTED ON MESDAQ MAY NOT HAVE AN OPERATING HISTORY OR ANY PROFIT TRACK RECORD PRIOR TO LISTING. AS SUCH, WHILST POTENTIAL INVESTMENT RETURNS MAY BE RELATIVELY HIGH, COMPANIES LISTED ON THE MESDAQ MAY BE OF HIGHER INVESTMENT RISK. THE REGULATORY PHILOSOPHY UNDERLYING THE MESDAQ MARKET IS THAT THE MARKET SHOULD BE ALLOWED TO DETERMINE THE MERITS OF THE SECURITIES/INSTRUMENTS IN A PARTICULAR COMPANY. HENCE, AS WITH ALL INVESTMENTS, PROSPECTIVE INVESTORS SHOULD BE AWARE OF ALL POTENTIAL RISKS IN INVESTING IN SUCH COMPANIES AND SHOULD MAKE THE DECISION TO INVEST AFTER DUE AND CAREFUL CONSIDERATION BY REFERRING TO, AMONGST OTHERS THE PROSPECTUS, LATEST FINANCIAL STATEMENTS AND CORPORATE ANNOUNCEMENTS. IN THIS RESPECT, ADVICE FROM A SECURITIES PROFESSIONAL/ADVISER IS STRONGLY RECOMMENDED.

SECURITIES LISTED ON THE KLSE ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 45 OF THE SC ACT 1993, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

**THIS PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM KLSE'S WEBSITE AT [www.klse.com.my](http://www.klse.com.my).**

**INDICATIVE TIMETABLE**

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

<b>Indicative Timetable</b>	<b>Date</b>
Date of Prospectus.....	10 December 2003
Opening Date of the Application for the Issue Shares.....	10 December 2003
Closing Date of the Application for the Issue Shares.....	17 December 2003
Tentative Date for Balloting of Applications.....	22 December 2003
Tentative Date for Despatch of Notices of Allotment to Successful Applicants.....	29 December 2003
Tentative Listing Date.....	2 January 2004

This timetable is tentative and is subject to changes which may be necessary to facilitate the implementation procedures. Applications for the Issue Shares will be accepted from 10.00 a.m. on 10 December 2003 to 5.00 p.m. on 17 December 2003 or for such other period or periods as the Directors of DVM together with the Managing Underwriter in their absolute discretion may mutually decide.

In the event of any changes to the closing date of the application, such date would be published in a widely circulated daily English and Bahasa Malaysia newspaper within Malaysia. Should the closing date of the application be extended, the dates for the allotment and listing of DVM's entire issued and paid-up share capital on the MESDAQ Market of KLSE would be extended accordingly.

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**DEFINITIONS**


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

Acquisitions	: The Acquisition of ETC and Acquisition of NGC, collectively
Acquisition of ETC	: The acquisition by DVM of 1,500,000 ordinary shares of RM1.00 each in ETC from the Promoters, representing the entire equity interest therein, for a purchase consideration of RM7,349,570, satisfied wholly by the issuance of 73,495,700 new DVM Shares, credited as fully paid-up at par
Acquisition of NGC	: The acquisition by DVM of 2 ordinary shares of RM1.00 each in NGC from Dato' Goh Kian Seng and Chen Chee Peng, representing 0.002% of the equity interest therein, for a cash consideration of RM2
Act	: Companies Act, 1965
ADA	: Authorised Depository Agent
ADA Code	: ADA (Broker) Code
Adtel	: Adtel Systems Sdn Bhd (457137-W), a wholly owned subsidiary of ETC
ATM	: Automated Teller Machine
Baht	: Thai Baht
CCM	: Companies Commission of Malaysia
CDS	: Central Depository System
Datamat	: Datamat Public Company Limited, a company incorporated in Thailand
Directors	: Directors of DVM
DVM or Company	: DVM Technology Berhad (609953-K)
DVM Group or Group	: DVM and its wholly-owned subsidiary companies, collectively
DVM Share or Share(s)	: Ordinary share(s) of RM0.10 each in DVM
Electronic Share Application	: The application for the Issue Shares through a Participating Financial Institution's ATM
EPS	: Earnings per share
ETC	: ET Communications Sdn Bhd (421265-H), a wholly-owned subsidiary of DVM
ETC Group	: ETC and its subsidiary companies, collectively
FIC	: Foreign Investment Committee
HP	: Hewlett-Packard

**DEFINITIONS (Cont'd)**

IBM	: International Business Machines
IT	: Information technology
ICT	: Information and communication technology
KLSE	: Kuala Lumpur Stock Exchange
Listing	: Listing of and quotation for the entire issued and paid-up share capital of DVM on the MESDAQ
Malaysian Public	: Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
MCD	: Malaysian Central Depository Sdn Bhd, a subsidiary of KLSE
MESDAQ	: MESDAQ Market of KLSE
Media Edge	: Media Edge Sdn Bhd (423668-U)
MI	: Minority interests
MIDFCCS	: MIDF Consultancy and Corporate Services Sendirian Berhad (11324-H)
MITI	: Ministry of International Trade and Industry
MMLR	: KLSE Listing Requirements for the MESDAQ
MSC	: Multimedia Super Corridor
NGC	: NGC Systems Sdn Bhd (592922-M), a wholly-owned subsidiary of ETC
NTA	: Net tangible assets
Participating Financial Institution(s)	: Participating financial institutions for Electronic Share Application as listed in Section 16.4(ii)(f) of this Prospectus
PE Multiple	: Price earnings multiple
Pink Forms Allocation	: The 8,000,000 new Shares reserved for subscription by employees of the DVM Group
PMBB	: Public Merchant Bank Berhad (14328-V)
Promoters	: Dato' Goh Kian Seng, Chen Chee Peng, Datamat and Media Edge, collectively
Public Issue / Issue Shares	: The public issue by DVM of 40,000,000 new Shares at an issue price of RM0.40 per Share by way of public issue and private placement, subject to the terms and conditions of this Prospectus
Rights Issue	: The rights issue by DVM of 46,504,280 new Shares at an issue price of RM0.10 per Share to the shareholders of DVM after the Acquisitions but before the Public Issue
R&D	: Research and development
RM and sen	: Ringgit Malaysia and sen respectively
ROC	: Registrar of Companies

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**DEFINITIONS (Cont'd)**

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SC	:	Securities Commission
SME	:	Small and medium sized enterprises
Underwriters	:	PMBB, Kuala Lumpur City Securities Sdn Bhd, Malaysian International Merchant Bankers Berhad and Mayban Securities Sendirian Berhad, collectively
USA	:	United States of America
USD	:	US Dollars

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

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

In the event of any conflict or inconsistency in meaning between the English and Bahasa Malaysia versions of the Prospectus, the English version shall prevail.

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**DEFINITIONS (Cont'd)***Technical Definitions*

3G	:	Third Generation
ADSL	:	Asymmetric Digital Subscriber Line is a digital subscriber line of copper loop enhanced technologies, which asymmetric, providing faster transmission rates downstream than upstream. It is suited to fast internet access where requests for web pages and e-mail generally require less bandwidth than the receipt of multimedia and web pages. It is not suited for videoconferencing and two-way file transfer, as these require symmetric communication
BFWA	:	Broadband Fixed Wireless Access is a way of getting various multimedia services such as high-speed Internet, Voice, Video on demand to subscribers. The great advantage of BFWA is that wireless technology can be used to connect the costly last mile of high data speed networks from an operator's backbone network to individual users
Broadband	:	A service or connection allowing a considerable amount of information to be conveyed, such as video. Broadband is generally defined as bandwidth over 2Mbps, or roughly 100x faster than the peak data transmission speed of a 28.8Kbps dial-up modem
CDMA	:	Code-Division Multiple Access is a digital, spread spectrum, packet-based access techniques generally used in RF (Radio Frequency) radio systems. Perfected and commercialised by Qualcomm, CDMA is used in certain cellular phone systems and some WLANS (Wireless Local Area Networks)
CLEC	:	Competitive Local Exchange Carrier is a company that competes with the already established local telephone business by providing its own network and switching
Converged Network	:	Converged network is an integration of voice, data and video into a single network
D-Amps	:	Digital-Advanced Mobile Phone Service, is sometimes spelled DAMPS, is a digital version of AMPS (Advanced Mobile Phone Services), the original analog standard for mobile phone service in the United States
ETACS	:	Extended Total Access Communications System is an analogue send signals through glass fibres
GPRS	:	General Packet Radio Services is a packet-based wireless communication service that promises data rates from 56 Kbps up to 114 Kbps and continuous connection to the Internet for mobile phone and computer users
GSM	:	Global System for Mobile communication is the most widely used of the three digital wireless telephone technologies. GSM digitizes and compresses data, then sends it down a channel with two other streams of user data, each in its own time slot. It operates at either the 900 MHz or 1800 MHz frequency band
ILEC	:	Incumbent Local Exchange Carrier is a telephone company in the USA that was providing local service when the Telecommunication Act of 1996 was enacted
Internet	:	The internet is a global mesh of computer networks sharing a common software standard called TCP/IP with high-speed fibre trunk lines as its backbone

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**DEFINITIONS (Cont'd)**

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ISDN	:	Integrated Services Digital Network
IVR	:	Interactive Voice Response is a software application that accepts a combination of voice telephone input and touch-tone keypad selection and provides appropriate responses in the form of voice, fax, callback, e-mail and perhaps other media. IVR is usually part of a larger application that includes database access
Kbps	:	Kilo-bits per second
LAN	:	Local Area Network is a geographically limited communications network that connects users within a defined area. A LAN is generally within building or small groups of buildings and is managed and owned by single enterprise
Linux	:	A freely distributed version of the UNIX operating system. Linux is an example of what is called "open sourced" software
Mbps	:	Mega-bits per second
MHz	:	Mega Hertz
MMS	:	Multimedia Message Service is an enhanced short message service for mobile phones that enables graphics, video clips and sound files to be transmitted
NI	:	Network Integrator
Nodes	:	In communications, a node is a network junction or connection point. For example, a personal computer in a LAN is a node. A terminal connected to a minicomputer or mainframe is a node
OCMC	:	OpenCall Multiservice Controller is the telecommunications industry's line of signalling, service development and voice-interactive platforms, comprising hardware and software, for SS7-based and converged SS7-IP services
PC	:	Personal Computer
PCN	:	Personal Communication Network is a digital telephone networking infrastructure, which supports personal numbering, individual service selection, moves towards unified billing and call anytime, anywhere wireless digital telephony
POTS	:	Plain Old Telephone System refers to the standard telephone network
PSDN	:	Public Switched Dial-up Network
PSTN	:	Public Switched Telephone Network is the world's collection of interconnected voice-oriented public telephone networks, both commercial and government-owned
Server	:	A high-powered computer that performs specific tasks. A file server, for example, makes available files
SCE	:	Service Creation Environment
SI	:	System Integration is a progressive linking and testing of system components to merge their functional and technical characteristics into a comprehensive, interoperable system

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**DEFINITIONS (Cont'd)**

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Source Code	:	The code used by programmers to write software. Source code is different from object code, which is a translation of the source code so that it can be read by computers
SS7	:	Signalling System 7 is a system on the PSTN that puts the information required to set up and manage telephone calls in a separate network rather than within the same network that the telephone call is made on. Signalling information is in the form of digital packets
TCP/IP	:	Transmission Control Protocol/Internet Protocol is a set of communication protocol for reliable internetwork delivery of data
TDMA	:	Time Division Multiple Access is a technology used in digital cellular telephone communication that divides each cellular channel into three time slots in order to increase the amount of data that can be carried
UMS	:	Unified Messaging Service
UMTS	:	Universal Mobile Telecommunications Service is a 3G broadband, packet based transmission of text, digitised voice, video, and multimedia at data rates up to 2 Mbps that offers a consistent set of services to mobile computer and phone users no matter where they are located in the world
VLSI	:	Very Large Scale Integrated Circuit
VoIP	:	Voice over IP is the transmission of voice over a managed network using Internet Protocol
WAP	:	Wireless Application Protocol is a specification for a set of communication protocols to standardize the way that wireless devices, such as cellular telephones and radio transceivers, can be used for Internet access, including e-mail, the World Wide Web, newsgroups, and Internet Relay Chat
WAN	:	Wide Area Network, a communication network that connects computing devices over geographically dispersed locations. A WAN usually covers a large area such as a city, state or country
Wi-Fi	:	Wireless Fidelity is a popular term for a high frequency wireless local area network
WML	:	Wireless Markup Language, formerly called HDML (Handheld Devices Markup Languages), is a language that allows the text portions of Web pages to be presented on cellular telephones and personal digital assistants (PDAs) via wireless access



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**1. CORPORATE DIRECTORY**


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**BOARD OF DIRECTORS**

<b>Name</b>	<b>Address</b>	<b>Designation</b>	<b>Nationality</b>
Gen (R) Tan Sri Abdul Rahman Bin Abdul Hamid	No.10 (Lot 4758), Jalan 12 Taman TAR 68000 Ampang Selangor	Independent Non-Executive Chairman	Malaysian
Dato' Goh Kian Seng	19 Jalan SS4/21 46300 Petaling Jaya Selangor Darul Ehsan	Managing Director	Malaysian
Chen Chee Peng	12, BU 7/1 Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan	Executive Director	Malaysian
Lee Chiew Hooi	5-12-7, Kondominium Puncak Seri Kelana Jalan PJU 1A/46 47200 Petaling Jaya Selangor Darul Ehsan	Executive Director	Malaysian
Vinai Phongsathorn	79/5 Soi Charoenjai Sukhumvit 63 Bangkok 10110 Thailand	Executive Director	Thai
Manoo Ordedolchest	707 Lakeside Villa I Bangna-Trad Road Samut Parkarn Thailand	Executive Director	Thai
Kamol Piriyanish	48/5 M5 Rama Indra Road Khannayao Bangkok 10230 Thailand	Executive Director	Thai
Kamarudin Bin Ngah	14, Jalan Burhanuddin Helmi Taman Tun Dr Ismail 60000 Kuala Lumpur	Independent Non-Executive Director	Malaysian
Lum Heap Sum	No. 2, Jalan Karunmas 6 Taman Desa Karunmas 43300 Balakong Selangor Darul Ehsan	Independent Non-Executive Director	Malaysian

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

**AUDIT COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Kamarudin Bin Ngah	Chairman	Independent Non-Executive Director
Lum Heap Sum	Member	Independent Non-Executive Director
Lee Chiew Hooi	Member	Executive Director

**COMPANY SECRETARY** : Pang Kah Man (MIA 18831)  
 c/o LSCA Management Consultants Sdn Bhd  
 1-10 (1<sup>st</sup> Floor), Jalan Arab  
 84000 Muar, Johor  
 Tel : (606) 952 4328  
 Fax : (606) 952 7328

**REGISTERED OFFICE** : 13-7 The Boulevard  
 Mid Valley City  
 Lingkaran Syed Putra  
 59200 Kuala Lumpur  
 Tel : (603) 2284 6788  
 Fax : (603) 2284 2688

**MANAGEMENT OFFICE** : 34 & 36, Jalan SS22/21  
 Damansara Jaya  
 47400 Petaling Jaya  
 Tel : (603) 7727 7277  
 Fax : (603) 7727 3198  
 E-mail : corp\_contact@dvm.com.my  
 Website : www.dvm.com.my

**AUDITORS & REPORTING ACCOUNTANTS** : Deloitte & Touche (AF 0834)  
 Level 19, Uptown 1  
 1 Jalan SS21/58, Damansara Uptown  
 47400 Petaling Jaya  
 Tel : (603) 7723 6500 / 7726 1833

**SOLICITORS FOR THE LISTING EXERCISE** : Nik Hisham, Ainul Azam & Fakhiah  
 Suite E, F & G, 10th Floor  
 Bangunan Angkasa Raya  
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 50450 Kuala Lumpur  
 Tel : (603) 2144 0537

: Ainul Azam & Co.  
 Suite 6.01C, South Block, The AmpWalk  
 218, Jalan Ampang  
 50450 Kuala Lumpur  
 Tel : (603) 2171 1484

**PRINCIPAL BANKERS** : Citibank Berhad (297089-M)  
 Level 42, Menara Citibank  
 165 Jalan Ampang  
 50450 Kuala Lumpur  
 Tel : (603) 2380 1111

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

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- PRINCIPAL BANKERS (Cont'd)** : Malayan Banking Berhad (3813-K)  
Ground Floor, Block C  
Kompleks Pejabat Damansara  
Jalan Semantan, Bukit Damansara  
50490 Kuala Lumpur  
Tel : (603) 2095 3280
- : RHB Bank Berhad (6171-M)  
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Taman Tun Dr Ismail  
60000 Kuala Lumpur  
Tel : (603) 7725 8950
- ISSUING HOUSE** : MIDF Consultancy and Corporate Services Sendirian Berhad  
(11324-H)  
Tingkat 12, Bangunan MIDF  
195A, Jalan Tun Razak  
50400 Kuala Lumpur  
Tel : (603) 2161 3355
- SHARE REGISTRAR** : Panama Resources Sdn Bhd (229948-U)  
No. 23, Jalan Sri Hartamas 7  
Sri Hartamas  
50480 Kuala Lumpur  
Tel : (603) 6201 1120
- ADVISER, SPONSOR, MANAGING UNDERWRITER, UNDERWRITER AND PLACEMENT AGENT** : Public Merchant Bank Berhad (14328-V)  
25<sup>th</sup> Floor, Menara Public Bank  
146, Jalan Ampang  
50450 Kuala Lumpur  
Tel : (603) 2166 9382
- OTHER UNDERWRITERS** : Kuala Lumpur City Securities Sdn Bhd (126994-W)  
No. 8, Jalan Binjai  
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50450 Kuala Lumpur  
Tel : (603) 2166 7922
- : Malaysian International Merchant Bankers Berhad (10209-W)  
21<sup>st</sup> Floor, Wisma Cyclecarri  
288, Jalan Raja Laut  
50350 Kuala Lumpur  
Tel : (603) 2691 0200
- : Mayban Securities Sendirian Berhad (165630-M)  
Level 8, MaybanLife Tower  
Dataran Maybank  
No. 1, Jaalan Maarof  
59000 Kuala Lumpur  
Tel : (603) 2297 8888
- LISTING SOUGHT** : MESDAQ

## 2. PROSPECTUS SUMMARY

**THE FOLLOWING PROSPECTUS SUMMARY IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT THE DVM GROUP. INVESTORS SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER TO INVEST.**

The following summary is qualified in its entirety by the more detailed information, including the Accountants' Report and Notes thereto, included in this Prospectus. This Prospectus contains certain statements of a forward-looking nature relating to future events or the future financial performance of the Company and its subsidiary companies. Prospective investors are cautioned that such statements are only predictions and that actual result or events when materialised may defer materially from those disclosed in this Prospectus. Therefore, in evaluating such statements, prospective investors should carefully consider the various factors identified in this Prospectus, including the matters set forth under the heading "Risk Factors".

### 2.1 History, Principal Activities and Group Structure

DVM was incorporated in Malaysia under the Act on 25 March 2003 as a public limited company under the name of DVM Technology Berhad.

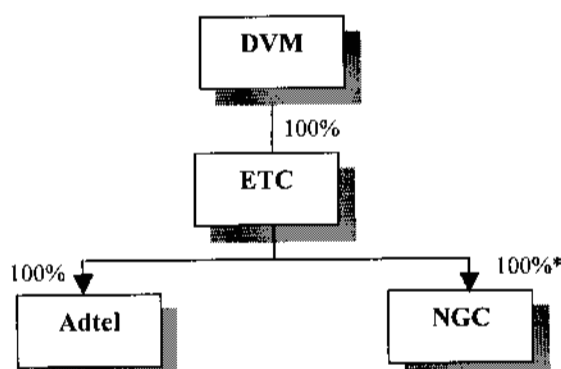
On 28 March 2003, DVM entered into a sale and purchase agreement with the Promoters for the Acquisition of ETC. DVM also purchased 2 ordinary shares of NGC by cash pursuant to the Acquisition of NGC. Subsequent to the completion of the Acquisitions on 29 July 2003, ETC, Adtel and NGC became wholly owned subsidiaries of DVM.

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

Subsidiaries	Principal activities
ETC	Provision of specialised telecommunication, data communication, computer networking solutions and professional services for the development of communication infrastructure.
Adtel*	Provision of operational support system, development of software and services for communication infrastructure.
NGC*	Development of software application.

\* *Wholly owned subsidiaries of ETC.*

The corporate structure of the DVM Group is as follows:



\* *2 ordinary shares of RM1.00 each in NGC are held directly by DVM pursuant to the Acquisition of NGC.*

Further information on DVM and its subsidiary companies is set out in Section 5 of this Prospectus.



## 2. PROSPECTUS SUMMARY (Cont'd)

### 2.2 Ownership and Management

ETC was originally founded by Dato' Goh Kian Seng in 1997, who has over 20 years of experience in the computing data and telecommunication industry. Chen Chee Peng, who joined the Group in 1998, has 16 years of experience and has expanded the Group with his extensive knowledge in the telecommunication programming language. Under the leadership of Dato' Goh Kian Seng and Chen Chee Peng, the DVM Group has progressed from being a telecommunication, data communication and computer networking solutions provider into one of the pioneers in the development of next generation communication software applications in the local software industry.

Dato' Goh is supported by an experienced team of capable management personnel with wide experience covering all technical, commercial and financial management aspects in engineering, computer systems, application softwares, IT and telecommunication industry in general.

In 2002, Datamat invested 51% in ETC. This is a strategic move by the Group to expand its geographical coverage to Thailand by utilising Datamat's market presence and network in Thailand. This acquisition by Datamat would create potential opportunities in the specialized businesses of both ETC and Adtel.

### 2.3 Promoters, Substantial Shareholders, Directors, Key Management and Key Technical Personnel

Based on the Register of Substantial Shareholders of DVM as at the date of this Prospectus, none of the Promoters, substantial shareholders, Directors, key management and key technical personnel have any interest in the Company after the Public Issue, save for the following:-

Shareholders	Designation	<-----After the Public Issue ----->			
		<----Direct---->		<--Indirect-->	
		No. of Shares	%	No. of Shares	%
Gen (R) Tan Sri Abdul Rahman Bin Abdul Hamid <sup>(d)</sup>	Independent Non-Executive Chairman	-	-	-	-
Dato' Goh Kian Seng <sup>(a)</sup>	Managing Director	25,992,000	16.25	-	-
Chen Chee Peng <sup>(b)</sup>	Executive Director	8,819,999	5.51	-	-
Datamat <sup>(c)</sup>	-	61,200,001	38.25	-	-
Media Edge <sup>(c)</sup>	-	23,988,000	14.99	-	-
Lee Chiew Hooi <sup>(d)</sup>	Executive Director	-	-	-	-
Cyber Venture Co. Ltd	-	-	-	61,200,001 <sup>(1)</sup>	38.25
Daud Bin Ibrahim	-	-	-	23,988,000 <sup>(2)</sup>	14.99
Vinai Phongsathorn <sup>(d)</sup>	Executive Director	-	-	-	-
Manoo Ordeedolchest <sup>(d)</sup>	Executive Director	-	-	-	-
Kamol Piriyapanish <sup>(d)</sup>	Executive Director	-	-	-	-
Kamarudin Bin Ngah <sup>(d)</sup>	Independent Non-Executive Director	-	-	-	-
Lum Heap Sum <sup>(d)</sup>	Independent Non-Executive Director	-	-	-	-

## 2. PROSPECTUS SUMMARY (Cont'd)

### Notes:

- (1) Deemed interest by virtue of its interest in Datamat.
- (2) Deemed interest by virtue of his interest in Media Edge.
- (a) Promoter, substantial shareholder and Managing Director.
- (b) Promoter, substantial shareholder and Director.
- (c) Promoter and substantial shareholder.
- (d) Director.

Save for Dato' Goh Kian Seng and Chen Chee Peng, who are the Managing Director and Executive Director of DVM respectively, who hold shares in DVM before the Public Issue, set out below are the key management and key technical personnel of the Group who do not hold any shares in the Company, save for their Pink Forms Allocation entitlements.

Key Management	Key Technical Personnel
Wong Wai Wah – Chief Executive Officer	Chen Chee Onn – Chief Technology Officer
Goh Kok Tong – Sales & Marketing General Manager	Fong Kok Leong – Technical Services General Manager

Profiles and details of the Promoters, substantial shareholders, Directors, key management and key technical personnel, and their respective direct and indirect shareholdings in DVM, are further disclosed in Section 10 of this Prospectus.

### 2.4 Services and Products

The DVM Group provides various services and products for the ICT industry. The Group's existing services and product range can be generally summarized as follows:-

#### (i) Specialised System and Network Integration Solutions

As a comprehensive system and solutions provider, the DVM Group provides its customers with hardware and software (including development of software) in meeting the needs of its customers in the telecommunication industry. As the telecommunication industry requires high end communication infrastructure, the DVM Group specialises in providing a high degree of technical expertise and in-depth knowledge. The specialised system and network integration solutions which the DVM Group provides are divided into five (5) categories, namely Business Support Applications, Data Integration and Executive Information System, Network Support System, Enterprise Data Network and Telecommunication Infrastructure Solutions.

Further details on the specialised system and network integration solutions are set out in Section 5.6.3 of this Prospectus.

#### (ii) Open Sourced Software Applications

Apart from developing software applications that are specialised and customised to the DVM Group's customers' needs and requirements, the Group also develops open sourced software applications that are more generic in use for implementation. These open sourced software applications are commercially available and are sold in modular form. Amongst the open sourced software applications that are available are e-Petra<sup>TM</sup> System, Infranet Billing Systems Add-On Modules and NE-Proviso<sup>TM</sup>.

Further details on the open sourced software applications are set out in Section 5.6.4 of this Prospectus.

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## 2. PROSPECTUS SUMMARY (Cont'd)

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### (iii) Next Generation Communication Software Applications

The next generation communication software applications are a technological innovation development of VoIP Advanced Applications services on the VoIP network infrastructure. These software applications allow service providers and enterprises to offer value-added services for the next generation network industry, save on its communication costs as well as gain new market-share and customers. The software applications known as Genico™ which provides value-add services in terms of call screening, call routing on the IP based network, will be launched in early 2004. Businesses and customers are able to deploy web-enabled call centres, unified messaging, real-time collaboration, real-time multimedia video/audio-conferencing, distance learning and embedding voice links into electronic documents.

Further details on the next generation communication software applications are set out in Sections 5.6.5 and 5.6.17 of this Prospectus.

### (iv) Professional Services

Being a communication infrastructure developer, the DVM Group also provides maintenance and on-going support services. This includes help desk services, preventive maintenance and trouble shooting. As the Group continues to maintain its existing IT infrastructure and network solutions, these professional services are provided based on engagement or on-call basis. The annual maintenance and support services, which include provision of on-site and off-site support, preventive maintenance services and facility management, are provided to its customers in order to ensure minimal downtime.

A web-based helpdesk system, known as ET-Technical Assistance Center (ET-TAC) has been developed by the DVM Group to provide professional support to its customers. ET-TAC provides an avenue for the DVM Group's customers to log in their problems and thereafter, to view the progress of their problems being handled to ensure that its customers are provided with valuable and timely support.

## 2.5 R&D Capabilities

Presently, the R&D team is headed by Chen Chee Onn, who is responsible for the R&D strategy formulation. He is assisted by a total of 31 technical professionals. The Group's R&D activities are currently housed under NGC and the R&D division was relocated to the Technology Park Malaysia at Bukit Jalil in May 2003, in line with the MSC condition imposed. The current and future R&D activities of the Group include the following:

- (i) The development of VoIP products that form the cornerstone of the next generation network architecture for the development of the Next Generation Communication Software Applications; and
- (ii) The enhancement of the current systems and solutions in order to provide value-added functionality.

Please refer to Section 5.6.17 of this Prospectus for further information on the R&D of the Group.

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## 2. PROSPECTUS SUMMARY *(Cont'd)*

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### 2.6 Intellectual Property, Proprietary Rights, Patents, Licences, Brand Names and Trade Marks

The DVM Group has consistently taken steps to ensure that its intellectual property rights are protected as such protection are critical to its continued success. Presently, the DVM Group owns its own softwares which protection are accorded by copyright law and at common law including the Copyright Act, 1987. The DVM Group's intellectual properties include the following:-

- (i) Genico™;
- (ii) e-Petra™ System; and
- (iii) NE-Proviso™.

The DVM Group has filed trade mark registration to protect the intellectual properties of e-Petra™ System, NE-Proviso™ and Genico™.

Further details on the DVM Group's intellectual properties and trade marks are set out in Section 5.6.7 of this Prospectus.

### 2.7 Financial Highlights

The table below has been extracted from the Accountants' Report included in this Prospectus and should be read in conjunction with the notes and assumptions thereto.

#### 2.7.1 Proforma Consolidated Income Statements

The following is a summary of the proforma consolidated income statements of the DVM Group for the past five (5) financial years ended 30 September 1998 to 2002 and the nine (9) months financial period ended 30 June 2003 prepared based on the assumption that the current structure of the DVM Group has been in existence throughout the financial years/period under review. The proforma consolidated results are presented for illustrative purposes only and should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section 13 of this Prospectus.

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## 2. PROSPECTUS SUMMARY (Cont'd)

	-----Proforma Audited-----					
	<-----Financial year ended 30 September----->					9 months financial period to 30 June 2003
	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000	2002 RM'000	RM'000
Revenue	10,564	33,744	41,667	29,761	23,004	34,411
Profit before amortisation, depreciation, interest and taxation	1,279	1,623	2,468	2,524	4,659	2,292
Amortisation and depreciation	(111)	(171)	(200)	(241)	(404)	(278)
Interest	(143)	(280)	(347)	(51)	(33)	(43)
Profit before taxation	1,025	1,172	1,921	2,232	4,222	1,971
Taxation	(42)	(57)	(573)	(678)	(1,390)	(639)
Profit after taxation	983	1,115	1,348	1,554	2,832	1,332
No. of Shares in issue * ('000)	73,496	73,496	73,496	73,496	73,496	73,496
Gross EPS (sen)	1.39	1.59	2.61	3.04	5.74	3.58^
Net EPS (sen)	1.34	1.52	1.83	2.11	3.85	2.42^

**Notes:-**

\* *Representing the 73,495,720 number of DVM Shares in issue after the Acquisitions but before the completion of the Rights Issue and the Public Issue and assuming the DVM Group has been in existence since 1 October 1997.*

^ *Annualised.*

There were no exceptional or extraordinary items in the financial years/period under review. The audited accounts of the DVM Group were not qualified in the financial years/period under review.

**2.7.2 Proforma Consolidated Balance Sheets**

The proforma consolidated balance sheets of the DVM Group as at 30 June 2003 as set out below have been prepared solely to illustrate the proforma effects of the Public Issue on the assumptions that these transactions were effected on the date and should be read with the notes and assumptions to the proforma consolidated balance sheets set out in Section 12.5 of this Prospectus.

**2. PROSPECTUS SUMMARY (Cont'd)**

	Audited as at 30 June 2003 RM'000	Proforma I RM'000	Proforma II RM'000	Proforma III RM'000
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	-	970	970	970
Development expenditure	-	59	59	59
Deferred expenditure	359	359	359	-
<b>CURRENT ASSETS</b>				
Contract work in progress	-	596	596	596
Trade receivables	-	28,945	28,945	28,945
Other receivables, deposits and prepayments	-	668	668	668
Fixed deposits, cash and bank balances	-	1,537	6,187	21,146
	-	31,746	36,396	51,355
<b>CURRENT LIABILITIES</b>				
Trade payables	-	21,441	21,441	21,441
Other payables and accruals	364	454	454	454
Bank borrowings	-	2,055	2,055	2,055
Hire purchase payable – current portion	-	42	42	42
Tax liabilities	-	168	168	168
	364	24,160	24,160	24,160
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	(364)	7,586	12,236	27,195
<b>LONG-TERM AND DEFERRED LIABILITIES</b>				
Hire purchase payable – non-current portion	-	(28)	(28)	(28)
Deferred tax liabilities	-	(265)	(265)	(265)
<b>NET ASSETS</b>	(5)	8,681	13,331	27,931
<b>Represented by:</b>				
Share capital	-*	7,350	12,000	16,000
Share premium	-	-	-	10,600
Reserve on consolidation	-	1,336	1,336	1,336
Accumulated loss	(5)	(5)	(5)	(5)
<b>SHAREHOLDERS' EQUITY/(CAPITAL DEFICIENCY)</b>	(5)	8,681	13,331	27,931
Number of Shares in issue ('000)	-*	73,496	120,000	160,000
NTA per Share (sen)	-	11.24	10.76	17.42

**Notes:**

\* Represents issued and paid-up share capital of RM2 comprising 20 ordinary shares at RM0.10 each.

(i) Proforma I : After the Acquisitions.

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

(iii) Proforma III : After Proforma II and the Public Issue.

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**2. PROSPECTUS SUMMARY (Cont'd)**


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**2.8 Principal Statistics Relating to the Public Issue**

(i) Share Capital	RM
<i>Authorised</i> 250,000,000 ordinary shares of RM0.10 each	<u>25,000,000</u>
<i>Issued and fully paid-up as at the date of this Prospectus</i> 120,000,000 ordinary shares of RM0.10 each	12,000,000
<i>To be issued and credited as fully paid-up pursuant to the Public Issue</i> 40,000,000 ordinary shares of RM0.10 each	4,000,000
<b>Enlarged share capital</b>	<u><b>16,000,000</b></u>

**(ii) Classes of Shares and Rights**

There is only one class of shares in DVM, being ordinary shares of RM0.10 each, all of which rank pari passu with one another. The Issue Shares will rank pari passu in all respects with the existing issued and paid-up ordinary shares of RM0.10 each in DVM including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of this Prospectus.

Subject to any special rights attaching to any shares that may be issued by the Company in the future, the shareholders of the Company shall, in proportion to the amount paid-up on the shares held by them, be entitled to share in the whole of the profits paid out by the Company as dividends, distributions and the whole of any surplus in the event of liquidation of the Company in accordance with its Articles of Association.

At every general meeting of DVM, each shareholder shall be entitled to vote in person or by proxy or by attorney, and on a show of hands, every person present who is a shareholder or representative or proxy or attorney to a shareholder shall have one vote and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each ordinary share held. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy without limitation. If the proxy is not a member, he need not be an advocate, an approved company auditor or a person approved by the CCM.

<b>(iii) Issue price per Issue Share</b>	RM0.40
<b>(iv) Proforma Group NTA</b>	<b>RM'000</b>
Proforma Group NTA as at 30 June 2003 ( <i>after the Acquisitions, Rights Issue, Public Issue and deducting estimated listing expenses of RM1,400,000 and development expenditure of RM59,000</i> )	27,872
Proforma Group NTA per Share ( <i>based on the enlarged share capital of 160,000,000 ordinary shares of RM0.10 each</i> )	17.42 sen

Detailed calculations of the proforma consolidated NTA are set out in Section 12.5 of this Prospectus.

## 2. PROSPECTUS SUMMARY (Cont'd)

### 2.9 Proposed Utilisation of Proceeds

The total gross proceeds arising from the Rights Issue of RM4,650,428 and Public Issue of RM16,000,000 amounting to a total of RM20,650,428 will be utilised in the following manner:

	Rights Issue RM'000	Public Issue RM'000	Total RM'000
Branding and promotion	-	1,000	1,000
R&D	2,000	5,500	7,500
Repayment of bank borrowings	-	2,500	2,500
Project financing	2,000	4,000	6,000
Working capital	650	1,600	2,250
Estimated listing expenses	-	1,400	1,400
	<b>4,650</b>	<b>16,000</b>	<b>20,650</b>

The Company shall bear all expenses such as brokerage, underwriting commission and registration fee relating to the Public Issue together with all other expenses and fees incidental to the listing of and quotation for the entire issued and paid-up capital of DVM on the MESDAQ which is estimated at RM1,400,000.

Further details on the utilisation of proceeds are set out in Section 3.6 of this Prospectus.

### 2.10 Risk Factors

An investment in the shares listed/to be listed on the MESDAQ involves a number of risks, some of which, including market, industry, liquidity, credit, operational, legal and regulatory risks which could be substantial and are inherent in the business of the Group.

The following is a summary of the risk factors (which may not be exhaustive) which applicants for the Issue Shares should carefully consider in addition to other information contained in this Prospectus before applying for the Issue Shares. The investment considerations that should be considered include, but are not limited to the following:-

- (i) Marketability of the DVM Shares and the possible volatility of share price;
- (ii) Control by substantial shareholders;
- (iii) Business risks;
- (iv) Protection of Group and third party proprietary technology/intellectual property rights;
- (v) Competition;
- (vi) Changes in technology and products / services;
- (vii) Technological obsolescence;
- (viii) Dependence on key personnel;
- (ix) Political, economic and regulatory considerations;
- (x) Regulatory risks;
- (xi) Change in MSC status;
- (xii) Foreign exchange risk;
- (xiii) Insurance risks;
- (xiv) Risks associated with distribution channels;
- (xv) Security risks and system disruption;
- (xvi) Industry risks;
- (xvii) Reliance on major customers;
- (xviii) Future growth;
- (xix) Future capital injections;
- (xx) Products performance and product liability risk;
- (xxi) Potential acquisitions and joint ventures/investment activities;
- (xxii) Litigation risks;
- (xxiii) Uncertainty of the proposed 5-year business plan;



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**2. PROSPECTUS SUMMARY (Cont'd)**

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- (xxiv) Failure or delay in the Listing;
- (xxv) Risks to revenue flow;
- (xxvi) Disaster recovery; and
- (xxvii) Disclosure regarding forward looking statements.

Details of the aforementioned risks are provided in "Risk Factors" in Section 4 of this Prospectus. If you are unsure about any of the information contained in the section on "Risk Factors", you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers.

**2.11 Prospects and Outlook**

Notwithstanding the above risks associated with the Group as summarised above, the Directors of the DVM Group is of the opinion that the prospects and business of the Group are encouraging in view of various factors.

The Group has shown growth potential in its services and products innovation and has been generating profits and cash flow for the past five (5) years. The Group has implemented various telecommunication solutions for telecommunication companies such as Telekom Cellular Sdn Bhd, Cordoda Corporation Sdn Bhd ("Cordoda"), DiGi Telecommunications Sdn Bhd, Maxis Mobile Sdn Bhd, Singapore Telecommunication Ltd ("SingTel"), MobileOne Limited ("MobileOne") and DataOne Asia Pte Ltd ("DataOne"). The DVM Group had also successfully, been amongst the pioneers, in the development of the Next Generation Communication software applications, which is believed to be "the-next-big-thing" in the telecommunication industry. The afore-mentioned lends credibility not only to the Group's services and products but also its ability to successfully develop and maintain customer relationships.

In order to compete and succeed in the next century of the multibillion-dollar telecommunication race, network operators will require vision and extreme flexibility. In this context, the advanced next-generation switching architectures offer important advantages, providing the ability to accomplish the following tasks:

- reduce the cost and complexity of network operations by pushing switch functionality to the edge of the network;
- satisfy the need for voice and data convergence, giving network operators the flexibility to take advantage of emerging technologies and standards; and
- protect existing network investments, while allowing network operators to cost-effectively deliver new services to new markets.

The next-generation switches, in which the Group is actively embarking and emphasizing on, will provide a solid migration path from the networks of today to the converged networks of tomorrow. They offer full PSTN integration and true Class-5 switch capabilities, together with seamless integration with IP and Asynchronous Transfer Mode data backbones. Their open programmability enables the next-generation switches to deliver customised enhanced services to discrete subscriber bases. Additionally, the low cost and high scalability of the next-generation network would enable profitable operation in small and large deployments.

The industry in which DVM's subsidiary, NGC, is focusing in is a growing one. With the rapid pace of changes taking place in communication technology today, businesses are driven toward new ways of communicating and companies want to significantly reduce their monthly phone bills. Demands for the applications, driven by the advantages of the next generation network, have created the need for companies like NGC to develop Next Generation Communication Software Applications for the service providers. NGC is positioning itself to capture its market share in this field.

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**2. PROSPECTUS SUMMARY (Cont'd)**

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With the track record, experience and technology know-how, the Group should be able to maintain its position and capitalise on growth opportunities in the telecommunication industry.

**2.12 Working Capital, Borrowings, Material Litigation, Contingent Liabilities and Material Commitments for Capital Expenditure**

**(i) Working Capital**

The Directors of DVM are of the opinion that after taking into consideration the Group's cashflow forecast and the banking facilities available to the Group and the net proceeds from the Rights Issue and Public Issue, the Group will have adequate working capital for a period of twelve (12) months from the date of this Prospectus.

**(ii) Borrowings**

Save for short term borrowings (all of which are interest bearing) comprising overdraft and trade facilities of RM4,500,000 of which RM2,054,708 were utilised as at 30 June 2003, being the date in which the latest audited financial statements were made up to, there are no other material indebtedness incurred by DVM or its subsidiaries which may have a substantial impact on the financial position of the Group.

**(iii) Material Litigation**

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

**(iv) Contingent Liabilities**

As at the date of this Prospectus, there are no material contingent liabilities incurred by DVM and its subsidiaries, which may have a substantial impact on the financial position of the Group.

**(v) Material Commitments for Capital Expenditure**

As at the date of this Prospectus, there are no material commitments for capital expenditure contracted or known to be contracted by DVM or its subsidiaries, which may have a substantial impact on the financial position of the Group.

Further details on the borrowings, material litigation, contingent liabilities and material commitments for capital expenditure are set out in Sections 15.5 to 15.7 of this Prospectus.