



## ES CERAMICS TECHNOLOGY BHD

(Company No. 627117-P)  
(Incorporated in Malaysia under the Companies Act, 1965)

PUBLIC ISSUE OF 11,000,000 NEW ORDINARY SHARES OF RM0.10 EACH AT AN ISSUE PRICE OF RM0.55 PER ORDINARY SHARE BY WAY OF PUBLIC OFFER AND PRIVATE PLACEMENT PAYABLE IN FULL ON APPLICATION COMPRISING:-

- 1,000,000 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 1,000,000 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR APPLICATION BY THE ELIGIBLE DIRECTORS AND EMPLOYEES OF ES CERAMICS TECHNOLOGY BHD AND ITS SUBSIDIARY COMPANIES; AND
- 9,000,000 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR PLACEMENT TO SELECTED INVESTORS;

IN CONJUNCTION WITH ITS LISTING ON THE MESDAQ MARKET OF BURSA MALAYSIA SECURITIES BERHAD

*Adviser, Sponsor and Managing Underwriter*

### AmMerchant Bank Berhad

(Company No. 23742-V)  
A member of



**AmInvestment Group**

*Placement Agent*



**PM Securities Sdn. Bhd.**  
(6299-A) *An Approved Universal Broker*

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" SET OUT IN SECTION 4 HEREOF

THIS PROSPECTUS IS DATED 9 SEPTEMBER 2005



## ES CERAMICS TECHNOLOGY BHD

(Company No. 627117-P)  
(Incorporated in Malaysia under the Companies Act, 1965)

ES CERAMICS TECHNOLOGY BHD

This Prospectus has been seen and approved by the Directors and Promoters of ES Ceramics Technology Bhd ("**ES Ceramics**" or the "**Company**") and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

AmMerchant Bank Berhad, being the Adviser and Managing Underwriter 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 (as herein defined).

The Securities Commission ("**SC**") and the Bursa Malaysia Securities Berhad ("**Bursa Securities**") have approved the Public Issue but the approvals shall not be taken to indicate that the SC and the Bursa Securities recommend the Public Issue.

The SC shall not be liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. **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 ADVISER IMMEDIATELY.**

Bursa Securities shall not be liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its correctness or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. Admission to the Official List is not to be taken as an indication of the merits of the Public Issue, the Company or of its securities.

A copy of this Prospectus has been registered with the SC. A copy of this Prospectus, together with the Application Form, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

**Characteristics of the MESDAQ Market of Bursa Securities ("**MESDAQ**"):-**

Investors should be aware that the MESDAQ Market is a distinct market from the Main and Second Boards in many respects. In particular, companies listed on the MESDAQ Market 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 the MESDAQ Market 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 Market 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.

**This Prospectus can also be viewed or downloaded from Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com)**

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**INDICATIVE TIMETABLE**

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**Indicative Timetable**

Date of this Prospectus/Opening date of the Public Issue Shares.....	9 September 2005
Closing date for the Public Issue Shares .....	16 September 2005
Tentative balloting date .....	20 September 2005
Tentative date for the despatch of Notices of Allotment.....	27 September 2005
Tentative listing date.....	28 September 2005

**THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE PUBLIC ISSUE WILL CLOSE AT THE DATE STATED ABOVE OR SUCH LATER DATE AS THE DIRECTORS OF ES CERAMICS TOGETHER WITH THE MANAGING UNDERWRITER MAY MUTUALLY DECIDE.**

**WHERE THE CLOSING DATE OF APPLICATION IS EXTENDED FROM THE ORIGINAL CLOSING DATE, THE NOTICE OF SUCH EXTENSION(S) WILL BE ADVERTISED IN A WIDELY CIRCULATED BAHASA MALAYSIA AND ENGLISH NEWSPAPER NOT LESS THAN ONE (1) MARKET DAY BEFORE THE ORIGINAL CLOSING DATE.**

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**DEFINITIONS**


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Unless otherwise indicated, the following definitions apply throughout this Prospectus:-

<b>Acquisition of ESSB</b>	: Acquisition by ES Ceramics of the entire issued and paid-up share capital of ESSB of RM1,700,000 comprising 1,700,000 ordinary shares of RM1.00 each in ESSB for a purchase consideration of RM3,431,861 satisfied by the issuance of 3,431,861 new Shares at an issue price of RM1.00 per share
<b>Acquisition of MCSB</b>	: Acquisition by ES Ceramics of the entire issued and paid-up share capital of MCSB of RM150,000 comprising 150,000 ordinary shares of RM1.00 each in MCSB for a purchase consideration of RM703,137 satisfied by the issuance of 703,137 new Shares at an issue price of RM1.00 per share
<b>Act</b>	: Companies Act, 1965 of Malaysia
<b>ADA</b>	: Authorised Depository Agent
<b>ADA Code</b>	: ADA (Broker) Code
<b>AmMerchant Bank</b>	: AmMerchant Bank Berhad (23742-V), a member of AmInvestment Group
<b>Application Form</b>	: The application for the Public Issue Shares by way of a printed application form
<b>ASTM</b>	: American Society for Testing and Materials
<b>ATM</b>	: Automated teller machine
<b>Board or Board of Directors</b>	: The Board of Directors of ES Ceramics
<b>Bursa Depository</b>	: Bursa Malaysia Depository Sdn. Bhd. (165570-W)
<b>Bursa Securities or the Exchange</b>	: Bursa Malaysia Securities Berhad (635998-W)
<b>CDS</b>	: Central Depository System
<b>CEO</b>	: Chief Executive Officer
<b>EBIDTA</b>	: Earnings before interest, depreciation, taxation and amortisation
<b>Electronic Share Application</b>	: The application for the 1,000,000 Public Issue Shares available for application by the Malaysian public through a Participating Financial Institution's ATM
<b>EPS</b>	: Earnings per share
<b>ES Ceramics or Company</b>	: ES Ceramics Technology Bhd (627117-P)
<b>ES Ceramics Group or Group</b>	: ES Ceramics and its subsidiary companies

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**DEFINITIONS**


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<b>ES Fine 1</b>	: The advanced ceramic material produced by the Group
<b>ESOS</b>	: The employee share option scheme of up to 2,000,000 Shares
<b>ESOS Options</b>	: The right to subscribe for new Shares upon acceptance of the offer under the ESOS
<b>ESSB</b>	: Easy Sun Sdn Bhd (459820-A)
<b>ISO</b>	: International Organization for Standardization
<b>Issue Price</b>	: RM0.55 for each Public Issue Share
<b>Listing</b>	: Admission to the Official List of the MESDAQ Market and the listing of and quotation for the entire enlarged issued and paid-up share capital of ES Ceramics of RM5,235,000 comprising 52,350,000 Shares on the MESDAQ Market
<b>Listing Requirements</b>	: The Listing Requirements of the Bursa Securities for the MESDAQ Market
<b>Managing Underwriter</b>	: AmMerchant Bank
<b>MCSB</b>	: Micro Ceramics Sdn Bhd (495051-U)
<b>MESDAQ Market</b>	: MESDAQ Market of Bursa Securities
<b>MI</b>	: Minority interests
<b>MITI</b>	: Ministry of International Trade and Industry
<b>NBV</b>	: Net book value
<b>NTA</b>	: Net tangible assets
<b>p.a.</b>	: Per annum
<b>Participating Financial Institutions</b>	: Refers to the Participating Financial Institutions for the Electronic Share Application as listed in Section 15.6 (b) (xv) of this Prospectus
<b>PAT</b>	: Profit after taxation and MI
<b>PBT</b>	: Profit before taxation and MI
<b>Promoters</b>	: Collectively, Wong Fook Choy, Choy Swee Lan, Wong Fook Lin and Kam Yee Lam
<b>Public Issue</b>	: The issue of 11,000,000 new Shares at the Issue Price subject to the terms and conditions of this Prospectus
<b>Public Issue Shares</b>	: The 11,000,000 Shares to be issued pursuant to the Public Issue subject to the terms and conditions of this Prospectus
<b>QC</b>	: Quality control

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**DEFINITIONS**

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<b>R &amp; D</b>	:	Research and development
<b>RM and sen</b>	:	Ringgit Malaysia and sen respectively
<b>SC</b>	:	Securities Commission
<b>Share(s)</b>	:	Ordinary share(s) of RM0.10 each in ES Ceramics
<b>Share Split</b>	:	The sub-division of the par value of one (1) ordinary share of RM1.00 each in ES Ceramics to ten (10) ordinary shares of RM0.10 each in ES Ceramics
<b>SIRIM</b>	:	SIRIM Berhad
<b>Substantial Shareholders</b>	:	A person who has an interest in one or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares is not less than 5% of the aggregate of the nominal amounts of all the voting shares in a company. For the purpose of this definition, "interest in shares" shall have the meaning given in Section 6A of the Act
<b>Sq. ft.</b>	:	Square feet
<b>US</b>	:	United States of America
<b>USD</b>	:	United States Dollar
<b>Utilisation of Proceeds</b>	:	The utilisation of the proceeds raised from Public Issue as detailed in Section 3.7 of this Prospectus

Words denoting the singular member shall include the plural and vice versa.

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