

#### 4. INFORMATION ON THE LUSTER GROUP

##### 4.1 Incorporation

Luster was incorporated on 19 September 1986 in Malaysia under the Companies Act, 1965 as a private limited company under the name Luster Industries Sdn Bhd. It was subsequently converted to a public limited company on 1 October 2002, thus assumed its present name, Luster.

The principal activities of Luster are investment holding, manufacture of precision plastic parts and components, PCBA, sub-assembly and full assembly of plastic parts and products. It has a total of nine(9) subsidiary companies. The operation of Luster is currently located at a factory in Bakar Arang Industrial Estate, Sungai Petani, Kedah.

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), Luster Group has a total of 2,448 employees.

Details of the subsidiary companies of Luster are summarised below:-

Subsidiary Companies	Date and Place of Incorporation	Issued and Paid-up Share Capital	Effective Equity Interest (%)	Principal Activities
DP	10.09.1997 Malaysia	RM157,500	100.00	Trading in plastic resins and materials for the production of plastics products
LCW	12.09.1996 Malaysia	RM2,157,000	51.00	Design and fabrication of moulds, tools and dies, including precision moulds
LE	18.07.2000 Malaysia	RM500,000	100.00	Investment holding
LM	14.08.1989 Malaysia	RM1,200,000	100.00	Manufacture of precision plastic parts and components and sub-assembly of plastic parts and products
LN	06.02.1999 Malaysia	RM400,000	51.00	R&D, design and fabrication of moulds
LPE	06.07.1992 Malaysia	RM1,500,000	100.00	Manufacture of high precision plastic parts and components, and sub-assembly of plastic parts and products
LPI	31.07.1992 Malaysia	RM1,492,120	100.00	Manufacture of precision plastic parts and components
PTLI	20.11.2000 Indonesia	USD1,000,000	*100.00	PCBA and full assembly of complete products
<b>Subsidiary Company of LPI</b>				
LPR	12.08.1993 Malaysia	RM350,000	100.00	Property investment holding

\* 51% held by Luster and 49% held by LE.

Luster does not have any associated company.

**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****4.2 Share Capital and Changes in Share Capital**

The present authorised share capital is RM100,000,000 comprising 100,000,000 Shares whilst its issued and paid-up share capital is RM50,080,000 comprising 50,080,000 Shares.

The changes in the issued and paid-up share capital of Luster since its incorporation are as follows:-

<b>Date of Allotment/ Issuance</b>	<b>No. of Shares</b>	<b>Par Value RM</b>	<b>Consideration</b>	<b>Total Issued and Paid-up Share Capital RM</b>
19.09.1986	3	1.00	Subscribers' Shares	3
02.11.1986	199,997	1.00	Cash	200,000
30.11.1988	200,000	1.00	Cash	400,000
17.09.1990	200,000	1.00	Cash	600,000
01.09.1993	400,000	1.00	Cash	1,000,000
28.02.2001	3,000,000	1.00	Bonus issue	4,000,000
31.03.2003	26,866	1.00	Acquisition of DP	4,026,866
31.03.2003	151,390	1.00	Acquisition of LE	4,178,256
31.03.2003	321,606	1.00	Acquisition of LPE	4,499,862
31.03.2003	285,162	1.00	Acquisition of LPI	4,785,024
01.04.2003	45,294,976	1.00	Bonus Issue	50,080,000
To be issued pursuant to the Listing of Luster	9,920,000	1.00	Public Issue	60,000,000

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**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****4.3 Financial Information**

The financial records of Luster based on its audited financial statements for the fourteen(14) months period ended 31 December 1998, the four(4) financial years ended 31 December 1999 to 2002 and the three(3) months period ended 31 March 2003 are as follows:-

	← Financial Year Ended →					
	14 Months Ended					3 Months Ended
	31.12.1998	31.12.1999	31.12.2000	31.12.2001	31.12.2002	31.03.2003
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	92,955	74,619	79,399	105,617	70,127	15,417
Profit before depreciation and interest	6,153	6,253	7,995	22,876	11,937	2,545
Interest expense	(503)	(430)	(1,285)	(1,803)	(1,481)	(352)
Depreciation	(2,499)	(2,041)	(1,877)	(3,436)	(3,689)	(913)
PBT	3,151	3,782	4,833	17,636	6,767	1,280
Taxation	2,718	350	(1,138)	(2,339)	(1,077)	(280)
PAT	5,869	4,132	3,695	15,297	5,690	1,000
Weighted average no. of Shares ('000)	4,000	4,000	4,000	4,000	4,000	4,000
EPS (sen)						
- Gross	*67	95	121	441	169	*128
- Net	*126	103	92	382	142	*100

\* Annualised.

**Notes:**

- i) Increased in revenue for the financial year ended 31 December 2001 as compared to the financial year ended 31 December 2000 mainly due to higher demand for the production of new model product and higher dividend income received from subsidiary companies.
- Decreased in revenue for the financial year ended 31 December 2002 as compared to the financial year ended 31 December 2001 mainly due to slow down in world economic and geopolitical uncertainty.
- The lower revenue for the 3 months ended 31 March 2003 is in tandem with the cyclical trend of the industry.
- ii) No dividend income received from subsidiary companies for the financial year ended 31 December 2002.
- iii) The tax liability for financial year ended 31 December 1999 was in respect of dividend income as it was a tax waiver year. The Company was entitled to certain tax incentives (Reinvestment Allowance) in financial years ended 31 December 2000 and 2001 as it embarked on its expansion project resulting in only 11.92% and 5.61% effective tax rates recorded respectively. The expansion project undertaken was process diversification to PCBA and SMT, and acquisition of a new factory building, machineries and equipment for LPE.
- Tax expense for the period ended 31 March 2003 was due to tax on dividend income from one of its subsidiaries.
- iv) There was no extraordinary or exceptional item in the periods/years under review.

**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****4.4 Listing Scheme**

In conjunction with, and as an integral part of the listing of and quotation for the entire enlarged issued and paid-up share capital of Luster on the Main Board of KLSE, the Company undertook the following exercises: -

**(a) Acquisition of DP**

Luster entered into a conditional share sale agreement on 14 October 2002 to acquire 33.33% of the issued and paid-up share capital of DP, comprising 52,500 Shares, for a total purchase consideration of RM299,558 based on the audited NTA as at 31 December 2001 of RM898,763. The purchase consideration was satisfied by the issuance of 26,866 new Shares in Luster, credited as fully paid at an issue price of approximately RM11.15 per Share to the following parties: -

Vendors	No. of Shares Held in DP		Purchase Consideration RM	No. of Luster Shares Issued
		%		
Loh Soo Fung	45,000	28.57	256,764	23,028
Low Teik Kooi	7,500	4.76	42,794	3,838
	<b>52,500</b>	<b>33.33</b>	<b>299,558</b>	<b>26,866</b>

The Acquisition of DP was completed on 31 March 2003.

**(b) Acquisition of LCW**

Luster entered into a conditional share sale agreement on 17 October 2002 to acquire 51.00% of the issued and paid-up share capital of LCW, comprising 1,100,000 Shares for a total cash consideration of RM966,780 based on the audited NTA as at 31 December 2001 of RM1,895,648.

Vendors	No. of Shares Held in LCW		Purchase Consideration RM	Cash Consideration RM
		%		
LMould	1,100,000	51.00	966,780	966,780

The Acquisition of LCW was completed on 31 March 2003.

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**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****(c) Acquisition of LE**

Luster entered into a conditional share sale agreement on 16 October 2002 to acquire the entire issued and paid-up share capital of LE comprising 500,000 Shares for a total consideration of RM1,688,002 based on the audited NTA as at 31 December 2001 of RM1,854,887 and after adjusting for RM166,885 to reflect LE's investment at fair value. The purchase consideration was satisfied by the issuance of 151,390 new Shares in Luster, credited as fully paid at an issue price of approximately RM11.15 per Share to the following parties: -

Vendors	No. of Shares Held in LE		Purchase Consideration RM	No. of Luster Shares issued
		%		
Mazlan Bin Ali	499,999	99.99	1,688,002	151,390
Chiang Chong Kooi	1	0.01	-	-
	<b>500,000</b>	<b>100.00</b>	<b>1,688,002</b>	<b>151,390</b>

The Acquisition of LE was completed on 31 March 2003.

**(d) Acquisition of LPE**

Luster entered into a conditional share sale agreement on 14 October 2002 to acquire 41.25% of the issued and paid-up share capital of LPE, comprising 618,750 Shares, for a total purchase consideration of RM4,733,400 based on the audited NTA as at 31 December 2001 of RM11,474,908. The purchase consideration was satisfied by the issuance of 321,606 new Shares in Luster, credited as fully paid at an issue price of approximately RM11.15 per Share and cash consideration of RM1,147,491 to the following parties: -

Vendors	No. of Shares Held in LPE		Purchase Consideration RM	No. of Luster Shares Issued	Cash Consideration RM
		%			
Lim See Chea	183,750	12.25	1,405,676	126,070	-
Hang Kok Long	285,000	19.00	2,180,233	195,536	-
LM	150,000	10.00	1,147,491	-	1,147,491
	<b>618,750</b>	<b>41.25</b>	<b>4,733,400</b>	<b>321,606</b>	<b>1,147,491</b>

The Acquisition of LPE was completed on 31 March 2003.

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**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****(e) Acquisition of LPI**

Luster entered into a conditional share sale agreement on 14 October 2002 to acquire 43.07% of the issued and paid-up share capital of LPI, comprising 642,695 Shares for a total consideration of RM3,179,560 based on the audited NTA as at 31 December 2001 of RM7,382,308. The purchase consideration was satisfied by the issuance of 285,162 new Shares in Luster, credited as fully paid at an issue price of approximately RM11.15 per Share to the following parties: -

Vendors	No. of Shares Held in LPI	%	Purchase Consideration RM	No. of Luster Shares Issued
Tai Yew Leong	124,711	8.36	616,974	55,334
Lim See Hua	148,272	9.94	733,536	65,788
Lim See Hiang	49,000	3.28	242,414	21,741
Lim See Pooi	147,000	9.85	727,243	65,224
Tan Tang Chai	124,712	8.36	616,979	55,334
Koh Ah Nong @ Koh Moh Teek	49,000	3.28	242,414	21,741
	<b>642,695</b>	<b>43.07</b>	<b>3,179,560</b>	<b>285,162</b>

The Acquisition of LPI was completed on 31 March 2003.

The Acquisitions resulted in the issued and paid-up share capital of Luster being increased from 4,000,000 Shares to 4,785,024 Shares.

The total 785,024 new Shares issued pursuant to the Acquisitions ranked pari passu in all respect with the existing Shares of Luster including voting rights and rights to all dividends that may be declared, subsequent to the date of allotment of the Shares issued pursuant to the Acquisitions.

**(f) Nomination of Luster Shares ("Nomination")**

Pursuant to the Acquisitions, the following shareholders have nominated their Shares to LHSB, an investment holding company that are owned by the following shareholders:-

Vendors/Shareholders	No. of Shares Held in Luster After Acquisitions and Nominated to LHSB	No. of New Shares in LHSB Issued Pursuant to the Nomination	No. of Shares Held in LHSB Before Nomination	No. of Shares Held in LHSB After Nomination
Lim See Chea	126,070	63,035	458,662	521,697
Gey Ah Sang @ Lee Ah Sim	-	-	380,512	380,512
Chiang Chong Kooi	-	-	152,206	152,206
Tan Siong Moi	-	-	150,160	150,160
Hang Kok Long	195,536	97,769	-	97,769
Tai Yew Leong	55,334	27,667	-	27,667
Tan Tang Chai	55,334	27,667	-	27,667
Loh Soo Fung	23,028	11,514	-	11,514
<b>Total</b>	<b>455,302</b>	<b>227,652</b>	<b>1,141,540</b>	<b>1,369,192</b>

**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****(g) Disposal of LMould**

Luster entered into a conditional sale and purchase agreement on 16 October 2002 with Lim Ah Soi and Ooi Saik Hin to dispose the entire issued and paid-up share capital of LMould comprising 1,100,000 Shares, for a total cash consideration of RM87,773 as follows:-

Name	No. of Shares Acquired in LMould	%	Cash Consideration RM
Lim Ah Soi	1,099,999	99.99	87,772
Ooi Saik Hin	1	0.01	1
	<b>1,100,000</b>	<b>100.00</b>	<b>87,773</b>

The consideration was arrived at on a willing buyer-willing seller basis after taking into consideration the audited NTA of LMould as at 31 December 2001 of RM87,773.

**(h) Bonus Issue**

Subsequent to the Acquisitions, the Nomination and the Disposal of LMould, Luster undertook a bonus issue of 45,294,976 new Shares on the basis of approximately 9,466 new Shares for every 1,000 existing Shares held after the Acquisitions. The Bonus Issue was completed on 1 April 2003 resulted in the issued and paid-up share capital of Luster being further increased from 4,785,024 to 50,080,000 Shares.

The total 45,294,976 new Shares issued pursuant to the Bonus Issue ranked pari passu in all respect with the existing Shares of Luster including voting rights and rights to all dividends that may be declared, subsequent to the date of allotment of the Shares issued pursuant to the Bonus Issue.

**(i) Public Issue**

The final stage of the Listing involves a Public Issue of 9,920,000 new Shares at a Public Issue price of RM1.40 per Share, payable in full on application upon such terms and conditions as set out in this Prospectus. The Public Issue Shares will be allocated in the following manner: -

**(a) Malaysian Public**

2,167,000 Public Issue Shares representing approximately 3.61% of the enlarged issued and paid-up share capital will be made available for application by Malaysian citizens, companies, societies, co-operatives and institutions, of which at least 30% is to be set aside strictly for Bumiputera individuals, companies, societies, co-operatives and institutions;

**(b) Eligible Directors and Employees**

2,113,000 Public Issue Shares representing approximately 3.52% of the enlarged issued and paid-up share capital have been reserved for eligible Directors and employees of the Luster Group who are Malaysians;

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

(c) Bumiputera Investors and Institutions Approved by MITI

1,640,000 Public Issue Shares representing approximately 2.73% of the enlarged issued and paid-up share capital will be reserved for Bumiputera Investors and institutions approved by the MITI; and

(d) Private Placement

4,000,000 Public Issue Shares representing approximately 6.67% of the enlarged issued and paid-up share capital by way of Private Placement to potential investors (who are deemed public).

There is no minimum subscription required to be raised for the purpose of the Public Issue.

The total 9,920,000 new Shares to be issued pursuant to the Public Issue shall rank *pari passu* in all respect with the existing Shares of Luster including voting rights and rights to all dividends that may be declared, subsequent to the date of allotment of the Shares to be issued pursuant to the Public Issue.

#### 4.5 ESOS

Luster had on 28 January 2003 and 30 June 2003 obtained the approval of the SC and existing shareholders of the Company respectively, to establish an employee share option scheme in order to retain and motivate eligible Executive Directors and employees who have contributed to the success of the Group. According to the SC Guidelines on employee share option schemes, the ESOS shall only be implemented by Luster upon receipt of the relevant approvals from the SC, KLSE and existing shareholders of the Company, the fulfilment of any condition attached thereto and upon AmMerchant Bank, as the Adviser to the ESOS, submitting to the SC the following: -

- (a) Final copy of the Bye-Laws of the ESOS as disclosed in Section 11 of this Prospectus; and
- (b) Confirmation letter from AmMerchant Bank confirming that Luster has: -
  - (i) fulfilled the SC's conditions on the approval for the ESOS and that the Bye-Laws do not contravene any of the provisions of the SC Guidelines on employee share option schemes; and
  - (ii) obtained all other relevant approvals for the ESOS and has fulfilled all conditions imposed therein.

An application will be made to the KLSE within three(3) Market Days from the date of this Prospectus for the listing of Luster Shares that may be issued upon the exercise of the ESOS Options together with the application for admission of Luster Shares to the Official List of the Main Board of the KLSE and for permission to deal in and for the listing of and quotation for the entire enlarged issued and paid-up share capital of Luster as mentioned in Section 2.0 of this Prospectus. Therefore, the ESOS shall only be established after Luster has obtained the KLSE's approval-in-principle for the listing of Luster Shares that may be issued upon the exercise of the ESOS Options.

The ESOS will be for a duration of five(5) years and maximum number of Shares that may be issued to eligible Executive Directors and employees of the Group under the ESOS is limited to 10% of Luster's issued and paid-up share capital at any point in time.



#### **4. INFORMATION ON THE LUSTER GROUP (Cont'd)**

According to the SC Guidelines on employee share option schemes, where the ESOS Options are granted before the Company is listed on the KLSE, the exercise price of the ESOS Options shall not be less than the Public Issue price. Where the ESOS Options are granted on or after the Company is listed on the KLSE, the exercise price shall be the higher of: -

- (i) a price to be determined by the Board upon the recommendation of the ESOS Committee which is at a discount of not more than 10% or as allowed by relevant authorities from the weighted average market price of the Shares as shown in the daily official list issued by the KLSE for the five(5) Market Days immediately preceding the Date of Offer; or
- (ii) the par value of the Shares.

Barring unforeseen circumstances, the Directors of Luster intend to grant ESOS Options for up to a maximum of 6.0 million Shares prior to the Company being listed on the KLSE at an exercise price of RM1.40 per Share. However, such ESOS Options shall only be exercisable after Luster has been listed on the Main Board of the KLSE.

The Directors of Luster intend to utilise the proceeds from the exercise of the ESOS Options for working capital purposes.

The Shares to be issued and allotted upon any exercise of the Option will upon allotment and issuance rank *pari passu* in all respect with the then existing issued Shares except that the Shares so issued will not be entitled for any dividend, rights, allotment or other distribution declared, made or paid to shareholders unless the Shares so allotted have been credited into the relevant securities accounts of the shareholders maintained by MCD before the entitlement date and will be subject to all provisions of the Articles of Association of the Company relating to transfer, transmission and otherwise.

The Bye-Laws of the ESOS are set out in Section 11 of this Prospectus.

#### **4.6 Subsidiary Companies**

##### **4.6.1 Information on DP**

###### ***i) History and Business Overview***

DP was incorporated in Malaysia under the Companies Act 1965 as a private limited company on 10 September 1997 under its present name.

The company is principally engaged in the trading in plastic resins and materials for the production of plastic products.

The sales and marketing office of DP is located in Penang and Kuala Lumpur. As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), DP has 5 employees.

**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****ii) Share Capital**

The authorised share capital of DP is RM500,000 comprising 500,000 Shares. The issued and paid-up share capital is RM157,500 comprising 157,500 Shares.

The changes in DP's issued and paid-up share capital since incorporation are as follows:-

Date Issued	No. of Shares Allotted	Par Value	Type of Issue	Cumulative Issued and Paid-Up Share Capital
		RM		RM
10.09.1997	2	1.00	Subscribers' Shares	2
27.03.1998	149,998	1.00	Cash	150,000
02.01.2000	7,500	1.00	Cash	157,500

**iii) Substantial Shareholder**

DP is a wholly-owned subsidiary company of Luster.

The substantial shareholders of DP are as follows:-

Substantial Shareholders	No. of Shares			
	Direct	%	Indirect	%
Luster	157,500	100.00	-	-
LHSB	-	-	* 157,500	100.00
Muthanna Bin Abdullah	-	-	* 157,500	100.00
Lim See Chea	-	-	^ 157,500	100.00
Gey Ah Sang @ Lee Ah Sim	-	-	^ 157,500	100.00

\* Deemed interested by virtue of its/his interests of more than 15% in the Shares of Luster.

^ Deemed interested by virtue of his interests of more than 15% in the Shares of LHSB.

**iv) Subsidiary and Associated Company**

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), DP does not have any subsidiary or associated company.

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#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### v) Profit and Dividend

The financial records of DP based on its audited financial statements from 10 September 1997 (date of incorporation) to 31 December 1998, four(4) financial years ended 31 December 1999 to 2002 and the three(3) months period ended 31 March 2003 are as follows:-

	Financial Year Ended					
	10.09.1997 to 31.12.1998 RM'000	31.12.1999 RM'000	31.12.2000 RM'000	31.12.2001 RM'000	31.12.2002 RM'000	3 Months Ended 31.03.2003 RM'000
Revenue	562	10,631	12,924	9,760	5,218	1,212
Profit/(Loss) before interest, depreciation and taxation	(36)	433	566	439	162	(11)
Interest expense	(12)	(40)	(111)	(63)	(95)	(14)
Depreciation	(18)	(34)	(76)	(76)	(51)	(13)
PBT/(LBT)	(66)	359	379	300	16	(38)
Taxation	-	(6)	(134)	(91)	(13)	7
PAT/(LAT)	(66)	353	245	209	3	(31)
Weighted average no. of Shares ( '000)	115	150	158	158	158	158
EPS (sen)						
- Gross	*(43)	239	240	190	10	*(97)
- Net	*(43)	235	155	132	2	*(79)

Notes:-

- Annualised.
- i) Lower sales in financial year ended 31 December 2001 were mainly due to the world economic slow down. Sales dropped from RM12.924 million in financial year ended 31 December 2000 to RM9.760 million in financial year ended 31 December 2001 attributed to the decrease in demand of polyethylene (commodity plastic), which had a lower profit margin.  
  
Sales decreased in financial year ended 31 December 2002 and the financial period ended 31 March 2003 as compared to year 2001 was mainly due to general slow down in world economy.
- ii) There were no extraordinary or exceptional items in the periods/years under review.

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#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### 4.6.2 Information on LCW

###### i) History and Business Overview

LCW was incorporated in Malaysia under the Companies Act 1965 as a private limited company on 12 September 1996 as Luster Sdn Bhd. It has on 24 November 1999 changed its name to LCW.

LCW is principally engaged in the design and fabrication of moulds, tools and dies, including precision moulds.

The operations of LCW are in a factory premise located at Kawasan MIEL Bakar Arang, Sungai Petani, Kedah. The production capacity of LCW stands at approximately 20 moulds per month. As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LCW has 65 employees.

###### ii) Share Capital

The authorised share capital of LCW is RM5,000,000 comprising 5,000,000 Shares. The issued and paid-up share capital is RM2,157,000 comprising 2,157,000 Shares.

The changes in LCW's issued and paid-up share capital since its incorporation are as follows:-

Date Issued	No. of Shares Allotted	Par Value (RM)	Type of Issue	Cumulative Issued and Paid-Up Share Capital (RM)
12.09.1996	2	1.00	Subscribers' Shares	2
23.11.1999	1,057,000	1.00	Cash	1,057,002
23.11.1999	1,099,998	1.00	Issue of Shares as consideration for acquisition of machinery	2,157,000

###### iii) Substantial Shareholder

LCW is a 51% owned subsidiary company of Luster.

The substantial shareholders of LCW are as follows:-

Substantial Shareholders	No. of Shares			
	Direct	%	Indirect	%
Luster	1,100,000	51.00	-	-
Chi Wo Plastic Mould Fty. Ltd.	1,057,000	49.00	-	-
LHSB	-	-	* 1,100,000	51.00
Muthanna Bin Abdullah	-	-	* 1,100,000	51.00
Lim See Chea	-	-	^ 1,100,000	51.00
Gey Ah Sang @ Lee Ah Sim	-	-	^ 1,100,000	51.00

\* Deemed interested by virtue of its/his interests of more than 15% in the Shares of Luster.

^ Deemed interested by virtue of his interests of more than 15% in the Shares of LHSB.

**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****iv) Subsidiary and Associated Company**

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LCW does not have any subsidiary or associated company.

**v) Profit and Dividend**

The financial records of LCW based on its audited financial statements for the fourteen(14) months period ended 31 December 1998, four(4) financial years ended 31 December 1999 to 2002 and the three(3) months period ended 31 March 2003 are as follows:-

	Financial Year Ended					3 Months Ended 31.03.2003 RM'000
	14 Months Ended 31.12.1998 RM'000	31.12.1999 RM'000	31.12.2000 RM'000	31.12.2001 RM'000	31.12.2002 RM'000	
	Revenue	-	318	12,084	7,963	
Profit/(Loss) before interest, depreciation and taxation	-	85	927	159	243	(21)
Interest expense	-	(68)	(126)	(107)	(56)	(11)
Depreciation	-	(60)	(462)	(504)	(514)	(129)
PBT/(LBT)	-	(43)	339	(452)	(327)	(161)
Taxation	-	-	(105)	-	-	105
PAT/(LAT)	-	(43)	234	(452)	(327)	(56)
Weighted average no. of Shares (‘000)	-	225	2,157	2,157	2,157	2,157
EPS(Sen)						
- Gross	-	(19)	16	(21)	(15)	*(30)
- Net	-	(19)	11	(21)	(15)	*(10)

**Notes:**

\* Annualised.

- i) LCW commenced its business operations in the financial year 31 December ended 1999.
- ii) Revenue in financial year ended 31 December 2001, 2002 and the financial period ended 31 March 2003 were affected by the world economy slow down.
- iii) The depreciation charged and interest expense were low in financial year ended 31 December 1999 as the acquisition of property, plant and equipment which was financed mainly by borrowings, were made towards the financial year end of 1999.
- iv) Reduction in interest expense in financial year ended 31 December 2001 was mainly due to early settlement of hire purchase financing.
- v) There were no extraordinary or exceptional items in the periods/years under review.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### 4.6.3 Information on LE

###### i) History and Business Overview

LE was incorporated in Malaysia as E-Island Dotcom Sdn Bhd under the Companies Act 1965 as a private limited company on 18 July 2000. It has on 7 December 2000, changed to its present name.

LE is an investment holding company.

###### ii) Share Capital

The authorised share capital of LE is RM500,000 comprising 500,000 Shares. The issued and paid-up share capital is RM500,000 comprising 500,000 Shares.

The changes in LE's issued and paid-up share capital since incorporation are as follows:-

Date issued	No. of Shares Allotted	Par Value RM	Type of Issue	Cumulative Issued and Paid-Up Share Capital RM
18.07.2000	2	1.00	Subscribers' shares	2
04.10.2001	499,998	1.00	Share swap for the acquisition of PTLI	500,000

###### iii) Substantial Shareholder

LE is a wholly-owned subsidiary company of Luster.

The substantial shareholders of LE are as follows:-

Substantial Shareholders	No. of Shares			
	Direct	%	Indirect	%
Luster	500,000	100.00	-	-
LHSB	-	-	* 500,000	100.00
Muthanna Bin Abdullah	-	-	* 500,000	100.00
Lim See Chea	-	-	^ 500,000	100.00
Gey Ah Sang @ Lee Ah Sim	-	-	^ 500,000	100.00

\* Deemed interested by virtue of its/his interests of more than 15% in the Shares of Luster.

^ Deemed interested by virtue of his interests of more than 15% in the Shares of LHSB.

###### iv) Subsidiary and Associated Company

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LE has an associated company, namely PTLI, which is also related to Luster. Please refer to the details of PTLI in this Section for more information.

**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****v) Profit and Dividend**

The financial records of LE based on its audited financial statements from 18 July 2000 (date of incorporation) to 31 December 2001, financial year ended 31 December 2002 and the three(3) months period ended 31 March 2003 are as follows:-

	18.07.2000 to 31.12.2001 RM'000	Financial Year Ended 31.12.2002 RM'000	3 Months Ended 31.03.2003 RM'000
Revenue	-	-	-
Loss before interest, depreciation and taxation	(7)	(3)	(1)
Interest expense	-	-	-
Depreciation	-	-	-
(LBT)	(7)	(3)	(1)
Taxation	-	-	-
(LAT)	(7)	(3)	(1)
Weighted average no. of Shares ('000)	84	500	500
EPS (sen)			
- Gross	*(6)	(0.6)	*(0.8)
- Net	*(6)	(0.6)	*(0.8)

*Notes:*

\* Annualised

i) There was no revenue generated during the financial periods/year. Expenses were mainly in respect of preliminary expenses incurred, secretary fee, stamp duty and administrative expenses.

ii) There were no extraordinary or exceptional items in the years/period under review.

**4.6.4 Information on LM****i) History and Business Overview**

LM was incorporated in Malaysia as E A P Industries (M) Sdn Bhd under the Companies Act 1965 as a private limited company on 14 August 1989. It has on 6 May 1998, changed to its present name.

LM is principally engaged in the manufacturing of precision plastic parts and components, and sub-assembly of plastic parts and products.

The operation of LM is presently located at Kawasan Perusahaan Sungai Petani, Kedah. As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LM has 362 employees.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### ii) Share Capital

The authorised share capital of LM is RM5,000,000 comprising 5,000,000 Shares. The issued and paid-up share capital is RM1,200,000 comprising 1,200,000 Shares.

The changes in LM's issued and paid-up share capital since incorporation are as follows:-

Date Issued	No. of Shares Allotted	Par Value (RM)	Type of Issue	Cumulative Issued and Paid-Up Share Capital (RM)
14.08.1989	2	1.00	Subscribers' Shares	2
31.07.1990	297,000	1.00	Issue of Shares as consideration for acquisition of machinery	297,002
06.08.1990	197,998	1.00	Cash	495,000
29.07.1991	305,000	1.00	Cash	800,000
19.12.1991	200,000	1.00	Cash	1,000,000
07.10.1993	200,000	1.00	Cash	1,200,000

##### iii) Substantial Shareholder

LM is a wholly-owned subsidiary company of Luster.

The substantial shareholders of LM are as follows:-

Substantial Shareholders	No. of Shares			
	Direct	%	Indirect	%
Luster	1,200,000	100.00	-	-
LHSB	-	-	* 1,200,000	100.00
Muthanna Bin Abdullah	-	-	* 1,200,000	100.00
Lim See Chea	-	-	^ 1,200,000	100.00
Gey Ah Sang @ Lee Ah Sim	-	-	^ 1,200,000	100.00

\* Deemed interested by virtue of its/his interests of more than 15% in the Shares of Luster.

^ Deemed interested by virtue of his interests of more than 15% in the Shares of LHSB.

##### iv) Subsidiary and Associated Company

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LM does not have any subsidiary or associated company.



#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### v) Profit and Dividend

The financial records of LM based on its audited financial statements for the fourteen(14) months period ended 31 December 1998, four(4) financial years ended 31 December 1999 to 31 December 2002 and the three(3) months period ended 31 March 2003 are as follows: -

	14 Months Ended 31.12.1998 RM'000	Financial Year Ended				3 Months Ended 31.03.2003 RM'000
		31.12.1999 RM'000	31.12.2000 RM'000	31.12.2001 RM'000	31.12.2002 RM'000	
Revenue	29,553	19,942	29,113	29,339	17,161	2,677
Profit before interest, depreciation and taxation	3,816	2,359	3,267	4,937	2,391	10
Interest expense	(11)	(46)	(61)	(68)	(22)	(6)
Depreciation	(1,269)	(1,108)	(1,071)	(1,037)	(1,116)	(258)
PBT/(LBT)	2,536	1,205	2,135	3,832	1,253	(254)
Taxation	932	(66)	(312)	(899)	(357)	78
Exceptional Item	-	-	-	-	-	(139)
PAT/(LAT)	3,468	1,139	1,823	2,933	896	(315)
Weighted average no. of Shares ( '000)	1,200	1,200	1,200	1,200	1,200	1,200
EPS (sen)						
- Gross	*181	100	178	319	104	*(59)
- Net	*248	95	152	244	75	*(105)

##### Notes:

\* Annualised.

- i) LM recorded a steady growth in revenue of 7.48% (based on annualised figure) in the financial year ended 31 December 1998. The increase in revenue was due to the increase in export sales. The Asian economic turmoil in 1998 did not have any adverse impact on LM's revenue as more than 95% of its customers are export orientated, e.g. Philips Hong Kong and Philips Sound System.
- ii) However, revenue decreased by 21.27% (based on annualised figure) in the financial year ended 31 December 1999 due to the change of customers base where sales volume was low at the initial stage.
- iii) In the financial year ended 31 December 2000, revenue increased by 45.99% due to increase in the sales volume and selling price as a result of the increase in the cost of raw materials.
- iv) Revenue for the financial year ended 31 December 2002 recorded a decreased of 41.5% compared to financial year ended 31 December 2001 due to general slow down in world economy.
- v) The lower revenue for the 3 months period ended 31 March 2003 is in tandem with the cyclical trend of the industry.
- vi) There was no extraordinary or exceptional item in the periods/years under review except for the period ended 31 March 2003 whereby the Company disposed of all its unquoted investment to Luster which resulted in a loss on disposal. The loss was classified under exceptional item.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### 4.6.5 Information on LN

###### i) History and Business Overview

LN was incorporated in Malaysia as Metro Earnings Sdn Bhd under the Companies Act 1965 as a private limited company on 6 February 1999. It has on 15 May 1999, changed to its present name.

LN is principally engaged in the research and development, design and fabrication of moulds.

LN is presently sharing the same premises with Luster, which is located in Bakar Arang Industrial Estate, Sungai Petani, Kedah. LN has 4 employees as at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus).

###### ii) Share Capital

The authorised share capital of LN is RM500,000 comprising 500,000 Shares. The issued and paid-up share capital is RM400,000 comprising 400,000 Shares.

The changes in LN's issued and paid-up share capital since incorporation are as follows:-

Date Issued	No. of Shares Allotted	Par Value (RM)	Type of Issue	Cumulative Issued and Paid-Up Share Capital (RM)
06.02.1999	2	1.00	Subscribers' Shares	2
28.06.1999	399,998	1.00	Cash	400,000

###### iii) Substantial Shareholder

LN is a 51% owned subsidiary company of Luster.

The substantial shareholders of LN are as follows:-

Substantial Shareholders	No. of Shares			
	Direct	%	Indirect	%
Luster	204,000	51.00	-	-
Nakazawa Kogyo Co. Ltd.	98,000	24.50	-	-
Youichi Nakazawa	65,000	16.25	-	-
Yu Fujihara	33,000	8.25	-	-
LHSB	-	-	* 204,000	51.00
Muthanna Bin Abdullah	-	-	* 204,000	51.00
Lim See Chea	-	-	^ 204,000	51.00
Gey Ah Sang @ Lee Ah Sim	-	-	^ 204,000	51.00

\* Deemed interested by virtue of its/his interests of more than 15% in the Shares of Luster.

^ Deemed interested by virtue of his interests of more than 15% in the Shares of LHSB.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### iv) *Subsidiary and Associated Company*

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LN does not have any subsidiary or associated company.

##### v) *Profit and Dividend*

The financial records of LN based on its audited financial statements from 6 February 1999 (date of incorporation) to 31 December 1999, three(3) financial years ended 31 December 2000 to 31 December 2002 and the three(3) months period ended 31 March 2003 are as follows: -

	← Financial Year Ended →				3 Months Ended 31.03.2003 RM'000
	06.02.1999 to 31.12.1999 RM'000	31.12.2000 RM'000	31.12.2001 RM'000	31.12.2002 RM'000	
Revenue	367	2,000	663	318	126
(Loss)/Profit before interest, depreciation and taxation	(181)	(184)	(171)	(55)	1
Interest expense	-	-	-	-	-
Depreciation	-	(7)	(34)	(29)	-
PBT/(LBT)	(181)	(191)	(205)	(84)	1
Taxation	-	-	-	-	-
PAT/(LAT)	(181)	(191)	(205)	(84)	1
Weighted average no. of Shares ('000)	204	400	400	400	400
EPS (sen)					
- Gross	*(99)	(48)	(51)	(21)	*1
- Net	*(99)	(48)	(51)	(21)	*1

Notes:

\* Annualised.

i) The principal activities of LN were ranging from technical research and development and transfer of technical know-how in injection mouldings. LN also involved in mould/tools modification and repair in order to support its principal activities.

Revenue decreased in the financial year ended 31 December 2002 due to the dropped in mould/tooling modification and repair activities in Luster Group.

ii) There was no exceptional item and extraordinary item during the financial periods/years under review.

#### 4.6.6 Information on LPE

##### i) *History and Business Overview*

LPE was incorporated in Malaysia under the Companies Act 1965 as a private limited company on 6 July 1992 under its present name.

LPE is principally engaged in the manufacture of high precision plastic parts and components and sub-assembly of plastic parts and products.

The operation of LPE is presently located at a factory in Kawasan Perusahaan Sungai Petani, Kedah. As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LPE has 324 employees.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### ii) Share Capital

The authorised share capital of LPE is RM5,000,000 comprising 5,000,000 Shares. The issued and paid-up share capital is RM1,500,000 comprising 1,500,000 Shares.

The changes in LPE's issued and paid-up share capital since incorporation are as follows:-

Date Issued	No. of Shares Allotted	Par Value (RM)	Type of Issue	Cumulative Issued and Paid-Up Share Capital (RM)
06.07.1992	2	1.00	Subscribers' Shares	2
07.09.1992	999,998	1.00	Cash	1,000,000
30.12.2000	500,000	1.00	Bonus Issue	1,500,000

##### iii) Substantial Shareholder

LPE is a wholly-owned subsidiary company of Luster.

The substantial shareholders of LPE are as follows:-

Substantial Shareholders	No. of Shares			
	Direct	%	Indirect	%
Luster	1,500,000	100.00	-	-
LHSB	-	-	* 1,500,000	100.00
Muthanna Bin Abdullah	-	-	* 1,500,000	100.00
Lim See Chea	-	-	^ 1,500,000	100.00
Gey Ah Sang @ Lee Ah Sim	-	-	^ 1,500,000	100.00

\* Deemed interested by virtue of its/his interests of more than 15% in the Shares of Luster.

^ Deemed interested by virtue of his interests of more than 15% in the Shares of LHSB.

##### iv) Subsidiary and Associated Company

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LPE does not have any subsidiary or associated company.

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**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****v) Profit and Dividend**

The financial records of LPE based on its audited financial statements for the fourteen(14) months period ended 31 December 1998, four(4) financial years ended 31 December 1999 to 31 December 2002 and the three(3) months period ended 31 March 2003 are as follows: -

	Financial Year Ended					
	14 Months Ended					3 Months Ended
	31.12.1998	31.12.1999	31.12.2000	31.12.2001	31.12.2002	31.03.2003
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	25,545	21,145	31,633	22,479	20,159	3,354
Profit before interest, depreciation and taxation	5,835	5,747	6,259	3,471	3,579	227
Interest expense	(157)	(97)	(234)	(482)	(358)	(90)
Depreciation	(931)	(848)	(1,114)	(1,685)	(1,729)	(431)
PBT/(LBT)	4,747	4,802	4,911	1,304	1,492	(294)
Taxation	(1,904)	7	(1,293)	(292)	(98)	53
PAT/(LAT)	2,843	4,809	3,618	1,012	1,394	(241)
Weighted average no. of Shares ('000)	1,500	1,500	1,500	1,500	1,500	1,500
EPS (sen)						
- Gross	*271	320	327	87	99	*(78)
- Net	*162	321	241	67	93	*(64)

Notes:-

\* Annualised.

i) The Asian economic turmoil in 1998 did not have any significant impact on LPE's revenue as more than 95% of its customers were export orientated. The direct export sales were accounted for more than 50% of LPE's revenue for the year ended 31 December 1998.

LPE increased its revenue to RM31.6 million in the financial year ended 31 December 2000. The financial year ended 31 December 2001 revenue declined by RM9.1 million mainly due to reduction in demand for electrical & electronic products as a result of the economy crisis in USA. More than 50% of revenue was derived from Philips Hong Kong for the financial year ended 31 December 1998 before Sony Electronic (Malaysia) Sdn Bhd became the major customer of LPE from financial years ended 1999 to 2001.

The revenue decreased to RM20.2 million in the financial year ended 31 December 2002 mainly due to world economy slow down and geopolitical uncertainty.

The lower revenue for the 3 months period ended 31 March 2003 is in tandem with the cyclical trend of the industry.

ii) Depreciation charges increased from 1998 to 2001 by 89% due to continuous business expansion to cater for and venture into new industry, particularly in 2000.

iii) The interest expense gradually reduced from financial period ended 1998 to financial year ended 1999 arising from effective control on financing cost and better cash management. However in the financial year ended 31 December 2000, the interest cost from hire purchase and term loan has increased substantially due to increase in borrowings to finance the expansion. The interest expense has decreased in the financial year ended 31 December 2002 due to reduction in bankers' acceptance interest.

iv) There was no exceptional and extraordinary item during the financial periods/years under review.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### 4.6.7 Information on LPI

###### i) History and Business Overview

LPI was incorporated in Malaysia as Germesra Jaya Sdn Bhd under the Companies Act 1965 as a private limited company on 31 July 1992. It has on 15 October 1992 changed to its present name.

LPI is principally engaged in the manufacture of precision plastic parts and components.

The operation of LPI is presently located at a factory in Kawasan Perusahaan Sungai Petani, Kedah. As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LPI has 166 employees.

###### ii) Share Capital

The authorised share capital of LPI is RM5,000,000 comprising 5,000,000 Shares. The issued and paid-up share capital is RM1,492,120 comprising 1,492,120 Shares.

The changes in LPI's issued and paid-up share capital since incorporation are as follows:-

Date Issued	No. of Shares Allotted	Par Value (RM)	Type of Issue	Cumulative Issued and Paid-Up Share Capital (RM)
31.07.1992	2	1.00	Subscribers' Shares	2
17.09.1992	24,998	1.00	Cash	25,000
15.11.1997	975,000	1.00	Bonus Issue	1,000,000
27.07.1998	247,120	1.00	Share swap for the acquisition of *TC	1,247,120
24.11.2000	245,000	1.00	Share swap for the acquisition of **MP	1,492,120

\* Tai Ca Industries Sdn Bhd.

\*\* Metaplastic Sdn Bhd.

TC and MP were disposed on 31 December 2001.

###### iii) Substantial Shareholder

LPI is a wholly-owned subsidiary company of Luster.

The substantial shareholders of LPI are as follows:-

Substantial Shareholders	No. of Shares			
	Direct	%	Indirect	%
Luster	1,492,120	100.00	-	-
LHSB	-	-	* 1,492,120	100.00
Muthanna Bin Abdullah	-	-	* 1,492,120	100.00
Lim See Chea	-	-	^ 1,492,120	100.00
Gey Ah Sang @ Lee Ah Sim	-	-	^ 1,492,120	100.00

\* Deemed interested by virtue of its/his interests of more than 15% in the Shares of Luster.

^ Deemed interested by virtue of his interests of more than 15% in the Shares of LHSB.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### iv) *Subsidiary and Associated Company*

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LPI has a wholly owned subsidiary company, namely LPR. Please refer to the details of LPR in the ensuing Section for further information.

##### v) *Profit and Dividend*

The financial records of LPI based on its audited financial statements for the fourteen(14) months period ended 31 December 1998, four(4) financial years ended 31 December 1999 to 31 December 2002 and the three(3) months period ended 31 March 2003 are as follows: -

	← Financial Year Ended →					
	14 Months Ended					3 Months Ended
	31.12.1998	31.12.1999	31.12.2000	31.12.2001	31.12.2002	31.03.2003
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	14,324	12,326	27,720	23,954	20,111	1,754
Profit before interest, depreciation and taxation	1,302	1,048	2,471	4,722	4,223	174
Interest expense	(556)	(328)	(353)	(170)	(37)	(8)
Depreciation	(642)	(593)	(583)	(721)	(754)	(183)
PBT/(LBT)	104	127	1,535	3,831	3,432	(17)
Taxation	(440)	(13)	(180)	(676)	(801)	8
PAT/(LAT)	(336)	114	1,355	3,155	2,631	(9)
Weighted average no. of Shares ('000)	1,093	1,247	1,272	1,492	1,492	1,492
EPS (sen)						
- Gross	*8	10	121	257	230	*(5)
- Net	*(26)	9	107	211	176	*(2)

Notes:-

\* Annualised.

- i) The Asian economic turmoil in the financial period ended 1998 did not have any significant negative impact on LPI's revenue as more than 95% of its customers are export orientated.
- ii) Revenue improved in the financial year ended 2000 due to increase in selling price as a result of increase in cost of raw material and better foreign exchange rates as the sales were denominated in USD.
- iii) Revenue has decreased substantially in the financial year ended 2001 and financial year ended 2002 due to the global economic slow down and the geopolitical uncertainty.
- iv) The lower revenue for the 3 months period ended 31 March 2003 is in tandem with the cyclical trend of the industry.
- v) There was no exceptional and extraordinary item during the financial periods/years under review

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### 4.6.8 Information on PTLI

###### i) History and Business Overview

PTLI was incorporated in Indonesia on 20 November 2000 under its present name.

PTLI is principally engaged in the PCBA and full assembly of complete products.

The operations of PTLI are presently located at a factory in Komp. Industri Sarana Terpadu, Indonesia. As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), PTLI has 189 employees.

###### ii) Share Capital

The authorised share capital of PTLI is USD2,000,000 comprising 2,000,000 shares. The issued and paid-up share capital is USD1,000,000 comprising 1,000,000 shares.

The changes in its issued and paid-up share capital since incorporation are as follows:-

Date Issued	No. of Shares Allotted	Par Value (USD)	Type of Issue	Cumulative Issued and Paid-Up Share Capital (USD)
20.11.2000	1,000,000	1.00	Subscribers' shares	1,000,000

###### iii) Substantial Shareholder

PTLI is a 51% owned subsidiary company of Luster.

The substantial shareholders of PTLI are as follows:-

Substantial Shareholders	No. of Shares			
	Direct	%	Indirect	%
LE	490,000	49.00	-	-
Luster	510,000	51.00	* 490,000	49.00
LHSB	-	-	** 1,000,000	100.00
Muthanna Bin Abdullah	-	-	** 1,000,000	100.00
Lim See Chea	-	-	^ 1,000,000	100.00
Gey Ah Sang @ Lee Ah Sim	-	-	^ 1,000,000	100.00

\* Deemed interested as holding company of LE.

\*\* Deemed interested by virtue of its/his interests of more than 15% in the Shares of Luster.

^ Deemed interested by virtue of his interests of more than 15% in the Shares of LHSB.

###### iv) Subsidiary and Associated Company

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), PTLI does not have any subsidiary or associated company.



**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****v) Profit and Dividend**

The financial records of PTLI based on its audited financial statements from 20 November 2000 (date of incorporation) to 31 December 2001, financial year ended 31 December 2002 and the three(3) months period ended 31 March 2003 are as follows: -

	20.11.2000 to 31.12.2001 RM'000	Financial Year Ended 31.12.2002 RM'000	3 Months Ended 31.03.2003 RM'000
Revenue	4,189	4,257	1,032
Profit before interest, depreciation and taxation	1,377	2,382	394
Interest expense	-	(33)	(5)
Depreciation	(743)	(1,505)	(434)
PBT/(LBT)	634	844	(45)
Taxation	(175)	(429)	-
PAT(LAT)	459	415	(45)
Weighted average no. of Shares ('000)	1,000	1,000	1,000
EPS (sen)			
- Gross	*57	84	*(18)
- Net	*41	61	*(18)

*Notes:*

\* Annualised.

- i) Higher interest expense in the financial year ended 2002 was due to the hire purchase financing of motor vehicle.
- ii) Increase in depreciation was due to the additions of factory equipments and plant and machinery.
- iii) There was no extraordinary or exceptional item in the periods/year under review.

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#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### 4.6.9 Information on LPR

###### i) History and Business Overview

LPR was incorporated in Malaysia under the Companies Act 1965 under its present name as a private limited company on 12 August 1993.

LPR is principally engaged in the property investment holding.

###### ii) Share Capital

The authorised share capital of LPR is RM1,000,000 comprising 1,000,000 Shares. The issued and paid-up share capital is RM350,000 comprising 350,000 Shares.

The changes in LPR's issued and paid-up share capital since incorporation are as follows:-

Date Issued	No. of Shares Allotted	Par Value (RM)	Type of Issue	Cumulative Issued and Paid-Up Share Capital (RM)
12.08.1993	2	1.00	Subscribers' Shares	2
24.07.1994	249,998	1.00	Cash	250,000
22.07.1997	100,000	1.00	Cash	350,000

###### iii) Substantial Shareholder

LPR is a wholly-owned subsidiary company of LPI.

The substantial shareholders of LPR are as follows:-

Substantial Shareholders	No. of Shares			
	Direct	%	Indirect	%
LPI	350,000	100.00	-	-
Luster	-	-	* 350,000	100.00
LHSB	-	-	** 350,000	100.00
Muthanna Bin Abdullah	-	-	** 350,000	100.00
Lim See Chea	-	-	^ 350,000	100.00
Gey Ah Sang @ Lee Ah Sim	-	-	^ 350,000	100.00

\* Deemed interested as holding company of LPI.

\*\* Deemed interested by virtue of its/his interests of more than 15% in the Shares of Luster.

^ Deemed interested by virtue of his interests of more than 15% in the Shares of LHSB.

###### iv) Subsidiary and Associated Company

As at 30 June 2003 (being the latest practicable date prior to printing of this Prospectus), LPR does not have any subsidiary or associated company.

**4. INFORMATION ON THE LUSTER GROUP (Cont'd)****v) Profit and Dividend**

The financial records of LPR based on its audited financial statements for the for the fourteen(14) months period ended 31 December 1998, four(4) financial years ended 31 December 1999 to 31 December 2002 and the three(3) months period ended 31 March 2003 are as follows: -

	Financial Year Ended					
	14 Months Ended					3 Months Ended
	31.12.1998 RM'000	31.12.1999 RM'000	31.12.2000 RM'000	31.12.2001 RM'000	31.12.2002 RM'000	31.03.2003 RM'000
Revenue	180	180	180	240	240	60
Profit before interest, depreciation and taxation	156	147	162	221	218	57
Interest expense	(114)	(74)	(181)	(167)	(150)	(32)
Depreciation	(46)	(46)	(46)	(46)	(46)	(12)
PBT/(LBT)	(4)	27	(65)	8	22	13
Taxation	(9)	-	-	(2)	(9)	1
PAT/(LAT)	(13)	27	(65)	6	13	14
Weighted average no. of Shares (*000)	350	350	350	350	350	350
EPS (sen)						
- Gross	*(1)	8	(19)	2	6	*15
- Net	*(3)	8	(19)	2	4	*16

**Notes:**

- \* Annualised.
- i) Revenue for the financial period ended 31 October 1998 to financial year ended 31 December 2002 represent rental received from holding company.
- ii) Interest expense reduced gradually from the financial year ended 31 October 1998 to financial year ended 31 December 1999. However, interest expense increased in the financial year ended 31 December 2000 due to additional interest charge from holding company. The decrease in interest expense in the financial year ended 31 December 2002 was due to full settlement of outstanding term loan during the year.
- iii) There was no extraordinary or exceptional item in the financial periods/years under review.

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#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

##### 4.7 Business Overview

###### *i) Background Information*

Incorporated on 19 September 1986, Luster Group is an integrated manufacturer of high precision and precision plastic parts and components. Its business activities include the following:

- Design and fabrication of mould and die;
- Manufacture of high precision plastic mechanisms and components;
- Manufacture of precision plastic parts and components;
- PCBA;
- R&D; and
- Sub-assembly and full assembly of plastic parts and products.

Luster Group mainly manufactures precision plastic parts and components through the process of plastic injection moulding. The Group has the capabilities to meet the total requirements of customers from the manufacture of high precision plastic components such as internal mechanisms to precision plastic parts for external casings.

The Group has a total of six(6) manufacturing plants in Malaysia and overseas. Of these six(6) manufacturing plants, four(4) are focusing on the manufacturing of plastic parts and components including precision and high precision parts and components. The four(4) manufacturing plants are supported by the following facilities: -

- LCW, a subsidiary company involved in the design and fabrication of mould and die in Sungai Petani, Kedah;
- LN, a subsidiary company in R&D activities in Sungai Petani, Kedah;
- DP, the Group's sales and marketing arm in Penang and Kuala Lumpur; and
- Sub-assembly and full assembly PCBA facilities in Luster, Sungai Petani, Kedah and PTLI, Indonesia.

Luster Group's in-house capabilities and expertise in mould design and mould production using advanced equipment enables the Group the ability to manufacture not only complex, but also high precision plastic parts and components.

In line with Luster Group's aim to keep abreast with changes in technology and emerging designs and trends in the high precision and precision plastic parts and components used in the Electrical and Electronic Industries, continuous R&D is undertaken by its subsidiary company, LN. The technical collaboration with the Group's business partners in Japan enables the Group to work closely with customers of MNCs in Japan.

Customers of Luster Group are some of the largest MNCs in Malaysia including, among others:-

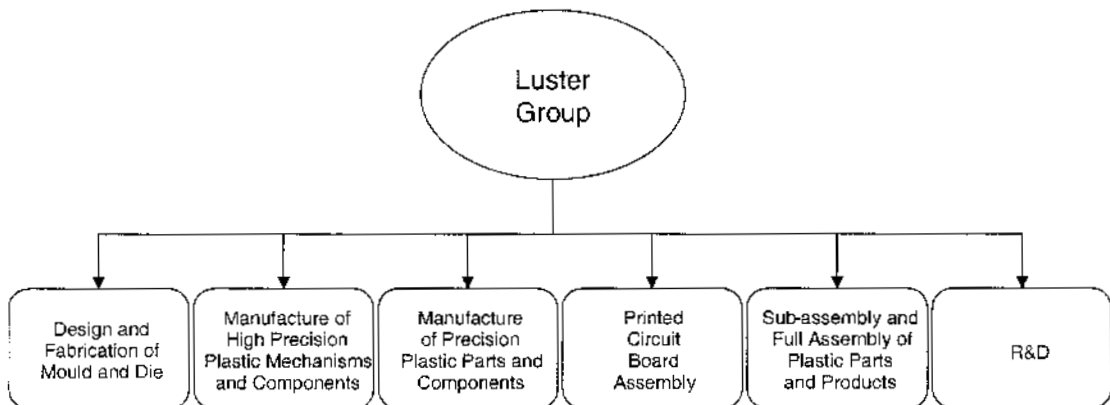
- Sony Electronics (M) Sdn Bhd;
- Sharp-Roxy Corporation (M) Sdn Bhd;
- Agilent Technologies (Penang) Sdn Bhd;
- Robert Bosch (M) Sdn Bhd;
- Sony Technology (M) Sdn Bhd;
- Acer Technologies Sdn Bhd;
- Solectron Technology Sdn Bhd;
- Siemens VDO Instruments MY Sdn Bhd;
- Siemens VDO Components MY Sdn Bhd; and
- Osram Opto Semiconductors (Malaysia) Sdn Bhd.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

For the financial year ended 31 December 2002 and the three(3) months period ended 31 March 2003, local market contributed almost all of Luster Group's total revenue at approximately 98.8% and 99.7% respectively. The remaining of approximately 1.2% and 0.3% were contributed by direct exports to overseas customers. Local sales are mainly to MNCs and LMW based companies in Malaysia. Ultimately, the products are exported overseas.

Luster Group directly exports its precision plastic parts and components to Brazil, Hong Kong, Indonesia, Singapore, Thailand, United States of America and United Kingdom. Exports mainly comprised semi-finished audio and telecommunications parts and products.

The business activities of Luster Group is depicted in the figure below:-



##### 1. Manufacture of High Precision and Precision Plastic Parts and Components

Luster Group's manufacturing activities include:-

- high precision plastic components including mechanisms;
- precision plastic parts and components; and
- provision of secondary finishing processes comprised high-end surface finishing such as: -
  - Decorative processes including manual and automated spraying, hot stamping and screen printing; and
  - Printing processes including silk screen and tempo printing.

The manufacturing of high precision and precision plastic parts and components is undertaken by the following companies in Sungai Petani, Kedah:-

Company	Approximate Built-up Area <i>m</i> <sup>2</sup>	Location of Production Facility
Luster	23,386	Bakar Arang Industrial Estate, Kedah
LM	4,050	Kawasan Perindustrian Sungai Petani, Kedah
LPE	8,993	Kawasan Perindustrian Sungai Petani, Kedah
LPI	3,965	Kawasan Perindustrian Sungai Petani, Kedah

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**4. INFORMATION ON THE LUSTER GROUP (Cont'd)**

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Luster Group essentially manufactures high precision and precision plastic parts and components to meet the total requirements of customers including high precision plastic parts components, with an average tolerance of 10 micron of accuracy for telecommunications mechanisms, Compact Disc ("CD") changers, fax mechanisms, CD Read Only Memory ("CD-ROM"), DVD-ROM, medical and test instruments and optoelectronics. Precision plastic parts including, among others, audio, telecommunications, automotive power tools, acoustics (audio and automotive) and castor wheels.

Luster Group provides a total solution to the customer including high quality finishing process through to sub-assembly and full assembly of plastic products. Some of the equipment utilised includes four high-speed automatic spray painting systems, each uniquely designed to cover certain shapes and curvatures of parts and components.

Luster Group has an extensive range of equipment and machinery to handle most forms of high precision and precision plastic parts and components. Some of the major equipment and machinery include 126 units of horizontal injection moulding machine ranging from 25 tonnes to 650 tonnes of clamping force and 43 conveyor lines of secondary finishing processes including silk screening, tempo printing, hot-stamping, ultra sonic and high frequency induction welding.

All the injection moulding machinery and equipment are Japanese manufactured, thus the machinery and equipment are more reliable, consistent and more precise.

For the financial year ended 31 December 2002 and the three(3) months period ended 31 March 2003, manufacture of high precision and precision plastic parts and components amounted to approximately RM111.9 million and RM19.5 million, representing approximately 85.7% and 84.1% respectively of its total Group's revenue.

**2. Design and Fabrication of Mould and Die**

As the manufacturing of high precision and precision plastic parts and components involves the process of injection moulding, the precision and quality of the parts or components is highly dependent on the mould and die.

Design of mould and die is undertaken by LCW, in collaboration with LN. This in-house expertise enables Luster Group to provide value-added services by designing or re-modifying moulds to meet the product specifications of customers. More importantly, the utilisation of advanced design software provides opportunities for the Group to focus on complex and higher value as well as high precision plastic parts and components.

Almost all of the moulds fabricated by LCW are sold to Luster Group's customers, which are then used by Luster Group for the manufacture of high precision and precision plastic parts and components.

In this industry, the moulds and dies are proprietary products of MNC or brand owners and these are usually supplied to manufacturers of precision plastic parts and components. However, Luster Group is able to meet the total requirements of the customers including in-house mould and die design facilities. This enables the Group to differentiate itself from other competitors.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

The design and engineering section is equipped with state-of-the-art three dimension Auto Computer-Aided-Design ("CAD") systems, Pro-Eng numerical control software, Master Computer-Aided-Manufacturing ("CAM") and Cimatron. The mould fabrication section is equipped with 11 units of high-end Electrical Discharge Machining ("EDM") machines, 2 units of Computer Numerical Control ("CNC") machines and among others, milling, grinding and drilling machines.

The machinery and equipment's tolerance capabilities are as follows:

MACHINE TYPES	TOLERANCE CAPABILITIES
Milling	+/- 0.05mm
Grinding	+/- 0.03mm
Lathe	+/- 0.05mm
Drilling	+/- 0.05mm
EDM	+/- 0.03mm
CNC	+/- 0.02mm
Wire Cut	+/- 0.01mm

For the financial year ended 31 December 2002 and the three(3) months period ended 31 March 2003, design and fabrication of mould amounted to approximately RM3.5 million and RM0.5 million respectively in revenue, representing approximately 2.7% and 2.3% of the Group's revenue.

#### 3. PCBA

As part of the value-added services provided to customers, Luster Group also provides PCBA, a process that involves the population of components such as IC, capacitors, transistors, resistors, jumper wires and memory chips onto PCB utilising AI and SMT. This business activity commenced operations in 2001.

The AI machines perform the Pin-Through-Hole ("PTH") functions including jumper wire insertion, axial component insertion and radial component insertion.

The SMT machines including multi-mounting machines perform the functions such as solder paste printing, glue dispensing, chip mounting, IC mounting and reflow oven.

The Group also has manual lines performing the following processes: -

- manual insertion
- wave soldering
- top board inspection
- soldering touch up
- IC soldering
- function testing, if required
- inter-circuit testing, if required
- outgoing quality check ("QC")

Although the bulk of PCBA is automated, there is still a need for manual processes such as function testing, mechanical assembly, soldering and insertion of bulky components.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

These activities are undertaken by the following companies:

Company	Approximate Built-up Area <i>m</i> <sup>2</sup>	Location of Production Facility
Luster	23,386	Bakar Arang Industrial Estate, Kedah
PTLI	3,168	Komp. Industri Sarana Terpadu, Indonesia

*Note: Part of the built-up areas of Luster is involved in the PCBA activities*

These assembled PCB, which form the core of all the electronic products are supplied to the local MNC who are manufacturers of electronic and electrical products, including audio-visual products.

For the financial year ended 31 December 2002 and the three(3) months period ended 31 March 2003, the manufacture of PCBA accounted for approximately RM12.0 million and RM2.5 million and contributed approximately 9.2% and 10.6% of its total Group's revenue. Luster and PTLI are the two companies that are involved in PCBA activities.

The PCBA activity is one of the business activities of Luster having contributed approximately 5.9% and 6.2% of the Group's total revenue for the financial year ended 31 December 2002 and the three(3) months period ended 31 March 2003.

PTLI contributed approximately 3.3% and 6.2% of the total Group's revenue for the financial year ended 31 December 2002 and the three(3) months period ended 31 March 2003.

#### 4. Assembly of Plastic Parts and Products

Part of Luster Group's business activities also includes the assembly of plastic parts and products. Luster Group undertakes two types of assembly:-

- Sub-assembly of plastic parts and components; and
- Complete assembly of electronic products.

The complete assembly of electronic products enable the Group to add value to its customers including the procurement of raw materials through to the finishing processes of the final end-product.

#### 5. R&D

The Group's R&D activities are undertaken jointly with Nakazawa Kogyo Co. Ltd in Japan through Luster's subsidiary company, LN.

Some of the areas of R&D include:-

- undertaking studies on developments of new or emerging products, materials and technologies with the aim of monitoring changes in market trends;
- researching on new production methods to continually improve manufacturing processes with the aim of increasing efficiency and output; and
- consultation and technical advice on product design and various other aspects of the operation with the aim of meeting the requirements of customers.



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**4. INFORMATION ON THE LUSTER GROUP (Cont'd)**

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**ii) Relevant Technologies****1. Injection Moulding**

As a manufacturer of Plastic Injection Moulded Parts and Components, the main technology utilised by Luster Group is in injection moulding. Injection moulding is the process whereby hot molten plastic is injected under high pressure into a mould. Once the plastic has solidified, the moulded object is ejected and thus completes the moulding process. Depending on the intricacies, precision and size of the required product, different types and tonnage machines are employed to achieve the desired purpose.

**2. Moulds and Dies**

One of the most critical parts of the injection moulding industry is the design and fabrication of the metal moulds and dies. The metal moulds and dies define the end-products, and are fully responsible for the three-dimensional shape as well as other physical characteristics like strategically placed and sized holes, screw threads, indentations and protrusions of the plastic end-products.

As moulds and dies ultimately determine the final product outcome, high precision is required. The fabrication of moulds and dies is highly skilled and can either make or break a manufacturer. As mould and die fabrication is a highly skilled process, a high proportion of injection moulding manufacturers do not have in-house skills to produce moulds and dies. For such manufacturers, mould and die fabrication is outsourced to mould and die fabrication companies.

Larger injection moulding manufacturers like the Luster Group with its in-house capabilities for mould and die fabrication provides it with significant advantages as follows:

- Able to provide a totally integrated solution to customers with full in-house capabilities.
- Able to reduce the time to complete the production cycle as its in-house mould and die fabrication is dedicated to its own needs. Additionally, moulds and dies after a predetermined number of cycles would require maintenance. Having in-house capabilities enable it to service the moulds and dies immediately and quickly return them to service, thus minimising down-time.
- Able to control the quality of the entire manufacturing process starting from the crucial mould and die fabrication through to injection moulding and final product assembly.
- Able to be cost competitive as there is no third party involvement from mould and die fabrication. This aspect is important especially for short run products and end-products comprising many different parts and components. This is because each separate part or component of the complete product would require its own mould and die. This can be very expensive, especially if the cost of the mould and die is spread over a small output quantity.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

Where the moulds and dies required are highly complex and precise, which is rare, the Luster Group would outsource these moulds and dies mainly to its strategic partners. One other situation where the Luster Group would require to outsource its mould and die fabrication is during the periods of high demand where its in-house resources are unable to cope. However, the need to outsource mould and die fabrication by the Luster Group is not common as its in-house mould and die team is relatively optimised to meet most of its own requirements.

### 3. SMT

Luster Group also uses SMT for its PCBA, which is a more advanced technology compared to PTH. SMT utilises automated placement system, which increases the accuracy of component placement on the board and hence reduces the need for component replacement and rework due to incorrect assembly. More significantly, SMT enables much more components to be packed within a given area of a printed circuit board, thus playing a key role in the miniaturisation process.

Miniaturisation is significantly important in today's electrical and electronic products as more power, function and features are packed into ever-shrinking consumer and industrial products. The highly automated and efficient nature of SMT also reduces labour very significantly. In addition to SMT, Luster also uses other technologies and processes which may be required to support the entire PCBA process such as the following:-

- Sequencing: This is the process where most of the electronic components, for example diodes, resistors and transistors, are sequenced in predetermined order and formed into a continuous roll cache of small electronic parts and components;
- Auto-insertion: This is an auxiliary process comprising a machine whose main objective is to insert parts and components onto the printed circuit board; and
- Wave soldering: This is the process where the leads of parts and components are soldered.

### iii) *Principal Products and Services*

The Group's end products are used in a wide array of industries including among many others:-

- consumer electronics
- office equipment
- telecommunications
- medical equipment
- test/measurement instruments
- automotive parts
- personal computer and peripherals
- optoelectronics
- thermoplastic and elastomer castor wheels
- power tools

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**4. INFORMATION ON THE LUSTER GROUP (Cont'd)**

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The range of products manufactured by Luster Group include:-

Plastic Parts and Components

- speaker components for home electronics;
- casing for mini compo;
- cover for discman;
- mechanisms for disk drives;
- tape deck mechanisms for audio products;
- keyboard components for personal computers;
- casings for CD changer or CD-ROM;
- mechanisms for fax machines and printers;
- parts for keyphones and other telecommunications products;
- precision gear component;
- components for medical instruments;
- castor wheels;
- test instruments;
- automotive parts; and
- optoelectronics.

Mould and Die

- mould for electronic parts;
- mould for automotive parts;
- mould for audio parts; and
- mould for medical instruments.

PCBA

- audio products; and
- non-audio products.

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#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

The diverse range of precision plastic parts and components manufactured by Luster Group segmented by type of end-products include the following:-

Industry	Product	Parts/Components Manufactured by Luster Group	Customers
Audio	Mini Components System High Fidelity Sets High Fidelity Speakers Portable Compact Disc Players Mini Compo Mini Disc/CD players Portable Mini Disc Players Transistor Radios Cassette Radios Walkman Loading Chassis	Front panels, top covers chassis, discman cover, tape deck mechanism, mini-compo-casing, disk-drive mechanism, speaker frame	Sony Electronics (M) Sdn Bhd, Sharp-Roxy Corporation (M) Sdn Bhd, Yakushin (M) Sdn Bhd, Robert Bosch (M) Sdn Bhd, AV Industries Sdn Bhd, Philips Hong Kong Ltd, and Ya Hong Electronics (M) Berhad
Acoustic	Speakers	Speaker frame, speaker front and back panel	Formosa Prosonic Industries Sdn Bhd; Advanced Sound Products Sdn Bhd; Dai-ichi Electronics Sdn Bhd; Foremost Audio Sdn Bhd; and Sony Electronics (M) Sdn Bhd.
Personal Computers and Peripherals	Peripherals and Parts, CD-ROM	Keyboard, casing, cover	Tim Electronics Sdn Bhd; Sanshin (M) Sdn Bhd; Acer Technologies Sdn Bhd; and Solectron Technology Sdn Bhd.
Office Automation	Fax Machines Printers	Panels, side frames, front bases, fax mechanism	Sharp-Roxy Corporation (M) Sdn Bhd.
Telecommunications Products	Phone Sets	Top and back casing, button	Sharp-Roxy Corporation (M) Sdn; and NEC Business Coordination Centre, Singapore.
Medical Equipment and Test Instruments	Medical Equipment and Test Instruments	Urine bags, ISO connector, tube stylete, neck strap	Maersk Medical Sdn Bhd; and Euromedical Industries Sdn Bhd.
Automotive Parts	Display Equipment	Logo, speedometer indicators	Inokom; and Siemen VDO Instruments MY Sdn Bhd.
Others	Precision Gear Components Instruments	Drive gear, idle gear, bin gear, gear pulley, door gear, gear box cover, relay gear	TIM Electronics Sdn Bhd; Sony Electronics (M) Sdn Bhd; and, Sharp Roxy Corporation (M) Sdn Bhd.
	Instruments	Testing equipment	Agilent Technologies (Malaysia) Sdn Bhd.
	Optoelectronics	Housing, reflector, light pipe, sensor housing	Osram Opto Semiconductors (Malaysia) Sdn Bhd
	Castor Wheels	Castor wheels	Rhombus Castors (Malaysia) Sdn Bhd

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

The following table indicates Luster Group's revenue contribution segmented by parts and components for the various end-products:-

Products	Revenue Contribution for the Financial Year Ended 31 December 2002	Revenue Contribution for the Three(3) Months Period Ended 31 March 2003
	%	%
Audio products (1)	71.18	68.16
Mould and Die	2.70	2.29
Acoustic Products	7.63	7.08
PCBA	9.15	7.54
Personal Computers and Peripherals	1.62	2.69
Medical Instruments and Equipments	1.15	1.77
Test Instruments and Equipments	3.64	6.02
Automotive Parts	0.33	0.03
Castor Wheels	0.14	1.05
Others(2)	2.46	3.37
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

Notes:-

- Estimated breakdown of Audio Products are as follows:

Audio Products	Percentage Breakdown	
	For The Financial Year Ended 31 December 2002	For the Three(3) Months Period Ended 31 March 2003
High Fidelity Sets	51.7%	51.6%
Mini Components System	19.8%	18.6%
High Fidelity Speakers	6.9%	17.6%
Portable Compact Disc Players	5.6%	7.1%
Mini Compo Mini Disc/CD Players	5.6%	2.1%
Portable Mini Disc Player	5.3%	1.0%
Transistor Radios	0.9%	0.6%
Cassette Radios	0.8%	0.7%
Walkman	0.4%	0.2%
Loading Chassis	0.1%	0.1%
Others	2.9%	0.4%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>

- Others including optoelectronics, trading income and castor wheels.

For the financial year ended 31 December 2002 and the three(3) months period ended 31 March 2003, audio products contributed approximately 71.18% and 68.16% of Luster Group's total revenue. However under audio products category, Luster Group manufactures different parts and components for a range of audio products.

For the three(3) months period ended 31 March 2003, of the total audio products category, approximately 51.6% of precision plastic parts and components manufactured are mainly used in high fidelity sets followed by approximately 18.6% in mini components system and approximately 17.6% in high fidelity speakers.

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**4. INFORMATION ON THE LUSTER GROUP (Cont'd)**

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*iv) Diversity in End-user Industry Sectors*

Luster Group's end-user industry sectors provide the Group with some form of diversity. Although most of the end-user sectors fall within the electronics industry, each of these sectors represents significant a market on its own, locally and globally.

Some of the end-user industries serviced by Luster Group include:-

- personal computer industry;
- office automation industry;
- consumer electronics industry;
- medical equipment industry;
- telecommunications industry;
- automotive industry; and
- optoelectronics industry.

Unlike other industry sectors for example household furniture that mainly services one industry sector, Luster Group services a wider group of end-user industries.

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#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

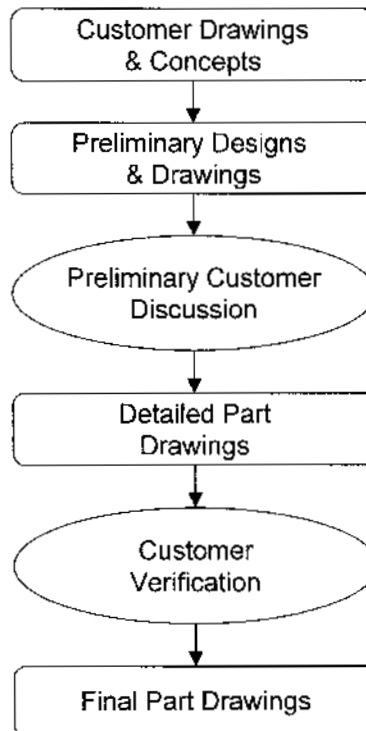
##### v) *Production process*

The process flow of Luster Group is depicted for the following business activities:

- i) Mould design and fabrication;
- ii) Manufacturing of high precision and precision plastic parts and components; and
- iii) PCBA.

##### Mould Design and Fabrication

- There are two stages involved in mould design and fabrication. The first stage is in the design of the required part followed by the design of the mould.



##### Parts Design

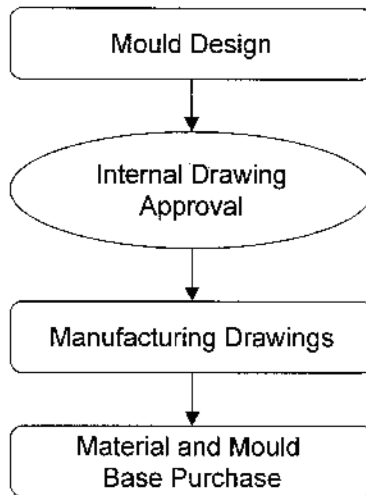
- The initial parts design stage begins with either drawings of the parts that have already been prepared by the customer or as a concept of a design for the required part.
- The conceptual part design requires the in-house designer to put the idea of a part on drawing. This involves the preparation of the preliminary part design and drawings, which are put forward to the customer for a preliminary discussion session.
- A detailed part drawing, once completed, is submitted to the customer for final verification and approval.

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**4. INFORMATION ON THE LUSTER GROUP (Cont'd)**

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- The part design then goes through the final stages of part drawings before it proceeds to the next stage, which is in the design of the mould.



**Mould Design**

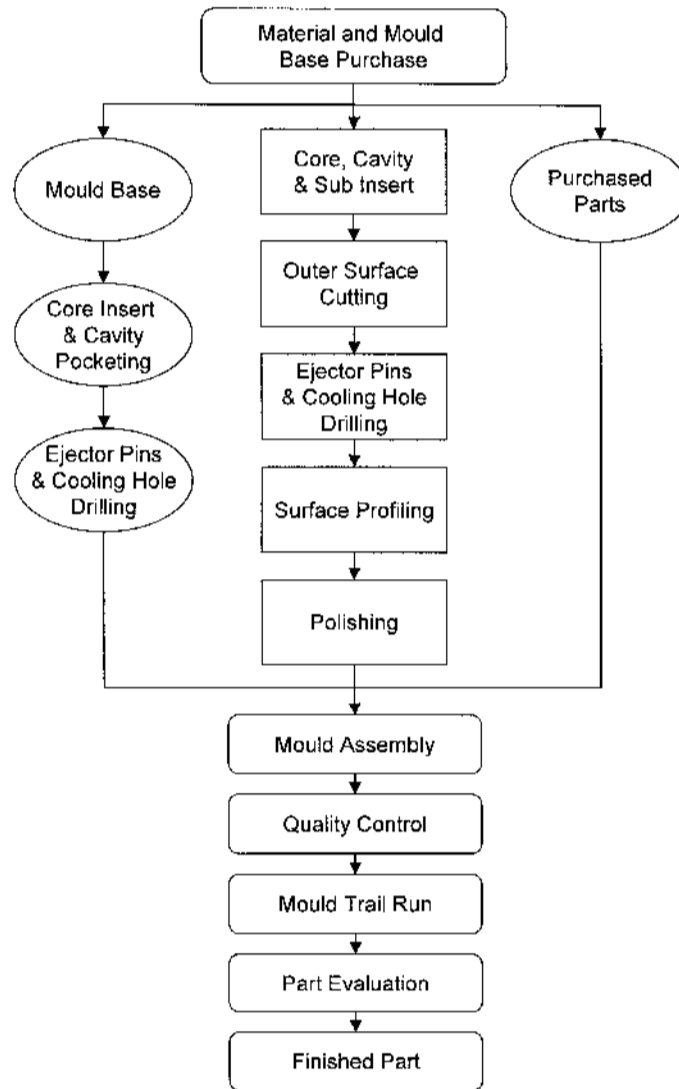
- The design of the injection mould involves several design conditions that must be inputted into the mould to ensure that the moulds are able to function properly.
- The designer uses the help of computer aided software programs for the design of the mould. The software is used to produce the drawings of the part as well as the mould.

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#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

- The completed mould designs are put through a phase of internal scrutiny, ensuring that all the parameters of the part and mould design are satisfactory before it is being approved as a manufacturing drawing of the part and mould.



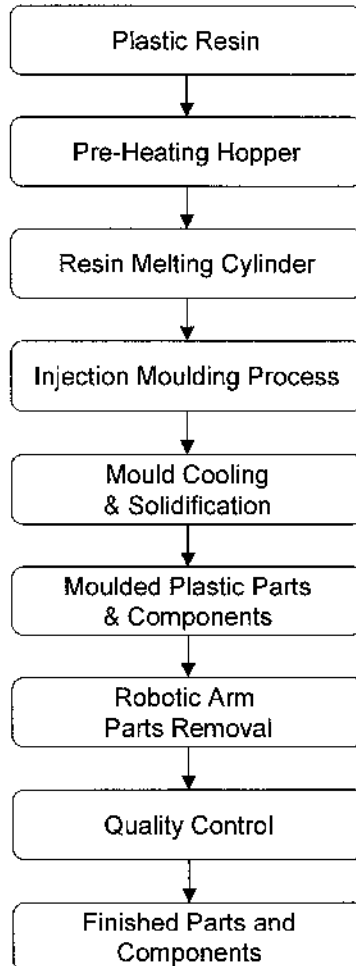
#### Mould Fabrication

- The next stage of the process is in the selection and purchase of the type of material or mould base for the fabrication of the mould. These are the two basic forms in which moulds are initially fabricated.
- One of the processes involves a rigorous process of the fabrication of the mould from the approved drawings that combines several other detailed processes such as the insertion of core and cavities, cutting and shaping, drilling and profiling, and the final polishing of the mould.
- Another process involves the purchase of a mould base of which other secondary processes such as the insertion of core and cavities, cutting and shaping, drilling and profiling are performed.
- The separate parts of the mould are then assembled together and a quality control check is undertaken before the mould is ready for its first trail run.

#### 4. INFORMATION ON THE LUSTER GROUP (Cont'd)

- Several moulded parts are sampled from the trail run and evaluated before the mould is approved for the first production run of the moulded parts.

##### Manufacture of High Precision and Precision Plastic Parts and Components



- The initial stage of the manufacturing process involves the input of data and parameters of the production process into the injection moulding machine.
- Plastic resin is then fed and pre-heated under a controlled temperature environment into a pre-heating hopper.
- The following stage of the process involves further melting of the resin at a higher temperature in the heated cylinder such that the resin transforms to a molten state.
- The molten resin is then injected under precise controlled pressure into the mould.
- The injected mould is then cooled using water that is circulated in the vents and holes inside the mould. This process is required to maintain a constant cooling temperature within the mould and to ensure consistent quality of the injected parts or components on solidification.