

This Prospectus has been seen and approved by the Directors and Promoters of Naim Cendera Holdings Berhad (“Naim”) and the Offerors and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm, having made all reasonable enquiries, and to the best of their knowledge and belief there are no false or misleading statement or other facts the omission of which would make any statements herein false or misleading. The Directors hereby accept full responsibility for the profit forecast included in this Prospectus and confirm that the profit forecast has been prepared based on assumptions made.

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 Initial Public Offering and is satisfied that the profit forecast (for which the Directors of Naim are fully responsible), prepared for inclusion in the Prospectus has been stated by the Directors after due and careful enquiry and has been duly reviewed by the Reporting Accountants.

The Securities Commission (“SC”) has approved the Public Issue and the Offer For Sale and that the approval shall not be taken to indicate that the SC recommends the Public Issue and the Offer For Sale.

The SC shall not be liable for any material non-disclosure on the part of Naim and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Prospectus. INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THIS INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

The valuation approved or accepted by the SC shall only be utilised for the purpose of the corporate proposals submitted to and approved by the SC, and shall not be construed as an endorsement by the SC on the value of the subject assets for any other purposes.

The Kuala Lumpur Stock Exchange assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Prospectus. Admission to the Official List is not to be taken as an indication of the merits of Naim or of its securities.

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

[This rest of this page is intentionally left blank]

TENTATIVE TIMETABLE

The indicative timing of events leading to the listing of and quotation for Naim's entire issued and paid-up share capital of RM250,000,000 comprising 250,000,000 ordinary shares of RM1.00 each on the Main Board of the Kuala Lumpur Stock Exchange is set out below :-

Date	Event
8 August 2003	→ Date of Prospectus/ Opening of application for the IPO Shares
22 August 2003	→ Closing of application for the IPO Shares
27 August 2003	→ Tentative date for Balloting of Applications
16 September 2003	→ Tentative Listing date

This timetable is tentative and is subject to changes which may be necessary to facilitate implementation procedures. The application period will remain open until 8.00 p.m. on 22 August 2003 or such further period or periods as the Directors and Promoters of Naim together with the Managing Underwriter in their absolute discretion may decide and the investors will be notified of any changes in a national newspaper.

[This rest of this page is intentionally left blank]

TABLE OF CONTENTS

	<i>Page</i>
DEFINITIONS.....	VII
CORPORATE INFORMATION.....	1
1. INFORMATION SUMMARY.....	4
1.1 <i>History and Business.....</i>	<i>4</i>
1.2 <i>Promoters, Substantial Shareholders, Directors and Key Management of Naim.....</i>	<i>6</i>
1.3 <i>Financial Statistics for the Past Five (5) Financial Years.....</i>	<i>8</i>
1.4 <i>Proforma Consolidated Balance Sheets of Naim as at 31 March 2003.....</i>	<i>9</i>
1.5 <i>Auditors Qualification.....</i>	<i>10</i>
1.6 <i>Summary of Material Risk Factors.....</i>	<i>10</i>
1.7 <i>Principal Statistics Relating to the IPO.....</i>	<i>12</i>
1.8 <i>Highlights of the Proforma Consolidated Profit Forecast.....</i>	<i>13</i>
1.9 <i>Basis of Arriving at the IPO Price.....</i>	<i>14</i>
1.10 <i>Proceeds of the IPO and their Utilisation.....</i>	<i>15</i>
1.11 <i>Material Litigation, Commitments and Contingent Liabilities.....</i>	<i>15</i>
2. DETAILS OF THE IPO.....	16
2.1 <i>Opening and closing of Application.....</i>	<i>17</i>
2.2 <i>Critical Dates of the IPO.....</i>	<i>17</i>
2.3 <i>Purposes of the IPO.....</i>	<i>17</i>
2.4 <i>Share Capital.....</i>	<i>17</i>
2.5 <i>Details of the IPO.....</i>	<i>18</i>
2.6 <i>Proceeds of the IPO and their Utilisation.....</i>	<i>19</i>
2.7 <i>Underwriting Commission and Brokerage Fees.....</i>	<i>22</i>
2.8 <i>Salient Terms of the Underwriting Agreement.....</i>	<i>23</i>
2.9 <i>Moratorium on Shares.....</i>	<i>31</i>
2.10 <i>Approvals and Conditions from Authorities.....</i>	<i>32</i>
3. THE RISK FACTORS.....	36
3.1 <i>Sensitivity to Business and Economic Risks.....</i>	<i>36</i>
3.2 <i>No Prior Market for Naim Shares.....</i>	<i>36</i>
3.3 <i>Capital Market Risks.....</i>	<i>36</i>
3.4 <i>Quantity and Quality of Land Bank.....</i>	<i>36</i>
3.5 <i>Risks associated with dependency on single supplier in relation to supply of construction materials.....</i>	<i>37</i>
3.6 <i>Competition from Other Property Developers and Contractors.....</i>	<i>37</i>
3.7 <i>Delay in Completion of Projects.....</i>	<i>38</i>
3.8 <i>Cost of Development for Property and Construction Projects and Demand Risks.....</i>	<i>38</i>
3.9 <i>Fluctuations in Interest Rates.....</i>	<i>38</i>
3.10 <i>Political and Government Regulations and Controls.....</i>	<i>38</i>
3.11 <i>Risks associated with Environment.....</i>	<i>39</i>
3.12 <i>Ownership and Control of the Group.....</i>	<i>39</i>

TABLE OF CONTENTS (cont'd)

	<i>Page</i>	
3.13	<i>Dependence on Key Personnel</i>	39
3.14	<i>Achievability of Forecast</i>	39
3.15	<i>Potential Conflict of Interest</i>	40
3.16	<i>Forward looking statements</i>	40
4.	INDUSTRY OVERVIEW	41
4.1	<i>The Global Economy</i>	41
4.2	<i>The Malaysian Economy</i>	41
4.3	<i>The Sarawak Economy</i>	42
4.4	<i>The Property Market in Malaysia</i>	43
4.5	<i>Overview of the Property Market in Sarawak</i>	43
4.6	<i>Outlook of the Property Market in Sarawak</i>	44
4.7	<i>The Construction Sector in Malaysia</i>	47
4.8	<i>The Construction Sector in Sarawak</i>	47
4.9	<i>Industry players</i>	48
4.10	<i>Government Legislation, Policies and Incentives for Property Development and Construction Industries</i>	48
5.	INFORMATION ON NAIM GROUP	50
5.1	<i>Incorporation</i>	50
5.2	<i>Share Capital and Changes in Share Capital</i>	51
5.3	<i>Restructuring and Listing Exercise</i>	51
5.4	<i>Business Overview</i>	53
5.5	<i>Subsidiaries and Associated Companies</i>	60
5.6	<i>Modes of Marketing</i>	77
5.7	<i>Quality Control Procedures or Quality Management Programmes</i>	78
5.8	<i>Occupational Health and Safety</i>	79
5.9	<i>Interruption and Disruption in Business</i>	79
5.10	<i>Employees</i>	79
5.11	<i>Management Succession Plan</i>	80
5.12	<i>Risk Management Plan</i>	81
5.13	<i>Customers/ Clients</i>	82
5.14	<i>Contractors, Consultants and Suppliers</i>	82
5.15	<i>Major Approvals, Licences and Permits</i>	84
5.16	<i>Awards</i>	86
5.17	<i>Locations of Operation</i>	87
5.18	<i>Strength and Competitive Advantages of the Group</i>	87
6.	INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND MANAGEMENT TEAM	88
6.1	<i>Promoters and Substantial Shareholders</i>	88
6.2	<i>Board of Directors</i>	93
6.3	<i>Management Team</i>	96
6.4	<i>Audit Committee</i>	100
6.5	<i>Declarations from the Directors and Key Management Team</i>	101
6.6	<i>Family Relationships</i>	101

TABLE OF CONTENTS (cont'd)

	<i>Page</i>
6.7 Existing or Proposed Service Contracts	101
7. PROSPECT AND FUTURE PLANS.....	102
7.1 Prospects of Naim Group.....	102
7.2 Future plans of the Group.....	103
8. LANDED PROPERTIES OF NAIM GROUP.....	105
8.1 Development Properties.....	105
8.2 Investment Properties.....	111
9. PROJECTS OF NAIM GROUP.....	112
9.1 Completed Property Development Projects	112
9.2 On-going Property Development Projects	119
9.3 Future Property Development Projects	124
9.4 Completed Construction projects.....	130
9.5 On-going Construction projects.....	131
10. RELATED PARTY TRANSACTIONS	132
10.1 Contracts, arrangements and transactions between Naim Group and the Directors, Substantial Shareholders, Key Management and persons connected to them	132
10.2 Interest in similar business.....	133
10.3 Declarations by the Advisers.....	135
11. FINANCIAL INFORMATION.....	136
11.1 Proforma Consolidated Profit and Dividend Record.....	136
11.2 Segmental Analysis of Revenue and Profits	137
11.3 Directors' Declaration on Financial Performance, Position and Operations.....	138
11.4 Working Capital, Borrowings and Material Contingent Liabilities.....	139
11.5 Consolidated Profit Forecast For The Year Ending 31 December 2003 together with the underlying Bases And Assumptions and the Reporting Accountants' Letter thereon	141
11.6 Directors' Commentary on Achievability of Profit Forecast	147
11.7 Sensitivity Analysis.....	147
11.8 Dividend Forecast and Policy.....	148
11.9 Proforma Consolidated Balance Sheets of Naim Group as at 31 March 2003 and the Reporting Accountants' Letter thereon.....	149
12. DIRECTORS' REPORT	154
13. VALUATION CERTIFICATE.....	155
14. ACCOUNTANTS' REPORT.....	162
15. STATUTORY AND OTHER GENERAL INFORMATION.....	229
15.1 Share Capital	229
15.2 Articles of Association.....	229

TABLE OF CONTENTS (cont'd)

	<i>Page</i>
15.3 <i>Directors and Substantial Shareholders</i>	235
15.4 <i>General</i>	237
15.5 <i>Material Contracts</i>	238
15.6 <i>Material Agreements</i>	240
15.7 <i>Public Take-Overs</i>	241
15.8 <i>Material Litigation</i>	242
15.9 <i>Consents</i>	242
15.10 <i>Documents for Inspection</i>	242
15.11 <i>Responsibility</i>	243
16. PROCEDURES FOR APPLICATION AND ACCEPTANCE	244
16.1 <i>Opening and Closing of Application Lists</i>	244
16.2 <i>Procedure for Application</i>	244
16.3 <i>Applications and Acceptances</i>	245
16.4 <i>CDS Accounts</i>	246
16.5 <i>Notice of Allotment</i>	247
16.6 <i>Formalising of CDS Accounts</i>	247
16.7 <i>List of ADA</i>	247
16.8 <i>Terms and Conditions for Applications Using Application Forms</i>	262
16.9 <i>Terms and Conditions for Electronic Share Applications</i>	264
16.10 <i>Steps for Electronic Share Application through a Participating Financial Institution's ATM</i>	268

[This rest of this page is intentionally left blank]

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Prospectus: -

Act	-	Companies Act, 1965
Acquisition of NCSB	-	Acquisition by Naim of the entire issued and paid-up share capital of NCSB comprising 1,000,000 Shares for a purchase consideration of RM279,961,920 satisfied by the issuance of 203,319,000 Naim Shares at an issue price of approximately RM1.38 per Share
ADA	-	Authorised Depository Agent
ADA Code	-	ADA (Broker) Code
Application	-	Refers to application for the IPO Shares by way of Application Forms or by way of Electronic Share Application
Application Form	-	A printed form for the purpose of applying for the IPO Shares
AmMerchant or Adviser	-	AmMerchant Bank Berhad (23742-V)
ATM	-	Automated Teller Machine
BLR	-	Base Lending Rate
Board	-	The Board of Directors of Naim
CDS	-	Central Depository System
CIDB	-	Construction Industry Development Board
Custodev	-	Custodev Sdn Bhd (104266-W)
Custodev Dua	-	Custodev Dua Sdn Bhd (310183-T)
CV	-	Contract Value
DISB	-	Desa Ilmu Sdn Bhd (413853-U) (<i>formerly known as Custodev Tiga Sdn Bhd</i>), 60% owned subsidiary of NCSB
DWSB	-	Dataran Wangsa Sdn Bhd (519560-U), wholly owned subsidiary of NCSB
Electronic Share Application	-	Application for IPO Shares through a Participating Financial Institution's ATM
EPS	-	Earnings Per Share
FIC	-	Foreign Investment Committee
GDP	-	Gross Domestic Product
GDV	-	Gross Development Value
HAM	-	Hasmi & Associates Management Sdn Bhd (241811-U), Promoter and Substantial Shareholder of Naim
HWS	-	HWS Properties Sdn Bhd (239527-D), Promoter and Substantial Shareholder of Naim

DEFINITIONS (cont'd)

Initial Public Offering or IPO	-	The Public Issue and Offer for Sale collectively
IPO Price	-	RM1.30 per IPO Share
IPO Share(s)	-	The Public Issue Shares and Offer Shares collectively
Island Harvests	-	Island Harvests Sdn Bhd (160788-K), Substantial Shareholder of Naim
JV	-	Joint venture
KMSB	-	Khidmat Mantap Sdn Bhd (507452-T), wholly owned subsidiary of NCSB
KLSE	-	Kuala Lumpur Stock Exchange (30632-P)
Lambaian	-	Lambaian Kukuh Sdn Bhd (235328-U), Substantial Shareholder of Naim
Lembah	-	Lembah Rakyat Sdn Bhd (320520-H), Promoter and Substantial Shareholder of Naim
Market Day	-	A day on which the KLSE is open for the trading of securities
MCD or Central Depository	-	Malaysian Central Depository Sdn Bhd (165570-W), a subsidiary company of KLSE
MI	-	Minority Interests
MIH or Issuing House	-	Malaysian Issuing House Sdn Bhd (258345-X)
MITI	-	Ministry of International Trade and Industry
Naim or the Company	-	Naim Cendera Holdings Berhad (585467-M)
Naim or the Group	-	Naim and its subsidiaries and associated companies
NCOMSB	-	Naim Commercial Sdn Bhd (359709-W), wholly owned subsidiary of NCSB
NCSB	-	Naim Cendera Sdn Bhd (261213-T), wholly owned subsidiary of Naim
NCSB Group	-	NCSB and its subsidiaries and associated companies
NC2SB	-	Naim Cendera Dua Sdn Bhd (361428-K), wholly owned subsidiary of NCSB
NCITRA	-	Naim Citra Sdn Bhd (560640-X), 60% owned subsidiary of NCSB
NC7SB	-	Naim Cendera Tujuh Sdn Bhd (516706-K), wholly owned subsidiary of NCSB
NC8SB	-	Naim Cendera Lapan Sdn Bhd (516711-V), wholly owned subsidiary of NCSB
NHSB	-	Naim Housing Sdn Bhd (359572-A), 70.6% owned subsidiary of NCSB

DEFINITIONS (cont'd)

- NMSB** - Naim Management Sdn Bhd (359566-U), wholly owned subsidiary of NCSB
- NRSB** - Naim Realty Sdn Bhd (359962-P), wholly owned subsidiary of NCSB
- NTA** - Net Tangible Assets
- Offerors** - The shareholders of Naim who are offering the Offer Shares pursuant to the Offer for Sale, as follows :-

	Number of Shares
Datuk Hasmi Bin Hasnan	2,700,000
Datuk Abdul Hamed Sepawi	1,800,000
Lembah	3,600,000
Island Harvests	3,600,000
Lambaian	2,700,000
Tapak	1,800,000
HWS	900,000
HAM	900,000
Total	18,000,000

- Offer for Sale** - The offer for sale of 18,000,000 Naim Shares at an offer price of RM1.30 per Share
- Offer Shares** - The 18,000,000 Naim Shares to be offered pursuant to the Offer for Sale
- Participating Financial Institution(s)** - Refers to the Participating Financial Institutions for Electronic Share Application as listed in Section 16.9 (n) of this Prospectus
- PAT** - Profit After Tax
- PBT** - Profit Before Tax
- PE Multiple** - Price Earnings Multiple
- Placement** - The placement of Placement Shares at an issue price of RM1.30 per Share to potential investors by the Placement Agent which forms part of the Public Issue
- Placement Agent** - AmMerchant Bank
- Placement Shares** - The 48,275,000 Shares out of the IPO Shares to be issued/ offered to potential investors pursuant to the Placement
- Promoters** - Datuk Hasmi Bin Hasnan, Datuk Abdul Hamed Sepawi, William Wei How Sieng, Lembah, Island Harvests, Lambaian, Tapak, HWS and HAM
- Proposed Listing** - Admission to the Official List of the KLSE and the listing of and quotation for the entire issued and paid-up share capital of Naim comprising 250,000,000 Shares on the Main Board of the KLSE

DEFINITIONS (cont'd)

Public Issue	-	Public Issue of 46,575,000 new Naim Shares representing approximately 18.63% of the enlarged issued and paid-up share capital of Naim at an issue price of RM1.30 per Share to eligible employees, Directors and business associates of Naim Group and Malaysian investing public and/or private investor(s) under the Placement
Public Issue Shares	-	The 46,575,000 new Naim Shares to be issued pursuant to the Public Issue
Restructuring and Listing Exercise	-	The Acquisition of NCSB, Public Issue, Offer for Sale and Proposed Listing collectively
RM and sen	-	Ringgit Malaysia and sen respectively
SC	-	Securities Commission
Share(s)	-	Ordinary share(s) of RM1.00 each
Substantial Shareholder(s)/ Substantial Shareholding	-	A person who has an interest or interests in one or more voting shares in the company (or any other company which is its subsidiary or holding company or a subsidiary of its holding 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 the company. For the purpose of this definition, "interest in shares" shall have the meaning given in section 6A of the Act.
Tapak	-	Tapak Beringin Sdn Bhd (320889-X), Promoter and Substantial Shareholder of Naim
TRB	-	TR Bricks Sdn Bhd (385972-K), 45% owned indirect subsidiary of NCSB
TRC	-	TR Concrete Sdn Bhd (420200-H), 35% owned associate of TRSB
TRE	-	TR Earthwork Sdn Bhd (420203-W), wholly owned subsidiary of NCSB
TRG	-	TR Green Sdn Bhd (422749-A), wholly owned subsidiary of NCSB
TRSB	-	Total Reliability Sdn Bhd (326585-D), 51% owned subsidiary of NCSB
TRSP	-	TR Smart Piles Sdn Bhd (484406-U), 51% owned subsidiary of NCSB
Unique Harvests	-	Unique Harvests Sdn Bhd (172783-D)
Usaha Cendera CeraH	-	Usaha Cendera CeraH Sdn Bhd (119902-W)
YJSB	-	Yakin Jelas Sdn Bhd (588143-M), a wholly owned subsidiary of NCSB

DEFINITIONS (cont'd)**ABBREVIATIONS FOR PROPERTIES AND LAND**

1S-D	-	Single Storey Detached
1S-SH	-	Single Storey Shophouse
1S-T or 1S-ST	-	Single Storey Terraced
1.5S-T	-	One and a half Storey Terraced
1S-SD	-	Single-Storey Semi Detached
1.5S-SD	-	One and a half Storey Semi Detached
2S-D	-	Double Storey Detached
2S-SD	-	Double Storey Semi Detached
2S-SH	-	Double Storey Shophouse
2S-T or 2S-ST	-	Double Storey Terraced
3S-SH	-	Three Storey Shophouse
4S-SH	-	Four Storey Shophouse
DH	-	Detached House
DH-VL	-	Detached House Vacant Lot
DL	-	Detached Lot
KBLD	-	Kuala Baram Land District
KCLD	-	Kuching Central Land District
KTLD	-	Kuching Town Land District
MC1S-T	-	Medium-Cost One Storey Terraced House
MC1.5S-T	-	Medium-Cost One and a Half Storey Terraced House
MCLD	-	Miri Concession Land District
psm	-	Per Square Metre
SD	-	Semi Detached
SDL	-	Semi Detached Lot
SLD	-	Samarahan Land District
sq. ft.	-	Square feet
VL	-	Vacant Lot

[This rest of this page is intentionally left blank]

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Name	Address	Occupation	Nationality
Datuk Abdul Hamed Sepawi (Chairman)	9 Luak Bay 98000 Miri, Sarawak	Director	Malaysian
Datuk Hasmi Bin Hasnan (Managing Director)	Lot 5747, Block 10, Desa Pujut Bandar Baru Permyjaya 98000 Miri, Sarawak	Director	Malaysian
Ir. Suyanto Bin Osman (Executive Director)	No. 63, Lot 3163, Taman Pelita Lorong Pelita 3A, Petra Jaya 93050 Kuching, Sarawak	Director	Malaysian
William Wei How Sieng (Executive Director)	139, Jalan Ban Hock 93300 Kuching, Sarawak	Director	Malaysian
Kueh Hoi Chuang (Executive Director)	Lot 5637, Desa Pujut Bandar Baru Permyjaya 98000 Miri, Sarawak	Director	Malaysian
Abang Hasni Bin Abang Hasnan (Executive Director)	115, Kampung Sourabaya Hilir, 93050 Kuching, Sarawak	Director	Malaysian
YB Tuan Haji Hamden Bin Haji Ahmad (Independent Non-Executive Director)	269, Jalan Stampin Kuching By-Pass 93350 Kuching, Sarawak	Director	Malaysian
Ir. Abang Jemat Bin Abang Bujang (Independent Non-Executive Director)	No. 357, Taman Wunmas Lorong Merak 4 KM Jalan Matang 93050 Kuching, Sarawak	Director	Malaysian
Dr. Sharifuddin Bin Abdul Wahab (Independent Non-Executive Director)	2008, Block B, Cameron Towers Jalan 5/58B, 46000 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian

AUDIT COMMITTEE

Name	Responsibility	Directorship
YB Tuan Haji Hamden Bin Haji Ahmad	Chairman	Independent Non-Executive Director
Datuk Hasmi Bin Hasnan	Member	Managing Director
Ir. Abang Jemat Bin Abang Bujang	Member	Independent Non-Executive Director

COMPANY SECRETARIES

: Kho Teck Hock (MIA 5836)
No. 7, Lorong 1B, Jalan Stampin, 93350 Kuching
Sarawak

Yee Siew Peng (LS0001126)
No. 52, Taman Wee & Wee, Lorong Kapor 10
93150 Kuching, Sarawak

CORPORATE INFORMATION (cont'd)

- REGISTERED AND HEAD OFFICE** : 9th Floor, Wisma Naim
2½ Mile, Rock Road, 93200 Kuching, Sarawak
Tel : 082-411667
Fax : 082-429869
E-Mail : cendera@po.jaring.my
Website : www.naimcendera.com
- REGISTRARS** : Tenaga Koperat Sdn Bhd
20th Floor, Plaza Permata
Jalan Kampar, Off Jalan Tun Razak
50400 Kuala Lumpur
- AUDITORS & REPORTING
ACCOUNTANTS** : KPMG
(Firm No. AF0758)
Chartered Accountants
Level 6, Westmoore House
Twin Tower Centre
Rock Road, 93200 Kuching, Sarawak
- SOLICITORS** : Alvin Chong & Partners Advocates
Lots 176-177 (2nd Floor)
Jalan Song Thian Cheok
93100 Kuching, Sarawak
- ISSUING HOUSE** : Malaysian Issuing House Sdn Bhd
27th Floor, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
- PRINCIPAL BANKERS** : Bumiputra-Commerce Bank Berhad
Ground Floor Lot 1.1 Bangunan Satok
Jalan Satok/ Kulas, 93400 Kuching, Sarawak

Malayan Banking Bhd
4th Floor, Crown Towers
88 Jalan Pending
93450 Kuching, Sarawak
- ADVISER, MANAGING UNDERWRITER
AND PLACEMENT AGENT** : AmMerchant Bank Berhad
22nd Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur
- UNDERWRITERS** : AmMerchant Bank Berhad
22nd Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur

CORPORATE INFORMATION (cont'd)

UNDERWRITERS (Cont'd)

AmSecurities Sdn Bhd
15th Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur

OSK Securities Berhad
20th floor, Plaza OSK
Jalan Ampang
50450 Kuala Lumpur

BBMB Securities Sdn Bhd
Levels 2, 3, 4, & 15, Menara Olympia
No.8, Jalan Raja Chulan
50200 Kuala Lumpur

VALUER

: Jordan Lee, Jaafar and Chew Sdn Bhd
Lots 216 & 217 (2nd Floor), Jalan Haji Taha
P.O.Box 3019, 93758 Kuching, Sarawak

MARKET RESEARCHER

: C H Williams Talhar Wong & Yeo Sdn Bhd
No. 9 (1st Floor), Jalan Song Thian Cheok
P.O.Box 2236, 93744, Kuching, Sarawak

LISTING SOUGHT

: Main Board of the KLSE

[This rest of this page is intentionally left blank]

NAIM CENDERA HOLDINGS BERHAD

(Company No. 585467-M)
(Incorporated in Malaysia under the Companies Act, 1965)

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

1. INFORMATION SUMMARY

1.1 History and Business

Naim was incorporated in Malaysia on 5 July 2002 under the Act as a public limited company. The authorised share capital of the Company is RM500,000,000 comprising 500,000,000 Shares whilst its present issued and fully paid-up share capital is RM203,425,000 comprising 203,425,000 Shares. Naim is principally an investment holding company. As an integral part of the Restructuring and Listing Exercise, Naim acquired NCSB on 25 July 2003.

Naim Group is involved in property development and investment, construction, manufacturing, trading of building materials and investment holding. The principal activities of its subsidiaries and associated companies, all of which are incorporated in Malaysia, are as follows:-

Company	Date of incorporation	Issued and paid-up share capital RM	Effective equity interest %	Principal Activities
Direct Subsidiary of Naim				
NCSB	12.04.1993	1,000,000	100.0	Property development, construction and civil engineering works
Subsidiaries of NCSB				
DISB	16.12.1996	10,000,000	60.0	Property development
TRSB	08.12.1994	2,000,000	51.0	Property development, construction and civil engineering works
NCITRA	04.10.2001	500,000	60.0	Civil construction
TRE	20.02.1997	100,000	100.0	Earthwork contractor and rental of machinery
NC2SB	29.09.1995	50,000	100.0	Trading of cement, steel bar, wire mesh and others
TRSP	26.05.1999	500,000	51.0	Manufacturing and sales of reinforced-concrete piles
NC7SB	13.06.2000	2	100.0	Intended for property development
KMSB	08.03.2000	2	100.0	Intended for property development
NCOMSB	15.09.1995	2	100.0	Intended for property development
TRG	12.03.1997	50,000	100.0	Provision of landscaping services
NRSB	16.09.1995	2	100.0	Intended for property investment
NMSB	14.09.1995	2	100.0	Intended for provision of management services
NC8SB	13.06.2000	2	100.0	Intended for property development
DWSB	10.07.2000	2	100.0	Intended for property development
YJSB	31.07.2002	2	100.0	Intended as Investment holding
Subsidiaries and associated company of TRSB				
TRC	20.02.1997	1,000,000	17.9 ^a	Manufacturing and sales of ready-mixed concrete
TRB	04.05.1996	1,000,000	45.0 ^b	Manufacturing and sales of bricks
NHSB	14.09.1995	1,000	70.6 ^c	Intended for investment holding

Notes :-

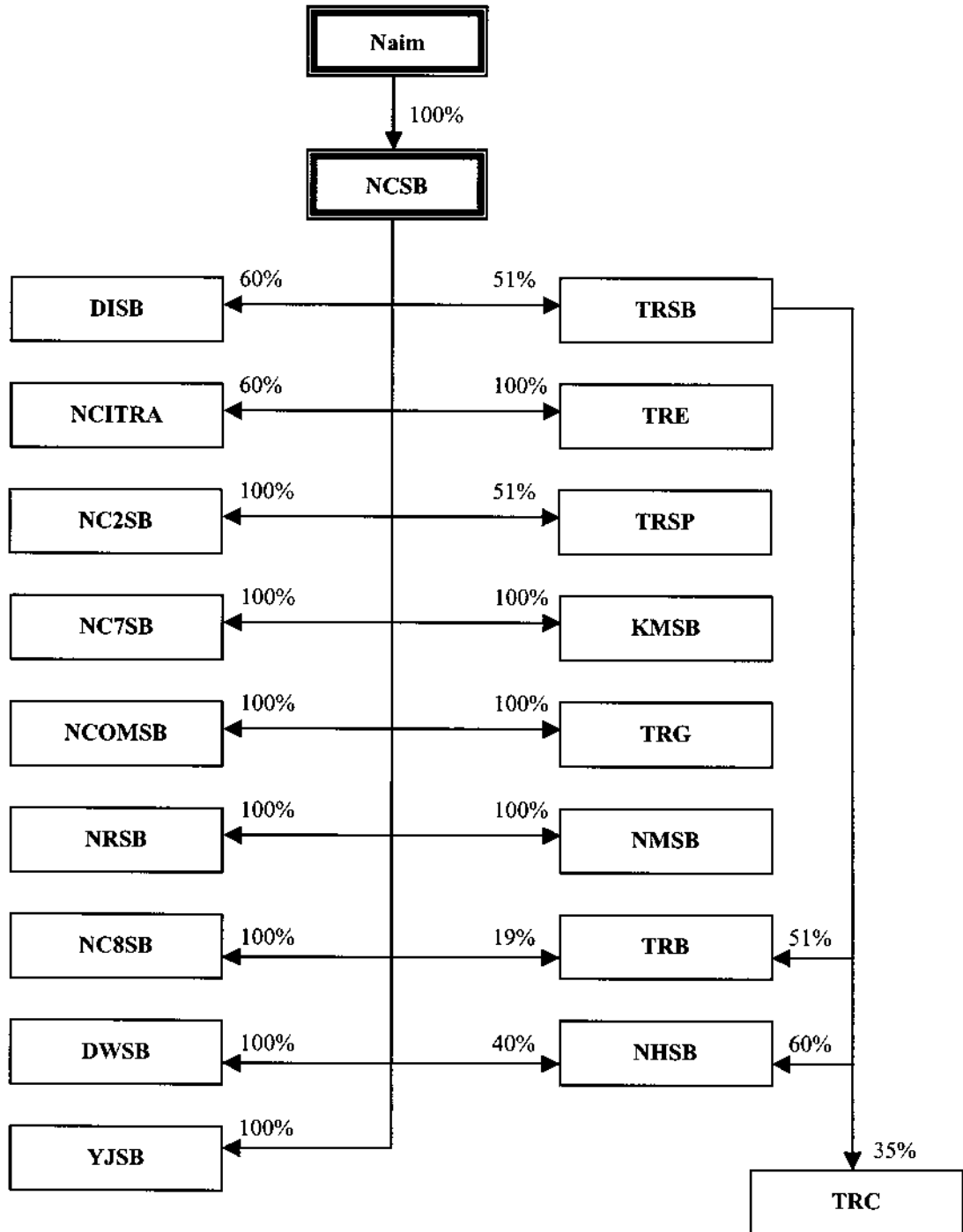
^a TRC is a 35% owned associated company of TRSB

^b TRB is a 51% owned subsidiary of TRSB and 19% directly owned by NCSB

^c NHSB is a 60% owned subsidiary of TRSB and 40% directly owned by NCSB

1. INFORMATION SUMMARY (cont'd)

Naim Group's corporate structure is set out below:-



Since its maiden project in Bandar Baru Permyjaya in Miri which begun in 1995, the Group has completed various property development and construction projects throughout Sarawak worth approximately RM786 million in aggregate.

The Group's present property development activities include the development of two new townships in Sarawak, namely Bandar Baru Permyjaya in Miri and Desa Ilmu in Kota Samarahan with an estimated GDV of approximately RM234 million. As at to-date, the Group has approximately 3,029 acres of land bank at various strategic locations in towns and cities in the State of Sarawak, namely, Kuching, Bintulu, Miri and Kota Samarahan to cater for present and future projects. The Group has planned for future property development projects with an estimated GDV of approximately RM907 million.

1. INFORMATION SUMMARY (cont'd)

The Group is also involved in general construction and civil engineering works and has carried out construction of major civil infrastructure and building projects for the State and Federal Governments. These include schools, colleges, training institutes, low cost housing projects as well as bridges and roads. Since 2001, the Group has also ventured into rural water reticulation projects. The estimated total CV for these on-going construction projects are approximately RM508 million. The Group is also currently bidding for construction projects with an estimated CV of approximately RM2 billion.

Further information on the history and business of Naim Group are set out in Section 5 of this Prospectus. Details of the Group's land bank and properties are set out in Section 8 and 9 of this Prospectus respectively.

1.2 Promoters, Substantial Shareholders, Directors and Key Management of Naim

A summary description of key personnel of Naim Group are as follows :-

Name	Designation/ Relationship with Naim Group	Shareholding before IPO		Shareholding after IPO *	
		Direct (%)	Indirect (%)	Direct (%)	Indirect (%)
Promoters /Substantial Shareholders					
Datuk Abdul Hamed Sepawi	Chairman, Promoter, Substantial Shareholder	9.99	29.98 ^a	7.55	22.24 ^a
Datuk Hasmi Bin Hasnan	Managing Director, Promoter, Substantial Shareholder	14.99	39.98 ^b	11.22	29.65 ^b
William Wei How Sieng	Executive Director, Promoter and Substantial Shareholder	-	5.00 ^c	0.12	3.71 ^c
Lembah	Promoter and Substantial Shareholder	19.99	-	14.83	-
Island Harvests	Promoter and Substantial Shareholder	19.99	-	14.83	-
Lambaian	Promoter and Substantial Shareholder	14.99	-	11.12	-
Tapak	Promoter and Substantial Shareholder	9.99	-	7.42	-
HWS	Promoter and shareholder	5.00	-	3.71	-
HAM	Promoter and shareholder	5.00	-	3.71	-
Directors					
Datuk Abdul Hamed Sepawi	Chairman, Promoter, Substantial Shareholder	9.99	29.98 ^a	7.55	22.24 ^a
Datuk Hasmi Bin Hasnan	Managing Director, Promoter, Substantial Shareholder	14.99	39.98 ^b	11.22	29.65 ^b
Ir. Suyanto Bin Osman	Executive Director	-	-	0.10	-
William Wei How Sieng	Executive Director	-	5.00 ^c	0.12	3.71 ^c
Kueh Hoi Chuang	Executive Director	-	-	0.12	-
Abang Hasni Bin Abang Hasnan	Executive Director	-	-	0.10	-
YB Tuan Haji Hamden Bin Haji Ahmad	Independent Non-Executive Director	-	-	0.04	-
Ir. Abang Jemat Bin Abang Bujang	Independent Non-Executive Director	-	-	0.04	-
Dr. Sharifuddin Bin Abdul Wahab	Independent Non-Executive Director	-	-	0.04	-

[This rest of this page is intentionally left blank]

1. INFORMATION SUMMARY (cont'd)

Name	Designation/ Relationship with Naim Group	Shareholding before IPO		Shareholding after IPO *	
		Direct (%)	Indirect (%)	Direct (%)	Indirect (%)
Key Management Team					
Kho Teck Hock	Financial Controller / Company Secretary	-	-	0.10	-
Leong Chin Chiew	Head of Construction	-	-	0.10	-
Teo Hua Yu	General Manager, Engineering	-	-	0.10	-
Ir. Chong Boon Kuet	Project Manager	-	-	0.10	-
Charles Arthur Bateman	Senior General Manager, Land Administration	-	-	0.03	-
Abdul Rahman Bin Abdul Rahim	Business Development Manager	-	-	0.06	-
Lau Hiang Chu	Senior Sales and Marketing Manager	-	-	0.10	-
Hii Doh Yiew	Corporate Planner	-	-	0.06	-
Wong Ping Eng	Accountant	-	-	0.06	-
Kembi ak Rigong	Accountant	-	-	0.03	-
Faisal Abdullah Bin Ahmadi Julaihi	Quantity Surveyor	-	-	0.03	-
Ajeng Jok	Quantity Surveyor	-	-	0.03	-
Diana Ugun	Site Engineer	-	-	0.01	-
Lee Ay Choo	Administrative and Human Resources Manager	-	-	0.06	-
Yee Siew Peng	Company Secretary	-	-	0.03	-
Hasmiah Anthony Hasbi	Legal Officer	-	-	0.03	-

Notes:-

^a deemed interested by virtue of his Substantial Shareholding in Lembah and Tapak

^b deemed interested by virtue of his Substantial Shareholding in Island Harvests, Lambaian and HAM

^c deemed interested by virtue of his Substantial Shareholding in HWS

^{*} assuming the directors and key management staff fully subscribe for their full allocations under the pink form allocations

Further information on the Promoters, Substantial Shareholders, Directors and key management team of Naim Group are set out in Section 6 of this Prospectus.

[This rest of this page is intentionally left blank]

1. INFORMATION SUMMARY (cont'd)**1.3 Financial Statistics for the Past Five (5) Financial Years**

The following table is extracted from the Accountants' Report in Section 14 of this Prospectus and should be read in conjunction with the notes and assumptions thereto.

The table below sets out a summary of the proforma consolidated audited results of Naim Group for the past five (5) financial years ended 31 December 2002 and the three (3) months ended 31 March 2003 and is prepared for illustrative purposes only based on the audited accounts of proforma Naim Group and the assumption that the current structure of the Group has been in existence throughout the periods under review:-

	← Years ended 31 December →					1.1.2003 -
	1998	1999	2000	2001	2002	31.3.2003
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	82,234	101,009	152,059	183,313	244,098	54,143
Profit before depreciation and interest	20,129	30,528	40,568	41,141	53,868	20,935
Depreciation	(840)	(1,126)	(1,458)	(1,786)	(2,539)	(803)
Interest expense	(102)	(175)	(253)	(451)	(384)	(133)
Interest income	599	299	606	826	609	214
PBT	19,786	29,526	39,463	39,730	51,554	20,213
Taxation	(5,718)	(9)	(12,646)	(11,538)	(15,938)	(6,151)
PAT	14,068	29,517	26,817	28,192	35,616	14,062
MI	(2,510)	(5,650)	(6,620)	(2,295)	(3,843)	(878)
Profit attributable to shareholders	11,558	23,867	20,197	25,897	31,773	13,184
No. of Shares assumed in issue ('000)	203,425	203,425	203,425	203,425	203,425	203,425
Gross EPS (sen)	9.73	14.51	19.40	19.53	25.34	39.75 *
Net EPS (sen)	5.68	11.73	9.93	12.73	15.62	25.92 *
Gross dividend rate (%) ^	-	2.46	2.46	2.95	2.95	-

Notes:-

(i) *In 1999, the revenue increased slightly due to sale of land and higher contribution from construction projects as compared to 1998. Excluding the sale of land, the revenue from property development decreased slightly due to a drop in the contribution from the single-storey semi detached and single storey detached houses which had already been substantially completed in 1998. Furthermore, in 1999 the single-storey terrace houses accounted for a major portion of the properties sold, for which the average selling price was lower than the other types of houses sold in the previous years.*

In 2000, the revenue grew slightly due to the launching of shophouses, double storey semi detached and industrial buildings for which the average selling price per unit was higher than the houses sold in the previous years. The number of units of property sold also increased substantially.

In 2001, the revenue increased substantially due to the increase in the number of units sold and increase in the percentage of completion recognised for all types of properties developed and sold. It was also due to more construction projects being undertaken as compared to the previous years.

In 2002, the revenue increased due to substantial completion of existing construction projects and new construction projects being undertaken during the year.

The proportionately higher profit before and after taxation for the three (3) months period ended 31 March 2003 was due to significant contributions from projects completed during the period.

(ii) *PBT increased in line with the increase in revenue.*

(iii) *The profit in 1999 was exempted from income tax in accordance with the Income Tax (Amendment) Act, 1999 and can be distributed as exempt dividends.*

In 2000, 2001, 2002 and the three months ended 31 March 2003, the effective tax rate was higher than the statutory tax rate due to the disallowance of certain expenses for tax purposes.

(iv) *There were no extraordinary items in the financial years under review.*

1. INFORMATION SUMMARY (cont'd)

- (v) *The gross EPS has been calculated based on the PBT and on the issued and paid-up share capital of the Company of 203,425,000 Shares after the Acquisition of NCSB.*

The net EPS has been calculated based on the PAT after MI and on the issued and paid-up share capital of the Company of 203,425,000 Shares after the Acquisition of NCSB.

- * *Annualised*

- ^ *Based on the gross dividends declared and paid by NCSB of RM5,000,000, RM5,000,000, RM6,000,000 and RM6,000,000 in respect of the financial years ended 31 December 1999, 2000, 2001 and 2002 respectively and the number of shares assumed in issue of 203,425,000 Shares.*

Further details of the financial information of Naim Group are set out in Section 11 of this Prospectus.

1.4 Proforma Consolidated Balance Sheets of Naim as at 31 March 2003

The proforma consolidated balance sheets as set out below have been prepared for illustrative purposes only to show the effect on the consolidated audited balance sheets of Naim Group as at 31 March 2003 on the assumption that the current structure of the Group has been in existence throughout the period under review:-

	Audited as at 31 March 2003 RM'000	(Stage I) Proforma balance sheet after special dividend, revaluation of land and Acquisition of NCSB RM'000	(Stage II) After Stage I & IPO RM'000
Share capital	106	203,425	250,000
Share premium	-	76,643	86,016
Accumulated loss	(11)	# (91)	# (91)
Reserve on consolidation	-	20,098	20,098
Shareholders' funds	95	300,075	356,023
Less : Intangible assets	-	-	-
NTA	95	300,075	356,023
Number of Shares in issue ('000)	106	203,425	250,000
NTA per Share (RM)	0.90	1.48	1.42

Notes :-

- # *Including estimated capital duty on increase of authorised share capital and other related expenses of RM80,000.*

The Proforma Consolidated Balance Sheets have been prepared on accounting principles and bases consistent with those previously adopted by the pro-forma Group in the preparation of its audited financial statements. The Proforma Consolidated Balance Sheets incorporated the following transactions as though they were effected on 31 March 2003:

Stage 1

- (a) *Acquisition of 100% equity interest in NCSB by the issuance of 203,319,000 Shares at approximately RM1.38 per share based on the fair value of the NTA of NCSB Group deemed acquired at 31 March 2003, after taking into account the fair value adjustments [see Note (b) below] and special dividend totalling RM18,560,000 [see Note (c) below].*

1. INFORMATION SUMMARY (cont'd)

(b) *Fair value adjustments on the leasehold land of the following subsidiaries of Naim :-*

	<i>Gross Surplus RM'000</i>	<i>Deferred Taxation RM'000</i>	<i>Net Surplus RM'000</i>
<i>Direct</i>			
- NCSB	236,847	66,317	170,530
<i>Indirect through NCSB</i>			
- DISB	24,455	6,848	17,607
- NC7SB	13,180	3,690	9,490
	<u>274,482</u>	<u>76,855</u>	<u>197,627</u>
	=====	=====	=====

(c) *The special dividend recommended by the Directors in respect of the year 31 December 2002 amounts to RM18,560,000 and comprises two portions as follows:-*

- (i) *RM2.00 per share tax exempt totalling RM2,000,000; and*
(ii) *RM23.00 per share less tax at 28% totalling RM16,560,000.*

The special dividend of RM18,560,000, which was declared by the Board of Directors of NCSB on 12 May 2003, was approved by the SC on 25 July 2003 and subsequently paid to the shareholders of NCSB on 4 August 2003.

Stage 2

The public issue of 46,575,000 Shares and offer for sale of 18,000,000 Shares at an issue/ offer price of RM1.30 per Share for cash pursuant to the scheme for the listing of and quotation for the entire issued and paid-up share capital of Naim on the Main Board of KLSE.

The estimated listing expenses of RM4,600,000 has been written off against the share premium account.

Further details of the Proforma Consolidated Balance Sheets of Naim Group are set out in Section 11.9 of this Prospectus.

1.5 Auditors Qualification

There was no qualification reported in the audited accounts of proforma Naim Group for the past five (5) financial years and the three (3) months ended 31 March 2003.

1.6 Summary of Material Risk Factors

In addition to the general risks associated with any investment in the stock market, there are certain additional risks in investing in the Company as well as risks specific to investments in entities engaged in the property development and construction industries. Applicants should consider carefully factors that may affect Naim Group and the industries in which it operates as well as the relevant information contained in this Prospectus.

The main risk factors (which may not be exhaustive) as extracted from Section 3 of this Prospectus are, inter alia, as follows:-

- (i) ***Sensitivity To Business and Economic Risks*** – As in any other businesses, Naim Group is subject to risks inherent in the property development and construction industry. The property development and construction industry could in turn be sensitive to changes in economic conditions as it is primarily reliant on consumer demand and the general economic conditions. The Directors and management of Naim seek to mitigate these risks through, inter-alia, their operational and marketing experience, knowledge and skills that they have acquired over the past ten (10) years or more;

1. INFORMATION SUMMARY (cont'd)

- (ii) ***No Prior Market for Naim Shares*** – There can be no assurance of an active market for Naim shares upon its listing on the Main Board of the KLSE;
- (iii) ***Capital Market Risks*** - The performance of KLSE is very much dependent on external factors such as the performance of the regional and world bourses and the inflow or outflow of foreign funds. Sentiments are also largely driven by internal factors such as the economic and political conditions of the country as well as the growth potential of the various sectors of the economy;
- (iv) ***Quality and Quantity of Land Bank*** – The success of every development project is very much dependent on the locality and size of its land bank in order to achieve successful property launches which will in turn sustain its future profitability. Naim Group owns development land in Kuching, Kota Samarahan, Miri and Bintulu in the State of Sarawak and is also actively looking for land bank in strategic locations throughout Malaysia;
- (v) ***Dependency on single supplier in relation to supply of certain construction materials*** – Naim Group has in the past been able to secure a steady supply of construction and building materials for its operations at relatively stable and competitive prices. Save for the supply of cement where Cahya Mata Sarawak Berhad (CMSB) has control over its supply in Sarawak, the Group is not dependent on any single supplier as construction materials are readily available in the market at competitive prices. For the past seven (7) years, the Group had not experienced any shortage in the supply of cement for the Group's internal and external construction activities. Should there be any shortage of supply of cement in Sarawak, the CMSB Group will import cement from West Malaysia or other neighbouring countries. Nevertheless, there is no assurance that Naim Group will always have sufficient supply of cement for its construction activities;
- (vi) ***Competition from other property developers and contractors*** – Increasing competition from other property developers and contractors would require the Group to launch successful development projects. However, most competitors are small and the high cost of entry into the industry has deterred many would be competitors. In addition, Naim Group has also taken proactive measures to mitigate these risks which include constantly reviewing its development and marketing strategies in response to the ever changing market conditions and to adopt different development concepts and marketing strategies that will correctly position itself to meet the needs of the target market;
- (vii) ***Delay in Completion of Projects*** – Completion of a development or construction project on time is dependent on many external factors which may be beyond the control of the Group. To mitigate this risk, the Directors and management of the Group monitor the project schedule closely to minimise any delay in completion of projects;
- (viii) ***Cost of Development for Property and Construction Projects and Demand Risks*** – Appreciation of land cost and fluctuations of construction cost are inherent risks in the property development and construction industry. The Group has vast land bank of approximately 3,029 acres which is expected to sustain the property development activities of the Group for more than fifteen (15) years;
- (ix) ***Fluctuations in Interest Rates*** – Naim's property sales and working capital costs are predominantly relying on bridging facilities and end-financing and are hence sensitive towards interest rates fluctuations;
- (x) ***Political and Government Regulations and Controls*** – The property development and construction industry is principally governed by the policies and regulations which are designed to achieve the aspirations of the New Economic Policy which amongst others, is the equitable distribution in ownership of homes by the population in general through provision of affordable housing;

1. INFORMATION SUMMARY (cont'd)

- (xi) **Risks associated with Environment** – Adverse weather conditions may result in delays in the completion of the Group's projects and affect the operations of Naim Group. Based on past experience, there is minimal effect of adverse weather conditions on Naim Group's activities. While threat from adverse weather conditions is beyond the control of Naim Group, steps are taken to minimize its impact.
- (xii) **Ownership and Control of the Group** – After the IPO, the Promoters will collectively own approximately 74% of the Company's enlarged issued and paid-up share capital directly and indirectly. They will be able to effectively control the outcome of certain matters requiring voting of shareholders;
- (xiii) **Dependence on Key Personnel** – The Group's success and ability to perform will depend to a significant extent upon the abilities and continued efforts of its existing Directors and key management;
- (xiv) **Achievability of Forecast** – There can be no assurance that the profit forecast contained herein will be realised and investors will be deemed to have read and understood the assumptions and underlying uncertainties in the profit forecast that are contained herein;
- (xv) **Potential Conflict of Interest** – The Promoters/ Substantial Shareholders and certain Directors of Naim are interested in and also hold directorships in other property development and construction companies; and
- (xvi) **Forward looking statements** – Certain information in this Prospectus is based on the historical experience of the Group and may not be reflective of future results.

Further details of the risk factors and the respective mitigating factors are set out in Section 3 of this Prospectus.

1.7 Principal Statistics Relating to the IPO

The following statistics relating to the IPO are derived from the full text of this Prospectus and should be read in conjunction with the text.

SHARE CAPITAL	RM
<i>Authorised Share Capital</i> 500,000,000 Shares	500,000,000
<i>Issued and Fully Paid-Up Share Capital</i> - 203,425,000 Shares	203,425,000
<i>To be issued pursuant to the Public Issue</i> - 46,575,000 Shares	46,575,000
Enlarged share capital	250,000,000
TO BE OFFERED FOR SALE PURSUANT TO THE OFFER FOR SALE - 18,000,000 Shares	18,000,000

IPO PRICE PER SHARE (RM)

1.30

PROFORMA GROUP NTA AS AT 31 MARCH 2003	NTA (RM'000)	NTA per Share (RM)
Proforma Group NTA <i>(After the Acquisition of NCSB, IPO and deducting estimated listing expenses of RM4.60 million)</i>	356,023	RM1.42

Further details of the Proforma Consolidated NTA are set out in Section 11.9 of this Prospectus.

1. INFORMATION SUMMARY (cont'd)

There is only one class of shares in the Company, namely Shares, all of which shall rank pari-passu with one another. The Public Issue Shares to be issued pursuant to this Prospectus will rank pari-passu in all respects with the other existing issued and fully paid up shares of the Company including voting rights and rights to all dividends that may be declared, subsequent to the date of allotment of the Public Issue Shares.

Subject to any special rights attaching to any shares which may be issued by the Company in the future, the holders of shares in 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 and the whole of any surplus in the event of the liquidation of the Company.

Each ordinary shareholder shall be entitled to vote at any general meeting of the Company in person or by proxy or by attorney, and, on show of hands, every person present who is a shareholder or representative or proxy or attorney of 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 representatives shall have one vote for each share held.

Further information on the IPO are set out in Section 2 of this Prospectus.

1.8 Highlights of the Proforma Consolidated Profit Forecast

The consolidated profit forecast for the financial year ending 31 December 2003 is as follows :-

Financial Year Ending 31 December	Forecast 2003 RM'000
Revenue	268,027
Consolidated PBT	65,773
Less : Taxation	(19,454)
Consolidated PAT before MI	46,319
Less : MI	(4,664)
Add : Amortisation of reserve on consolidation	1,514
Consolidated PAT after MI	43,169
Less : Pre-acquisition profit	(i) (25,122)
Consolidated PAT after MI and pre-acquisition profit	(ii) 18,047
<u>Weighted average number Shares in issue</u>	(iii) 96,466
Gross EPS (sen)	(iv) 28.2
Net EPS (sen)	(v) 18.7
Gross PE Multiple based on the IPO Price of RM1.30 per Share (times)	(vi) 4.6
Net PE Multiple based on the IPO Price of RM1.30 per Share (times)	(vi) 6.9
<u>Number of Shares assumed in issue</u>	(vii) 250,000
Gross EPS (sen)	(viii) 26.3
Net EPS (sen)	(ix) 17.3
Gross PE Multiple based on the IPO Price of RM1.30 per Share (times)	(x) 4.9
Net PE Multiple based on the IPO Price of RM1.30 per Share (times)	(x) 7.5

Notes :-

- (i) *Based on the audited results of Naim Cendera Sdn. Bhd. and its subsidiaries (collectively the NCSB Group) for the three months ended 31 March 2003 and the pro-rated forecasted profit for the four months from 1 April 2003 up to the date of Acquisition of NCSB.*
- (ii) *Comprising post-acquisition consolidated profit for the five months from 1 August 2003 to 31 December 2003.*
- (iii) *The 96,466,000 weighted average number of Shares in issue is calculated based on the assumption that the Acquisition of NCSB and the Public Issue were completed in July 2003 and September 2003 respectively.*
- (iv) *Computed based on the consolidated PBT after pre-acquisition profit (i.e. RM27,170,672)*

I. INFORMATION SUMMARY (cont'd)

- (v) *Computed based on the consolidated PAT after MI and pre-acquisition profit (i.e. RM18,047,050)*
- (vi) *The gross/net price earnings are based on the IPO Price of RM1.30 per Share over the gross/net earnings per share.*
- (vii) *The 250,000,000 Shares are assumed to be in issue as if the Acquisition of NCSB and the Public Issue had been effected on 1 January 2003.*
- (viii) *Computed based on the PBT (i.e. RM65,773,509)*
- (ix) *Computed based on the profit after taxation and minority interests (i.e. RM43,169,537)*
- (x) *The diluted gross/net price earnings ratios are based on the IPO Price of RM1.30 per Share over the gross/net earnings per share.*

DIVIDEND FORECAST

The dividend forecast for the financial year ending 31 December 2003 is set out below :-

Financial Year Ending 31 December	Forecast
Gross dividend per Share (%)	9.00
Net dividend per Share (%)	6.48
Gross dividend yield based on the IPO Price of RM1.30 per Share (%)	6.92
Net dividend yield based on the IPO Price of RM1.30 per Share (%)	4.98
Net dividend cover (times)	2.66

1.9 Basis of Arriving at the IPO Price

The IPO Price of RM1.30 per Share was determined and agreed upon by the Company and AmMerchant as Adviser and Managing Underwriter based on various factors including the following:-

- (i) The Group's operating and financial history as outlined in Sections 5 and 11 of this Prospectus;
- (ii) The consolidated forecast net PE multiple of 7.5 times based on the forecast net EPS of 17.3 sen for the financial year ending 31 December 2003;
- (iii) The future plans and prospects of Naim Group as outlined in Section 7 of this Prospectus;
- (iv) The forecast net dividend yield of 4.98%;
- (v) The proforma consolidated NTA per Share of Naim as at 31 March 2003 of RM1.42 per Share, the IPO Price of RM1.30 per Share represents a discount of 12 sen per Share or 9% to the proforma consolidated NTA per Share; and
- (vi) The qualitative and quantitative factors as set out in Sections 5 of this Prospectus.

AmMerchant and the Directors of Naim are of the opinion that the IPO Price is fair and reasonable after careful consideration of the abovementioned factors.

However, investors should also note that the market price of Naim Shares upon listing on the KLSE is subject to the vagaries of the market forces and other uncertainties which may affect the price of Naim Shares. Investors should form their own views on the valuation of the IPO Shares before deciding to invest in the IPO Shares.

1. INFORMATION SUMMARY (cont'd)

1.10 Proceeds of the IPO and their Utilisation

The aggregate gross proceeds of the Public Issue of approximately RM60.55 million shall accrue entirely to Naim and are expected to be utilised as follows:-

	Estimated timeframe of utilisation from receipt of listing proceeds	RM'000
Acquisition of land for property development and property investment	Within 36 months	25,000
Purchase of machinery	within 36 months	7,400
Repayment of borrowings	within 6 months	7,430
Payment of estimated listing expenses	within 3 months	4,600
Purchase of information technology systems and office equipment	within 48 months	3,083
Working capital		13,035
Total		60,548

Naim will bear all expenses incidental to the listing and quotation of Naim's Shares on the Main Board of the KLSE which include underwriting commission, brokerage, registration fee, professional fees, SC fees, advertising, listing expenses and other fees the aggregate of which is estimated to be approximately RM4.60 million.

The Offer for Sale will raise gross proceeds of RM23.40 million and shall accrue to the Offerors and no part of the proceeds is receivable by Naim. The Offerors shall bear all expenses, such as placement fee, brokerage, registration fee and share transfer fee in relation to the Offer Shares.

Further details on the utilisation of proceeds are set out in Section 2.6 of this Prospectus.

1.11 Material Litigation, Commitments and Contingent Liabilities

1.11.1 Material Litigation

As at 31 July 2003 (being the latest practicable date prior to the printing of this Prospectus), the Group is not engaged in any litigation, either as plaintiff or defendant, which has a material effect on the financial position or business of the Group, and the Directors of Naim are not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and/or adversely affect the financial position or business of the Group.

1.11.2 Material Commitments

As at 31 July 2003, the Directors of Naim confirm that Naim Group has not incurred any material capital commitment outside the ordinary course of business which upon becoming enforceable, may have a substantial impact on the financial position and/or business of the Group.

1.11.3 Material Contingent Liabilities

As at 31 July 2003, the Directors of Naim confirm that there are no material contingent liabilities, which have become enforceable, or are likely to become enforceable which will affect the ability of the Group to meet its obligations as and when they fall due.

[This rest of this page is intentionally left blank]