

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS, PROMOTERS OF POH KONG HOLDINGS BERHAD (586139-K) ("PKHB" OR "THE COMPANY") AND THE OFFEROR AS DEFINED HEREIN, AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION CONTAINED HEREIN AND CONFIRM HAVING MADE ALL REASONABLE ENQUIRIES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT IN THIS PROSPECTUS FALSE OR MISLEADING. THE DIRECTORS HEREBY ACCEPT FULL RESPONSIBILITY FOR THE CONSOLIDATED PROFIT FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE PROFIT FORECAST HAVE BEEN PREPARED BASED ON ASSUMPTIONS MADE.

ASEAMBANKERS MALAYSIA BERHAD, BEING THE ADVISER, MANAGING UNDERWRITER AND PLACEMENT AGENT ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC ISSUE AND OFFER FOR SALE (AS HEREINAFTER DEFINED) AND IT IS SATISFIED THAT THE CONSOLIDATED PROFIT FORECAST FOR THE FINANCIAL YEAR ENDING 31 JULY 2004 (FOR WHICH THE DIRECTORS OF PKHB ARE FULLY RESPONSIBLE) PREPARED FOR INCLUSION IN THIS PROSPECTUS HAVE BEEN STATED BY THE DIRECTORS OF THE COMPANY AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THE PUBLIC ISSUE AND OFFER FOR SALE IN RESPECT OF THE PUBLIC OFFERING AND THAT THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE PUBLIC OFFERING. THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIM ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF ANY INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

THE VALUATION APPROVED OR ACCEPTED BY THE SC SHALL ONLY BE UTILISED FOR THE PURPOSE OF THE LISTING EXERCISE SUBMITTED TO AND APPROVED BY THE SC AND SHALL NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC OF THE VALUES OF THE SUBJECT ASSETS FOR ANY OTHER PURPOSES.

THE MALAYSIA SECURITIES EXCHANGE BERHAD ("MSEB") SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF PKHB AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS CORRECTNESS OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE INVITATION, CORPORATION OR OF ITS SECURITIES.

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

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**INDICATIVE TIMETABLE**

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<b>SPECIAL EVENTS</b>	<b>TENTATIVE DATE</b>
OPENING OF THE ISSUE/OFFER	: 30 JANUARY 2004
CLOSING OF THE ISSUE/OFFER	: 18 FEBRUARY 2004
TENTATIVE BALLOTING DATE	: 20 FEBRUARY 2004
TENTATIVE ALLOTMENT DATE	: 5 MARCH 2004
TENTATIVE LISTING DATE	: 9 MARCH 2004

THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE APPLICATION PERIOD WILL REMAIN OPEN UNTIL 5.00PM ON 18 FEBRUARY 2004 OR SUCH FURTHER DATE AS THE DIRECTORS OF PKHB AND/OR THE OFFEROR TOGETHER WITH THE MANAGING UNDERWRITER MAY MUTUALLY DECIDE. SHOULD THE APPLICATION PERIOD BE EXTENDED, THE DATES FOR THE BALLOTING AND ALLOTMENT OF THE PUBLIC ISSUE SHARES, OFFER FOR SALE SHARES AND OFFER FOR SALE ICULS AND THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED AND FULLY PAID-UP SHARE CAPITAL AND ICULS OF PKHB ON THE MAIN BOARD OF THE MSEP WOULD BE EXTENDED ACCORDINGLY. ANY EXTENSION OF THE APPLICATION PERIOD WILL BE NOTIFIED TO THE INVESTING PUBLIC VIA ANNOUNCEMENT IN WIDELY CIRCULATED ENGLISH AND BAHASA MALAYSIA NEWSPAPERS.

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**DEFINITIONS**

In this Prospectus, unless otherwise indicated, the following words and abbreviations shall have the following meanings:-

“Act”	:	Companies Act, 1965
“Acquisitions”	:	Acquisitions of PKJM, Acquisition of PKJ Group, Acquisition of Precious Group and Acquisitions by PKHB collectively
“Acquisitions by PKHB”	:	(a) Acquisitions of the equity interests held by certain individual shareholders in the subsidiaries and associated companies of PKJ Group and Precious Group for a total purchase consideration of RM44,176,881 to be satisfied by the issuance of:- <ul style="list-style-type: none"> <li>- an aggregate of 14,552,984 new ordinary shares of RM1.00 each in PKHB at an issue price of RM1.20 per share;</li> <li>- RM26,713,303 nominal value of ICULS of RM1.00 each in PKHB; and</li> </ul> (b) Acquisitions of the equity interest held by certain individual shareholders in the subsidiaries and associated companies of PKJ Group and Precious Group with adjusted net liabilities for a cash consideration of RM1.00 each
“Acquisition of Precious Group”	:	Acquisition of the entire equity interest in Precious Group by PKHB for a purchase consideration of RM48,518,495 satisfied by the issuance of:- <ul style="list-style-type: none"> <li>- 15,364,190 new ordinary shares of RM1.00 each in PKHB at an issue price of RM1.20 per share; and</li> <li>- RM30,081,467 nominal value of ICULS of RM1.00 each in PKHB</li> </ul>
“Acquisition of PKJ Group”	:	Acquisition of the entire equity interest in PKJ Group by PKHB for a purchase consideration of RM35,422,410 by the issuance of:- <ul style="list-style-type: none"> <li>- 11,217,097 new ordinary shares of RM1.00 each in PKHB at an issue price of RM1.20 per share; and</li> <li>- RM21,961,894 nominal value of ICULS of RM1.00 each in PKHB.</li> </ul>
“Acquisition of PKJM”	:	Acquisition of the entire equity interest in PKJM by PKHB as follows:- <ul style="list-style-type: none"> <li>(i) acquisition of 55% interest in PKJM by PKHB from Precious for a cash consideration of RM12,680,970; and</li> <li>(ii) acquisition of 45% equity interest in PKJM by PKHB from the remaining individual shareholders of PKJM for a purchase consideration of RM10,375,339 to be satisfied by the issuance of:-               <ul style="list-style-type: none"> <li>- 3,285,524 new ordinary shares of RM1.00 each in PKHB at an issue price of RM1.20 per share; and</li> <li>- RM6,432,710 nominal value of ICULS of RM1.00 each in PKHB</li> </ul> </li> </ul>
“ADA”	:	Authorised Depository Agent
“AFTA”	:	Asean Free Trade Area
“Aseambankers”	:	Aseambankers Malaysia Berhad (15938-H)

**DEFINITIONS (Cont'd)**

“BIMB”	:	BIMB Musyarakah Satu Sdn Bhd (538579-A)
“BTVC”	:	Bumiputra and Technology Venture Capital Sdn Bhd (394730-P)
“CDS”	:	Central Depository System
“Consolidation of Shares”	:	Consolidation of 36,404,198 ordinary shares of RM1.00 each and RM85,187,300 nominal value of ICULS of RM1.00 each in PKHB after the Acquisitions by certain individual shareholders into PKSB
“Dividend”	:	Dividend by certain companies within the PKHB Group amounting to approximately RM8,705,888 in aggregate, from their respective retained accounts in their management accounts for the financial year ending 31 July 2003
“EBIDTA”	:	Earnings before interest, depreciation, taxation and amortisation
“EPS”	:	Earnings per share
“FY”	:	Financial year
“ICULS”	:	Irredeemable Convertible Unsecured Loan Stocks
“Issue/Offer Price”	:	The issue/offer price of RM1.60 for each new ordinary share pursuant to the Public Issue and Offer for Sale
“Listing”	:	The admission to the Official List and listing of and quotation for the entire enlarged issued and paid-up share capital of PKHB comprising 117,243,359 ordinary shares of RM1.00 each and RM85,189,374 nominal value of ICULS on the Main Board of the MSEB
“Malaysian Public”	:	Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organized under the laws of Malaysia
“MCD”	:	Malaysian Central Depository Sdn Bhd (165570-W), a subsidiary of Malaysia Securities Exchange Berhad
“MI”	:	Minority interest
“MIDFCCS”	:	MIDF Consultancy And Corporate Services Sdn Bhd (11324-H)
“MIDA”	:	Malaysian Industrial Development Authority
“MITI”	:	Ministry of International Trade and Industry
“MSEB”	:	Malaysia Securities Exchange Berhad (635998-W)
“NTA”	:	Net tangible assets
“Offer for Sale” or “Offer”	:	Offer for sale by the Offeror as follows:- <ul style="list-style-type: none"> <li>- 3,764,200 ordinary shares of RM1.00 each in PKHB to bumiputera investors approved by MITI at an offer price of RM1.60 per ordinary share;</li> <li>- RM11,778,400 nominal value of ICULS of RM1.00 each in PKHB by way of private placement at an offer price of 100% of the nominal value; and</li> <li>- RM1,000,000 nominal value of ICULS of RM1.00 each in PKHB to Malaysian Public at an offer price of 100% of the nominal value</li> </ul>

**DEFINITIONS (Cont'd)**

“Offer for Sale Shares”	:	The 3,764,200 ordinary shares of RM1.00 each in PKHB to be offered by the Offeror to Bumiputera investors approved by MITI at an offer price of RM1.60 per ordinary share pursuant to the Offer For Sale
“Offer for Sale ICULS”	:	The RM12,778,400 nominal value of ICULS of RM1.00 each in PKHB to be offered by the Offeror by way of private placement and to Malaysian Public at an offer price of 100% of the nominal value
“Offer Price”	:	The following, as the context requires:- (i) The offer price of RM1.60 for each ordinary share offered for sale under the Offer for Sale; and (ii) The offer price of 100% of the nominal value of the ICULS offered for sale under the Offer for Sale
“Offeror”	:	PKSB, which will be offering the 3,764,200 ordinary shares of RM1.00 each and RM12,778,400 nominal value of ICULS of RM1.00 each in PKHB pursuant to the Offer for Sale
“Official List”	:	Official list of the MSEB
“PKHB” or “the Company”	:	Poh Kong Holdings Berhad (586139-K)
“PKHB Group” or “the Group”	:	PKHB and its subsidiary companies
“PKSB”	:	Poh Kong Sdn Bhd (386829-K)
“PAT”	:	Profit after taxation
“PBT”	:	Profit before taxation
“PE Multiple”	:	Price earnings multiple
“Public Issue” or “Issue”	:	Public issue of 19,580,203 new ordinary shares of RM1.00 each in the Company at an issue price of RM1.60 per new ordinary share payable in full upon application, subject to the terms and conditions of this Prospectus
“Public Issue Shares”	:	The 19,580,203 new ordinary shares of RM1.00 each at an issue price of RM1.60 per ordinary share in PKHB to be issued pursuant to the Public Issue
“Revaluation”	:	Revaluation of land and buildings and revaluation of investments of PKHB Group
“Restructuring”	:	The restructuring scheme comprising the Revaluation, the Acquisition, the Consolidation of Shares and the Dividend collectively.
“ROC”	:	Registrar of Companies
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“SC”	:	Securities Commission
“sq. m”	:	Square metre(s)
“sq. ft”	:	Square foot/feet
“Trust Deed”	:	The Trust Deed dated 13 January 2004 entered into between the Company and Malaysian Trustees Berhad who will act for the benefit of the ICULS holders

**DEFINITIONS (Cont'd)**

“USD” : United States Dollars

**Subsidiary Companies of PKHB**

“DB” : Diamond Boutique Sdn Bhd (320816-U)

“GB (Klang)” : Gold Boutique (Klang) Sdn Bhd (392101-U)

“Jungmax” : Jungmax Property Sdn Bhd (368957-X)

“K.E.Likwong” : Kedai Emas Likwong Sdn Bhd (147588-V)

“Precious” : Precious Jewellery Sdn Bhd (87831-V)

“Precious Group” : Precious and its subsidiary and associated companies

“PKD” : PK Design Sdn Bhd (320817-V)

“PKJ Group” : PKJ and its subsidiary and associated companies

“PKJ (Ampang)” : Poh Kong Jewellers (Ampang Point) Sdn Bhd (281002-V)

“PKJ (BU)” : Poh Kong Jewellers (Bandar Utama) Sdn Bhd (317163-M)

“PKJ (Bangsar)” : Poh Kong Jewellers (Bangsar) Sdn Bhd (401069-U)

“PKJ (Banting)” : Poh Kong Jewellers (Banting) Sdn Bhd (236603-H)

“PKJ (B.Pahat)” : Poh Kong Jewellers (Batu Pahat) Sdn Bhd (401068-K)

“PKJ (Franchise)” : Poh Kong Jewellers (Franchise) Sdn Bhd (420187-V)

“PKJ (G.Seremban)” : Poh Kong Jewellers (Gold Seremban) Sdn Bhd (220172-P)

“PKJ (G.Wall)” : Poh Kong Jewellers (Great Wall) Sdn Bhd (140391-T)

“PKJ (J.T. Malacca)” : Poh Kong Jewellers (Jln. Taman Malacca) Sdn Bhd (280657-V)

“PKJ (Jaya)” : Poh Kong Jewellers (Jaya) Sdn Bhd (25791-T)

“PKJ (K. City)” : Poh Kong Jewellers (Kinta City) Sdn Bhd (321058-U)

“PKJ (Malacca)” : Poh Kong Jewellers (Malacca) Sdn Bhd (223578-W)

“PKJ (Maluri)” : Poh Kong Jewellers (Maluri) Sdn Bhd (112245-A)

“PKJ (Muar)” : Poh Kong Jewellers (Muar) Sdn Bhd (401070-W)

“PKJ (MV)” : Poh Kong Jewellers (MV) Sdn Bhd (411210-T)

“PKJ (O. Malacca)” : Poh Kong Jewellers (Ocean Malacca) Sdn Bhd (411717-A)

“PKJ (O.Seremban)” : Poh Kong Jewellers (Ocean Seremban) Sdn Bhd (401065-T)

“PKJ (O. Ipoh)” : Poh Kong Jewellers (Ocean Ipoh) Sdn Bhd (243977-U)

“PKJ (O. Johor Bahru)” : Poh Kong Jewellers (Ocean, Johor Bahru) Sdn Bhd (280928-W)

“PKJ (O. Kajang)” : Poh Kong Jewellers (Ocean, Kajang) Sdn Bhd (223579-K)

“PKJ (O. Klang)” : Poh Kong Jewellers (Ocean, Klang) Sdn Bhd (140619-W)

“PKJ (O.Kuantan)” : Poh Kong Jewellers (Ocean Kuantan) Sdn Bhd (243978-V)

“PKJ (O.K. Road)” : Poh Kong Jewellers (Old Klang Road) Sdn Bhd (276434-A)

“PKJ (O.S. Klang)” : Poh Kong Jewellers (Orchard Square - Klang) Sdn Bhd (220587-D)

“PKJ (Peringgit)” : Poh Kong Jewellers (Peringgit) Sdn Bhd (320818-D)

**DEFINITIONS (Cont'd)**

“PKJ (Puchong)”	:	Poh Kong Jewellers (Puchong) Sdn Bhd (258417-D)
“PKJ (Selayang)”	:	Poh Kong Jewellers (Selayang) Sdn Bhd (276428-U)
“PKJ (SS2)”	:	Poh Kong Jewellers (SS 2) Sdn Bhd (93125-K)
“PKJ (S.Parade)”	:	Poh Kong Jewellers (Subang Parade) Sdn Bhd (220509-A)
“PKJ (Summit)”	:	Poh Kong Jewellers (Summit) Sdn Bhd (411009-M)
“PKJ (T1, Seremban)”	:	Poh Kong Jewellers (Terminal 1, Seremban) Sdn Bhd (401066-X)
“PKJ (T. Mall)”	:	Poh Kong Jewellers (The Mall) Sdn Bhd (76724-H)
“PKJ (T. Mines)”	:	Poh Kong Jewellers (The Mines) Sdn Bhd (417731-A)
“PKJ (Tmn Uni. JB)”	:	Poh Kong Jewellers (Tmn Universiti, J.B) Sdn Bhd (390050-M)
“PKJ (W. Maju)”	:	Poh Kong Jewellers (Wangsamaju) Sdn Bhd (220173-M)
“PKJ”	:	Poh Kong Jewellers Sdn Bhd (256076-X)
“PKJ (Export)”	:	PK Jewellery Export Sdn Bhd (348933-H)
“PKJM”	:	Poh Kong Jewellery Manufacturer Sdn Bhd (85428-K)
“PK Properties”	:	Poh Kong Properties Sdn Bhd (220171-A)

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**1. CORPORATE INFORMATION****BOARD OF DIRECTORS**

<b>Name</b>	<b>Address</b>	<b>Occupation</b>	<b>Nationality</b>
Dato' Choon Yee Seiong (Executive Chairman/ Group Managing Director)	No. 16-20, Jalan 52/4, 46200 Petaling Jaya, Selangor Darul Ehsan	Director	Malaysian
Cheong Teck Chong (Executive Director)	No.19-23, Jalan SS 2/55, 47300 Petaling Jaya, Selangor Darul Ehsan	Director	Malaysian
Choon Nee Siew (Executive Director)	Lot G19, 47500 Subang Parade, Selangor Darul Ehsan	Director	Malaysian
Mohd. Annuar Choon Bin Abdullah (Executive Director)	Lot 4, 1 <sup>st</sup> Floor, Tesco Hypermarket, No.1, Jalan Batu 2 ½, Jalan Langat, 41200 Klang	Director	Malaysian
Chang Kwong Him (Executive Director)	The Mall, Lot G20, Jalan Putra, 50300 Kuala Lumpur	Director	Malaysian
Siow Der Ming (Executive Director)	Lot G03, Jaya Jusco, Taman Maluri, Jalan Jejaka, 55100 Cheras, Kuala Lumpur	Director	Malaysian
Fazrin Azwar Bin Md. Nor (Non-Executive Director)	No.15, Jalan Setia Murni 2, Bukit Damansara, 50490 Kuala Lumpur	Director	Malaysian
Dr. Choong Tuck Yew (Independent Non- Executive Director)	No.4, Jalan 19/30, SEA Park, 46300 Petaling Jaya, Selangor Darul Ehsan	Director	Malaysian
Liew Yuke Foong (Independent Non- Executive Director)	No.4, Lorong 9/5C, 46000 Petaling Jaya, Selangor Darul Ehsan	Director	Malaysian
Dr. Mohd Amir Sharifuddin Bin Hashim (Independent Non- Executive Director)	No. 18, Jalan SS22/13, Damansara Jaya, 47400 Petaling Jaya	Director	Malaysian

**AUDIT COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Dr. Choong Tuck Yew	Chairman	Independent Non-Executive Director
Liew Yuke Foong	Member	Independent Non-Executive Director
Dato' Choon Yee Seiong	Member	Executive Chairman / Group Managing Director

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

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- COMPANY SECRETARIES** : Ng Yim Kong  
LS 0008343  
97, Jalan USJ 2/4R  
UEP Subang Jaya  
47600 Subang Jaya  
Selangor Darul Ehsan
- REGISTERED OFFICE** : 10<sup>th</sup> Floor, Tower Block  
Kompleks Antarabangsa  
Jalan Sultan Ismail  
50250 Kuala Lumpur
- HEAD/MANAGEMENT OFFICE** : No. 16-20, Jalan 52/4  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Tel No. : 03-7958 8999  
Email : [pkjhq@pd.jaring.my](mailto:pkjhq@pd.jaring.my)  
Website: <http://www.pohkongjewel.com>
- AUDITORS AND REPORTING ACCOUNTANTS** : GEP Associates  
Chartered Accountants (Firm No: AF-1030)  
Wisma GEP  
25, Jalan PJU 1/42A  
Dataran Prima  
47301 Petaling Jaya  
Selangor Darul Ehsan
- SOLICITORS FOR THE LISTING** : Soo Thien Ming & Nashrah  
No. 1, 1<sup>st</sup> Floor  
Jalan SS2/55  
47300 Petaling Jaya  
Selangor Darul Ehsan
- PROFESSIONAL AND INDEPENDENT VALUERS** : Colliers Jordan Lee & Jaafar (JH) Sdn. Bhd.  
Suite 326, 3<sup>rd</sup> Floor  
PanGlobal Plaza  
Jalan Wong Ah Fook  
80000 Johor Bahru
- PRINCIPAL BANKERS** : Malayan Banking Berhad (3813-K)  
Petaling Jaya Business Centre,  
1st & 2nd Floor, Wisma IJM Annexe,  
Jalan Yong Shook Lin,  
48050 Petaling Jaya  
Selangor
- Affin Bank Berhad (25046-T)  
17th Floor, Menara Affin  
80 Jalan Raja Chulan,  
50200 Kuala Lumpur
- Bumiputra- Commerce Bank Berhad (13491-P)  
Business Centre Petaling Jaya  
1401B, Tingkat 14 Menara Choy Fook On,  
No 1B, Jalan Yong Shook Lin,  
46050 Petaling Jaya.  
Selangor

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

<b>ISSUING HOUSE</b>	:	MIDF Consultancy And Corporate Services Sdn Bhd (11324-H) Tingkat 12, Bangunan MIDF 195A, Jalan Tun Razak 50400 Kuala Lumpur
<b>REGISTRAR</b>	:	Signet Share Registration Services Sdn Bhd (506293-D) 11 <sup>th</sup> Floor, Tower Block Kompleks Antarabangsa Jalan Sultan Ismail 50250 Kuala Lumpur
<b>ADVISER AND MANAGING UNDERWRITER</b>	:	Aseambankers Malaysia Berhad (15938-H) 33rd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur
<b>UNDERWRITERS</b>	:	Aseambankers Malaysia Berhad (15938-H) 33rd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur  Mayban Securities Sendirian Berhad (165630-M) 8 <sup>th</sup> Floor, Tower C MaybanLife Tower Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur
<b>INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANTS</b>	:	Vital Factor Consulting Sdn Bhd (266797-T) 75C & 77C Jalan SS22/19 Damansara Jaya 47400 Petaling Jaya Selangor Darul Ehsan
<b>TRUSTEE FOR THE ICULS</b>	:	Malaysian Trustees Berhad (21666-V) Level 18, Menara Prudential No. 10, Jalan Sultan Ismail 50250 Kuala Lumpur
<b>PAYING AGENT FOR THE ICULS</b>	:	Signet Share Registration Services Sdn Bhd (506293-D) 11 <sup>th</sup> Floor, Tower Block Kompleks Antarabangsa Jalan Sultan Ismail 50250 Kuala Lumpur
<b>LISTING SOUGHT</b>	:	Main Board of the MSEP

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**2. SUMMARY INFORMATION**

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**THE SUMMARY INFORMATION SET OUT BELOW IS DERIVED FROM THIS PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THIS PROSPECTUS. INVESTORS SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER OR NOT TO INVEST IN THE SHARES OF THE COMPANY.**

**2.1 History and Business**

PKHB was incorporated in Malaysia on 12 July 2002 under the Act as a private limited company under the name Poh Kong Holdings Sdn Bhd. On 24 July 2002, the Company was converted into a public company and assumed its present name.

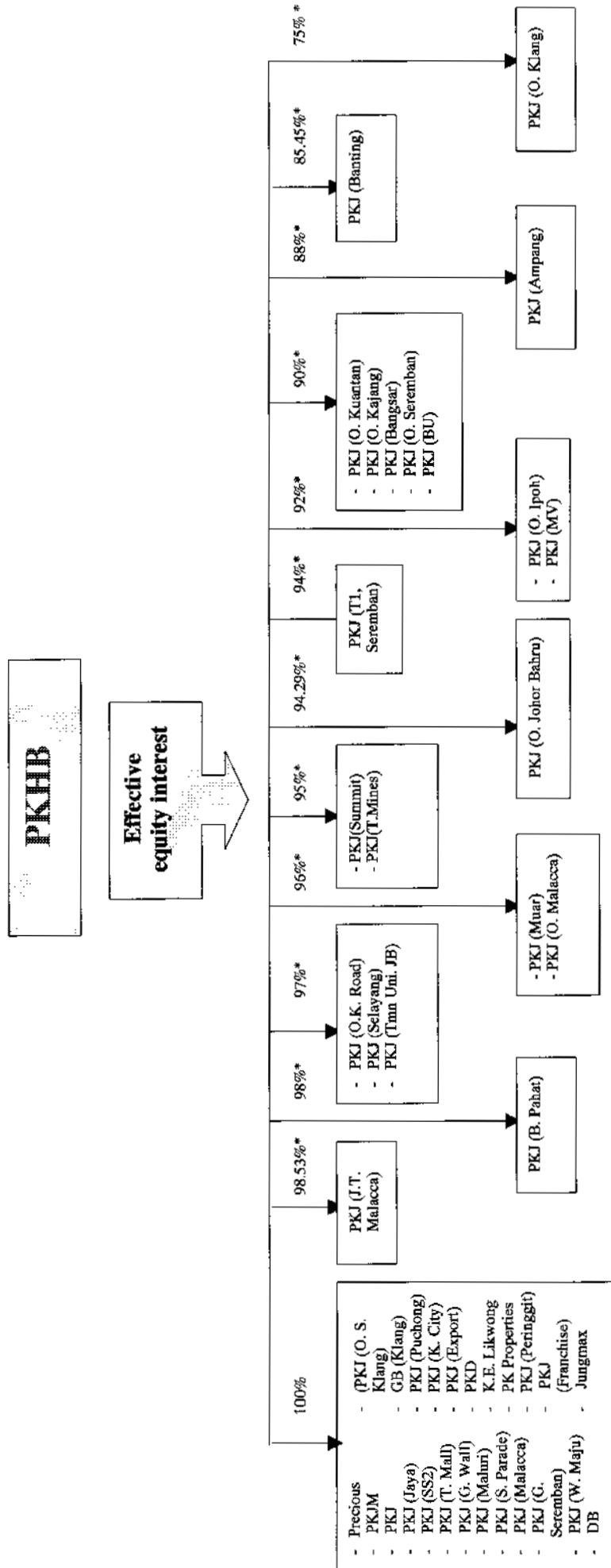
The principal activities of PKHB is investment holding, whilst its subsidiary companies are involved in manufacturing, trading, supplying and retailing of gold ornaments, jewelleryes and precious stones.

Detailed information on the history and business of the PKHB Group is set out in Section 5 of this Prospectus.

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

The corporate structure of the PKHB Group is as follows:-



\* The remaining shares not held by PKHB and/or its subsidiary companies will be held directly by the managers of the respective outlets

## 2. SUMMARY INFORMATION (Cont'd)

## 2.2 Promoters, Substantial Shareholders, Directors and Key Management

## 2.2.1 Promoters

	Nationality	After Public Issue ^				After Full Conversion of the ICULS *			
		<--Direct-->		<--Indirect-->		<--Direct-->		<--Indirect-->	
		No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Dato' Choon Yee Seiong	Malaysian	1,013,385	1.58	33,773,079 <sup>(1)</sup>	52.77	1,013,385	0.86	79,028,642 <sup>(1)</sup>	67.41
Cheong Teck Chong	Malaysian	560,094	0.88	32,646,573 <sup>(2)</sup>	51.01	560,094	0.48	77,902,136 <sup>(2)</sup>	66.44
Choon Nee Siew	Malaysian	433,392	0.68	34,254,696 <sup>(3)</sup>	53.52	433,392	0.37	79,510,259 <sup>(3)</sup>	67.82

Notes:-

(1) Deemed interested by virtue of the shareholding of his spouse, siblings, and his substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act

(2) Deemed interested by virtue of his substantial shareholding in PKSB and his sister's direct shareholding pursuant to Sections 6A and 122A of the Act

(3) Deemed interested by virtue of the shareholding of her siblings, and her substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act

^ Includes pink form allocation of 40,000 ordinary shares to the Directors of PKHB pursuant to the Public Issue

\* Assuming the ICULS held are not disposed in the open market

## 2.2.2 Substantial Shareholders

	Nationality/ Place of Incorporation	After Public Issue ^				After Full Conversion of the ICULS *			
		<--Direct-->		<--Indirect-->		<--Direct-->		<--Indirect-->	
		No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
PKSB	Malaysia	32,639,998	51.00	-	-	77,895,561	66.44	-	-
Datin Hon Wee Fong	Malaysian	98,376	0.15	33,681,001 <sup>(1)</sup>	52.63	98,376	0.08	78,936,564 <sup>(1)</sup>	67.33
Dato' Choon Yee Seiong	Malaysian	1,013,385	1.58	33,773,079 <sup>(2)</sup>	52.77	1,013,385	0.86	79,028,642 <sup>(2)</sup>	67.41
Cheong Teck Chong	Malaysian	560,094	0.88	32,646,573 <sup>(3)</sup>	51.01	560,094	0.48	77,902,136 <sup>(3)</sup>	66.44
Choon Yee Fook	Malaysian	49,238	0.08	34,638,850 <sup>(4)</sup>	54.12	49,238	0.04	79,894,413 <sup>(4)</sup>	68.14
Choon Wan Joo	Malaysian	179,923	0.28	34,601,199 <sup>(5)</sup>	54.06	179,923	0.15	79,856,762 <sup>(5)</sup>	68.11
Choon Nee Siew	Malaysian	433,392	0.68	34,254,696 <sup>(6)</sup>	53.52	433,392	0.37	79,510,259 <sup>(6)</sup>	67.82
Choon Yee Bin	Malaysian	145,909	0.23	34,554,179 <sup>(6)</sup>	53.99	145,909	0.12	79,797,742 <sup>(6)</sup>	68.06
Mohd Annuar Choon bin Abdullah	Malaysian	78,909	0.12	34,617,179 <sup>(6)</sup>	54.09	78,909	0.07	79,864,742 <sup>(6)</sup>	68.12
Choon Ching Yih	Malaysian	542	**	34,687,546 <sup>(6)</sup>	54.20	542	**	79,943,109 <sup>(6)</sup>	68.19
Choon Yoke Ying	Malaysian	146,792	0.23	34,658,441 <sup>(6)</sup>	54.15	146,792	0.13	79,914,004 <sup>(6)</sup>	68.16
Fazrin Azwar Bin Md. Nor	Malaysian	5,760,463 ^^	9.00	5,454,538 <sup>(6)</sup>	8.52	5,760,463 ^^	4.91	5,454,538 <sup>(6)</sup>	4.65
BTVC	Malaysia	4,545,448	7.10	-	-	4,545,448	3.88	-	-

Notes:-

(1) Deemed interested by virtue of the shareholding of her spouse, sibling and her substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act

(2) Deemed interested by virtue of the shareholding of his spouse, siblings and his substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act

(3) Deemed interested by virtue of his substantial shareholding in PKSB and his sister's direct shareholding pursuant to Sections 6A and 122A of the Act

(4) Deemed interested by virtue of the shareholding of their siblings, spouse and their substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act

(5) Deemed interested by virtue of the shareholding of her spouse, siblings and her substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act

(6) Deemed interested in PKIIB's shares held by BTVC and BIMB by virtue of Section 6A of the Act

^ Save for PKSB, Choon Ching Yih and BTVC, the shareholding includes pink form allocation of 40,000 ordinary shares to the Directors of PKIIB Group and 15,000 ordinary shares to the Non-Executive Director of PKHB pursuant to the Public Issue

## 2. SUMMARY INFORMATION (Cont'd)

- ^^ Includes Bumiputera allocation of 5,744,403 ordinary shares as approved by MITI pursuant to the Public Issue  
 \* Assuming the ICULS held are not disposed in the open market  
 \*\* Negligible

## 2.2.3 Directors

Name	Designation	Nationality	After Public Issue ^				After Full Conversion of the ICULS *			
			<--Direct-->		<--Indirect-->		<--Direct-->		<--Indirect-->	
			No. of shares	%	No. of Shares	%	No. of shares	%	No. of shares	%
Dato' Choon Yee Seiong	Executive Chairman/ Group Managing Director	Malaysian	1,013,385	1.58	33,773,079 <sup>(1)</sup>	52.77	1,013,385	0.86	79,028,642 <sup>(1)</sup>	67.41
Cheong Teck Chong	Executive Director	Malaysian	560,094	0.88	32,646,573 <sup>(2)</sup>	51.01	560,094	0.48	77,902,136 <sup>(2)</sup>	66.44
Choon Nee Siew	Executive Director	Malaysian	433,392	0.68	34,254,696 <sup>(3)</sup>	53.52	433,392	0.37	79,510,259 <sup>(3)</sup>	67.82
Mohd. Annuar Choon bin Abdullah	Executive Director	Malaysian	78,909	0.12	34,617,179 <sup>(4)</sup>	54.09	78,909	0.07	79,864,742 <sup>(4)</sup>	68.12
Chang Kwong Him	Executive Director	Malaysian	117,145	0.18	146,792 <sup>(5)</sup>	0.23	117,145	0.10	146,792 <sup>(5)</sup>	0.13
Siow Der Ming	Executive Director	Malaysian	93,034	0.15	179,923 <sup>(5)</sup>	0.28	93,034	0.08	179,923 <sup>(5)</sup>	0.15
Fazrin Azwar Bin Md. Nor	Non-Executive Director	Malaysian	5,760,463 ^^	9.00	5,454,538 <sup>(6)</sup>	8.52	5,760,463 ^^	4.91	5,454,538 <sup>(6)</sup>	4.65
Dr. Choong Tuck Yew	Independent Non-Executive Director	Malaysian	15,000	0.02	-	-	15,000	0.01	-	-
Liew Yuke Foong	Independent Non-Executive Director	Malaysian	15,000	0.02	5,000 <sup>(6)</sup>	**	15,000	0.01	5,000 <sup>(6)</sup>	**
Dr. Mohd Amir Sharifuddin B. Hashim	Independent Non-Executive Director	Malaysian	15,000	0.02	-	-	15,000	0.01	-	-

## Notes:-

- (1) Deemed interested by virtue of the shareholding of his spouse, siblings and his substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act  
 (2) Deemed interested by virtue of his substantial shareholding in PKSB and his sister's direct shareholding pursuant to Sections 6A and 122A of the Act  
 (3) Deemed interested by virtue of the shareholding of her siblings and her substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act  
 (4) Deemed interested by virtue of the shareholding of his siblings, spouse and his substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act  
 (5) Deemed interested by virtue of the shareholding of their spouse  
 (6) Deemed interested in PKHB's shares held by BTVC and BIMB by virtue of Section 6A of the Act  
 ^ Includes pink form allocation of 40,000 ordinary shares to the Executive Directors of PKHB and 15,000 ordinary shares to the Non-Executive and Independent Directors of PKHB pursuant to the Public Issue  
 ^^ Includes Bumiputera allocation of 5,744,403 ordinary shares as approved by MITI pursuant to the Public Issue  
 \* Assuming the ICULS held are not disposed in the open market  
 \*\* Negligible

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## 2. SUMMARY INFORMATION (Cont'd)

## 2.2.4 Key Management

Name	Designation	Nationality	After Public Issue				After Full Conversion of the ICULS **			
			<---Direct --->		<---Indirect --->		<---Direct --->		<---Indirect --->	
			No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Datin Hon Wee Pong	Finance Director – PKJ	Malaysian	98,376 ^	0.15	33,681,001 <sup>(1)</sup>	52.63	98,376 ^	0.08	78,936,564 <sup>(1)</sup>	67.33
Choon Yoke Ying	Assistant Managing Director - PKJ	Malaysian	146,792 ^	0.23	34,658,441 <sup>(2)</sup>	54.15	146,792 ^	0.13	79,914,004 <sup>(2)</sup>	68.16
Choon Wan Joo	Managing Director - PKJM	Malaysian	179,923 ^	0.28	34,601,199 <sup>(2)</sup>	54.06	179,923 ^	0.15	79,856,762 <sup>(2)</sup>	68.11
Choon Yee Fook	Branch Manager – PKJ	Malaysian	49,238 ^	0.08	34,638,850 <sup>(3)</sup>	54.12	49,238 ^	0.04	79,894,413 <sup>(3)</sup>	68.14
Choon Yee Bin	Assistant Managing Director – PKJM	Malaysian	145,909 ^	0.23	34,554,179 <sup>(3)</sup>	53.99	145,909 ^	0.12	79,797,742 <sup>(3)</sup>	68.06
Saw Eng Hooi	Branch Manager – PKJ (Banting)	Malaysian	29,335 ^^	0.05	-	-	29,335 ^^	0.03	-	-
Hon Wei Sun	Head of Accounts and Administration Department – PKJ	Malaysian	27,618 ^^	0.04	98,376 <sup>(4)</sup>	0.15	27,618 ^^	0.02	98,376 <sup>(4)</sup>	0.08
Ong Han Woon	Technical Director – PKJM	Malaysian	44,678 ^^	0.07	15,000	0.02	44,678 ^^	0.04	15,000	0.01
Ng Moey Choo	Merchandising Manager – Diamonds and Precious Stones Division	Malaysian	19,748 *	0.03	-	-	19,748 *	0.02	-	-
Lee Lay Bec	Promotion Manager – PKJ	Malaysian	15,784 *	0.02	-	-	15,784 *	0.01	-	-
Tham Wen Li	Advertising Manager and Chief Designer – PKJ	Malaysian	15,000 *	0.02	44,678 <sup>(5)</sup>	0.07	15,000 *	0.01	44,678 <sup>(5)</sup>	0.02

## Notes:-

- (1) Deemed interested by virtue of the shareholding of her spouse, sibling and her substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act
  - (2) Deemed interested by virtue of the shareholding of their spouse, siblings and their substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act
  - (3) Deemed interested by virtue of the shareholding of their siblings, spouse and their substantial shareholding in PKSB pursuant to Sections 6A and 122A of the Act
  - (4) Deemed interested by virtue of the shareholding of her sister pursuant to Section 122A of the Act
  - (5) Deemed interested by virtue of the shareholding of her spouse pursuant to Section 122A of the Act
- ^ Includes pink form allocation of 40,000 ordinary shares pursuant to the Public Issue  
^^ Includes pink form allocation of 20,000 ordinary shares pursuant to the Public Issue  
\* Includes pink form allocation of 15,000 ordinary shares pursuant to the Public Issue  
\*\* Assuming the ICULS held are not disposed in the open market

Detailed information on the promoters, substantial shareholders, Directors and key management is set out in Section 6 of this Prospectus.

## 2. SUMMARY INFORMATION (Cont'd)

### 2.3 Financial Highlights

The following table sets out a summary of the proforma consolidated results of the PKHB Group for the past five (5) financial years ended 31 July 2003 and on the assumption that the Group has been in existence throughout the period under review.

The table should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section 11 of this Prospectus.

	←-----Audited----->				
	←-----FY Ended 31 July----->				
	1999 (RM'000)	2000 (RM'000)	2001 (RM'000)	2002 (RM'000)	2003 (RM'000)
Revenue	255,812	278,544	290,050	291,799	293,564
EBIDTA	21,957	24,335	20,758	30,817	32,849
Interest Expense	(3,762)	(3,469)	(3,787)	(3,912)	(3,930)
Operating profit	18,195	20,866	16,971	26,905	28,919
Amortisation of goodwill	(129)	(129)	(129)	(129)	(129)
Depreciation	(3,015)	(3,383)	(3,714)	(3,916)	(3,998)
PBT	15,051	17,354	13,128	22,860	24,792
Taxation	(2,284)	(5,506)	(4,394)	(7,429)	(6,759)
PAT	12,767	11,848	8,734	15,431	18,033
MI	(239)	(396)	(70)	(439)	(405)
PAT after MI	12,528	11,452	8,664	14,992	17,628
No. of ordinary shares assumed in issue ('000)	64,000	64,000	64,000	64,000	64,000
No. of ordinary shares upon conversion of the ICULS ('000)	117,243	117,243	117,243	117,243	117,243
Basic net EPS (sen)	19.58	17.89	13.54	23.43	27.54
Diluted net EPS (sen)	10.69	9.77	7.39	12.79	15.04
Gross Dividend (%)	-	-	-	-	-

*Note:-*

- (1) *The basic net EPS is calculated based on the proforma PAT and MI divided by enlarged ordinary shares of 64,000,000 of RM1.00 each*
- (2) *The diluted net EPS is calculated based on the proforma PAT and MI divided by enlarged ordinary shares of 117,243,359 of RM1.00 each upon full conversion of the ICULS*
- (3) *There were no extraordinary or exceptional items during the period under review*

## 2. SUMMARY INFORMATION (Cont'd)

## 2.4 Proforma Consolidated Balance Sheets As At 31 July 2003

The proforma consolidated balance sheet of PKHB Group as at 31 July 2003 have been prepared solely to illustrate the effects of the Public Issue and Offer for Sale on the assumption that this transaction was effected on that date and should be read in conjunction with the notes and assumptions to the Proforma Consolidated Balance Sheets as set out in Section 10.11 of this Prospectus.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Audited 31/07/2003	After (1) and Acquisition of PKJM	After (2) and Acquisition of PKJ Group and Precious Group	After (3) and Acquisitions by PKHB	After (4) and Consolidation of Shares	After (5) and Public Issue and Offer for Sale	After (6) and Conversion of ICULS
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property,							
plant and equipment	-	18,683	33,424	47,674	47,674	47,674	47,674
Investment properties	-	-	3,534	3,734	3,734	3,734	3,734
Interest in Associated Companies	-	-	27,450	-	-	-	-
Investments	-	749	4,155	383	383	383	383
Intangible assets	670	670	670	670	670	670	670
Goodwill	-	-	2,241	4,270	4,270	4,270	4,270
Negative goodwill	-	(4,556)	(4,556)	(19,091)	(19,091)	(19,091)	(19,091)
Deferred tax assets	-	-	1	418	418	418	418
	670	15,546	66,919	38,058	38,058	38,058	38,058
<b>CURRENT ASSETS</b>							
Inventories		11,913	71,377	205,683	205,683	205,683	205,683
Trade receivables		12,339	23,651	1,371	1,371	1,371	1,371
Other receivables,							
deposits and prepayments		1,097	3,114	5,893	5,893	5,893	5,893
Amounts due by Related Companies		-	1,285	-	-	-	-
Tax recoverable		-	88	910	910	910	910
Fixed deposits with licensed banks		-	260	2,210	2,210	2,210	2,210
Cash and bank balances	*	(10,995)	3,493	6,040	6,040	34,368	34,368
	*	14,354	103,268	222,107	222,107	250,435	250,435
<b>CURRENT LIABILITIES</b>							
Trade payables		417	20,547	36,107	36,107	36,107	36,107
Other payables and accruals	725	1,768	6,650	15,470	15,470	15,470	15,470
Amounts due to Related Companies		-	3,637	-	-	-	-
Amounts due to Directors		4,013	7,793	10,676	10,676	10,676	10,676
Hire purchase creditors		222	464	1,067	1,067	1,067	1,067
Finance lease creditor		-	30	30	30	30	30
Customers' Deposits		-	293	1,091	1,091	1,091	1,091
Bank and other borrowings		6,722	21,154	38,405	38,405	38,405	38,405
Provision for taxation		1,228	1,874	2,882	2,882	2,882	2,882
	725	14,370	62,442	105,728	105,728	105,728	105,728
<b>NET CURRENT (LIABILITIES) / ASSETS</b>							
	(725)	(16)	40,826	116,379	116,379	144,707	144,707
	(55)	15,530	107,745	154,437	154,437	182,765	182,765

## 2. SUMMARY INFORMATION (Cont'd)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Audited 31/07/2003	After (1) and Acquisition of PKJM	After (2) and Acquisition of PKJ Group and Precious Group	After (3) and Acquisitions by PKHB	After (4) and Consolidation of Shares	After (5) and Public Issue and Offer for Sale	After (6) and Conversion of ICULS
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>CAPITAL AND RESERVE</b>							
Share capital	*	3,286	29,867	44,420	44,420	64,000	117,243
Share premium	-	657	5,973	8,884	8,884	17,632	49,578
Accumulated losses	(55)	(55)	(55)	(55)	(55)	(55)	(55)
<b>SHAREHOLDERS' EQUITY</b>	<b>(55)</b>	<b>3,888</b>	<b>35,785</b>	<b>53,249</b>	<b>53,249</b>	<b>81,577</b>	<b>166,766</b>
Minority Interest	-	-	2,796	3,080	3,080	3,080	3,080
<b>LONG TERM AND DEFERRED LIABILITIES</b>							
ICULS	-	6,433	58,476	85,189	85,189	85,189	-
Hire purchase creditors	-	773	1,443	2,486	2,486	2,486	2,486
Finance lease creditor	-	-	28	28	28	28	28
Term loan	-	3,782	8,319	9,004	9,004	9,004	9,004
Deferred tax liabilities	-	654	898	1,401	1,401	1,401	1,401
	-	11,642	69,164	98,108	98,108	98,108	12,919
	(55)	15,530	107,745	154,437	154,437	182,765	182,765
Net Tangible Assets ("NTA")	(725)	7,774	37,430	67,400	67,400	95,728	180,917
NTA per share (RM)	(362,500)	2.37	1.25	1.52	1.52	1.50	1.54

\*represents RM2.00

## 2.5 Auditors' Qualifications

There were no qualifications reported in the audited financial statements of PKHB and its subsidiary companies for the past five (5) financial years ended 31 July 2003, save for the matter of emphasis highlighted in Section 11 of this Prospectus.

## 2.6 Summary of Material Risk Factors

Prospective investors should consider carefully all the relevant information contained in this Prospectus, including, inter-alia, the following risk factors. The order in which the risk factors are presented should not be construed as a ranking of the risk factors.

- (a) Marketability of PKHB shares;
- (b) Ownership and control of the Group;
- (c) Business risks;
- (d) Competition;
- (e) Key management & key personnel;
- (f) Dependencies on major suppliers and customers;
- (g) Political, social and economic consideration;
- (h) Profit forecast;
- (i) Foreign exchange fluctuations;
- (j) Seasonality;
- (k) Domestic borrowings;
- (l) Cross default risks on borrowings agreements;
- (m) Fluctuation in the prices of gold;
- (n) Dependence on skilled craftsmen and designers;
- (o) Risk associated with security;
- (p) Threat of substitute product;
- (q) Government control and regulation;

## 2. SUMMARY INFORMATION (Cont'd)

- (r) Insurance coverage on the Group's assets;
- (s) Technology used or to be used by PKHB Group and the rapid development of technological change;
- (t) Operational risks;
- (u) Branding;
- (v) Gold and its investment appeal;
- (w) Properties pending completion;
- (x) Delay in the listing;
- (y) Trade debts; and
- (z) Forward-looking statements

Details of the risk factors are set out in Section 4 of this Prospectus.

### 2.7 Profit and Dividend Forecast

#### 2.7.1 Consolidated Profit Forecast

	<b>Forecast Consolidated Result 2004 RM'000</b>
Revenue	339,470
Consolidated PBT	24,830
Taxation	(6,886)
Consolidated PAT	17,944
MI	(415)
Consolidated PAT after MI	17,529
Pre-acquisition profit	(10,173)
	<b>7,356</b>
Weighted average number of ordinary share in issue ('000)	32,000
Number of ordinary shares in issue ('000)	64,000
Basic gross earnings per share (sen) <sup>1</sup>	44.51
Basic net earnings per share (sen) <sup>2</sup>	22.99
Basic gross price earnings multiple based on the Issue or Offer price of RM1.60 per ordinary share (times)	3.59
Basic net price earnings multiple based on the Issue or Offer price of RM1.60 per ordinary share (times)	6.96
Fully diluted gross earnings per share (sen) <sup>3</sup>	25.86
Fully diluted net earnings per share (sen) <sup>4</sup>	14.12
Fully diluted gross price earnings multiple based on the Issue or Offer price of RM1.60 per ordinary share (times)	6.19
Fully diluted net price earnings multiple based on the Issue or Offer price of RM1.60 per ordinary share (times)	11.33

## 2. SUMMARY INFORMATION (Cont'd)

### Notes:-

- (1) Calculated based on the consolidated PBT and after accounting for the pre-acquisition profit and MI totaling RM14,241,611 and on the weighted average number of ordinary shares in issue of 32,000,001 ordinary shares on the assumption that the listing will be completed by 31 January 2004.
- (2) Calculated based on the consolidated PAT and after accounting for the pre-acquisition profit and MI totaling RM7,355,849 and on the weighted average number of ordinary shares in issue of 32,000,001 ordinary shares on the assumption that the listing will be completed by 31 January 2004.
- (3) Calculated based on the adjusted consolidated PBT and after accounting for the pre-acquisition profit and MI totaling RM15,161,656 (after incorporating savings in ICULS interest net of tax amounting to RM920,045) and on the adjusted weighted average number of ordinary shares in issue of 58,621,680 ordinary shares (after incorporating weighted average number of ordinary shares issuable on assumed conversion of ICULS totaling to 26,621,679 ordinary shares) on the assumption that the listing will be completed by 31 January 2004.
- (4) Calculated based on the adjusted consolidated PAT and after accounting for the pre-acquisition profit and MI totaling RM8,275,894 (after incorporating savings in ICULS interest net of tax amounting to RM920,045) and on the adjusted weighted average number of ordinary shares in issue of 58,621,680 ordinary shares (after incorporating weighted average number of ordinary shares issuable on assumed conversion of ICULS totaling to 26,621,679 ordinary shares) on the assumption that the listing will be completed by 31 January 2004.

Further details are set out in Section 10.6 of this Prospectus.

### 2.7.2 Dividend Forecast

	<b>2004</b>
Gross dividend per ordinary share (sen)	5.00
Net dividend per ordinary share (sen)	3.60
Gross dividend yield based on the Issue/Offer price of RM1.60 per ordinary share (%)	3.13
Net dividend yield based on the Issue/Offer price of RM1.60 per ordinary share (%)	2.25
Gross dividend cover (times)	8.90
Net dividend cover (times)	6.39

Details of the dividend forecast are set out in Section 10.9 of this Prospectus.

### 2.8 Proforma Consolidated NTA

	<b>RM'000</b>	<b>NTA Per Ordinary Share RM</b>
Proforma Consolidated NTA as at 31 July 2003 (after incorporating the effects of Public Issue and deducting estimated listing expenses)	95,728	1.50
Proforma Consolidated NTA as at 31 July 2003 (after incorporating the effects of Public Issue, deducting estimated listing expenses and after full conversion of the ICULS)	180,917	1.54

Detailed calculation of the Proforma NTA are set out in Section 10.11 of this Prospectus.

## 2. SUMMARY INFORMATION (Cont'd)

### 2.9 Principal Statistics Relating To The Public Issue/Offer for Sale

The following statistics relating to the Public Issue/Offer for Sale are derived from the full text of this Prospectus and should be read in conjunction with the text.

#### 2.9.1 Share Capital

	RM
<b>Authorised :</b>	
Existing: 500,000,000 ordinary shares of RM1.00 each	500,000,000
<b>Issued and fully paid-up:</b>	
Existing 44,419,797 ordinary shares of RM1.00 each	44,419,797
<b>To be issued pursuant to the Public Issue:</b>	
19,580,203 new ordinary shares of RM1.00 each	19,580,203
<b>Enlarged share capital upon listing</b>	
	<b>64,000,000</b>
<b>To be issued pursuant to the full conversion of ICULS:</b>	
53,243,359 ordinary shares of RM1.00 each	53,243,359
Total enlarged share capital	<b>117,243,359</b>
<b>To be offered pursuant to the Offer for Sale:</b>	
3,764,200 ordinary shares of RM1.00 each	3,764,200
12,778,400 nominal value of ICULS of RM1.00 each	12,778,400
<b>2.9.2 Issue/Offer Price per ordinary share</b>	<b>1.60</b>
<b>Offer price per ICULS</b>	<b>1.00</b>

#### 2.9.3 Class of securities

All of the ordinary shares of RM1.00 each rank pari passu with one another. The Public Issue and Offer for Sale Shares will rank pari passu in all respects with the other existing issued and paid-up ordinary shares of the Company including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of this Prospectus.

The new ordinary shares of RM1.00 each in PKHB arising from the conversion of the ICULS will, upon allotment and issue, rank pari passu in all respect with the existing ordinary shares of PKHB except that they shall not be entitled to any dividends, rights, allotments or other distributions declares prior to the date of allotment of the new ordinary shares.

Details of the Public Issue and Offer for Sale are set out in Section 3 of this Prospectus.

## 2. SUMMARY INFORMATION (Cont'd)

### 2.10 Utilisation of Proceeds

The gross proceeds arising from the Public Issue estimated to be approximately RM31.328 million will be utilised by the Group in the following manner:-

	RM'000	Expected time frame for utilisation of proceeds
1. Purchase of machinery	2,000	12 months
2. Working capital	10,647	1 month
3. Acquisition of 55% equity interest in PKJM from Precious	12,681	1 month
4. Expansion	3,000	18 months
5. Estimated listing expenses	3,000	1 month
<b>Total</b>	<b>31,328</b>	

The estimated RM3.0 million in respect of expenses and fees incidental to the listing of and quotation for the entire issued and paid-up share capital of PKHB on the Main Board of the MSEB shall be borne by the Company. No part of the gross proceeds which amount to approximately RM18.801 million arising from the Offer For Sale is receivable by PKHB. The gross proceeds from the Offer for Sale shall accrue entirely to the Offeror. The Offeror shall bear the stamp duty and other charges relating to the Offer for Sale.

Details of proposed utilisation are set out in Section 3.8 of this Prospectus.

### 2.11 Working Capital, Material Litigations, Material Commitments, Borrowings and Contingent Liabilities

PKHB Group's working capital, material litigations, material commitments, borrowings and contingent liabilities are as follows:-

#### (i) Working Capital

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

#### (ii) Material Litigations

Save as disclosed below, as at 19 January 2004 (being the latest practicable date of which such matter could be determined prior to the printing of this Prospectus), the Company and its subsidiary companies are not engaged in any litigation, either as plaintiff or defendant, which has a material effect on the financial position of the Group and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and/or adversely affect the position or business of the Group:-



## 2. SUMMARY INFORMATION (Cont'd)

**PKJ (O. Klang)**

By a Writ of Summons dated 22 May 2003, Kerajaan Malaysia instituted a civil action in the High Court of Malaya at Kuala Lumpur against PKJ (O. Klang) claiming for total outstanding income tax of RM1,245,549.68 payable for years of assessment 1996 and 1997 inclusive of increases pursuant to Sections 107B(3), 103(4) and 103(5A) of the Income Tax Act 1967. PKJ (O, Klang) has on 10 June 2003 fully settled the said outstanding amount to the Lembaga Hasil Dalam Negeri ("LHDN"). Kerajaan Malaysia has vide its letter dated 10 June 2003 and the Notice of Discontinuance dated 10 June 2003 notified the High Court to discontinue the matter.

**(iii) Material Commitments**

As at 31 July 2003 (being the latest available audited accounts) and 19 January 2004 (being the latest practicable date of which such amounts could be determined prior to the printing of this Prospectus), the Group had/has material commitments amounting to RM3,637,711 and RM2,950,949 respectively, details of which are as follows:-

	As at 31 July 2003 (Audited) RM	As at 19 January 2004 (Unaudited) RM
Authorised and not contracted for	-	-
Authorised and contracted for	3,637,711	2,950,949 ^
<b>Total</b>	<b>3,637,711</b>	<b>2,950,949</b>

Note:-

^ Includes lease payment of RM0.988 million and progress payment for new properties of RM1.963 million

**(iv) Borrowings**

As at 31 July 2003 (being the latest available audited accounts) and 19 January 2004 (being the latest practicable date of which such amounts could be determined prior to the printing of this Prospectus), the Group's total borrowings, amounted to RM51,020,809 and RM54,259,421 respectively, details of which are as follows:-

	As at 31 July 2003 (Audited) RM	As at 19 January 2004 (Unaudited) RM
<b>Short term</b>		
Interest bearing	39,502,327	44,680,120
<b>Long term</b>		
Interest bearing	11,518,482	9,579,301
<b>Total outstanding borrowings</b>	<b>51,020,809</b>	<b>54,259,421</b>

As at 19 January 2004, the Group does not have any foreign borrowings.

In addition to the above, the Group has obtained two (2) loans from Standard Chartered Bank Malaysia Berhad to part finance the purchase of properties as detailed out in Section 9.2(iii) and (iv) of this Prospectus and are pending the state authority to grant the consent of charge and pending release of redemption sum respectively.

Saved as disclosed above, the Group does not have any other loan capital outstanding or created but unissued, mortgages or charges outstanding.

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

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**(v) Contingent Liabilities**

Save as disclosed below, as at 19 January 2004 being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus, the Group does not have any other material contingent liabilities:-

- (a) Corporate guarantee extended by Precious for a term loan facility of RM9.0 million granted to PKJ by Malayan Banking Berhad; and
- (b) Corporate guarantee extended by K.E. Likwong for a term loan facility of RM9.0 million to its holding company, PKJ by Malayan Banking Berhad.

Details of the above are set out in Section 10.5 of this Prospectus.

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