

PROSPECTUS



KURNIA ASIA BERHAD

(Company No.: 539435-K)
(Incorporated in Malaysia under the Companies Act, 1965)

PROSPECTUS

KURNIA ASIA BERHAD



THE INITIAL PUBLIC OFFERING CONSISTS OF AN OFFER FOR SALE OF 543,000,000 ORDINARY SHARES OF RM0.25 EACH AND COMPRISES THE INSTITUTIONAL OFFERING AND THE RETAIL OFFERING

THE INSTITUTIONAL OFFERING CONSISTS OF 42,500,000 ORDINARY SHARES OF RM0.25 EACH OFFERED TO INSTITUTIONAL AND IDENTIFIED INVESTORS AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING

THE RETAIL OFFERING CONSISTS OF 500,500,000 ORDINARY SHARES OF RM0.25 EACH COMPRISING:

- (i) 40,000,000 ORDINARY SHARES OF RM0.25 EACH TO THE MALAYSIAN PUBLIC;
- (ii) 45,000,000 ORDINARY SHARES OF RM0.25 EACH TO THE ELIGIBLE DIRECTORS, EMPLOYEES AND REGISTERED AGENTS OF KURNIA ASIA BERHAD AND ITS SUBSIDIARY IN MALAYSIA; AND
- (iii) 415,500,000 ORDINARY SHARES OF RM0.25 EACH TO THE BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF FINANCE

AT THE RETAIL PRICE OF RM1.00 PER ORDINARY SHARE, PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO A REFUND IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN RM1.00 PER ORDINARY SHARE. THE FINAL RETAIL PRICE WILL BE THE LOWER OF:

- (i) THE RETAIL PRICE OF RM1.00 PER ORDINARY SHARE; OR
- (ii) NOT LESS THAN 95% OF THE INSTITUTIONAL PRICE, TO BE DETERMINED BY WAY OF BOOKBUILDING

IN CONJUNCTION WITH ITS LISTING ON THE MAIN BOARD OF BURSA MALAYSIA SECURITIES BERHAD (FORMERLY KNOWN AS MALAYSIA SECURITIES EXCHANGE BERHAD)



KURNIA ASIA BERHAD

(Company No.: 539435-K)
(Incorporated in Malaysia under the Companies Act, 1965)

Menara Kurnia, No. 9, Jalan PJS 8/9,
46150 Petaling Jaya,
Selangor Darul Ehsan, Malaysia.

Adviser, Sole Bookrunner, Managing Underwriter and Underwriter

CIMB

Commerce International Merchant Bankers Berhad
(Company No.: 18417-M)

Underwriters

K & N Kenanga Bhd
(Company No.: 15678-H)

PM Securities Sdn Bhd
(Company No.: 66299-A)

Affin Securities Sdn Bhd
(Company No.: 431338-P)

TA Securities Holdings Berhad
(Company No.: 14948-M)

This Prospectus is dated 30 December 2004

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION IV HEREIN

THE SECURITIES COMMISSION ("SC") HAS APPROVED THE OFFER FOR SALE AND THE APPROVAL OF THE SC SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE OFFER FOR SALE AND/OR THE FLOTATION OF KURNIA ASIA BERHAD ("KAB" OR THE "COMPANY") ON BURSA MALAYSIA SECURITIES BERHAD (FORMERLY KNOWN AS MALAYSIA SECURITIES EXCHANGE BERHAD) ("BURSA SECURITIES"). 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 DOCUMENT, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

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

THE CONTENTS OF AN ELECTRONIC PROSPECTUS (AS DEFINED IN DEFINITION SECTION OF THIS PROSPECTUS) ARE AS PER THE CONTENTS OF THE COPY OF THIS PROSPECTUS REGISTERED BY THE SC. A COPY OF THIS PROSPECTUS SO REGISTERED IS AVAILABLE ON THE WEBSITE OF CIMB SECURITIES SDN BHD AT www.eipocimb.com.

THE APPLICANT IS ADVISED THAT THE INTERNET IS NOT A FULLY SECURE MEDIUM, AND THAT AN INTERNET SHARE APPLICATION IS SUBJECT TO THE RISKS OF PROBLEMS OCCURRING DURING DATA TRANSMISSION, COMPUTER SECURITY THREATS SUCH AS VIRUSES, HACKERS AND CRACKERS, FAULTS WITH COMPUTER SOFTWARE AND OTHER EVENTS BEYOND THE CONTROL OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION (AS DEFINED IN DEFINITION SECTION OF THIS PROSPECTUS), WHICH RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTION. ANY APPLICANT IN DOUBT CONCERNING THE VALIDITY OR INTEGRITY OF AN ELECTRONIC PROSPECTUS SHOULD IMMEDIATELY REQUEST A PAPER/PRINTED COPY OF THE PROSPECTUS DIRECTLY FROM THE COMPANY, THE ADVISER OR THE ISSUING HOUSE. IN THE EVENT OF ANY DISCREPANCIES ARISING BETWEEN THE CONTENTS OF AN ELECTRONIC PROSPECTUS AND THE CONTENTS OF THE PAPER/PRINTED COPY OF THIS PROSPECTUS FOR ANY REASON WHATSOEVER, THE CONTENTS OF THE PAPER/PRINTED COPY OF THIS PROSPECTUS WHICH ARE IDENTICAL TO THE COPY OF THE PROSPECTUS REGISTERED WITH THE SC SHALL PREVAIL.

IN RESPECT OF ANY REFERENCE IN THIS PROSPECTUS TO THIRD PARTY INTERNET SITES (SUCH INTERNET SITES ARE HEREINAFTER REFERRED TO AS "THIRD PARTY INTERNET SITES"), WHETHER BY WAY OF HYPERLINKS OR BY WAY OF DESCRIPTION OF THE THIRD PARTY INTERNET SITES, THE APPLICANT ACKNOWLEDGES AND AGREES THAT:

- (I) THE COMPANY DOES NOT ENDORSE AND IS NOT AFFILIATED IN ANY WAY WITH THE THIRD PARTY INTERNET SITE REFERRED TO IN THIS PROSPECTUS AND IS NOT RESPONSIBLE FOR THE AVAILABILITY OF, OR THE CONTENTS OR ANY DATA, INFORMATION, FILES OR OTHER MATERIAL PROVIDED ON THE THIRD PARTY INTERNET SITES, AND THAT THE APPLICANT BEARS ALL RISKS ASSOCIATED WITH THE ACCESS TO OR USE OF THE THIRD PARTY INTERNET SITES;
- (II) THE COMPANY IS NOT RESPONSIBLE FOR THE QUALITY OF PRODUCTS OR SERVICES IN THE THIRD PARTY INTERNET SITES, FOR FULFILLING ANY OF THE TERMS OF THE APPLICANT'S AGREEMENTS IN CONNECTION WITH THE THIRD PARTY INTERNET SITES, IF ANY, AND ANY LOSS OR DAMAGE OR COSTS THAT THE APPLICANT MAY SUFFER OR INCUR IN CONNECTION WITH OR AS A RESULT OF DEALING WITH THE THIRD PARTY INTERNET SITES AND THE USE OF OR RELIANCE ON ANY DATA, INFORMATION, FILES OR OTHER MATERIAL PROVIDED THEREON; AND
- (III) ANY DATA, INFORMATION, FILES OR OTHER MATERIAL DOWNLOADED FROM THE THIRD PARTY INTERNET SITES IS DONE AT THE APPLICANT'S OWN DISCRETION AND RISK. THE COMPANY SHALL BEAR NO RESPONSIBILITY, LIABILITY OR OBLIGATION WHATSOEVER IN RESPECT OF ANY DAMAGE TO THE APPLICANT'S COMPUTER SYSTEM OR LOSS OF DATA RESULTING FROM THE DOWNLOADING OF ANY SUCH DATA, INFORMATION, FILES OR OTHER MATERIAL.

WHERE AN ELECTRONIC PROSPECTUS IS HOSTED ON THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, APPLICANTS ARE ADVISED THAT:

- (I) THE LIABILITY OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS IS ONLY TO THE EXTENT OF THE CONTENTS OF THE ELECTRONIC PROSPECTUS SITUATED ON THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION WHICH MAY BE VIEWED VIA THE APPLICANT'S WEB BROWSER OR OTHER RELEVANT SOFTWARE. THE INTERNET PARTICIPATING FINANCIAL INSTITUTION SHALL NOT BE RESPONSIBLE IN ANY WAY FOR THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS WHICH HAS BEEN DOWNLOADED OR OTHERWISE OBTAINED FROM THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION AND THEREAFTER COMMUNICATED OR DISSEMINATED IN ANY MANNER TO APPLICANTS OR OTHER PARTIES.

- (II) WHILE ALL REASONABLE MEASURES HAVE BEEN TAKEN TO ENSURE THE ACCURACY AND RELIABILITY OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS, THE ACCURACY AND RELIABILITY OF AN ELECTRONIC PROSPECTUS CANNOT BE GUARANTEED AS THE INTERNET IS NOT A FULLY SECURE MEDIUM.

THE INTERNET PARTICIPATING FINANCIAL INSTITUTION SHALL NOT BE SUBJECT TO ANY LIABILITY WHATSOEVER (WHETHER IN TORT OR CONTRACT OR OTHERWISE) FOR ANY LOSS, DAMAGE OR COSTS WHATSOEVER SUFFERED OR INCURRED BY AN APPLICANT OR ANY OTHER PERSON DUE TO, AS A CONSEQUENCE OF OR IN CONNECTION WITH ANY INACCURACIES, CHANGES, ALTERATIONS, DELETIONS OR OMISSIONS IN RESPECT OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS WHICH MAY ARISE IN CONNECTION WITH OR AS A RESULT OF ANY FAULT OR FAULTS WITH WEB BROWSERS OR OTHER RELEVANT SOFTWARE, ANY FAULT OR FAULTS ON AN APPLICANT'S OR ANY THIRD PARTY'S PERSONAL COMPUTER, OPERATING SYSTEM OR OTHER SOFTWARE, VIRUSES OR OTHER SECURITY THREATS, UNAUTHORIZED ACCESS TO INFORMATION OR SYSTEMS IN RELATION TO THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, AND/OR PROBLEMS OCCURRING DURING DATA TRANSMISSION; WHICH MAY RESULT IN INACCURATE OR INCOMPLETE COPIES OF INFORMATION BEING DOWNLOADED OR DISPLAYED ON AN APPLICANT'S PERSONAL COMPUTER.

THIS PROSPECTUS HAS NOT BEEN AND WILL NOT BE MADE TO COMPLY WITH THE LAWS OF ANY JURISDICTION OTHER THAN MALAYSIA, AND HAS NOT BEEN AND WILL NOT BE LODGED, REGISTERED OR APPROVED PURSUANT TO OR UNDER ANY APPLICABLE SECURITIES OR EQUIVALENT LEGISLATION OR WITH OR BY ANY REGULATORY AUTHORITY OR OTHER RELEVANT BODY OF ANY JURISDICTION OTHER THAN MALAYSIA.

THIS PROSPECTUS IS NOT INTENDED TO BE AND WILL NOT BE ISSUED, CIRCULATED OR DISTRIBUTED AND THE IPO (AS DEFINED IN DEFINITION SECTION OF THIS PROSPECTUS) WILL NOT BE MADE OR DEEMED TO BE MADE IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA OR TO PERSONS WHO ARE OR MAY BE SUBJECT TO THE LAWS OF ANY COUNTRIES OR JURISDICTION OTHER THAN THE LAWS OF MALAYSIA. THE IPO TO WHICH THIS PROSPECTUS RELATES IS ONLY AVAILABLE TO PERSONS RECEIVING THIS PROSPECTUS ELECTRONICALLY OR OTHERWISE WITHIN MALAYSIA.

THE COMPANY WILL NOT, PRIOR TO ACTING ON ANY ACCEPTANCE IN RESPECT OF THE IPO, MAKE OR BE BOUND TO MAKE ANY ENQUIRY AS TO WHETHER AN APPLICANT HAS A REGISTERED ADDRESS IN MALAYSIA AND WILL NOT ACCEPT OR BE DEEMED TO ACCEPT ANY LIABILITY IN RELATION THERETO WHETHER OR NOT ANY ENQUIRY OR INVESTIGATION IS MADE IN CONNECTION THEREWITH. IT SHALL BE THE SOLE RESPONSIBILITY OF APPLICANTS WHO ARE OR MAY BE SUBJECT TO THE LAWS OF COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA TO CONSULT THEIR LEGAL AND/OR OTHER PROFESSIONAL ADVISERS AS TO WHETHER THE IPO WOULD RESULT IN THE CONTRAVENTION OF ANY LAWS OF SUCH COUNTRIES OR JURISDICTIONS.

FURTHER, IT SHALL ALSO BE THE SOLE RESPONSIBILITY OF SUCH APPLICANTS TO ENSURE THAT THE APPLICATION FOR THE IPO BY SUCH APPLICANTS WOULD BE IN COMPLIANCE WITH THE TERMS OF THE IPO AND WOULD NOT BE IN CONTRAVENTION OF ANY LAWS OF COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA TO WHICH SUCH APPLICANTS MAY BE SUBJECT. THE COMPANY WILL FURTHER ASSUME THAT SUCH APPLICANT HAD ACCEPTED THE IPO IN MALAYSIA AND WILL AT ALL APPLICABLE TIMES BE SUBJECT ONLY TO THE LAWS OF MALAYSIA IN CONNECTION THEREWITH.

HOWEVER, THE COMPANY RESERVES THE RIGHT, IN ITS ABSOLUTE DISCRETION, TO TREAT ANY ACCEPTANCE AS INVALID IF THE COMPANY BELIEVES THAT SUCH ACCEPTANCE MAY VIOLATE ANY LAW OR APPLICABLE LEGAL OR REGULATORY REQUIREMENTS.

NO ACTION HAS BEEN OR WILL BE TAKEN TO ENSURE THAT THE PROSPECTUS COMPLIES WITH THE LAWS OF ANY COUNTRIES OR JURISDICTIONS OTHER THAN THE LAWS OF MALAYSIA. IT SHALL BE THE SOLE RESPONSIBILITY OF THE APPLICANTS TO CONSULT THEIR LEGAL AND/OR OTHER PROFESSIONAL ADVISERS ON THE LAWS TO WHICH THE IPO OR SUCH APPLICANTS ARE OR MIGHT BE SUBJECT. NEITHER THE COMPANY NOR THE ADVISER NOR ANY OTHER ADVISERS IN RELATION TO THE IPO SHALL ACCEPT ANY RESPONSIBILITY OR LIABILITY IN THE EVENT THAT ANY APPLICATION MADE BY AN APPLICANT SHALL BECOME ILLEGAL, UNENFORCEABLE, VOIDABLE OR VOID IN ANY COUNTRY OR JURISDICTION.

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF KAB 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, THAT 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 STATEMENT HEREIN FALSE OR MISLEADING. THE DIRECTORS OF KAB 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.

COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD BEING THE ADVISER, SOLE BOOKRUNNER, MANAGING UNDERWRITER AND 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 OFFER FOR SALE AND IS SATISFIED THAT THE PROFIT FORECAST (FOR WHICH THE DIRECTORS OF KAB ARE FULLY RESPONSIBLE) PREPARED FOR INCLUSION IN THIS PROSPECTUS HAS BEEN STATED BY THE DIRECTORS OF KAB AFTER DUE AND CAREFUL ENQUIRY AND HAS BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THIS PROSPECTUS CONTAINS 205 PAGES.

INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for the entire issued and paid-up share capital of KAB on the Main Board of Bursa Securities is set out below:

Events	Tentative Date
Opening of the Retail Offering and Institutional Offering	30 December 2004
Closing of the Retail Offering	7 January 2005, 5.00 p.m
Closing of the Institutional Offering	10 January 2005, 5.00 p.m
Price Determination Date	11 January 2005
Balloting of applications for the Offer Shares pursuant to the Retail Offering	13 January 2005
Allotment of Offer Shares to successful applicants	20 January 2005
Listing and quotation	31 January 2005

The Retail Offering and Institutional Offering will open and close at the dates stated above or such other date(s) as the Directors of KAB, the Offerors, the Managing Underwriter (in respect of the Retail Offering) and the Sole Bookrunner (in respect of the Institutional Offering) may in their absolute discretion mutually decide. Should the closing date of the application be extended, the notice of the extension of the closing date will be published in widely-circulated Bahasa Malaysia and English daily newspapers in Malaysia and the dates for price determination, balloting, and allotment of Offer Shares as well as listing of and quotation for the entire issued and paid up share capital of KAB on the Main Board of Bursa Securities would be extended accordingly.

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DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following words and abbreviations shall apply throughout:

“Act”	:	Companies Act, 1965
“Acquisition of KIMB”	:	Acquisition of a total of 200,000,000 ordinary shares of RM1.00 each in KIMB by KAB from all the shareholders of KIMB for a total purchase consideration of RM328,007,000 satisfied by the issuance of 1,312,028,000 KAB Shares at an issue price of RM0.25 per KAB Share
“ADA”	:	Authorised Depository Agent
“ADA Code”	:	ADA (Broker) Code
“Application”	:	The application for the Offer Shares by way of Application Form(s), Electronic Share Application or Internet Share Application
“Application Form(s)”	:	The printed application form(s) for the application for the Offer Shares
“Approved Transfer”	:	An approved transfer of securities where the reason for transfer has been stated in accordance with the Rules of Bursa Depository
“ASEAN”	:	Association of Southeast Asian Nations
“ATM”	:	Automated Teller Machine
“Authorised Financial Institution”	:	The authorised financial institution participating in the Internet Share Applications, with respect to payments for the Offer Shares. Presently, Malayan Banking Berhad is the sole Authorised Financial Institution.
“BNM”	:	Bank Negara Malaysia
“Board”	:	Board of Directors
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd (Company No. 165570-W) <i>(formerly known as Malaysian Central Depository Sdn Bhd)</i> , a subsidiary of Bursa Securities
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (Company No. 635998-W) <i>(formerly known as Malaysia Securities Exchange Berhad)</i> , a wholly-owned subsidiary of Bursa Malaysia Berhad <i>(formerly known as Kuala Lumpur Stock Exchange Berhad (Company No. 30632-P))</i>
“Bursa Securities LR”	:	Bursa Securities Listing Requirements
“CDS”	:	Central Depository System
“CIMB”	:	Commerce International Merchant Bankers Berhad (Company No. 18417-M)
“CIMBS”	:	CIMB Securities Sdn Bhd (Company No. 163712-V)

DEFINITIONS (CONT'D)

“Confirmation Screen”	:	The Confirmation Screen referred to in Section XIII(6)(ii)(d) of this Prospectus
“Declaration of Dividend”	:	Declaration and payment of a net dividend by KIMB of RM75,000,000 on 2 November 2004 and 3 November 2004 respectively to its shareholders
“DKCS”	:	Datuk Kua Chung Sen
“DKSK”	:	Datuk Kua Sian Kooi
“DOA”	:	Dato’ Othman Bin Abdul
“DQTM”	:	Dato’ Quah Teong Moo
“DTTL”	:	Dato’ Tee Tiam Lee
“DYCH”	:	Dato’ Yeoh Cheng Hooi
“Electronic Prospectus”	:	A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs or floppy disks
“Electronic Share Application”	:	The application for the Offer Shares through a Participating Financial Institution’s ATM
“EPS”	:	Earnings per share
“Final Retail Price”	:	The final price per Offer Share to be paid up by applicants in the Retail Offering as determined in accordance with Section III(7) of this Prospectus
“IA”	:	Insurance Act, 1996
“ICT”	:	Information and Communication Technology
“Institutional Offering”	:	42,500,000 Offer Shares, subject to clawback and reallocation as detailed in Section III(8) of this Prospectus, to be offered to institutional and identified investors
“Institutional Price”	:	The price per Offer Shares to be paid by investors pursuant to the Institutional Offering. The Institutional Price will be determined at the Price Determination Date
“Internet Participating Financial Institution”	:	The dealer participating in the Internet Share Applications. Presently, CIMBS is the sole Internet Participating Financial Institution.
“Internet Share Application”	:	The application for the Offer Shares through iTrade@CIMB (an online share trading service provided by CIMBS)
“KAA”	:	Kurnia Auto Assist
“KAB” or “Company”	:	Kurnia Asia Berhad (Company No. 539435-K)
“KAB Share(s)” or “Share(s)”	:	Ordinary share(s) of RM0.25 each in KAB
“KDSB”	:	Kurnia Damai Sdn Bhd (Company No. 185606-T)

DEFINITIONS (CONT'D)

“KDSB Capital Repayment”	:	Capital repayment by KDSB to its shareholders of 1,499,999,258 KAB Shares held by KDSB after the Declaration of Dividend, Acquisition of KIMB and Non-Renounceable Rights Issue																		
“KIMB”	:	Kurnia Insurans (Malaysia) Berhad (Company No. 44191-P)																		
“Kurnia Group” or “Group”	:	KAB and its subsidiary																		
“Listing”	:	The admission to the Official List and the listing of and quotation for 1,500,000,000 KAB Shares representing the entire issued and paid-up share capital of KAB on the Main Board of Bursa Securities																		
“MARC”	:	Malaysian Rating Corporation Berhad (Company No. 364803-V)																		
“Market Day(s)”	:	A day(s) on which Bursa Securities is open for trading in securities																		
“MAT”	:	Marine, Aviation and Transit																		
“MIH” or “Issuing House”	:	Malaysian Issuing House Sdn Bhd (Company No. 258345-X)																		
“MoF”	:	Ministry of Finance																		
“NBV”	:	Net book value																		
“Non-Renounceable Rights Issue”	:	Non-renounceable rights issue of 187,971,992 KAB Shares to KAB's shareholders after the Declaration of Dividend and Acquisition of KIMB, namely KDSB, DKSK and MoF																		
“NTA”	:	Net tangible assets																		
“Offer for Sale” or “IPO”	:	Offer for sale by the Offerors of 543,000,000 KAB Shares comprising the Institutional Offering and the Retail Offering																		
“Offer Share(s)”	:	The 543,000,000 KAB Shares representing 36.2% of the issued and paid-up capital of KAB to be offered pursuant to the Offer for Sale by the Offerors of an offer, subject to the terms and conditions of this Prospectus																		
“Offerors”	:	DKSK, DKCS, DTTL and DYCH who propose to offer for sale the Offer Shares in the following proportions:																		
		<table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Offeror</th> <th style="text-align: right;">No. of Offer Shares</th> <th style="text-align: right;">% of entire issued and paid-up share capital</th> </tr> </thead> <tbody> <tr> <td>DKSK</td> <td style="text-align: right;">344,032,540</td> <td style="text-align: right;">22.94</td> </tr> <tr> <td>DKCS</td> <td style="text-align: right;">105,499,292</td> <td style="text-align: right;">7.03</td> </tr> <tr> <td>DTTL</td> <td style="text-align: right;">70,780,245</td> <td style="text-align: right;">4.72</td> </tr> <tr> <td>DYCH</td> <td style="text-align: right;">22,687,923</td> <td style="text-align: right;">1.51</td> </tr> <tr> <td>Total</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">543,000,000</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">36.20</td> </tr> </tbody> </table>	Offeror	No. of Offer Shares	% of entire issued and paid-up share capital	DKSK	344,032,540	22.94	DKCS	105,499,292	7.03	DTTL	70,780,245	4.72	DYCH	22,687,923	1.51	Total	543,000,000	36.20
Offeror	No. of Offer Shares	% of entire issued and paid-up share capital																		
DKSK	344,032,540	22.94																		
DKCS	105,499,292	7.03																		
DTTL	70,780,245	4.72																		
DYCH	22,687,923	1.51																		
Total	543,000,000	36.20																		
“Official List”	:	The official list of the Main Board of Bursa Securities																		
“Participating Financial Institution(s)”	:	The participating financial institution(s) for Electronic Share Application as listed in Section XIII of this Prospectus																		
“PAT”	:	Profit after taxation																		
“PBT”	:	Profit before taxation																		

DEFINITIONS (CONT'D)

“PE Multiple(s)”	:	Price earnings multiple(s)
“PIAM”	:	Persatuan Insuran Am Malaysia
“Prescribed Security”	:	Ordinary shares of a company prescribed by Bursa Securities to be deposited into the CDS
“Price Determination Date”	:	Tentatively 11 January 2005, the date on which the Institutional Price is to be determined
“Public Ballot Portion”	:	40,000,000 KAB Shares available for application by the Malaysian public
“Restructuring and Listing Scheme”	:	Collectively, the Restructuring Exercise, Offer for Sale and Listing
“Restructuring Exercise”	:	Collectively, the Declaration of Dividend, Acquisition of KIMB, Non-Renounceable Rights Issue and KDSB Capital Repayment
“Retail Offering”	:	500,500,000 Offer Shares, subject to clawback and reallocation as detailed in Section III(8) of this Prospectus to be offered to the Malaysian public, eligible Directors, employees and registered agents of the Kurnia Group in Malaysia and the Bumiputera investors approved by the MoF
“Retail Price”	:	The initial price of RM1.00 per Share to be fully paid by applicants pursuant to the Retail Offering
“Rules”	:	Rules of Bursa Depository
“SC”	:	Securities Commission
“SC Guidelines”	:	Policies and Guidelines on Issue/Offer of Securities issued by the SC
“SC (FIC)”	:	Equity Compliance Unit of the SC (for and on behalf of the Foreign Investment Committee)
“sq. ft.”	:	Square feet
“Underwriters”	:	CIMB, K&N Kenanga Bhd, PM Securities Sdn Bhd, Affin Securities Sdn Bhd and TA Securities Holdings Berhad
“Underwriting Agreement”	:	Underwriting agreement dated 21 December 2004 entered into between the Company and the Underwriters to underwrite 50,000,000 Offer Shares to be offered pursuant to the Retail Offering
“RM and sen”	:	Ringgit Malaysia and sen respectively, being the lawful currency of Malaysia

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