



BP PLASTICS HOLDING BHD

(Company No: 644902-V)
(Incorporated in Malaysia under the Companies Act, 1965)

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PROSPECTUS



BP PLASTICS HOLDING BHD

(Company No: 644902-V)
(Incorporated in Malaysia under the Companies Act, 1965)

PUBLIC ISSUE OF 8,000,000 NEW ORDINARY SHARES OF RM0.50 EACH AT AN ISSUE PRICE OF RM1.20 PER NEW ORDINARY SHARE PAYABLE IN FULL ON APPLICATION COMPRISING:-

- 2,000,000 NEW ORDINARY SHARES OF RM0.50 EACH AVAILABLE FOR APPLICATION BY ELIGIBLE EMPLOYEES AND INDEPENDENT NON-EXECUTIVE DIRECTORS OF BP PLASTICS HOLDING BHD AND ITS SUBSIDIARIES;
- 6,000,000 NEW ORDINARY SHARES OF RM0.50 EACH AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC; AND

OFFER FOR SALE OF 36,000,000 ORDINARY SHARES OF RM0.50 EACH RESERVED FOR BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY AT AN OFFER PRICE OF RM1.20 PER ORDINARY SHARE PAYABLE IN FULL ON APPLICATION

PURSUANT TO THE LISTING OF BP PLASTICS HOLDING BHD ON THE MAIN BOARD OF BURSA MALAYSIA SECURITIES BERHAD (FORMERLY KNOWN AS MALAYSIA SECURITIES EXCHANGE BERHAD); AND

OFFER OF EMPLOYEE SHARE OPTION SCHEME OPTIONS IN BP PLASTICS HOLDING BHD TO ITS NON-EXECUTIVE DIRECTORS



Adviser And Joint Managing Underwriter:



Aseambankers Malaysia Berhad (15938-H)

Joint Managing Underwriter:



(A Participating Organisation of Bursa Malaysia Securities Berhad) (113195-W)

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

This Prospectus is dated 24 January 2005

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS, PROMOTERS OF BP PLASTICS HOLDING BHD (COMPANY NO. 644902-V) ("BPP HOLDING" OR "THE COMPANY") AND THE OFFERORS 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 HEREIN FALSE OR MISLEADING. THE DIRECTORS OF BPP HOLDING HEREBY ACCEPT FULL RESPONSIBILITY FOR THE CONSOLIDATED PROFIT FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE CONSOLIDATED PROFIT FORECAST HAVE BEEN PREPARED BASED ON ASSUMPTIONS MADE.

ASEAMBANKERS MALAYSIA BERHAD, BEING THE ADVISER, JOINT MANAGING UNDERWRITER AND ONE OF THE UNDERWRITERS 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 IS SATISFIED THAT THE CONSOLIDATED PROFIT FORECAST (FOR WHICH THE DIRECTORS OF BPP HOLDING 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 DULY 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 DISCLAIMS 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 THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

BURSA MALAYSIA SECURITIES BERHAD SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF BPP HOLDING 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.

INDICATIVE TIMETABLE

SPECIAL EVENTS	TENTATIVE DATE
OPENING OF THE PUBLIC ISSUE/OFFER FOR SALE	: 26 January 2005
CLOSING OF THE PUBLIC ISSUE/OFFER FOR SALE	: 7 February 2005
TENTATIVE BALLOTING DATE	: 14 February 2005
TENTATIVE ALLOTMENT DATE	: 17 February 2005
TENTATIVE LISTING DATE	: 23 February 2005

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 7 FEBRUARY 2005 OR SUCH OTHER DATE OR DATES AS THE DIRECTORS OF BPP HOLDING AND/OR THE OFFERORS TOGETHER WITH THE JOINT MANAGING UNDERWRITERS MAY MUTUALLY DECIDE. SHOULD THE APPLICATION PERIOD BE EXTENDED, THE DATES FOR THE BALLOTING AND ALLOTMENT OF THE PUBLIC ISSUE SHARES AND OFFER FOR SALE SHARES AND THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED AND FULLY PAID-UP SHARE CAPITAL OF BPP HOLDING ON THE MAIN BOARD OF BURSA MALAYSIA SECURITIES BERHAD 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:-

“Acquisitions”	:	Collectively, the Acquisition of BP Plastics and the Acquisition of BP Packaging
“Acquisition of BP Plastics”	:	Acquisition of the entire issued and paid-up share capital of BP Plastics by BPP Holding for a purchase consideration of RM37,829,955 satisfied by the issuance of a total of 75,658,000 new BPP Holding Shares at approximately RM0.50 per BPP Holding Share, which was completed on 7 August 2004
“Acquisition of BP Packaging”	:	Acquisition of the entire issued and paid-up share capital of BP Packaging by BPP Holding for a purchase consideration of RM449,214 satisfied by the issuance of a total of 898,000 new BPP Holding Shares at approximately RM0.50 per BPP Holding Share, which was completed on 7 August 2004
“Acquisition Shares”	:	The 76,556,000 new BPP Holding Shares issued pursuant to the Acquisitions
“Acquisition of Shares by LG Capital”	:	Acquisition by LG Capital of 1,427,477 ordinary shares of RM1.00 each representing 71.38% of the equity interest in BP Plastics from the Vendors for a total purchase consideration of RM1,427,477 duly satisfied by an issuance of 1,427,477 new ordinary shares of RM1.00 each in LG Capital to the Vendors, which was completed on 4 August 2004
“Act”	:	The Companies Act, 1965 or any statutory modification, amendment or re-enactment thereof for the time being in force
“ADA”	:	Authorised Depository Agent
“ADA Code”	:	ADA (Broker) Code
“AFTA”	:	ASEAN Free Trade Area
“Application(s)”	:	Application(s) for the Issue Shares and/or Offer Shares by way of Application Form or by way of Electronic Share Application
“Application Form(s)”	:	The printed application(s) form for the application of the Issue Shares and Offer Shares accompanying this Prospectus
“Approved Market Place”	:	A stock exchange which is specified to be an approved market place in the Securities Industry (Central Depositories) Exemption (No. 2) Order 1998
“Aseambankers”	:	Aseambankers Malaysia Berhad (15938-H)
“ASEAN”	:	Association of Southeast Asian Nations
“ATM”	:	Automated Teller Machines

DEFINITIONS (Cont'd)

“Board” or “Directors”	: The Board of Directors of BPP Holding
“BPP Holding” or “Company”	: BP Plastics Holding Bhd (644902-V)
“BPP Holding Group” or “the Group”	: BPP Holding and its Subsidiary Companies
“BPP Holding Shares” or “Shares”	: Ordinary shares of RM0.50 each in BPP Holding
“BP Packaging”	: BP Packaging Sdn Bhd (540196-U)
“BP Plastics”	: BP Plastics Sdn Bhd (221104-W)
“Bursa Depository” or “the Depository”	: Bursa Malaysia Depository Sdn Bhd (165570-W) (Formerly known as Malaysian Central Depository Sdn Bhd)
“Bursa Securities”	: Bursa Malaysia Securities Berhad (635998-W) (Formerly known as Malaysia Securities Exchange Berhad)
By-Laws	: The rules, regulations, terms and conditions of the ESOS scheme
“CDS”	: Central Depository System
“Central Depositories Act”	: The Securities Industry (Central Depositories) Act, 1991 or any statutory modification, amendment or re-enactment thereof for the time being in force
“Deposited Security”	: A security in the Company standing to the credit of a Securities Account of a Depositor subject to the provisions of the Central Depositories Act and the Rules
“Depositor”	: A holder of a Securities Account
“EBITDA”	: Earnings Before Interest, Tax, Depreciation and Amortisation
“Electronic Share Application”	: Application of the Issue Shares through a Participating Financial Institutions’ ATMs
“Eligible Employees”	: Eligible employees of BPP Holding Group who are in service as at 3 January 2005
“EPS”	: Earnings Per Share
“ESOS”	: Employee Share Option Scheme
“ESOS Options” or “Options”	: The right to subscribe for new BPP Holding Shares of the Company upon acceptance of an offer under the BPP Holding ESOS
“Euro” or “EUR”	: The currency of European Union countries
“FIC”	: Foreign Investment Committee
“FYE”	: Financial Year Ended/Ending
“GDP”	: Gross Domestic Product
“Issue/Offer Price”	: The price of RM1.20 per Issue Share/Offer Share

DEFINITIONS (*Cont'd*)

“Issue Shares”	:	The 8,000,000 new BPP Holding Shares to be issued pursuant to the Public Issue
“Listing”	:	Admission to the Official List and listing of and quotation for the entire issued and fully paid-up share capital of BPP Holding comprising 120,000,000 BPP Holding Shares on the Main Board of Bursa Securities
“Listing Requirements”	:	The Listing Requirements of Bursa Securities
“LG Capital”	:	LG Capital Sdn Bhd (645761-D)
“Malaysian Public”	:	Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
“Market Day”	:	Any day between Mondays and Fridays which is not a market holiday or public holiday
“MI”	:	Minority Interest
“MIDFCCS”	:	MIDF Consultancy And Corporate Services Sendirian Berhad (11324-H)
“MITI”	:	Ministry of International Trade and Industry
“MOF”	:	Ministry of Finance
“NTA”	:	Net Tangible Assets
“Offerors”	:	Lim Chun Yow, Tan See Khim and Hey Shiow Hoe
“Offer For Sale” or “OFS”	:	Offer for sale of 36,000,000 BPP Holding Shares by the Offerors at an offer price of RM1.20 per BPP Holding Share to Bumiputera investors approved by MITI
“Offer Shares”	:	The 36,000,000 BPP Holding Shares being the subject of the Offer For Sale
“p.a.”	:	Per annum
“Participating Financial Institutions”	:	Participating financial institutions for Electronic Share Applications as listed in section 18.8 (o) of this Prospectus
“PAT”	:	Profit After Taxation
“PBT”	:	Profit Before Taxation
“PE Multiple”	:	Price Earnings Multiple
“Public Issue”	:	Issue of 8,000,000 new BPP Holding Shares at an issue price of RM1.20 per new BPP Holding Shares payable in full upon Application subject to the terms and conditions of this Prospectus
“Record of Depositors”	:	A record provided by the Depository to the Company under Chapter 24 of the Rules
“Revaluation of Landed Properties”	:	Revaluation of the landed properties resulting in the revaluation surplus amounting to RM2,353,896 in connection with the Acquisition of BP Plastics

DEFINITIONS (Cont'd)

“Rights Issue”	:	Renounceable rights issue of 34,444,000 new BPP Holding Shares at the rights price of RM0.50 per Share to shareholders of BPP Holding after the Acquisitions
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“ROC”	:	Registrar of Companies
“Rules”	:	The Rules of the Depository or any statutory modification, amendment or re-enactment thereof for the time being in force
“R&D”	:	Research and Development
“SC”	:	Securities Commission
“SC Act”	:	Securities Commission Act, 1993
“SC Guidelines”	:	Policies and Guidelines on Issue/Offer of Securities of the SC or any statutory modification, amendment or re-enactment thereof for the time being in force
“Securities Account”	:	An account established by the Depository for a Depositor for the recording of deposit of securities and for dealing in such securities by the Depositor
“SPA”	:	Sale and Purchase Agreement
“Subsidiary Companies”	:	BP Plastics and BP Packaging
“Substantial Shareholders” or “Promoters”	:	LG Capital, Lim Chun Yow, Tan See Khim and Hey Shioh Hoe, the substantial shareholders of BPP Holding, holding 5% or more of the issued and fully paid-up share capital of the Company
“Underwriting Agreement”	:	The Underwriting Agreement entered into between BPP Holding, Aseambankers, Mercury Securities Sdn Bhd, Mayban Securities Sendirian Berhad and M&A Securities Sdn Bhd on 3 September 2004 in relation to the underwriting of the Issue Shares
“USD”	:	The United States Dollar
“Vendors”	:	Lim Chun Yow, Tan See Khim and Hey Shioh Hoe

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include corporation, unless otherwise specified.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of a day in this Prospectus shall be a reference to Malaysian time, unless otherwise stated.

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